hausInvest europa

Open-Ended Real Estate Fund

Annual Report 2009/2010 as at 31 March 2010

# In the Heart of the Market.

Westfield, London

# Short Profile

With 102 properties and 10.90 billion € in assets under management (as at 31 March 2010), *hausInvest europa* is the largest open-ended real estate fund in Europe. Since 80 % of the real estate assets are situated abroad, *hausInvest europa* is able to exploit the economic cycles of many different locations. The consistently European strategy contributes decisively to the Fund's capital growth.

# At a Glance

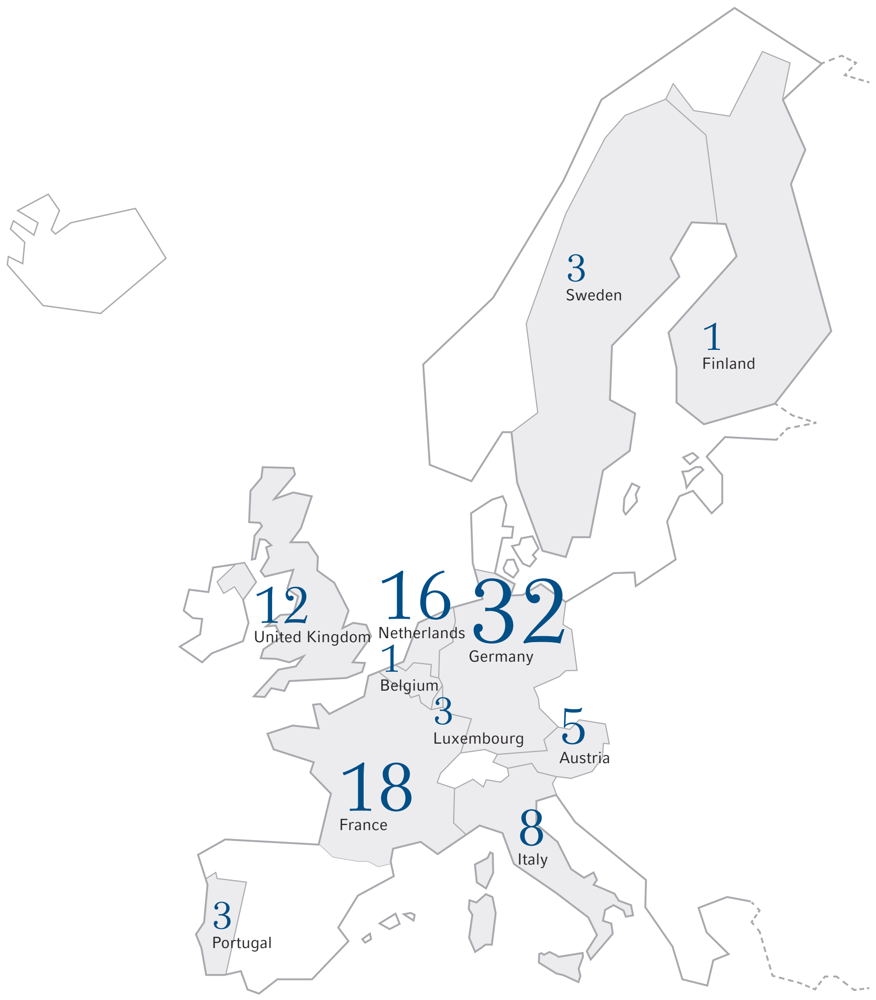
Key ratios *hausInvest europa* — in MM €

| ISIN: DE 000 980 701 6<br>WKN (securities number): 980 701 | As at 31/03/2010[1] | As at 31/03/2009[1] | As at 31/03/2008[1] | As at 31/03/2007[1] |
|---|---|---|---|---|
| Real Estate | **7,911** | 7,242 | 7,451 | 7407 |
| Interests held in real estate companies | **1,557** | 1,360 | 1,180 | 1,236 |
| Cash and cash equivalents | **3,084** | 1,731 | 3,677 | 2,517 |
| Miscellaneous assets | **838** | 783 | 615 | 508 |
| ./. Liabilities and provisions | **-2,495** | -2,297 | -2,799 | -3,130 |
| **Fund assets** | **10,895** | 8,819 | 10,124 | 8538 |
| **Real assets** | **10,216** | 9,283 | 9,208 | 9,172 |
| thereof directly held | **7,911** | 7,242 | 7,451 | 7,407 |
| thereof held through real estate companies | **2,305** | 2,041 | 1,757 | 1,765 |
| Real estate outside Germany | **8,176** | 7,550 | 7,562 | 7,606 |
| thereof directly held | **6,343** | 5,786 | 6,016 | 5,985 |
| thereof held through real estate companies | **1,833** | 1,764 | 1,546 | 1,621 |
| Real estate inside Germany | **2,040** | 1,733 | 1,646 | 1,566 |
| thereof directly held | **1,568** | 1,456 | 1,435 | 1,422 |
| thereof held through real estate companies | **472** | 277 | 211 | 144 |
| **Changes in net funds** | **2,099** | -1,370 | 1,244 | 392 |
| **Number of Fund properties (directly and indirectly held)** | **102** | 91 | 84 | 81 |
| thereof held through real estate companies | **21** | 17 | 13 | 9 |
| thereof abroad | **70** | 63 | 56 | 53 |
| **Changes during the reporting period (including transfers of rights and duties)** | | | | |
| Acquisitions (number) | **12**[2] | 9 | 10 | 1 |
| Dispositions (number) | **1** | 2[3] | 7 | 44 |
| **Occupancy rate (by balance sheet date)** | **93.9 %** | 95.6 % | 95.0 % | 91.2 % |
| **Redemption price per share, in EUR** | **43.22** | 43.47 | 43.14 | 41.66 |
| Redemption price per share, in EUR | **45.38** | 45.64 | 45.30 | 43.74 |
| **Distribution in MM €**[4)] | **441** | 355 | 370 | 276 |
| Coupon number | **37** | 36 | 35 | 34 |
| Number of shares outstanding (in million pieces) | **252** | 203 | 235 | 205 |
| Distribution date | **21/06/2010** | 15/06/2009 | 16/06/2008 | 18/06/2007 |
| Redemption price per share, in € | **1.75** | 1.75 | 1.75 | 1.35 |
| **Total Expense Ratio (TER)** | **1.04 %** | 0.69 % | 0.74 % | 0.71 % |
| **Return on Investment (BVI method)**[4] | **3.6 %** | 5.0 % | 7.0 % | 4.4 % |
| Profit on real estate (equity capital) | **5.3 %** | 5.9 % | 9.0 % | 5.4 % |
| Profit from liquidity portfolio operations | **2.1 %** | 4.3 % | 4.4 % | 3.7 % |
| **Tax-exempt share of the ROI**[6] | **52.5 %** | 73.6 % | 73.0 % | 77.4 % |
| **Performance since Fund was launched in 1972**[5)] **(BVI method)** | **854.7 %** | 821.8 % | 778 % | 721 % |

[1] Refers to the respective financial year beginning 1 April of a given year and ending 31 March of the year following
[2] In addition, part land was acquired in the case of two properties.
[3] In addition, part land was sold in the case of one property.
[4] On the basis of the shares outstanding by the distribution date (previous years) or by the balance sheet date of 31 March 2010, respectively.
[5] Not counting the up-front fee, with distributions instantly reinvested.
Past performance is not indicative of future returns.
[6] Not included in the Statement of the Independent Auditor.

# Geographic Spread of the Fund Real Estate

Number of properties

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European office real estate markets

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Returns and Valuations

**Belgium**
Assets: 1
Share: 1.8 %
Return[1]: 5.4 %
FMV[2]: 180,850 k €

**Germany**
Assets 32
Share: 20.0 %
Return[1]: 5.6 %
FMV[2]: 2,039,782 k €

**Finland**
Assets: 1
Share: 1.2 %
Return[1]: 5.9 %
FMV[2]: 118,912 k €

**France**
Assets 18
Share: 24.3 %
Return[1]: 3.6 %
FMV[2]: 2,485,360 k €

**United Kingdom**
Assets: 12
Share: 23.1 %
Return[1]: 6.9 %
FMV[2]: 2,359,867 k €

**Italy**
Assets: 8
Share: 7.4 %
Return[1]: 7.6 %
FMV[2]: 751,330 k €

**Luxembourg**
Assets: 3
Share: 2.2 %
Return[1]: 3.3 %
FMV[2]: 227,980 k €

**Netherlands**
Assets: 16
Share: 11.2 %
Return[1]: 5.6 %
FMV[2]: 1,145,410 k €

**Austria**
Assets: 5
Share: 1.3 %
Return[1]: 2.1 %
FMV[2]: 136,761 k €

**Portugal**
Assets: 3
Share: 2.1 %
Return[1]: 2.2 %
FMV[2]: 216,270 k €

**Sweden**
Assets: 3
Share: 5.4 %
Return[1]: 3.5 %
FMV[2]: 553,050 k €

[1] Return on Capital Employed (ROCE)
[2] FMV = fair market value

» By 31 March 2010, *hausInvest europa* had once again realised a positive return on investment of 3.6 % on an annual basis. The sound return is yet another proof of the Fund's quality as a stable-valued investment – even during economically turbulent times. «

Michael Bücker (Spokesman)

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**MAGAZINE**

Let us introduce you to some of the people for whom our properties have become like a second home. Join us on a tour to find out more about the stories that our tenants and our properties have to tell.

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**MISCELLANEOUS**



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**KEY**

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10:12 am

## Place d’Iéna

# Paris

**Mick Chu**
Managing Director of Nomura Bank France,
tenant at our property Place d’Iéna, Paris.

Paris, 10:12 am. Mick Chu enters the room at a brisk pace. “Please accept my apologies for the twelve-minute delay,” says the Head of Nomura Bank France. His is the world of figures, and so he takes them very seriously.

**Paris is always a big help**

These are exciting days for bankers. “I expect the financial world to undergo another fundamental shift any day now,” confirms Mick Chu. Actually, a line like this ought to make him nervous, not least because the 41-year old Briton, son of a Chinese father and an Italian mother, used to be a senior manager with Lehman Brothers. At the outset of the financial crisis, he was working in the eye of the tornado. Yet Mick Chu is remarkably calm. “You know what I find reassuring whenever things start going topsy-turvy?” he asks and walks over to the window of the office. He points outside. “Paris is always a big help,” he says, and suddenly this wizard of figures, efficiency incarnate, speaks in a very gentle voice.

Indeed, the view of the city in the morning light from the fifth floor of the office building on Place d’Iéna in the 16th Arrondissement is breathtaking. From here, Paris seems like a scale model of itself. The office commands a sweeping view all the way to Montmartre and Sacré Cœur, the Eiffel Tower seems close enough to grab – and in the garden you see the private 19th century tennis court of Gustave Eiffel himself. The location is exquisite, and among the other tenants who exploit the perks of this building, which was raised in 2000 and lavishly refurbished in 2008, is the French subsidiary of Apple.

“This place is predestined to be occupied by Nomura,” says Mich Chu as he points at two old pictures on the wall. The first one shows a photograph of Tokushichi Nomura who formed the bank in Osaka in 1919, the second one is a postcard that Nomura sent to Japan during a visit to Paris in 1908. “He revered Gustave Eiffel's art of civil engineering,” elaborates Mich Chu. “Now his bank has found this special domicile in Paris. This alone is stimulus enough for everyone at Nomura France to do their best every day.”
The time allocated for the meeting is almost up, and in a minute, Mick Chu will be on the go again. Next on the agenda is a video conference with colleagues worldwide. Yet he takes the time to take another look at Paris and at the Eiffel Tower. After a brief moment of reflection he comments: “It is always a good thing during volatile times to have something of permanence to look at.” //

## Prime location

in the heart of Paris

Property: Place d’Iéna
Gross lettable area: 11,739 sqm
Type of use: 94.0 % office
Occupancy rate: 69.9 %
Fair market value: 161.3 MM €

City with a 2000-year history – providing consistency even in turbulent times.

*» Tokushichi Nomura's Bank chose this special domicile in Paris. This alone is stimulus enough for everyone at Nomura France to do their best every day. «*

Mick Chu, Managing Director of Nomura Bank France

02:35 pm

## ITO Toren

# Amsterdam

**Roland de Thouars**
Chef at Restaurant Gustavino,
a tenant at our property ITO Toren,
Amsterdam.

*» Architecture is an art – and so is cooking. If you excel in either area you will know how to combine clarity and sophistication. «*

**Roland de Thouars, Chef at Gustavino restaurant**

Levity and transparency – the style of Japanese architect Toyo Ito is unmistakeable.




Paris, 02:35 pm. Roland de Thouars takes a deep breath The last lunch guest has been served – time for a break. Even the chef gets a moment to himself.

**The centrepiece of the city's new South**

Just ten minutes ago, the wiry 53-year old chef was still whirling through his open-plan kitchen. Right before the eyes of his guests at Gustavino's, he devotes himself lovingly to the finishing touches of a pizza topped with pumpkin and sweet oregano, creating sophisticated dishes with clams or Jerusalem artichokes. The pace was breakneck, the focus razor-sharp.

His genteel restaurant, which seats 160, is located on the ground floor of the ITO Toren high-rise. Come lunch or supper time, the place tends to be packed to the last table. The workplace of de Thouars is located in the Amsterdam-Zuid borough, a booming business district almost six kilometres south of downtown. It is the turf of attorneys and corporate consultants, bankers and designers – and ITO Toren lies at the very heart of the quarter. Owing to its staircase-like, angled form, the roughly 100 m tall building, which opened for business in 2005, looks different from every angle: playful and glitzy on one side, cool and sober from another. The ITO tower was designed by a grand master of urban architectures, Toyo Ito from Japan. His designs are always sky-scraping artwork. For Roland de Thouars, the nature of the building was essential for his choice of location. The ambience has to be just right if the food is supposed to be enjoyed. “Architecture is an art – and so is cooking. Anyone who excels in either area will know how to combine clarity and sophistication. And since we are good at that, Gustavino's is booked out more often than not.”

De Thouars gained his sense of self not through any standard vocational training. He is self-taught, and takes pride in the fact. “Chefs of my ilk tend to do less yelling because we ourselves were rarely yelled at,” he explains in a very calm voice. Of course, you need hierarchies, “but there is no place for cholerics in my kitchen.”

His attitude befits the location, for Amsterdam-Zuid with its landmark ITO Toren is a business district with a definitely Dutch touch: less frenzied, and more bicycles than cars.

Gustavino's is the perfect place to combine business with pleasure – and the Dutch Crown Prince, a regular at the restaurant, sees it the same way. Does it cause the chef to miss a beat when he sees a member of the royal family at one of the tables? “No, it doesn't,” says Roland de Thouars and smiles mischievously, “he eats his pizza just like everybody else does – using fork and knife.” //

## Exclusive

Architecture:

Property: ITO Toren
Gross lettable area: 34,551 sqm
Type of use: 91.0 % office
Occupancy rate: 96.2 %
Fair market value: 171.3 MM €
Rental income during the 2009/2010 financial year
10.17 MM €

04:28 pm

## Westfield

# London

**Anna Moore**
Stylist, personal shopper, and tenant at our property Westfield Center, London.


Westfield. A shopping town more than a shopping mall.

London, 04:28 pm. Anna Moore has a clear-cut opinion when it comes to fashion. “Clothes must fit just so,” says the 37-year old blonde with the winning smile. “But above all, it must suit your type and personality.”

**A glassed-in city centre**

Thus, Anna Moore is uncompromising in advising her clients. “It is better to have just a few, but carefully chosen pieces of clothing” in your wardrobe, says Moore, a graduate of the London College of Fashion and personal shopper at the Westfield London shopping centre – Europe's largest downtown mall – who supports customers during their shopping sprees at any of the more than 265 stores.

Not just women, but men too, come into the discretely and elegantly decorated store of Ms. Moore. After graduation, she initially selected the outfits of models at fashion shows and photo shoots. “Some of my clients want a complete new outfit, others are trying to find a new look for a holiday or a business trip,” says Anna Moore. She gets things started by meeting the shopper for coffee to talk things over. Then it's off to the stores: trying on things that Anna Moore may even have picked for you ahead of time, making up your mind, pushing on to the next boutique, until eventually you have exactly the outfit you need.



*» What I like in particular: At the “Village,” the mall recreates London's noble Bond Street, at the “Atrium” the slightly more down-to-earth Oxford Street. Just minus the rain and the noisy traffic. «*

**Anna Moore, Stylist**


“It takes a lot of energy,” says the shopping consultant who has worked at the Westfield mall since it opened in 2008, “but it is fun.” It is important to her to do more than just take well-to-do ladies to designer boutiques. “Our customers come from all walks of life, some are average and some of higher income brackets, some women pencil-thin and others a little chunkier, men pressed for time or very pragmatic or simply mad about shopping.”

In addition to her hourly rate of 90 Pounds, Anna Moore estimates that her customers spend an average of 1000 Pounds during their shopping trip. Many come twice a year, for the summer and their winter clothes. “Most of them tell me afterwards that I actually helped them save money by pinpointing the perfect clothes right off – rather than having half of their things collect dust in their wardrobe.”

The Westfield Center is ideal for Anna Moore's job. She points down the corridor through the large window of her store. More than 40 boutiques of luxury brands such as Gucci, Dior, Prada, Versace or Louis Vuitton are located in the so-called Village. The expansive

22 million

first-year footfall

Property: Westfield.
Gross lettable area: 152,663 sqm
Type of use: 100.0 % retail
Occupancy rate: 100.0 %
Market value (pro rata) 824.2 MM£
Rental income during the 2009/2010 financial year
80.91 MM £

aisles are dominated by gold, silver and plenty of glass, creating a genteel and yet discrete atmosphere enhanced by a champagne bar. A short walk away is the so-called Atrium where you will find trendy brands such as Hollister, Cos, or Zara. “This accomplished mixture enables me to cover an entire spectrum of clothes and styles,” Anna Moore happily explains.

The retail spectrum is further complemented by four anchor tenants and department stores such as Marks & Spencer, Debenhams, Next, and House of Fraser, covering all price categories. “What I like in particular: In the Village, the mall recreates London's noble Bond Street, in the Atrium the slightly more down-to-earth Oxford Street. Just minus the rain and the noisy traffic,” says Anna Moore, and emits a bright peal of laughter.

The Westfield is located less than five kilometres west of London's inner city, and accessible in a 40-minute commute for 4.9 million Londoners. The impression of a vibrant, downtown mall is enhanced by the profusion of daylight that penetrates the many curving and seemingly weightless rooftops. “I feel right at home here,” says Anna More as she brushes a strand of blond hair from her face. “It is nice and bright here, and I can stay right here with my customers to grab something to eat or drink after shopping.” The restaurants and cafés of the Westfield mall – there are about 50 of them – have one thing in common despite their vast variety of culinary delights: They focus on high quality. This is not incidental, for the mall management has laid down clear rules: No paper plates, nor plastic cups, foods are supposed to be prepared fresh and with a love of detail. On the southern terrace, for instance, you will find well over a dozen restaurants whose open expanses command a view of a lengthy fountain and an evergreen richly flowering wall of plants.

The entire quarter surrounding the mall benefits from the new infrastructure. Indeed, the shopping centre has brought more life to the neighbourhood. With its construction, the investors put money into a slightly deteriorated district that includes poorer residential areas along with more affluent ones. The mall has financed some council housing and a modern open library at the edge of the premises. Just a few metres from the mall, by the way, a Jamie Oliver restaurant will open before the end of this year.

Moreover, the quarter's connectivity has improved. The M41 motorway has always passed the site, and the underground car park of the mall offers plenty of parking. But most locals will take the tube to get here. After all, the Westfield is connected to two tube stations, and it actually includes its very own bus/coach stop.

Underlying the mall is a sophisticated concept, the stores are cleverly arranged, and the ambience feels just right: All the prerequisites are in place for the work of Anna Moore, who became enthused about good taste in fashion after watching the Audrey Heburn film “Funny Face” as a teenager. “My clients and I have to feel good when we go shopping,” says Anna Moore. “Here, everything is perfectly in sync. Basically, the Westfield Center is like a well-functioning small town that brings global brands and international guests together.”//



*» Here, everything is perfectly in sync. The Westfield Center is basically like a well-functioning small town that brings global brands and international guests together. «*

**Anna Moore, Stylist**

In clothes touch. Anna Moore trusts her senses when it comes to the right look.

06:54 pm

## Berlin, Hotel de Rome

# Berlin

**Stefanie Brückner**
Director Sales and Marketing,
Hotel de Rome, Berlin tenant of our
property The Rocco Forte Collection

*» It makes me happy every single day to get to work in such a beautiful and unique hotel. «*

**Stefanie Brückner, Director of Sales and Marketing, Hotel de Rome**

Five stars make perfection mandatory, down to the tie knot.

Berlin, 06:54 pm. Berlin Cathedral, Humboldt University, Museum Island, and the State Opera – whenever Stefanie Brückner takes in the panoramic view from the rooftop terrace of the Hotel de Rome it is almost like a miniature tour of the city's sights.

**Fascinating blend of past and present**
"Our location is unique – and so is the architecture of the building," says the 40-year-old Marketing Director of the hotel on Bebelplatz, originally built as seat of Dresdner Bank in 1889, and later the seat of the East German Treasury. Standing in the generous and bright lobby of the building whose classic architecture and contemporary interior design blend in an exiting combination, the smartly dressed Director, a trained hotel manager, points at the lavish design of the skylights. "Will you look at the lovely light." Through a wide doorway you can see the chandeliers of the ballroom flash, which used to be the bank lobby. Concierges in fine suits are moving down wide corridors to fulfil any wish the guests might think of – from a private sightseeing tour all the way to tickets to sold-out concerts.

In addition to the outstanding service, there are plenty of other special reasons that Stefanie Brückner can field to entice private individuals and corporate clients the world over to come stay in one of the 103 rooms or 43 suites. "The Hotel de Rome scores in terms of authenticity," she explains. "When redeveloping the building, the architects sought to preserve the historic details as much as possible." The outcome is a fascinating medley of past and present, including marble columns and five-metre ceilings. "The hotel reflect the nature of the city of Berlin, where history and modernity come together in ways found nowhere else."

A case in point is one of the four historic suites, which the founder of Dresdner Bank, Eugen Gutmann, used as his office in the late 19th century. Stefanie Brückner lets her hand travel over the wooden wainscoting and points at indentations of various size. "These are traces that shrapnel left during the war," she elaborates. "We decided to leave them in the wood to make the hotel's history more palpable." This sort of authenticity sets the Hotel de Rome apart from other five-star hotels. "Anyone who has ever spent the night here keeps coming back," says Stefanie Brückner. Where else could guests take a dip in a 20-metre pool that used to serve as jewellery vault? "Our house exudes a sense of history," she adds. "It makes me happy every single day to get to work in such a beautiful and unique hotel." //



Architectonic heirloom from imperial times.

20 years

Lease contract

Property: Berlin, Hotel de Rome
Gross lettable area: 14,385 sqm
Type of use: 100.0 % hotel
Occupancy rate: 100.0 %
Fair market value: 79.3 MM €

09:16 pm

## Orio Center

# Bergamo

**Daniele Aresi**
Store Manager Tenant at our property
Orio Center, Bergamo

Bergamo, 09:16 pm. The building has a heartbeat of its own. Daniele Aresi can feel it. At night, just as the stores begin to close, a last-minute frenzy grabs hold of the Orio Center in Bergamo.

100 %

Occupancy

Property: Orio Center
Gross lettable area: 52,089 sqm
Type of use: 100.0 % retail
Fair market value: 318.6 MM €
Rental income during the 2009/2010 financial year 20.26 million €

**Shopping the Italian way**

The young Italian who is in charge of brands such as Benetton at the mall is having what might well be his eighth cup of "caffé" just before calling it a day. He is standing at an espresso bar, looking through the vast glass front of the mall that frames an impressive panorama of the Alps. An apparel seller, Daniele Aresi has shoulder-length black hair; shirt and tie are immaculate even this late in the day. His conversational style is marked by tempestuousness and florid gestures.

"We Italians are mad about fashion," he says. "No matter what the occasion, we always hunt for the perfect outfit, from the lapel handkerchief down to the shoes." He hastily slurps the dregs of his coffee, for he has to hurry back to his store. "This is where I want my career to take off," he says.

Aresi believes that the Orio Center is just the right place for it. This shopping hub is considered a prestigious location because of its sheer size, its public events – last year, artists displayed 4,500 animal sculptures made from recycled plastic – and its many international brands, but above all because of its footfall of 60,000 customers per day. Last year, the mall realised nearly 500 million Euro.

Shoppers from surrounding areas use the motorway going past the mall, which dons a green/orange light design at night that makes it very conspicuous. From the international airport next door you can actually walk over to Orio Center, while locals take advantage of the buses that commute to Bergamo every ten minutes. Up to 3,000 customers find their way into Daniele Aresi's store every day. Which is good for sales – and for his career.

Still, the career takes a back seat to another coffee break. "Italians will do nothing without their coffee," explains Aresi with a grin. To be sure, there is an espresso bar in every nook and corner of the mall, and true to tradition, shoppers take their coffee standing up.

For Alesi, the first cup in the morning remains something special because at this time the pulse of the shopping paradise still beats slowly. "At that time, women tend to do their shopping who bring time and the right sensitivity for taking your advise." The quiet time ends around noon, at the latest. Staff from the surrounding offices rush to the restaurants and stores. In the afternoon, families congregate for a stroll, couples meet for a rendezvous, teenagers prowl the premises to kill time. The flow of people takes no incidental routes through the building, but is channelled by a sophisticated orchestration. Every-day street wear is grouped with convenience goods such as food stores, exclusive labels are in close proximity to jewellers.

He cannot recall a quiet day at Orio Center, says Daniele Aresi. But naturally he will always make time available for an espresso. "After all, this is Italy." //

*» We Italians are mad about fashion. No matter what the occasion, we always hunt for the perfect outfit, from the lapel handkerchief down to the shoes. «*

**Daniele Aresi, Store Manager**


(Top) Daniele Aresi: Charm and temper evenly divided.

(Bottom right) In the evening, a colourful display draws shoppers to Italy's largest mall.

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## Note to Our Investors

# Management Report

## Dear Investor,

On the foregoing pages, we introduced you to some of the tenants that prosper in the properties of *hausInvest europa* because they found just the right environment for their companies. These are just some exemplary cases from among roughly 1,700 tenants that our asset management takes care of. For you as investor of the Fund – and thus in an expanded sense – its owner and lessor, this combination of Class A properties and a broad-based tenancy has earned positive returns since 1972, year after year. True to this tradition, *hausInvest europa* realised a positive annualised return on investment (ROI) of 3.6 % by 31 March 2010 (calculated using the BVI method). The sound result is yet another proof of the Fund's quality as a stable-valued investment even in economically turbulent times.

To ensure that *hausInvest europa* remains as attractive as it has been for incumbent and prospective tenants, we are constantly working toward a further expansion and improvement of our real estate portfolio. During the reporting period just concluded, new investments were added to the Fund portfolio of *hausInvest europa*, 8 of them directly held, and 4 held through real estate companies. Among them are the Fund's first asset in Finland and a high-yield investment in the greater Paris area. Also, we acquired a property in Liverpool for the Fund that is let on a 30-year lease and certified according to the British BREEAM standard for ecologically sustainable buildings. Two out of three new acquisitions are located in European countries other than Germany, thereby contributing to a further diversification of the real estate portfolio. The commercial real estate of *hausInvest europa*, a total of 102 assets, is moreover spread across a broad basis of different types of use – including office, retail, hospitality, and logistics.

Notwithstanding the difficult economic parameters, the 2009/2010 financial year has counted among the most successful in terms of net absorption. By 31 March 2010, our asset management had successfully signed new or renewed leases for a an aggregate floor space of about 288,000 sqm. This helped to keep the occupancy rate, which equalled 93.9 % by the balance sheet date, on a high level.

By the end of the financial year, *hausInvest europa* kept a gross liquidity of 3.08 billion € on hand. This equals a liquidity ratio of 28.30 %, far exceeding the statutory minimum liquidity of 5 %. The financial year concluded has shown once again that an adequate liquidity buffer, combined with a superb liquidity management is indispensable for ensuring that possible redemption requests by investors can be met on any scale, any time. As this represents one of the desiderata for the product genre of open-ended real estate fund as a whole, we principally welcome the draft bill for an “Act to Enhance the Investor Protection and to Improve the Functional Integrity of the Capital Market” that was submitted by the German Ministry of Finance during the reporting period. The latter essentially focuses on a stronger investor protection in regard to long-term investment planning which hinges not least on the redeemability of the Fund shares. Living up to our responsibility as provider of the largest of German open-ended real estate fund, we play an active part in the ongoing legislative debate in the best interest of our investors.

## Outlook

The global economic crisis has caused several parameters of relevance for the business of *hausInvest europa* to shift in fundamental ways. This goes as much for the international real estate and capital markets as it does for the investor behaviour. The lasting success of the Fund is rooted in its ability to keep adjusting to the prevailing conditions on the ground from time to time. It is not the first time that the Fund has successfully weathered such paradigmatic shifts. Launched in 1972 as an investment fund focused exclusively on Germany, *hausInvest europa* has consistently committed itself in other countries in Europe since 1995 in order to exploit the stabilising effects of a wide asset spread. Today, the Fund has the largest foreign real estate portfolio of any German open-ended real estate fund, with assets located in eleven different countries. With an eye to the strategic redevelopment of *hausInvest europa*, the Fund's investment strategy will be expanded to include a global component as at 30 September 2010. According to the present strategy, a maximum of 15 % of the real assets will be invested outside Europe to achieve an attractive diversification of the portfolio. With a minimum share of 85 % of the real estate portfolio, Europe will remain the mainstay of the investment policy, though. The future strategy will thus enable us to diversify the Fund even further and to make it even less dependant on the economic fluctuations of individual locations. This will enhance the Fund stability on the whole. The expanded investment strategy will also make it possible for *hausInvest europa* to operate more flexibly on the international real estate markets and, to a limited extent, exploit growth potentials overseas. In order to take advantage of the new investment strategy right away, we decided to amalgamate our internationally oriented fund *hausInvest global* with *hausInvest europa* as at 30 September 2010. The merger will be greatly facilitated by the similarity of fund profiles: Either fund has a high-end, established and realistically appraised real estate portfolio characterised by high occupancy rates. Given the vast difference in size, about 87 % of the properties of the merged fund portfolios will be located in Europe at the time of the amalgamation. Without doubt, the Old World will remain the key investment focus of the merged Fund. With approximately 12 billion € in assets under management, this will create the largest open-ended real estate fund in Europe by far. The name of the new fund will be *hausInvest*. We are convinced that this strategic redevelopment will be the right way to ensure that the Fund remains an indispensable, sustainable basic investment for investor portfolios. Meanwhile, the market environment remains difficult. Then again, the recovery of national economies everywhere has gathered momentum since the end of 2009 – and will impact the real estate market with the customary delay. Assuming a sustained positive development, we expect the future *hausInvest* fund to report a return on investment of 3.5 % by the end of the financial year on 31 March 2011. At the same time, we confirm our target return of 5 %.

In November 2009, *hausInvest europa* was cited once again as best open-ended real estate fund targeting the European market, as it won the Scope Investment Award for the third consecutive time. The repeated citations mean that the permanently high quality and profitability of the Fund are confirmed even by external experts. In the eyes of the Scope jury, *hausInvest europa* did an excellent job mastering the particularly severe challenges of the past year and exploiting investment opportunities with an eye to the future. The successful track record of the Fund, in combination with the repeated top rating by Scope, goes to show how important it is to keep redeveloping a basic investment such as *hausInvest europa*, and to adjust to ever-shifting parameters. Winning the prestigious award will spur us in the 2010/2011 financial year, as in previous years, to make every effort to keep living up to our role as provider of the finest open-ended real estate fund in the Europe segment.

Erich Seeger

Hans-Joachim Kühl

Michael Bücker (CEO)

Roland Potthast

**THE MANAGEMENT** (left to right):
Erich Seeger, Hans-Joachim Kühl, Michael Bücker (CEO), Dr. Andreas Muschter (as at 1 June 2010), Roland Potthast

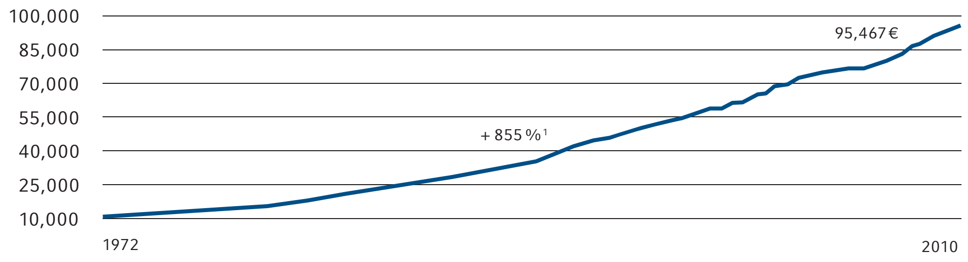
# *hausInvest europa* –
# a Long-Term Success Story

To be sure, many investment products are successful. The question that presents itself, though, is this: How sustainable is the success? Will the product remain successful even during times when the external drivers happen to be less than favourable? This is precisely where the art of good fund management comes in that will strive to realise an outstanding result under any kind of circumstances.

With a volume of more than 10 billion €, *hausInvest europa* counts among Europe's largest open-ended real estate funds. Several hundred thousand investors rely on the Fund as the stable anchor of their investment portfolio. And they have every reason to do so.

By offering a safety-oriented investment product, we pursue a clear-cut goal for *hausInvest europa*: to generate positive returns for our investors year after year. For 38 years now, we have therefore invested in premium commercial real estate such as e.g. office schemes, shopping centres, hotels, and logistics warehouses in economic hotspots all over Europe on behalf of this Fund. During boom cycles, stable economic growth periods, and turbulent times alike, *hausInvest europa* has reported a positive performance for its investors every year since its inception. If you invested in the Fund in 1972, the first year of the Fund, your investment will have experienced an appreciation of 855 % since (calculated using the BVI method).[1]

**Performance of an investment of 10,000 € (since Fund launch on 7 April 1972 – 31 March 2010)**




— *hausInvest europa*

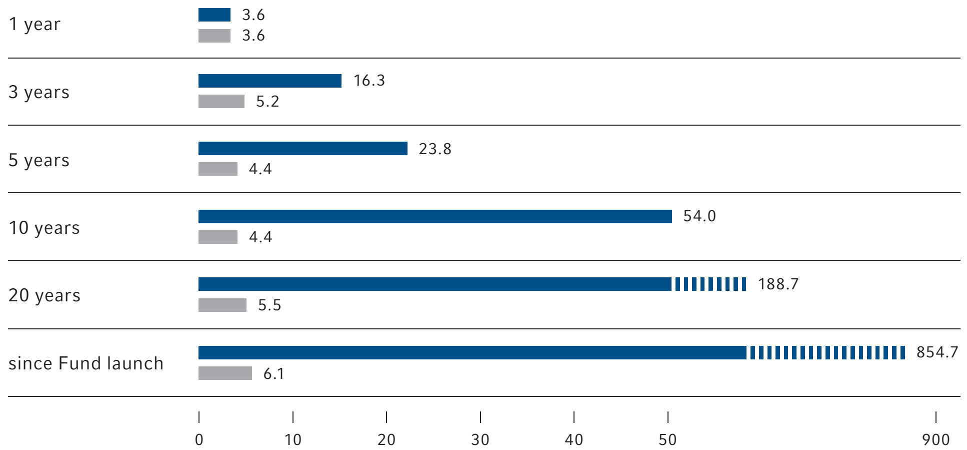
[1] 7 April 1972 (Fund launch) through 31 March 2010. Calculated using the BVI method (excluding up-front fee, assuming immediate reinvestment of the distribution). Past performance is not indicative of future returns.

This kind of success is hardly incidental. Rather, it is rooted in a safety-oriented investment strategy that is regularly adjusted to reflect the latest market conditions, and implemented on a daily basis in the best interest of our investors. The mainstays of this strategy have been in place for years: Class A properties of recent provenience, a wide spread of assets, long-term leases with high-net-worth companies from a variety of industries, and a responsible investment approach to cash assets.

The financial year just concluded was a demanding one. Indeed, *hausInvest europa* continues to navigate a difficult market environment. The Fund and its real estate are part of the market. Hence, it is impossible for the Fund to steer entirely clear of its economic influences. Yet we can employ a prudent investment strategy, our experience, and a forward-looking approach to lay the ground for an uninterrupted successful development of the Fund. The Fund performance shows that we managed to do exactly that last year, as in other years.

By 31 March 2010, *hausInvest europa* had achieved an annualised return of 3.6 % (calculated using the BVI method). The sound result is most conspicuously explained by the positive performance of the Fund real estate with a total real estate return of 5.3 %. But the interest earned on the liquid assets that the Fund keeps on hand in order to satisfy the redemption requests of its investors on demand, was above-average, and this despite the low interest rate level of 2.1 % for short-term cash investments. With an annualised performance of 3.6 % (calculated using the BVI method), the Fund outperformed not just other investment vehicles but also many other open-ended real estate fund.

**Performance of *hausInvest europa* as at 31 March 2010** in %



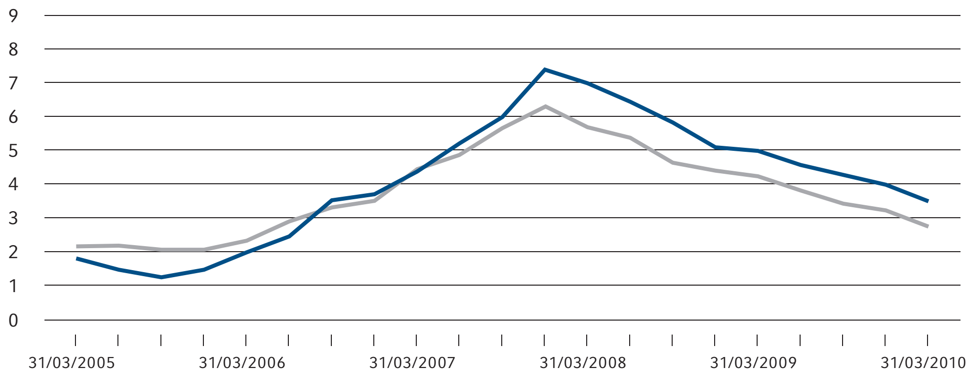

Calculated using the BVI method (excluding up-front fee, assuming immediate reinvestment of distributions) as at 31 March 2010. Past performance is not indicative of future returns.

Absolute performance over different investment periods

Average annual performance over various investment periods www.ipd.com

A direct comparison with the OFIX-10 suggests as much. This index maps the performance of all German open-ended real estate funds with a life cycle of at least ten years. Sine 2007, *hausInvest europa* has consistently exceeded the index level with its return on investment.

**Comparison of *hausInvest europa* with the OFIX-10 Index (31 March 2005–31 March 2010)** in %




OFIX-10 Index: This index maps the performance of all German open-ended real estate funds with a life cycle of at least 10 years.
Source: Investment Property Databank GmbH (www.ipd.com), Commerz Real AG

*hausInvest europa*
OFIX-10 Index

Arguably, the long-term success of *hausInvest europa* is historically proven. Especially in times of economic distress, the Fund can flaunt its potential of steady and stable returns, and thus its qualification as safe anchor of any investor portfolio.

Incumbent investors who have put their faith in the stability of *hausInvest europa* for many years were joined during the economically challenging past year by many new Fund investors. As indicated by the high cash inflow.

And so we will continue to dedicate ourselves fully to the perpetuation of the success story of *hausInvest europa*. This ambition will make it necessary to readjust the investment strategy to the shifting parameters of the market, and to keep redeveloping the Fund strategically. In fact, we have been doing so since the very Fund inception. Commerz Real Investmentgesellschaft mbH has decided to expand its investment strategy for *hausInvest europa* as at 30 September 2010, and to permit a maximum of 15 % of all investments outside Europe.



# Outlook for *hausInvest europa*

## Background on the Fund Merger

**_hausInvest europa_ – Redevelopment of the Investment Strategy**

In 1972, *hausInvest europa* was among the first open-ended real estate funds to be launched in Germany, and it takes pride in looking back on a 38-year history. Initially, *hausInvest europa* focused exclusively on real estate investments on the German market.

In 1995, we invested in another European country – the United Kingdom – for the first time. The idea was to ensure a wider spread of the real assets – and thus a sustainably stable performance – for *hausInvest europa*. This commitment was followed by acquisitions in the Netherlands, Sweden, France, and many other European countries. Meanwhile, *hausInvest europa* has become something of a “European” among Germany's open-ended real estate funds. Approximately 8.18 billion € of the real assets are invested in European countries other than Germany today. The strategy of a wider spread of the real assets has paid off in the form of solid, annually increasing returns for our investors, while bringing another, decisive advantage into play: Investing consistently in European countries outside Germany has substantially raised the tax-exempt share of the return on investment of *hausInvest europa* for private investors. Over the past ten years, the tax-exempt share accounted for about 70 % of the annual amount distributed. This makes *hausInvest europa* even more attractive, fiscally speaking, because investors pay taxes on a minor part of their share earnings only.

Even in times of the financial market crisis that began in late 2008, *hausInvest europa* demonstrated stability and reliability: By 31 March 2010, the annual performance equalled 3.6 % (calculated using the BVI method). Naturally, no one appreciates the reliability of our steady performance as much as our investors: During the 2009/2010 financial year, customers paid approximately 2 billion € in new capital into the Fund. This translates into an excellent liquidity basis for *hausInvest europa*. Current interest levels on the money market are at an all-time low, though. And for the times being, we can use liquid funds earmarked for the acquisition of new high-yield properties only in Europe. Yet prices for commercial real estate have stabilised in Europe, and have actually started climbing again in some regions. Special opportunities for the acquisition of attractive real estate with sound income potential – seen from a safety perspective – present themselves outside Europe. While remaining off limits for investors of *hausInvest europa* today, this is about to change.

### The Perks of Expanding the Investment Strategy

In order to exploit overseas opportunities to a limited extent, the investment strategy of *hausInvest europa* will be expanded to include a global component as at 30 September 2010. In the future, the Fund will be permitted to hold up to 15 % of the real assets outside Europe for the sake of optimising returns. With a minimum share of 85 % of the real estate portfolio, Europe will remain the mainstay of the present investment strategy, though, now as in the future. Indeed, the demonstrable stability of Europe will continue to serve as the uncontested foundation of the merged fund. The option to commit a minor share of the real estate assets outside Europe represents a plausible step in the right direction for *hausInvest europa*. It will boost the ongoing internationalisation and strategic redevelopment of the Fund. The step will also have practical benefits for the investor: The possibility of worldwide activities implies the chance to diversify the fund even more widely by expanding its geographic radius into high-yield real estate markets, and to make it even less dependant on the economic fluctuations of individual locations. The expanded investment strategy will also make it possible to convert the great liquidity basis of *hausInvest europa* more flexibly into real assets. More than ever before, the factor of an optimal risk/reward ratio will enter into the selection of new properties to be acquired. All things considered, the merger will enhance the conditions for a sustainably attractive performance.

### Fund Merger as at 30 September 2010

In order to let investors benefit from the new investment strategy right away, the Commerz Real Investmentgesellschaft mbH decided to amalgamate *hausInvest global*, a fund investing both inside and outside Europe, with *hausInvest europa* as at 30 September 2010. Given the difference in the proportions of the two funds, Europe – which will account for about 87 % of all real assets at the time of the fund merger – will remain the principal investment focus of the merged fund. The funds to be merged actually show a rather similar profile anyway: Either fund has a high-end, established and real estate portfolio appraised in line with current market levels and characterised by high occupancy rates.

### *hausInvest global* – a Proven Real Estate Portfolio

*hausInvest global* was launched in 2003 with the idea to combine European stability with international income opportunities. The Fund's investment strategy envisages commitments representing a portfolio value of up to 30 % each in the heartland of the European Union and in European growth markets – a group of countries currently including Germany, France, Spain, the Czech Republic, and Turkey, among others. Commitments equalling a real estate portfolio value of no more than 20 - 40 % each may be undertaken in economically robust regions of North America or Asia. The combination has paid off: Every financial year since the Fund launch, *hausInvest global* reported a positive return on investment.

It has evolved a Fund volume of approximately 1.58 billion € (23 properties) since shares sales started in 2004. This equals about one seventh of the fund volume of *hausInvest europa*. The long-term plans for a real estate portfolio spread with an optimised risk/reward profile will be impossible to realise, though, unless the Fund keeps growing and expanding its volume. That said, the experiences of the past three years suggest that a significant increase in the volume of *hausInvest global* is not to be expected in the medium term.

As it turns out, the investor interest in funds with a predominantly global orientation is subject to fluctuations. Especially since the onset of the financial market crisis, investors have put their faith in the security of European markets closer to home.

While funds with a mainly global strategy are often retained for reasons of diversity and portfolio optimisation, new commitments in this vehicle type are negligible. *hausInvest global* – unlike *hausInvest europa* with its present orientation – is in a position to use its global investment strategy to exploit particularly attractive international growth opportunities. Yet since its fund asset volume has ceased to grow for said reasons, *hausInvest global* finds itself unable to benefit as extensively as it should from the excellent purchasing conditions on markets worldwide.

With the fund merger, everything will fall into place. It will create optimal conditions for either fund and will let all *hausInvest* investors benefit from the new outlook.

### The Merged *hausInvest* – 12bn € in Assets under Management

The merger of *hausInvest europa* and *hausInvest global* is scheduled for 30 September 2010. The merger will create Europe’s largest open-ended real estate fund by far, with assets totalling approximately 12 billion €. On the basis of the figures of 31 March 2010, the portfolio will include 125 high-end commercial properties across 19 countries. The real estate is to 87 % located on the stable markets of Europe and to 13 % in the economically thriving regions of Asia and North America.

This new portfolio ratio already reflects the future alignment of the new *hausInvest* fund. The stable development of Europe will account for at least 85 % of the merged fund and constitute the key component of its investment strategy. The overseas commitment to be added through the integration of the *hausInvest global* portfolio will serve as an attractive opportunity component whose share is not to exceed 15 %.

### Investors of either *hausInvest* Fund Stand to Benefit from the Merger

In regard to open-ended real estate funds – and thus to the merged *hausInvest* fund, too – it is safe to say: The larger the fund volume and the wider the diversification of the real estate by various criteria, the lower will be the relative ramifications of temporary market events, and the more autonomous the fund will be in its activities. The merger of the two *hausInvest* funds will bring the best of two worlds to our investors. The stability of a comprehensively diversified real estate portfolio with European focus will combine with the expanded opportunity potential that arises from the addition of a global component. This will give all *hausInvest* investors a chance to benefit from global growth perspectives without abandoning the European stability aspect.

### Stable Liquidity Situation

The fund merger will be executed on a sound liquidity basis. In the case of *hausInvest europa*, the liquidity ratio currently equals 28.30 %, and 10.10 % in the case of *hausInvest global*. This means that the statutory requirements are substantially exceeded by either fund.

Endowed with approximately 3.24 billion € as at 31 March 2010, that is, a liquidity ratio of 26.00 %, the merged fund will have an outstanding liquidity basis. Combined with a wider investment spectrum, this will create the necessary prerequisites for dedicated and flexible future activities on any potential target market.

Simultaneously, the merged *hausInvest* fund will keep at least 15 % in liquid capital on hand to enable investors to access their savings whenever they choose. Owing to their sound liquidity management, the *hausInvest* funds have remained, and will continue to remain, open for share redemptions.

**Fund Merger will incur no Costs**
No action will be required on the part of investors in the context of the fund merger. The respective depository will take care of the formalities involved. Neither will the fund merger incur any costs for investors. Any expenditure arising in connection with the merger will be borne by the investment company. Transferring the *hausInvest europa* and *hausInvest global* shares into the new *hausInvest* fund will not rate as a sale followed by an acquisition, and will therefore have no fiscal ramifications for our investors. Shares in *hausInvest europa* and of the merged fund will be redeemed any time, those of *hausInvest global* up to the time of the merger. Agreements within the framework of existing saving and disbursement schemes will remain unaffected by the fund amalgamation. They will transfer unchanged to the merged fund.



# Funds Strategy of *hausInvest*

## as at 30 September 2010

**Investment Target of the Fund**
The new *hausInvest* open-ended real estate fund will focus on the realisation of stable returns on investment from high-yield commercial real estate in economically fast-growing locations inside the European Union. A maximum of 15 % of the real assets may be invested outside Europe for the purpose of yield optimisation. Here, particular emphasis will be placed on achieving a good blend in terms of locations and property types, and on a sound mix of tenants. Simultaneously, the idea is to realise a high tax-free ROI share on the investor level. The long-term target yield of *hausInvest* equals 4–6 %.

**Portfolio Management**
The Fund Management of *hausInvest* invests in high-end real estate (core/core plus) characterised by a high performance potential. The focus is on prime locations. In order to exploit the different market cycles on international real estate markets in a comprehensive manner, we will implement a very active investment strategy. It will fully reflect the current market situation while anticipating future developments at the same time. The strategy is designed to harmonise inverse market trends, and thus to help stabilise and optimise the operational profitability of the Fund.

At “mature” locations, the Fund will realise extra profits through advantageous real estate sales at just the right time. The proceeds will be re-invested in commercial real estate at newly emergent or re-emergent real estate locations. The young real estate portfolio guarantees the marketability of the properties because it comes with low maintenance costs. At the same time, the sound age structure enhances the chances for future lettings, appreciation or sales of the properties.

**Yield-Oriented Profit Optimisation**
The continuous improvement of the quality of the real assets through yield-oriented, holistic property management plays a key role for the Fund strategy. The objective is to pursue an optimal exploitation of all value-added potential during the life cycle of a given real estate investment.

**Diversification**
Managing the real estate portfolio according to the principle of risk diversification represents the basis for a steady flow of income. The wide geographic spread of the real estate and the optimal division of the portfolio by size categories as well as by main types of use help to minimise possible market risks. A balanced spread of investments across various real estate types and a large number of tenants who represent different industry sectors increases the independence from economic fluctuations within a given industry.

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Liquidity Management

### Liquidity Management

*hausInvest europa* principally keeps a strategic supply of liquid assets equal to 15 % of the Fund assets on hand, going far beyond the statutory requirement of a 5 % minimum liquidity. The stated goal is to realise interest earnings matching money market levels from conservative, risk-averse cash investments.

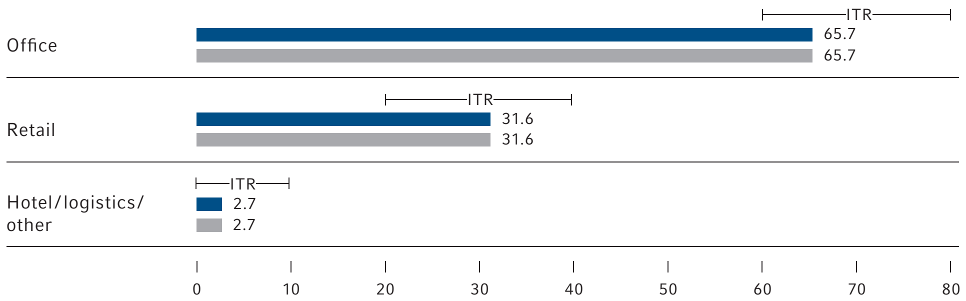
Page 143
Currency Management

### Currency Management

The currency positions of *hausInvest* will be hedged almost in their entirety. This approach underlines the responsible handling of currency risks.

## Investment Strategy of *hausInvest* as at 30 September 2010

**Sector allocation of *hausInvest*** in %

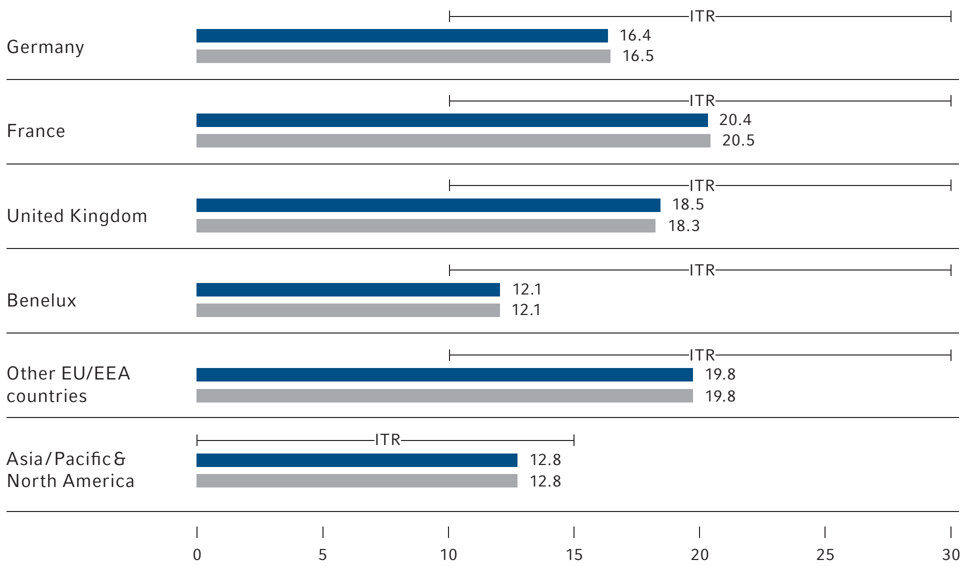



Based on the fair market values of 31 March 2010

Europe: no less than
85 %

Global: no more than
15 %

**Country allocation of *hausInvest*** In %




Based on the fair market values of 31 March 2010

Portfolio after completion of all project developments
Portfolio without project developments
ITR Investment Target Range

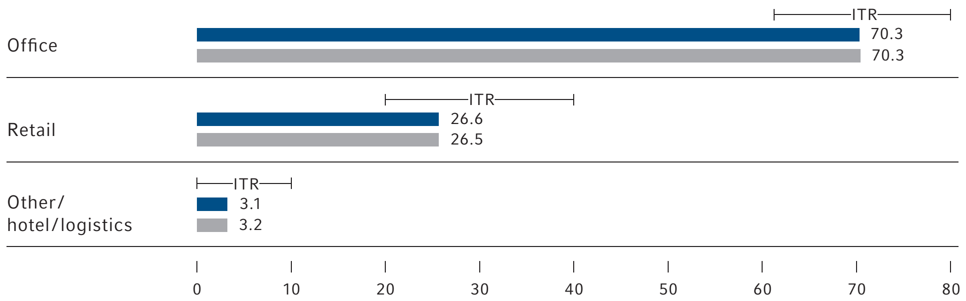
Page 147
Funding Management

### Funding Management

In order to preserve the conservative overall orientation of the Fund, we limit the use of leverage to a maximum of 20–30% of the real estate portfolio, using debt capital to fund real estate investments while exploiting fiscal structuring options and hedging foreign currency positions.

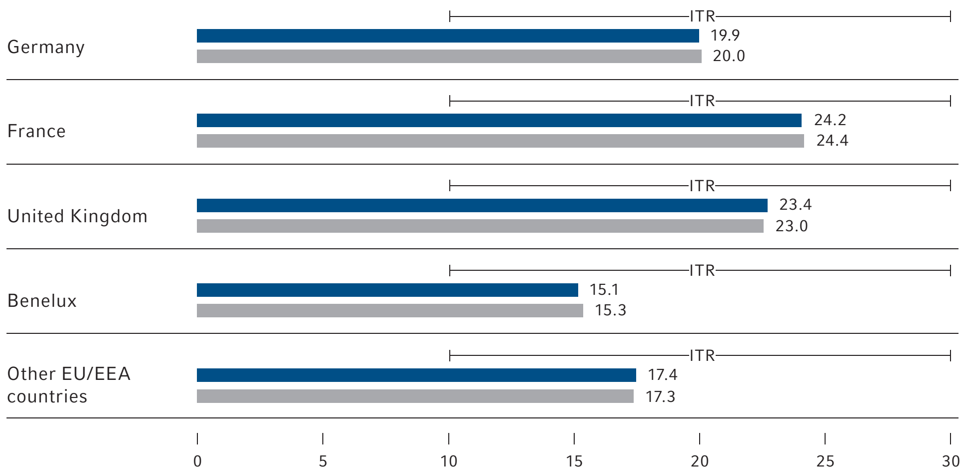
## Investment Strategy of *hausInvest europa* as at 31 March 2010

**Sector allocation for *hausInvest europa*** In %




Status: 31 March 2010 Based on fair market values

**Country allocation for *hausInvest europa*** In %




Status: 31 March 2010 Based on fair market values

Portfolio after completion of all project developments
Portfolio without project developments
ITR Investment Target Range

# Interview with the Fund Manager

Enormous blonde wooden crates stack up seven, eight meters high at Logicpark Frankfurt Airport. Extending over an area equalling several football fields, this property near Frankfurt Airport was acquired by *hausInvest europa* last year. Fund Manager Mario Schüttauf has come to see for himself – and explains in an interview why the Fund will continue to count among the best of its class.

**Mr Schüttauf, we have come to associate *hausInvest europa* with high-end office towers and large shopping malls – is it about to shift to logistics now?**
You know, we actually acquired our first logistics property in 2008, in the vicinity of London. The idea is now to set up a small sub-portfolio with logistics properties inside the Fund. We are striving to buy 10 to 20 assets in the logistics sector that will have a total value of up to 500 million €. Here is why: We would like to diversify even further in order to be better positioned to respond to different market cycles. Unlike our office and retail assets, however, the logistics properties are pure cash flow investments. It's the mix that counts.

**Meaning what?**
Just like *hausInvest europa* as such, logistics properties stand for a sustainable long-term cash flow. While you can generate an operating income of 4–5.5 % with office real estate, the different risk/reward profile of logistics real estate often makes it possible to realise a return of more than 5.5 % with it. This is explained by the particularly long lease terms and the comparatively low overhead.

**If you own 125 office towers, shopping centres and other large properties, you have an enormous number of tenants on your hands. How do you handle this complexity?**
For one thing: All of our tenants are our clients, just like our investors. This means that we try to make their commitment in our building as pleasant as possible in order to get them to identify with the property. Which is not to say that fluctuation is necessarily a bad thing. At Orio Center in Bergamo, for instance, 45 lease terms – that is, 30 % of the entire rental income – were about to expire this year. The analysts were getting rather worried: "We are looking at a risk here," they said, "because 30 % of your leases are expiring in a market environment as difficult as the current one." But we decided to see it as an opportunity, and actually terminated some leases ourselves and renegotiated them because we just knew: If the tenant is happy there is no reason why he or she would give notice.

**But how can you tell?**
The retail business is full of clues. There are various indicators that will tell you how content a given tenant is with his space, and whether or not a store is turning a profit. You can draw on key ratios such as the relationship of rent load to turnover, footfall, or turnover rent.


Mario Schüttauf, Fund Manager

**So was it possible to generate more income with the new leases at the Orio Center in Bergamo?**
Yes, it was. Our asset management already signed new leases or preliminary contracts – so-called "heads of term" – for all of the 45 spaces with expiring leases. This gave us the chance to replace less profitable tenants. Many of the successful incumbent tenants signed new leases and were actually prepared to pay a 10–30 % higher rent than before. Moreover, we were able to recruit two of today's hippest brands for the Orio Center this year: Apple and the fashion trend brand Hollister. Hollister will open its first store in Italy at our mall. It is a nice piece of evidence that shows how attractive the shopping centre actually is.

**You have to have an in-depth understanding of a given property to make that kind of decision. How often do you take the time to check things out for yourself on location?**
With new acquisitions, it is important to form a precise opinion of a given property and its location on site so as to appraise it accurately. Buildings that are causing us trouble I tend to visit two or three times a year. My personal passion is the retail business. The large shopping centres, for instance, operate just like companies in their own right. They have an annual turnover like an industrial firm. They also give us a lot of flexibility because we sometimes have the chance to decide to keep floor space vacant for some time in order to test new concepts. The retail business offers a lot of structuring options. And there is a lot of fun in that.

**You probably get dozens of building offers a day. How do you choose the right one?**
Buying and selling play a key role for us. In the future, we will seek to buy, through our buyers, between roughly 500 million € and 1 billion € worth of real estate each year. To this end, we have decided to be active on both sides of the market, and to sell 2 or 3 properties every year. When it comes to new buildings, the sustainability is particularly important. Most tenants will focus on keeping their service charges as low as possible in the future. Which is another aspect from which we stand to benefit: If the tenants pay less for heat and power, we can ask for proportionately higher basic rents. This will in turn enhance the value of a given building.

**Coordinating, calculating, communicating – a fund manager's job sounds versatile. What brought you to this profession?**
I always had the desire either to run my own company or to work in a position that would put me in charge of all aspects of a given product. Also, I have always taken an interest in real estate: My father is a civil engineer, and I used to hold down odd jobs on construction sites. After graduating with a Master of Engineering, my idea was to combine figures and bricks, in a manner of speaking. I had the impression that Commerz Real was giving me the chance to do exactly that, and so I completed a trainee program with them that covered the areas of funding, controlling, valuations, and taxes. Afterwards I helped to set up *hausInvest global* and transferred more or less seamlessly to *hausInvest europa*.

**You are just 34 years old and thus relatively young for a fund manager who for three years now has been responsible for approximately ten billion €. Does it let you sleep at night?**
It does indeed. After all, our investments are as safe as they could possibly be because we handle each project as if we had to finance it out of our own pocket. Also, I work with a team of four, each of whom manages one area of the Fund, and these in turn work with a total staff of about 250 spread throughout the building. This way, our experts work both with the many facets of a given building and with with those of the Fund as a whole. They continuously optimise the buildings to obtain the best possible results on behalf of our investors. I am the one who gathers everything into a homogeneous whole, and it is very helpful for me to have in-house professionals for every aspect of the supply chain. As far as our properties go, our asset managers, who manage several buildings, collaborate with the technical staff and the property managers of the respective buildings. Then we have our buyers who immerse themselves in the market action. You have funding, tax financial and accounting pros in the back office and other staff in sales who know exactly what our customers, meaning the investors, need.

**The quickest way for the investors to show whether they have a positive impression of the collaboration would be by returning their Fund shares.**
Yes, that is true. Yet for 38 years we have always made good on the return we promised. We spread our real estate – and with it we spread our risk. We pursue a sound liquidity and real estate management. We keep institutional investor interests down to just 10 %, which is a good way to prevent the withdrawal of vast amounts of cash due to a single decision to sell. And we keep at least 15 % of our Fund assets on hand in the form of liquid assets to enable us to go ahead with acquisitions and transactions on the capital market. Last year, we achieved 2.1 % interest from overnight deposits and time deposits depite the low interest level, and this amount contributed to the return in investment.

***hausInvest europa* is currently committed in eleven countries, the intention being to expand the number to somewhere between 15 and 19 countries in Europe alone. By 30 September 2010, the Fund will moreover be merged with *hausInvest global*. What are the reasons for the portfolio expansion?**
In the long run, Europe will always offer interesting investment opportunities and different market cycles that permit us to diversify our product. But there is a lot of potential outside Europe, too. This is being exploited by *hausInvest global*. We would like to let our *hausInvest europa* investors benefit from these yield opportunities in a global business, too. Then again, we intend to limit the overseas commitments of the merged Fund to a maximum of 15 % of the Fund assets.

**Where do you see the merged *hausInvest* fund by the end of the financial year on 31 March 2011?**
Naturally, it is hard to make an exact forecast, because you simply cannot influence all factors. But nonetheless it is safe to say that we will continue to realise positive operating income. I would put the return on investment by the end of March of next year somewhere near 3.5 % for the *hausInvest* fund. This means we will remain a basic investment that more and more investors are able to rely on.

# 48

REAL ESTATE PORTFOLIO

# Real Estate Markets and Activities

## Overview

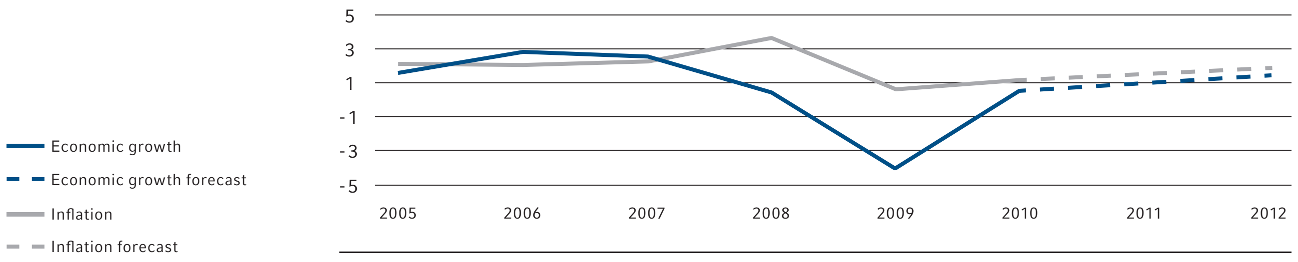
Europe is recovering from the most serious economic crisis in its recent history. During the second semester of 2009, the economy regained momentum, and noticeably so. Yet the growth is largely based on exports outside Europe or on national stimulus programs. For the time being, the upturn remains precarious because sound and sustainable growth presupposes a substantial surge in domestic demand – and so far we have only seen negligible growth impulses coming from this corner.

On the whole, the economy contracted in 2009 in all member states of the European Union except Poland. In the medium term, growth in the majority of the European countries will be checked by a vast overcapacity in production, a rise in unemployment, a slow demand in the private sector, and the necessary austerity measures in the public sector. We therefore expect that the recovery – while admittedly progressing – will suffer some setbacks. Our forecast for 2010 projects an economic growth of about 1 % p.a. for the European Union as a whole, yet we assume that some member states will recover considerably faster than others.

Particularly countries on the periphery of Europe, including Spain, Ireland and the Baltic states, have yet to put the recession behind them. At the other end of the scale, Sweden and Poland will probably be the EU growth leaders in 2010.

Owing to the interest policy of the European Central Bank, interest rates are on a historically low level. It is this kind of policy that always germinates concerns that an excess supply of money might enter the economic bloodstream and drive up inflation.

**European Union – economic growth and inflation** Change in % p.a.




Source: EIU, as at March 2010

We do not share this concern because the unchecked rise in unemployment makes wage increases unlikely while the low utilisation of production capacities is an argument against imminent price hikes. That said, it will be essential in the medium term that the ECB and the national treasuries outside the Eurozone revise their low-interest policy when the time has come.

At the moment, inflation is not an issue: Prices rose by a modest 1.4 % in 2009 throughout the EU as a whole and at the same rate in the Eurozone (as at March 2010). Moreover, the latest forecasts predict a moderate price gain below the 3 % ceiling mandated by the Maastricht treaty for the years to come.

**Economic growth** in % p.a.

| | 2008 | 2009 | 2010 forecast | 2011 forecast |
|---|---|---|---|---|
| Belgium | 0.8 | -3.3 | 0.8 | 1.1 |
| Germany | 1.3 | -5.0 | 1.8 | 1.5 |
| Finland | 1.2 | -7.8 | 1.5 | 1.9 |
| France | 0.3 | -2.2 | 1.3 | 1.5 |
| United Kingdom | 0.5 | -5.0 | 0.7 | 0.9 |
| Italy | -1.3 | -5.1 | 0.8 | 1.3 |
| Luxembourg | -0.9 | -3.9 | 1.6 | 1.3 |
| Netherlands | 2.0 | -4.0 | 0.7 | 1.1 |
| Austria | 1.7 | -3.6 | 0.7 | 1.1 |
| Poland | 5.0 | 1.7 | 2.5 | 3.0 |
| Portugal | 0.0 | -2.7 | 0.3 | 0.3 |
| Sweden | -0.5 | -4.4 | 2.3 | 1.8 |
| Spain | 0.9 | -3.6 | -0.3 | 0.5 |

Source: Commerzbank, EIU, as at April 2010

It hardly comes as a surprise that the economic uncertainties of last year have put the damper on the consumer behaviour of Europeans, causing private consumption in the EU to fall by 1.7 %. The EU retail business suffered a dip of 0.6 % in food and beverage sales and of 1.6 % in non-food sales. The uncertainty felt by the region's consumers will persist in 2010, which leads us to believe that demand inside the EU will stagnate this year. Yet there are vast differences between the individual countries. While it is safe to assume that the majority of the countries will see a positive, if slow, growth in private consumption, some of the countries on the periphery of the European Union have not yet bottomed out. Particularly retailers in countries that have experienced a painful erosion of housing price levels since the onset of the global economic crisis have to brace themselves for a further decline in sales in 2010. If anything, this will intensify the competition for customers in the retail business.

**Private consumption** in % p. a.

| | 2008 | 2009 | 2010 forecast | 2011 forecast |
|---|---|---|---|---|
| Belgium | 1.0 | -1.7 | **0.4** | **0.9** |
| Germany | 0.4 | 0.2 | **0.2** | **0.7** |
| Finland | 1.3 | -1.8 | **1.9** | **1.4** |
| France | 1.0 | 0.9 | **1.0** | **1.5** |
| United Kingdom | 0.9 | -3.1 | **-0.5** | **0.5** |
| Italy | -0.8 | -1.8 | **0.6** | **0.7** |
| Luxembourg | 1.8 | -0.5 | **0.2** | **1.0** |
| Netherlands | 1.3 | -2.4 | **-0.4** | **0.4** |
| Austria | 0.8 | 0.8 | **1.0** | **1.0** |
| Poland | 5.9 | 2.3 | **1.4** | **2.5** |
| Portugal | 1.7 | -1.0 | **0.0** | **-0.4** |
| Sweden | -0.4 | -1.0 | **1.5** | **1.8** |
| Spain | -0.6 | -4.9 | **-0.4** | **1.1** |

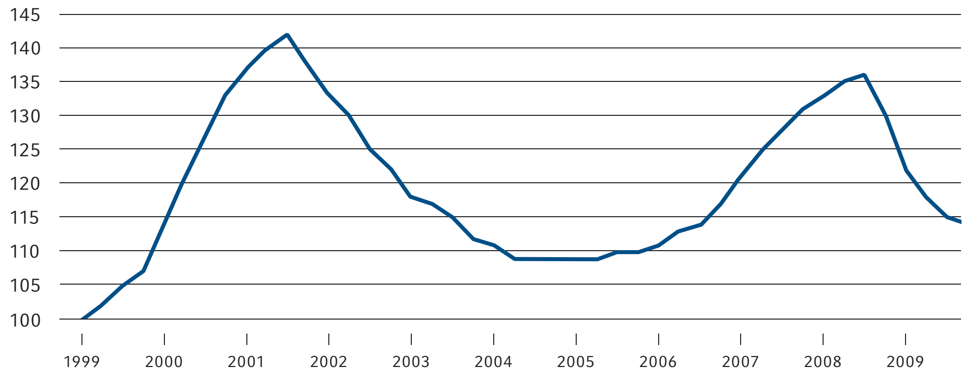
Source: EIU, as at March 2010

More than others, aggressively calculating investor groups that operated with a high leverage caused real estate prices worldwide to soar between 2005 and 2007. Since mid-2008, real estate markets have been undergoing an – in our opinion necessary – cycle of price adjustments. This corrective phase is gradually drawing to a close for commercial real estate, and some markets – such as Singapore, London and Paris – have actually completed their correction and are reporting rising prices again. That said, the situation of virtually all real estate markets is strangely askew: While demand for premium property is high and prices are soaring, other building classes are almost impossible to sell because of flagging demand. This is one of the reasons why investment volumes are lower overall, and why the sum of all transactions in 2009 was down by nearly 50 % year-on-year. We assume that the market will revive in 2010, but that activities will remain far below the level of the banner year of 2007.

The number of companies hiring new office space is relatively low, and the take-up in Europe dropped by a quarter year-on-year in 2009. While the second half of the year did manifest a rebound in demand, it hardly sufficed to make up for the extremely slow business of the year's first semester. The majority of leases signed these days are attributable to lease renewals or to tenants who are exploiting the low rent level to relocate to better locations. Few companies are hunting for new space in order to expand. At the moment, London is the only office market in Europe where sales in 2009 topped those of 2008, putting it ahead of real estate markets in mainland Europe. Since the British capital was among the first markets hit by the downturn, it is only plausible that market players are quicker to recover from their shock and return to their businesses – with corresponding results.

The low demand for office space has had a retarding effect on the rent level. A case in point, our European office rent index lost 13 % on its 2008 level so far. A closer look at each market will reveal that rents suffered their steepest losses in Dublin (-42 %) and London (-40 %), whereas rent levels in Amsterdam and Prague remained more or less unchanged throughout this time. We believe that the erosion of rent rates is past the rock bottom stage now.

**European Office Rent Index (1999–2009)**




Shown here are the weighted rent rate changes on Europe's 16 largest office real estate markets. 1999 = 100

Source: Commerz Real AG.

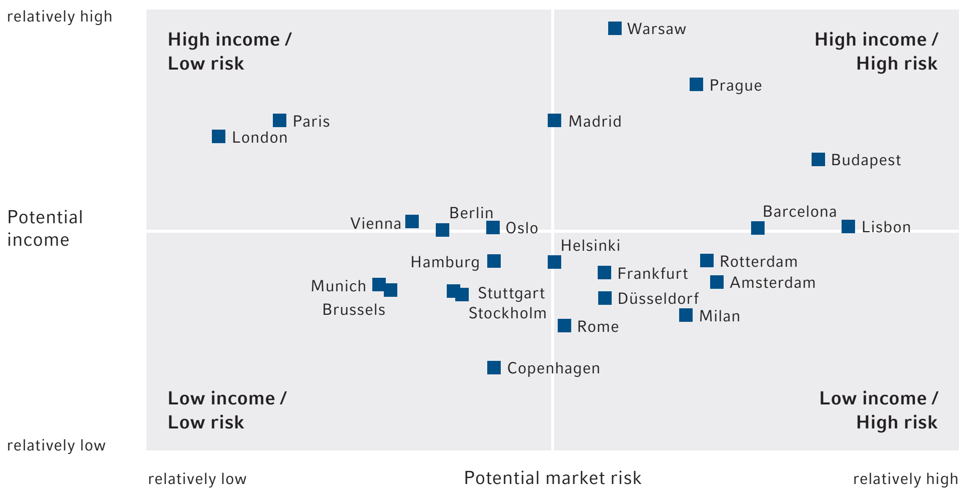
## Outlook

It is possible to determine the potential income and risk of a given real estate market on the basis of forecasts. The purpose of doing so is to arrive at a comparative evaluation of these real estate markets. The method used by Commerz Real AG to this end represents the so-called top-down approach. This approach is defined by the situation of a given national economy, not by the situation or performance of specific properties in the markets that are to be compared. The potential opportunities and threats of a given market are therefore not the same as those reflected in a specific and much more complex investment decision. The merit of this approach lies in its ability to filter out those real estate markets in Europe where investments are more likely to be profitable than elsewhere. Thus, the market model used by Commerz Real AG is a strategic instrument, and does not imply a forward commitment either for or against a given investment.

For the purpose of identifying potential income on the basis of rent, return and inflation forecasts for all markets, the model simulates the acquisition of a hypothetical property and its disposition after five years. To facilitate the comparison, the hypothetical property has identical characteristics on all markets studied. It is a good way to determine the income potential for this property because it takes the variance in local taxes into account. Possible threats are studied only on the market level, because they would be hard to simulate on the property level. Important for this survey are the size of the market, the vacancy rates, the likely development of vacancies, as well as the professionalism and transparency of the market, among other factors. These indicators are weighted according to their significance before they enter into the evaluation.

At present, London and Paris show a particularly sound risk/reward profile. While the great outcome for London is rooted in the excellent rent forecast, investments in the Parisian real estate market look attractive today mainly because of the expected increase in real estate prices. Then again – and this is where theory meets reality – the supply in Grade A real estate in either market is currently very limited. What seems striking is the fact that particularly countries on the periphery of Europe show a higher potential risk than markets in the European heartland. This elevated risk level, which is explained by the small size of the markets and the sometimes difficult vacancy situation is compensated in the Prague and Warsaw markets by an above-average income. Germany's real estate markets are close to the European median. While showing a relatively similar potential income, their size and different vacancy situations translate into a wide-spread risk profile.

**Risk/reward relation of selected European office markets**




Source: Research Commerz Real AG, as at June 2010



# Overview of the European Office Markets[1]

## Belgium

**BRUSSELS** Brussels is the seat of both the national government and European governing institutions. This has caused the office market to be relatively immune to the economic lulls of recent years. Yet it has not emerged entirely unscathed from the economic collapse of 2009. Demand for office space plummeted in the course of the year, undercutting the mean turnover of the past five years by about 20 %. The imbalance between supply and demand caused the vacancy volume to soar to roughly 1.5 million sqm by the end of 2009, which equals a vacancy rate of about 11 %. In fact, it will continue to rise in the medium term because of the low demand for space, the expanding supply in space to sublet, and the high volume of speculative new construction. Notwithstanding its difficult market conditions, Brussels suffered only a modest softening of rent rates by barely 4 %. Neither do we expect rent adjustments in the coming two years to exceed an average of 3 % p. a.

2010–2011 trend:
Rent
Price
Vacancy

## Germany

**BERLIN** Compared to other real estate hubs, the local dominance of the public sector clearly cushioned the drop in turnover in the German capital despite the difficult economic situation. The vacancy volume in Berlin rose to roughly 1.6 million sqm in the course of last year, which amounts to a vacancy rate of about 12 %. Given the limited scale of speculative construction and the beginning stabilisation of the demand for space, we do not expect the vacancy rate to rise significantly in the medium term. The top rent did slip by 9 % in the course of 2009 in response to a regressive demand at a time when new space came online. While the ongoing year will bring a further price correction, rents are likely to recover in 2011.

2010–2011 trend:
Rent
Price
Vacancy

**DÜSSELDORF** The office market of the state capital of North Rhine-Westphalia was relatively hard hit. The fact that its net absorption was slashed in half compared to 2008 suggests as much, and it was the steepest drop anywhere in Germany. Only Grade A floor space reported a higher turnover year-on-year as tenants exploited the current market situation to upgrade their quarters at relatively affordable conditions. Clearly the victims of the development are owners of second rate spaces in peripheral locations. At nearly 14 %, the vacancy rate has reached a relatively high level, and is unlikely to drop any time soon. Seemingly oblivious of the wide gap between supply and demand, the drop in rents was comparatively modest throughout the year, registering at a mere 3 %. We assume that rents in Düsseldorf will continue to slip a little, but that the office market will emerge out of the present crisis just slightly bruised.

2010–2011 trend:
Rent
Price
Vacancy

[1] Please note: All of the subsequent statements refer to real estate markets in their entirety (top-down approach).
The approach does not permit inferences for individual properties.

2010–2011 trend:

Rent

Price

Vacancy

**FRANKFURT** Compared to other international financial hubs, Frankfurt was spared the more excessive repercussions of the financial crisis. Then again, Frankfurt's office market has clearly felt the impact of the recession. With a drop in demand by nearly 30 % compared to 2008, the German banking metropolis reported the lowest take-up since 2004 last year. Not least because of the high share of obsolete and thus no longer marketable office space, the vacancy rate currently approximates 14 %, one of the highest in Europe. Moreover, the reticent floor space demand coincides with ongoing construction activity, thereby setting the scene for a further increase in vacancies. The exodus of tenants will, however, mainly affect obsolete office real estate, whereas the supply of Grade A space in the town centre will remain limited. On the bright side, the downward rent adjustment of about 8 % over the past year was followed by a stabilisation of rents in the top segment. On peripheral sub-markets, drops in rent rates at an average of about 5 % p. a. can be expected through 2011.

2010–2011 trend:

Rent

Price

Vacancy

**MUNICH** Due to its dependence on the export industry, the office market in the Bavarian capital suffered a drastic dip in net absorption. Plummeting demand exerted pressure on rent rates, pushing them down 7 % below the year-end figure of the previous year by the end of 2009. In the medium run, the demand for space will remain below average and cause the mean rent rate to drop by about 2 % p. a., what with the growing supply in floor space. Then again, we expect rent rates for Grade A office space in good locations to remain more or less stable because demand in this segment has not seriously flagged. The vacancy rate climbed by only one percentage point in the course of the year, remaining below 10 % through the end of December. As a high rate of speculative construction coincides with a reticent floor space demand, though, there is every reason to anticipate a continued rise in vacancies. Decentralised sub-markets will be hardest hit because here construction is outpacing demand.

2010–2011 trend:

Rent

Price

Vacancy

**HAMBURG** Following the fantastic take-up of 2008, the demand for space in Germany's largest port town took a nosedive by 30 % in 2009. Tenants started hunting for alternative accommodations outside the expensive office locations in the town centre and around the harbour. During that year, Hamburg's vacancy rate pushed up slightly to about 8 %. The high speculative construction volume and the low demand level will keep driving vacancies up higher over the next months. Unimpressed by the tense market environment, the one-year price correction remained a moderate 2 % in 2009. However, the expanding floor space supply will increase the pressure on rents in the coming years, and we do expect to see a decline of 10 % p. a. on average. Grade A spaces in prime locations will continue to realise stable rent revenues, though.

## Finland

**HELSINKI** Having experienced a regular boom in demand during the years 2007 and 2008, the take-up in the Finnish capital succumbed to the poor economic parameters of last year, and dropped considerably. But even though a number of construction projects were shelved, another 100,000 sqm slated for completion by the end of 2010 remain in the pipeline. The widening gap between supply and demand sent the vacancy rate in Helsinki across the 10-percent mark for the first time in a decade. It will actually keep going up slightly and probably crest somewhere near 13 %. Since Helsinki's office market has never experienced major fluctuations in rent rates, the adjustments in the ongoing down-cycle were not nearly as drastic as in other northern European office markets. Following a stabilisation phase in 2011, rents on the Helsinki office market will start generating positive rental growth again in 2012.

2010–2011 trend:

Rent

Price

Vacancy

## France

**PARIS** Although the repercussions of the recession have been clearly felt on Europe's largest office market, causing the office take-up to plummet by 25 %, the volume of 1.8 million sqm let in 2009 represent a respectable turnover result. And though top-rents had slipped by 16 % between mid-year 2008 and mid-year 2009, they did level out during the second half of the year. The price correction was most conspicuous in the Western Crescent sub-market, and is explained by the considerable increase in floor space supply. Imminent completions will keep impacting the rent rates in the medium term, whereas the corrective cycle is virtually completed in the inner city. We expect the market recovery to commence downtown and to radiate outward toward the peripheral markets. Rent rates will resurge in 2011 at the latest. Notwithstanding the fact that the volume of vacant space was up by 30 % year-on-year in 2009, the vacancy rate currently stands at a reassuringly low level of 7 %. Yet we do expect vacancies to rise to 10 % in the medium run.

2010–2011 trend:

Rent

Price

Vacancy

## United Kingdom

**LONDON** The year 2009 will enter the annals of the London office market as one of the blackest on record. It must be said, though, that prospects looked much darker in the first semester than they did in the second. While the massive job cuts during the first half of 2009 led to an equally massive dip in floor space demand, the market revived during the second half of the year. Compared to the previous year, lettings dropped by 30 % during the year as a whole. It is perfectly obvious that companies are seizing the opportunity to rent comparatively affordable office space now. Rates for Grade A space had dropped by 35 % by the end of 2009. But the time slot for companies planning to relocate is closing, and we assume that top rents will perk up in the West End and in the City in the coming months. Slow demand and ongoing construction quickly drove up vacancies in the course of 2009. While the year-end vacancy rate 2008 was just under 5 %, it had more or less doubled at 10 % a year later. However, second-rate spaces in peripheral locations are naturally having a harder time finding tenants than other real estate. Grade A sub-markets in the West End and City registered only a modest increase in vacancies. Overall, we expect vacancies to go up to 12 % by the end of this year and to go back down in the course of the coming years.

2010–2011 trend:

Rent

Price

Vacancy

# Italy

2010–2011 trend:

Rent

Price

Vacancy

**MILAN** The economic crisis in Italy has drastically altered the demand situation on Milan's office market. Not only did the turnover in 2009 cave in by 40% compared to 2008, but the changing market also saw demand shift from the town's expensive locations to more affordable, if peripheral, locations. Demand for high-priced spaces in the inner city will remain low-key through the remainder of 2010. At the same time, the high rate of speculative properties coming on-line caused the vacancy volume to rise to about one million sqm by the end of 2009. This translates into a vacancy rate increase from 6 % at the end of 2008 to slightly over 9 % in late 2009. With un-let new buildings pushing onto the market over the next few months, the vacancy rate will keep climbing in the foreseeable future. Yet irrespective of the massive imbalance between supply and demand, the drop in rent rates in the course of last year remained below the European average of 11 %, as it decreased by just 9 %, give or take. Nonetheless, it is safe to expect rent rates to keep dropping in the medium run.

# Netherlands

2010–2011 trend:

Rent

Price

Vacancy

**AMSTERDAM** Its office stock of roughly 6 million sqm makes Amsterdam the largest office market in the Netherlands. Even ahead of the onset of the economic crisis, the vacancy rate stood at almost 12 %, and thus showed a relatively high level. The ramifications of the recession pushed it up by another 5 percentage point beyond the 17 % mark. However, the picture is qualified by the fact that the high volume of vacancies is above all to blame on the massive share of no longer marketable real estate. While the construction pipeline is not an issue, we do believe that the vacancy rate will continue to go up in the medium term because of the low demand for office space, though the increase will not compare to that of last year in scale. The letting market signalled a slight sense of relaxation at the end of last year, and the present take-up gives us reason to hope that companies will start to make decisions again. It must be remembered, though, that the take-up of 2009 was down by a quarter year-on-year. Rivalry for new tenants is particularly fierce in outlying locations. Since Amsterdam saw only a modest price hikes during the past boom years, the price adjustments in the ongoing down-cycles have been just as moderate. On the whole, rent rates lost about 5 %, and they might continue to lose slightly in the medium term, or so we believe.



# Sweden

2010–2011 trend:

Rent

Price

Vacancy

**STOCKHOLM** Stockholm is home to the largest office market in Northern Europe, and has benefited from the region's robust economic growth in recent years. In the wake of the severe economic crisis, which did not spare Sweden, the office market is suffering from declining rent rates and rising vacancies. In the course of the past year alone, rents dropped by nearly 10 %, while vacancies rose to just short of 12 %. With a view to the unchecked construction activity and the persistently low demand for space, the vacancy rate will not peak before the end of 2011. The large supply in available floor space has triggered a competition for solvent tenants among owners. This gives us reason to believe that the rent level will continue to erode, though not at the pace seen in 2008 and 2009.

# Austria

2010–2011 trend:

Rent

Price

Vacancy

**VIENNA** The Viennese office market counts among the most stable in Europe. While rents did drop by about 5 % in the course of last year, we assume that the rent adjustment cycle has more or less run its course. In fact, the pricey downtown locations (the so-called inner district) are likely to see a slight increase in rent rates before the end of this year, whereas rents in other sub-markets will keep yielding through the end of 2011. The grave economic situation caused the take-up to decrease by a quarter year-on-year in 2009. More than other factors, the cost awareness of companies is to blame for the slow demand. Despite the low-level take-up, vacancy rates in the city have barely risen, and will keep hovering near 7 % in the medium term. For tenants, this means that the supply in Grade A floor space will remain limited.

## Poland[2]

2010–2011 trend:
Rent
Price
Vacancy

**WARSAW** Even though Poland's economy did emerge from the global economic crisis more or less unscathed when compared to other European countries, the Warsaw office market proved unable to continue its growth course of recent years. For one thing, the office take-up in 2009 was only half of what it had been the year before, and top rents did slip considerably. Notwithstanding the fact that few new buildings were completed in the course of the year, slow demand caused the vacancy rate in Warsaw to climb from less than 3 % to about 7 % by the end of the year. With demand having recently rebounded and few new office properties coming onto the market, we expect vacancies to remain stable at the current level. While the limited supply fuelled a steady rise in rent rates in recent years, 2009 saw an incisive 20 % setback in rents. The market situation will relax in the medium term, and there is no reason to expect another cycle of massive rent adjustments. Then again, we are not aware of any signs suggesting that the office market will resume its growth apace with the boom years 2006/2007 either.

## Czech Republic[2]

2010–2011 trend:
Rent
Price
Vacancy

**PRAGUE** The political stability of the country and the transparency of the office market has made Prague one of the most important office markets in Eastern Europe in recent years. Like other office markets in the region, Prague has a high share of modern office venues: Out of a total of 2.3 million sqm, an estimated 70 % meets the highest quality requirements. With the onset of the economic crisis, demand for office space slumped while the vacancy rate went up: The latter nearly doubled over the past twelve months, reaching almost 12 % by the end of 2009. We expect the vacancy rate to keep climbing through the end of 2010, though not beyond the 15 % mark. At -9 %, the rent adjustment in the current down-cycle falls short of the European average of about -11 %. With the rent rates having stabilised in mid-2009, we predict a swift recovery.

[2] By the balance sheet date of 31 March 2010, *hausInvest europa* had no real estate commitments here yet.





# Portfolio Structure

## Stable Income Situation through a Balanced Real Estate Spread

By the balance sheet date of 31 March 2010, the 102 properties held by *hausInvest europa* with a total volume 10.22 billion € were spread across eleven countries and 52 cities all over Europe. 80 % of the real estate was located outside Germany. 21 properties were held indirectly through real estate companies. With the acquisition of the office scheme in Helsinki, Finland was developed as a new country for *hausInvest europa*. This latter commitment also means that the Fund now holds 4 properties in Scandinavia, bringing the respective portfolio share up to 6.6 %. The wide geographic spread represents an integral part of the safety-oriented investment strategy of *hausInvest europa* as it makes the Fund less susceptible to the business cycle of individual markets.

| Geographic spread of the Fund real estate[1] | | Property market value[2] in k € | Number of properties | Total floor space[3] in sqm |
|---|---|---|---|---|
| France | 24.3 % | 2,485,360 | 18 | 414,186 |
| United Kingdom | 23.1 % | 2,359,867 | 12 | 384,459 |
| Germany | 20.0 % | 2,039,782 | 32 | 473,372 |
| Netherlands | 11.2 % | 1,145,410 | 16 | 349,859 |
| Italy | 7.4 % | 751,330 | 8 | 193,092 |
| Sweden | 5.4 % | 553,050 | 3 | 121,626 |
| Luxembourg | 2.2 % | 227,980 | 3 | 33,230 |
| Portugal | 2.1 % | 216,270 | 3 | 53,927 |
| Belgium | 1.8 % | 180,850 | 1 | 47,784 |
| Austria | 1.3 % | 136,761 | 5 | 49,949 |
| Finland | 1.2 % | 118,912 | 1 | 32,122 |
| **Total** | | 10,215,572 | 102 | 2,153,606 |

Status: 31 March 2010

[1] Basis: market values of real estate directly and indirectly held, including properties under construction and vacant plots.

[2] Pro-rata, referring to the holding percentage.

[3] Referring to the property as a whole.

## Modern Portfolio

83.7 %

of the real estate is younger than 10 years.

The idea is to maintain a modern high-yield real estate portfolio for an extended period of time and to optimise it continuously. The mean age of the portfolio properties belonging to *hausInvest europa* undercuts the sector average. About 83.7 % of the Fund properties were younger than ten years by the balance sheet date. The merits of a modern real estate portfolio manifest themselves both in the low maintenance costs and in the superior chances in regard to letting, future appreciation, and possible disposal. In order to keep vintage buildings equally attractive and up-to-date for our tenants we will revitalise them as needed and thereby invest them with a forward-looking perspective.

**Economic age structure of the Fund real estate[1]**

| | | Property market value[2] in k € | Number of properties | Total floor space[3] in sqm |
|---|---|---|---|---|
| Up to 5 years | 43.0 % | 4,376,604 | 36 | 955,891 |
| 5 – 10 years | 40.6 % | 4,148,414 | 43 | 862,061 |
| 10 – 15 years | 8.2 % | 833,865 | 9 | 132,654 |
| 15 – 20 years | 7.5 % | 769,040 | 8 | 161,259 |
| More than 20 years | 0.6 % | 52,829 | 3 | 16,299 |
| **Total** | | **10,180,752** | **99** | **2,128,164** |

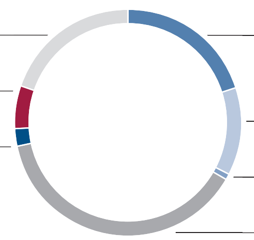
Status: 31 March 2010

[1] Basis: market values of real estate directly and indirectly held, excluding properties under construction and vacant plots.

[2] Pro-rata, referring to the holding percentage.

[3] Referring to the property as a whole.

**Size categories for Fund real estate (market values)[1)]**



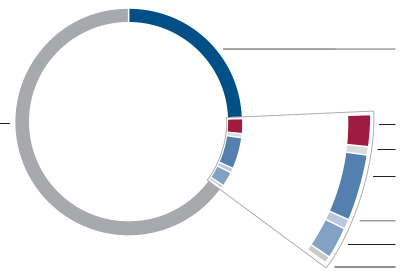

Status: 31 March 2010

[1] Basis: market values of real estate directly and indirectly held, excluding properties under construction and vacant plots.

## Balanced Mix of Use Types

In addition to the wide spread by different investment locations, the balanced spread across a large number of tenants with varying industry affiliations also contributes to the stable income situation of *hausInvest europa*. The mainstays of the portfolio are office real estate and retail real estate with shares of 64.8 % and 24.6 %, respectively. The remaining 10.6 % break down into other types of use, including hospitality and industrial uses.

**Main types of use for Fund real estate[1]**




Status: 31 March 2010

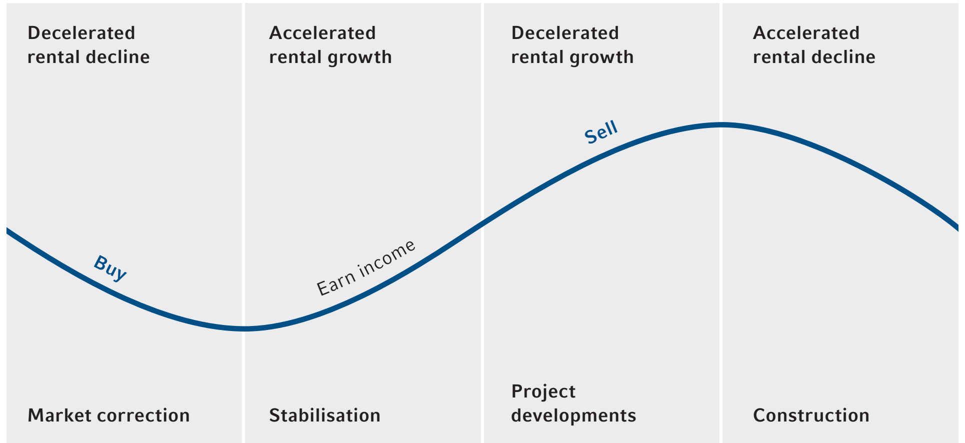
[1] Pro-rata, referring to the holding percentage. Based on rental income.

# Acquisitions and Dispositions

Having a balanced real estate portfolio is an essential basis for the economic success of *hausInvest europa*. An active sell-and-buy strategy is decisive for keeping the real estate holdings competitive and profitable. To this end, the Fund consistently exploits opportunities to acquire attractive properties as well as to sell properties as profitably as possible at a given time. All of these activities must be precisely coordinated with each other. It is the only way to maintain the balance of the *hausInvest europa* real estate portfolio as a whole – and it is what ultimately counts in terms of stable income.

Any real estate market is subject to recurring cycles. The best way to invest is an anti-cyclical approach, which means to commit yourself at exactly the moment when prices have bottomed out and begin to level out. It is then that the appreciation potential for an investment fund is highest. When selling real estate, you proceed exactly the other way around: You will turn a tidy profit when prices are up. The question is how can you tell that the right time has come?

**Real estate market cycle and time of the acquisition or sale (model process flow)**




Together with the Fund Management, our buyers are constantly studying current market developments in order to be able to respond to possible changes and to identify market trends ahead of time. This requires a detailed and regularly updated universe of data and figures for analysing the relevant markets. Equally decisive is to have in-depth knowledge of the markets in which you operate and to be networked with competent partners in those markets. Obviously, it is extremely helpful to have a good sense for the right timing. While this is not something you can buy, you may acquire it through years on the job. The procurement process is characterised by the interaction of various technical departments. Eligible for *hausInvest europa* are only those properties that meet the high requirements defined by the Fund Management. A given property must be of premium value, located in sought locations, let to high net worth companies, show a balanced risk/reward profile, and – this being the linchpin factor – complement the Fund portfolio. Our in-house experts will subject a potential real estate investment to due diligence processes well ahead of time. Here, aspects such as legal parameters, taxes, mechanical services, and profitability play a major role. Any new acquisition must preserve the holistic equilibrium of the real estate portfolio or indeed further enhance it. This means that regional location, main type of use, tenant structure, and investment volume of the property must snugly fit the overall concept of the Fund.

The intense preoccupation with a given building does not end with the decision to buy, though. Once it is added to the *hausInvest europa* inventory, it is regularly reviewed in regard to profitability and compliance with the Fund's high quality standards. Assets that cease to satisfy these requirements will be either revitalised or disposed of.

In line with the ongoing portfolio optimisation, we acquired 12 properties in the course of the concluded 2009/2010 financial year. These break down into 8 assets held directly by the Investment Company and 4 assets held through interests in real estate companies. On top of that, part land was acquired for the two portfolio properties Hotel Villa Kennedy and Westfield Center in London.

The new acquisitions include the first logistics property added to the *hausInvest europa* fund portfolio, namely the Logicpark Frankfurt Airport. The acquisition of the Swing Life Science Center in Helsinki heralded our first-time market entry in Finland. At the same time, we sold an office and warehouse building in the Austrian capital Vienna.

On the following pages, you will find detailed profiles of selected properties acquired during the 2009/2010 financial year.

## Die Mitte
**Berlin (Germany)**

The retail building Die Mitte is located in the heart of Berlin, directly on Alexanderplatz, housing the largest German branch of the Saturn electronic goods store, among other tenants.

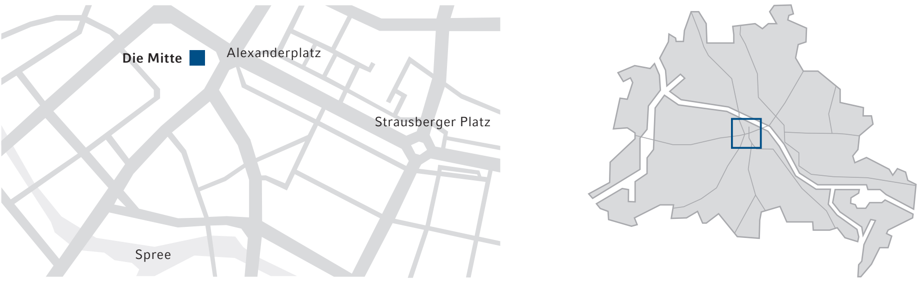
Alexanderplatz has been one of Berlin's most important transportation hubs and retail locations since the seventeenth century. It remains one of the city's most highly frequented shopping quarters to this day. The retail building of nearly 20,000 sqm was completed in March 2009. It is let on a long-term lease, a fact that ensures regular revenues and sound returns. The acquisition of this asset increased the retail share of the *hausInvest europa* portfolio, making it the fourth German shopping centre in addition to the fund-owned malls in Regensburg, Schweinfurt and Straubing. The excellent accessibility, the great tenant mix, and the attractive retail environment on Alexanderplatz have caused the property to become a sought shopping destination.

100 %

Occupancy

Usable floor space: 19,360 sqm
Purchase yield: 6.0 %
Occupancy rate: 100.0 %
Pro-rata purchase price:
118.4 MM€

**Die Mitte**
Alexanderplatz 3, Berlin




## Swing Life Science Center
**Helsinki (Finland)**

Around 30 % of all jobs in Finland are located in the capital Helsinki. The Swing Life Science Center provides ample space for some of them.

Surrounded by forests and lakes, the Finnish capital is situated in the southern coastal plane of the country. In its recent history, Helsinki has changed from an industrial region into an international economic hub. The purchase of the office scheme Swing Life Science Center helped to develop Finland as a new location for *hausInvest europa,* and to spread the real estate portfolio even further. The complex consists of 5 interconnected buildings with a gross lettable area of about 32,100 sqm. The property is let to high-net-worth tenants belonging to forward-looking industries. The remaining lease terms are 6 years on average.

**Swing Life Science Center**
Keilaranta 10–16, Helsinki (Espoo)


1 Property

of *hausInvest europa* in Finland

Usable floor space: 32,122 sqm
Purchase yield: 6.9 %
Occupancy rate: 100.0 %
Purchase price: 118.9 MM€

## Le Flavia
**Paris (France)**


Le Flavia: An office building in Ivry-sur-Seine with above-average performance.

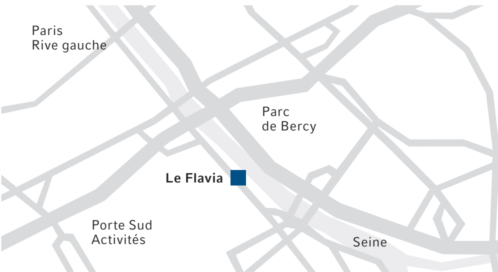
Ivry-sur-Seine, in immediate vicinity of the Boulevard périphérique that circles Paris in a belt of affluent districts, has seen a lot of structural changes in recent years. Traditionally a rather industrial area, it is dominated by service providers, restaurants, residential and green areas, as well as many small and medium-size enterprises today. Bearing in mind that 84 % of all French companies have their headquarters in the greater Paris area, you get an idea of the full potential of this region. With rent rates being much more affordable here than in downtown Paris, more and more companies are relocating to Ivry-sur-Seine. A case in point is FNAC, the French market leader in consumer electronics sales. FNAC has rented the entire premises of Le Flavia through 2017, ensuring high long-term returns. It contributes sustainably to the appreciation of *hausInvest europa*.

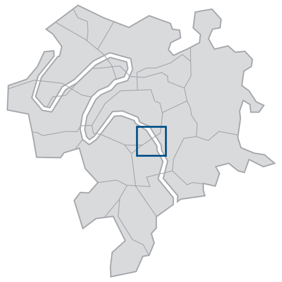
7.5 %

Purchase yield:

Usable floor space: 16,355 sqm
Purchase yield: 7.5 %
Occupancy rate: 100 %
Purchase price: 71.0 MM€

**Le Flavia**
16–23 Quai Marcel Boyer, Ivry-sur-Seine/Paris



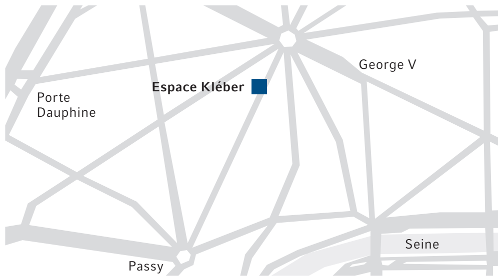



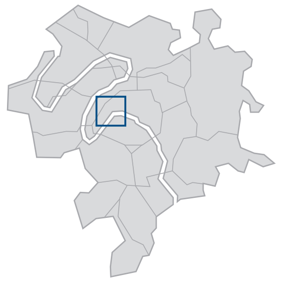
## Espace Kléber
**Paris (France)**

Avenue Kléber is one of those time-honoured Paris boulevards that radiate from the Arc de Triomphe in all directions.

Avenue Kléber traverses Paris straight as an arrow. On one end, you will find the – after the Eiffel Tower – second-most important landmark of the town, the Arc de Triomphe. Here, the highest state ceremonies of France take place. The Espace Kléber property is located but a few hundred metres from this historic monument. It offers 11,585 sqm of exclusive office space of prestigious character in a prime location. Reconstructed in 1998, the eight-storey building is let long-term to two internationally active companies. Swiss bank Credit Suisse and environmental service provider Veolia have resided here since 2006. The superb credit ratings of the tenants and the long lease terms through 2016 represent outstanding conditions for uninterrupted rent revenues.

**Espace Kléber**
23–25 Avenue Kléber, Paris



Exclusive

Location

in the heart of Paris

Usable floor space: 11,585 sqm
Purchase yield: 6.8 %
Occupancy rate: 100.0 %
Purchase price: 117.6 MM€

# Logicpark Frankfurt Airport
**Kelsterbach (Germany)**

Logicpark Kelsterbach sets quality standards that are unrivalled in Germany.

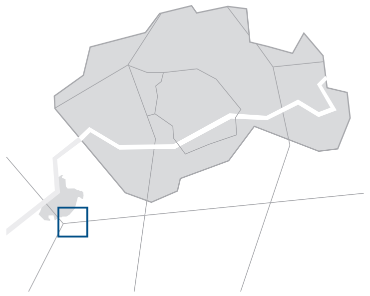
Like a string of pearls, the lights of the incoming flights are suspended above Frankfurt Airport. The dynamic development of Germany's financial hub ties in with the progressing globalisation and the attendant, steadily increasing flow of goods. The frequency of incoming aircraft is almost one per minute. So it makes sense that the airport is expanding, and with it the demand for logistics properties in the immediate vicinity. The logistics park at Frankfurt Airport sets new standards in quality – especially in terms of modularity and flexibility of the floor space. For today's logistics industry, these are key criteria. International companies active in this sector have rented much of the lettable area here. The Logicpark property in Kelsterbach, which is the first logistics asset that *hausInvest europa* owns in Germany, stands out due to its outstanding quality, its superb location and excellent accessibility, and not least due to its favourable trade tax multiplier.

1. Logistics property

of the *hausInvest europa* in Germany

Usable floor space: 18,890 sqm
Purchase yield: 7.2 %
Occupancy rate: 100.0 %
Purchase price: 22.0 MM€

**Logicpark Frankfurt Airport**
Mönchhofallee 1, Kelsterbach



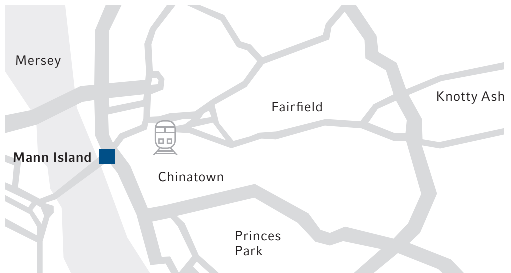


# Mann Island
**Liverpool (United Kingdom)**

State-of-the-art architecture in an port laden with history – Block 3 on Mann Island.

A highly modern office scheme is being raised on the historic port of Liverpool – Mann Island. Its glass and granite façade make this a visually extremely attractive building. The property is being built according to the highest environmental standards, and will be certified for compliance with the highest British real estate quality seal following its completion in Q1 2011 – the BREEAM "Excellent" certificate. Once completed, the building will become the domicile of the Merseyside Integrated Travel Authority, a semi-public organisation that operates the public transportation services in the area. Extending over a 30-year period, the lease is unusually long-term. Thus, the investment matches exactly the risk/reward profile and the safety-oriented investment strategy pursued by *hausInvest europa*.

**Mann Island**
Strand Street, L3 Central, Liverpool



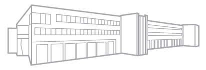
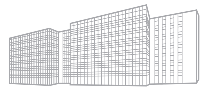

30 years

Lease

Usable floor space: 12,968 sqm
Purchase yield: 6.6 %
Occupancy rate: 100.0 %
Purchase price: 45.0 MM£

# Overview Acquisitions and Dispositions

**Status: 31 March 2010**

| **Acquisitions, including transfer of costs and benefits** | | **Germany (€)** | | | | | **France (€)** | |
|---|---|---|---|---|---|---|---|---|
| | |  |  | |  |  |  |  |
| No. | | 14 | 20 | | 24 | 27 | 36 | 43 |
| Asset name | | Medienfabrik | Die Mitte | | Theresien Center | Logicpark Frankfurt | Le Flavia | Espace Kléber |
| Postal code/city | | 80339 Munich | 10178 Berlin | | 94315 Straubing | 65451 Kelsterbach | 94200 Ivry-sur-Seine | 75116 Paris |
| Address | | Ganghoferstrasse 68–70 | Alexanderplatz 3/ Alexanderstrasse | | Regensburger Str./ Stadtgraben | Mönchhofallee 1 | 16–23 Quai Marcel Boyer | 23–25 Avenue Kléber |
| Type of use/main type of use* | in % of the lettable area | O: 75 | R: 100 | | R: 75 | L: 78 | O: 100 | O: 92 |
| Usable floor space | in sqm | 33,131 | 19,544 | | 20,687 | 18,890 | 16,355 | 11,585 |
| Type of investment | | direct | indirect | | indirect | direct | direct | direct |
| Total investment costs | in € | 78,807,426.51 | 120,267,093.73 | | 64,837,764.24 | 23,189,865.84 | 71,816,575.63 | 118,880,802.02 |
| Market value at signing of deed | in € | 70,270,000.00 | 119,732,400.00 | | 68,166,688.32 | 22,000,000.00 | 77,300,000.00 | 132,400,000.00 |
| Purchase price (PP) | in € | 73,477,093.00 | 118,406,413.65 | | 63,480,402.12 | 22,078,397.07 | 71,000,000.00 | 117,557,000.00 |
| Acquisition expenses | in € | 5,330,333.51 | 1,860,680.08 | | 1,357,362.12 | 1,111,468.77 | 816,575.63 | 1,323,802.02 |
| Acquisition expenses (AE) | In % of PP | 7.25 | 1.57 | | 2.14 | 5.03 | 1.15 | 1.13 |
| Prospective depreciable life | in years | 10 | 10 | | 10 | 10 | 10 | 10 |
| Transfer of rights and duties | | 01 January 2010 | 06 July 2009 | | 26 June 2009 | 25 July 2009 | 17 September 2009 | 30 November 2009 |
| Date deed was signed | | 06 February 2007 | 03 July 2009 | | 19 November 2007 | 03 July 2009 | 20 July 2009 | 30 September 2009 |

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Property Record

[1] Exchange rate
£/€ 03/06/2009: 0.86010
£/€ 19/01/2010: 0.87550
SEK/€ 26/01/2010: 10.27240

[2] For a list of the acronyms, see the Property List.

[3] Area as planned

[4] Projected purchase price.

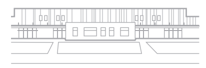
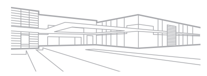
[5] Properties under construction. This represents ancillary production costs.

Also, part land plots were acquired for the property on Kennedyallee 70 in Frankfurt am Main, and for the Westfield mall in London.

Also, another 5 % in the property on Friedenstr. 23, Regensburg, was acquired in the form of interests in the CGI Grundstück GmbH & Co. Regensburg Arcaden KG.

# Overview Acquisitions and Dispositions

**Status: 31 March 2010**

| Acquisitions, including transfer of costs and benefits | | United Kingdom (£ converted in €)[1] | | | Netherlands (€) | Portugal (€) | Sweden (SEK converted in €)[1] | Finland (€) |
|---|---|---|---|---|---|---|---|---|
| | |  |  | |  |  |  |  |
| No. | | 51 | 52 | | 73 | 96 | 101 | 102 |
| Asset name | | One Snow Hill | Mann Island | | Irdeto | Montijo Retail Park | Enebyängen Retail Park | Swing Life Science Center |
| Postal code/city | | Birmingham | Liverpool | | 2132 TZ Hoofddorp | Alfonsoeiro-Montijo | Stockholm (Danderyd) | 2150 Espoo |
| Address | | Snow Hill Street | Strand Street, L 3 Central | | Taurusavenue | Estrada do Pau Queimado | Enebybergsvägen | Keilaranta 10–16 |
| Type of use/main type of use[2] | in % of the lettable area | O: 100 | O: 100 (under construction) | | O: 100 | R: 100 | R: 100 (under construction) | O: 100 |
| Usable floor space | in sqm | 25,033 | 12,968[3] | | 9,229 | 19,958 | 12,474[3] | 32,122 |
| Type of investment | | direct | direct | | direct | indirect | direct | indirect |
| Total investment costs | in € | 146,222,149.06 | 54,361,877.25 | | 33,776,626.49 | 28,822,501.93 | 24,643,708.34 | 123,160,850.56 |
| Market value at signing of deed | in € | 140,491,147.92 | 54,179,746.54 | | 33,570,000.00 | 30,000,000.00 | 23,986,604.88 | 121,600,000.00 |
| Purchase price (PP) | in € | 137,687,298.69 | 52,319,497.73 | | 32,827,446.32 | 27,783,253.13 | 23,807,934.11 | 118,911,626.70 |
| Acquisition expenses | in € | 8,534,850.37 | 2,042,379.51 | | 949,180.17 | 1,039,248.80 | 835,774.24 | 4,249,223.86 |
| Acquisition expenses (AE) | In % of PP | 6.20 | 3.90 | | 2.89 | 3.74 | 3.51 | 3.57 |
| Prospective depreciable life | in years | 10 | n/a[5] | | 10 | 10 | n/a[5] | 10 |
| Transfer of rights and duties | | 19 January 2010 | 03 June 2009 | | 16 December 2009 | 07 May 009 | 26 January 2010 | 30 June 2009 |
| Date deed was signed | | 19 January 2010 | 03 June 2009 | | 29 April 2008 | 05 March 2007 | 10 December 2009 | 30 June 2009 |

[1] Exchange rate
£/€ 03/06/2009: 0.86010
£/€ 19/01/2010: 0.87550
SEK/€ 26/01/2010: 10.27240

[2] For a list of the acronyms, see the Property List.

[3] Area as planned

[4] Projected purchase price.

[5] Properties under construction. This represents ancillary production costs.

| Dispositions, including transfer of rights and duties | | Austria (€) |
|---|---|---|
| Asset name | | |
| Postal code/city | | Vienna |
| Address | | Erlachgasse 134–140 |
| Type of use/main type of use[2] | in % of the lettable area | OU: 62, O 26 |
| Usable floor space | in sqm | 5,547 |
| Type of investment | | direct |
| Total investment costs | in € | 7,668,886.24 |
| Market value | in € | 3,700,000.00 |
| Sales prices | in € | 3,700,000.00 |
| Sales profit compared to market value | in € | 0.00 |
| ancillary sales costs | in € | 121,817.96 |
| Transfer of rights and duties | | 09 July 2009 |
| Date deed was signed | | 18 June 2009 |

# Project Developments

Aside from the classic acquisition of completed and rented portfolio properties, we also regularly invest in suitable project developments on behalf of *hausInvest europa*.

Since project developments exist only on paper at the time of such a commitment and have yet to be built, this type of investment calls for specific and comprehensive technical competence. The experts of our technical asset management – including architects, civil engineers, and all kinds of experts – participate in the investment and conceptualisation process of a given project development from the start. Their experience enables them to gain a holistic grasp of a given project early on in the planning stage. This is of key importance insofar as it is the only way to identify possible shortcomings of the concept or the imminent construction well ahead of time and to either eliminate them or include them in relevant contractual provisions. Few players on this market bring the in-house competence to such projects, which explains why the acquisition of attractive project developments is subject to less competition than it would be for comparable completed properties. So this gives us considerable competitive edge.

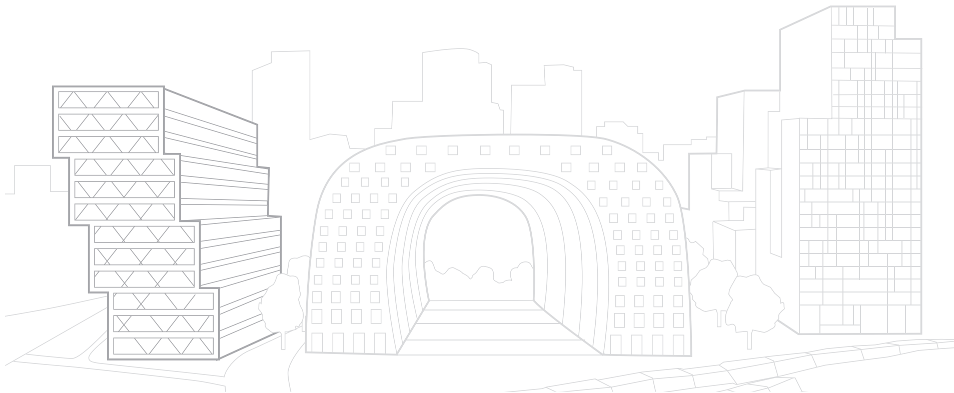
In addition to an attractive purchase yield, the charm of project developments lies in the possibility to help to structure the future Fund property from the very beginning. Initiating diverse measures to enhance and secure the quality enables us to ensure together with the respective project developer that the building to be raised will contribute seriously to the Fund's success. On the one hand, we thus act as investor, while on the other hand, we assume the role of a project optimiser. Naturally, raising a new building is always associated with a latent risk. In the context of the safety-oriented investment strategy of *hausInvest europa*, it is of the essence to minimise it as early as the preliminary project stages. Our expertise and long-term experience are instrumental in achieving this end. Possible fulfilment of a contract guarantees or rights to back out of a given sale add legal security to the undertaking. One thing we will always request is a rental guarantee for the future building. Because no matter how attractive a project development may be, it will only turn a profit for *hausInvest europa* and its investors if the new property is occupied by solvent tenants, and provides a steady flow of rental income.

The probity of this concept is borne out by the fact that the portfolio of *hausInvest europa* includes a number of assets that were raised within the framework of project developments. One of them is the Westfield shopping centre in London, which was completed in 2008 and opened for business the same year. The Westfield Center is Europe's largest downtown shopping mall, and a prime example of how successful a project development can be for all stakeholders: Following a 5-year construction period, the mall opened in October 2008, that is, at the onset of the credit crunch. The inauspicious moment does not seem to have impressed anyone, though: More than 30 million shoppers have been to the Westfield since, and have ensured a remarkably high turnover.

Let us take the opportunity to briefly introduce two project developments:

## Blaak

**Rotterdam (Netherlands)**

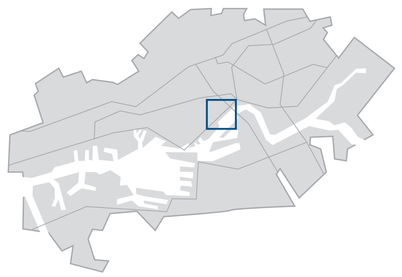


In the very heart of Rotterdam, right by Willems Bridge, construction of the Blaak project is under way. It is a lopsided building.

Rotterdam is known not only for Europe's largest port but also as one of the most important cultural centres of the Low Countries. Expressive, extraordinary architecture thus seems to be a gentic given for this town. Near the Meuse river, in the vibrant centre of Rotterdam, and directly next to the city's bustling Blaak railway station, the Blaak office scheme manifests a south-facing tilt. What makes this architectural masterpiece so special is the shift of its central axis in the right wing, and its perfect correspondence with the futuristic market hall that is being raised right next to Blaak – by the same project developer (Provast), as it happens. On twelve floors, the office building provides a gross lettable area of 23,088 sqm. A large share of this floor space in a prominent location has been reserved by a forward commitment of the law firm of Loyens & Loeff. Other tenants will include the international commodities trader Glencore.

**Blaak**

Blaak 31, Rotterdam

74 %

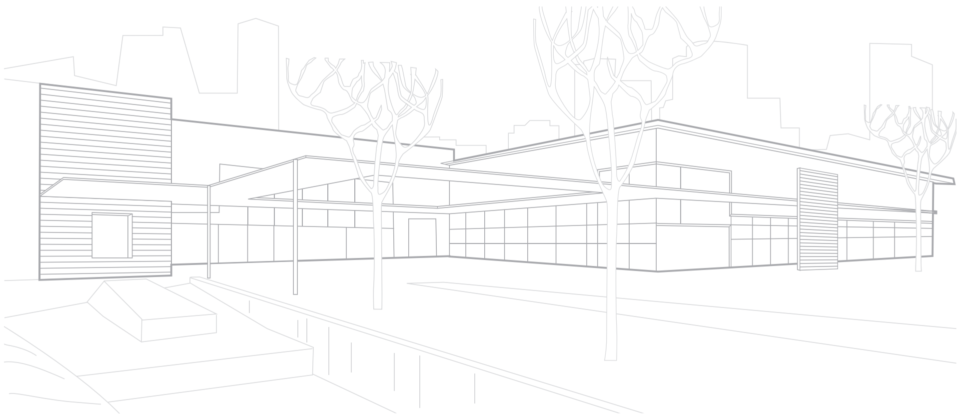
Pre-let

Usable floor space: 23,088 sqm
Purchase yield: 6.4 %
Stage of completion: 86.0 %
Date of completion: July 2010
Purchase price: 75.1 MM €

Status: 31 March 2010

# Enebyängen Retail Park

**Stockholm (Sweden)**



Danderyd is a preferred residential area in the north of Stockholm. This is where Enebyängen Retail Park is being created.

65,000 cars per day commute from the northern part to downtown Stockholm. On their way, they pass the 20 metre tall pylon advertising Enebyängen Retail Park, just ten kilometres outside Stockholm. The complex consists of 9 buildings with a gross lettable area of about 14,342 sqm. Completion of the first 8 buildings is slated for early 2010. Following the completion, a variety of big boxes representing the retail segments food, furniture, and electronics will move in. They will position themselves in a region marked by above-average household income, making the property an attractive proposition for all tenants. Enebyängen Retail Park will complement the Sweden portfolio of *hausInvest europa* by adding a smaller but highly profitable property let on leases of 10 years or more.

99 %

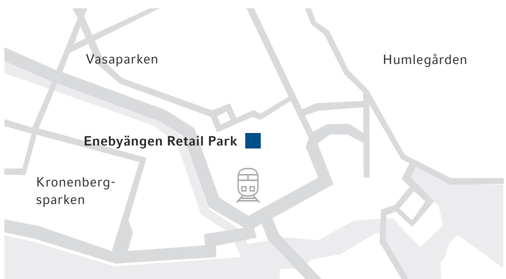
Pre-let

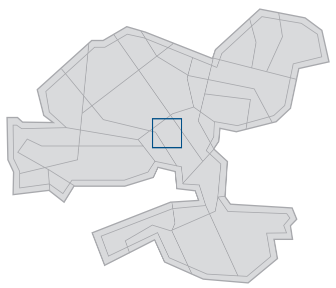
Usable floor space: 14,342 sqm
Purchase yield: 7.1 %
Stage of completion: 47.0 %
Date of completion: June 2011
Purchase price: 280.1 MM SEK

Status: 31 March 2010

**Enebyängen Retail Park**

Danderyd, Stockholm





# Overview of Project Developments

**Project developments during the 2009/2010 financial year**

| | Main type of use[1] | Usable floor space in sqm | Date of completion |
|---|---|---|---|
| **PROPERTIES COMPLETED AND ADDED TO THE PORTFOLIO DURING THE REPORTING PERIOD** | | | |
| Germany | | | |
| Schweinfurt, Schrammstrasse[2] | R | 30,765 | June 2009 |
| Straubing, Theresien Center[2] | R | 21,198 | May 2009 |
| Munich, Ganghoferstr. 68–70 | O | 33,131 | February 2010 |
| France | | | |
| Meudon, Avenue du Maréchal Juin | O | 54,244 | December 2009 |
| Italy | | | |
| Sesto San Giovanni (Milan), Viale Tommaso Edison | O | 23,987 | December 2009 |
| Luxembourg | | | |
| Luxembourg, Avenue John F. Kennedy[2] | O | 11,274 | March 2010 |
| Luxembourg, Avenue John F. Kennedy[2] | O | 9,794 | March 2010 |
| Luxembourg, Avenue John F. Kennedy[2] | O | 12,162 | March 2010 |
| Netherlands | | | |
| Hoofddorp, Irdeto | O | 11,130 | January 2010 |
| Portugal | | | |
| Montijo, Afonsoeiro (retail park)[2] | R | 17,728 | May 2009 |

Status: 31 March 2010

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Property Record

[1] For a list of the acronyms, see the Property List.

[2] Properties held through real estate companies.

**Project developments during the 2009/2010 financial year**

| | Main type of use[1] | Usable floor space in sqm | Date of completion (prospectively) |
|---|---|---|---|
| **PROPERTIES UNDER CONSTRUCTION, ADDED TO THE PORTFOLIO** | | | |
| United Kingdom | | | |
| Liverpool, Strand Street | under construction/O | 12,968 | April 2011 |
| Sweden | | | |
| Stockholm (Danderyd), Enebybergsvägen (Phase I) | under construction/R | 12,474 | October 2010 |
| **PROPERTIES UNDER CONSTRUCTION, PENDING TRANSACTIONS** | | | |
| Germany | | | |
| Frankfurt, Cargo City Süd | under construction/L | 21,825 | September 2010 |
| Berlin, Leipziger Strasse 50 | under construction/H | 8,660 | October 2010 |
| France | | | |
| Aix-en-Provence, Avenue Archimède | under construction/O | 11,516 | April 2010 |
| Netherlands | | | |
| Rotterdam, Blaak 31 | under construction/O | 23,088 | July 2010 |
| Austria | | | |
| Vienna, Erdbergstr. 131, Thomas-Klestil-Platz 4[2] | under construction/O | 6,732 | December 2010 |
| Vienna, Würtzlerstr. 1, Thomas-Klestil-Platz 6, Schnirchgasse 10[2] | under construction/O | 6,758 | December 2010 |
| Vienna, Erdbergstr. 141[2] | under construction/O | 20,030 | October 2010 |
| Vienna, Erdbergstr. 139[2] | under construction/O | 10,259 | October 2010 |
| Sweden | | | |
| Stockholm (Danderyd), Enebybergsvägen (Phase II) | under construction/R | 1,868 | June 2011 |

Status: 31 March 2010

Page 84+
Property Record

[1] For a list of the acronyms, see the Property List.

[2] Properties held through real estate companies.

# Letting Management

93.9 %

Occupancy

Offering modern premium rental space where people will feel at home is the best way to generate a high demand among tenant prospects. In other words, the quality of the floor space is decisive for successful letting. And this is an aspect not to be neglected, because ultimately the value of a property depends directly on its tenant constituency. A steady flow of rent revenues is possible only if the property is permanently let to tenants of high credit ratings. The revenues are in turn the foundation for the stable income of *hausInvest europa*.

The Fund's portfolio includes more than 100 commercial properties of all kinds of use types. Around 1,700 national and international tenants from various industries are domiciled in these properties. The long-term letting of the floor area of *hausInvest europa* is in the hands of our Real Estate Asset Management.

The letting efforts aim above all at identifying potential for increasing rents and the values of properties and at raising these potentials in the best interest of *hausInvest europa*. New, renegotiated and follow-up leases are signed in cooperation with local brokers on a daily basis in order to perpetuate the high occupancy rate of *hausInvest europa*. By 31 March 2010, it stood at 93.9 %. Not every tenant fits the mould of the safety-oriented Fund concept: Of prime importance is a superior credit worthiness of the tenant. This helps us keep the risk of a possible collection loss due to a company's liquidity problems to a minimum from the start. Another objective is to achieve a well-balanced tenant constituency representing a variety of industries for *hausInvest europa*. The tenants of the Fund real estate come from the most diverse sectors, including: Financial services, telecommunication, retail, hospitality, legal and tax consulting. In order to maintain the equilibrium between the several industries, optimising the tenant structure is an ongoing effort. It makes the *hausInvest europa* even less dependent on the economic cycle of any single industry.

In addition to the actual letting efforts, we invest plenty of time in tenant relations. This may have its price, but it is money well spent. Stable business relations with satisfied tenants are a key factor for the long-term success of *hausInvest europa*. Happy tenants are loyal tenants. That is why we are doing everything we can to meet – or indeed exceed – the expectations and specific requirements of our tenants.

That our strategy of providing premium floor space in combination with a holistic letting management pays off is substantiated by the occupancy rates of the *hausInvest europa* portfolio. Notwithstanding the difficult economic parameters, the 2009/2010 financial year counts among the most successful ever in terms of take-up. By 31 March 2010, floor space with a total volume of 288,000 sqm had been signed away in new leases or lease renewals.

Some of the most prominent letting successes of the 2009/2010 financial year will be briefly detailed below.

# Klara Zenith
**Stockholm (Sweden)**


The Klara Zenith complex is located right on Drottninggatan, one of the most highly frequented shopping streets in Scandinavia.

The Klara Zenith property hides a secret. You will not uncover it unless you behold this office and retail building from above. Half a dozen apartments are grouped on its roof like a little settlement in its own right, high above the street. Aside from the these coveted hideaways, it is, of course, mainly the retail area on a shopping street with one of the highest footfalls in the Nordic countries that characterises this asset. Clas Ohlson, a chain store for household goods, has rented 7,300 sqm of floor space at the Klara Zenith and intends to open its flagship store here. With this lease signing, our asset management accomplished the biggest retail letting deal in Stockholm of the past decade. For *hausInvest europa*, the lease simply means stable rent revenues for a long period of time.

**Klara Zenith**
Drottninggatan 53,
Stockholm

7,300 sqm
newly let retail space

Usable floor space: 65,443 sqm
Newly let space: 7,300 sqm
Occupancy rate: 84.0 %



# Junghof Plaza
**Frankfurt (Germany)**


One of the best addresses in Frankfurt is Junghof Plaza, located between Alte Oper and Goetheplatz.

A panorama of skyscrapers: A view from the rooftop terrace of Junghof Plaza will clearly reveal the location quality of this property in the heart of Frankfurt's financial district. The building meets the demand of Germany's banking hub for prime office facilities by offering a gross lettable area of about 32,000 sqm. Following a holistic concept, the actually two buildings of the Junghof Plaza complex are grouped around a prestigious inner courtyard. The lettable floor space is of extraordinarily high quality. Unusual for Frankfurt is, for instance, the sheer size of each floor. It offers tenants a high occupancy density and floor space efficiency. Credit Suisse has discovered this advantage for its purposes and expanded its office space in this highly presentable property to a total size of 15,200 sqm. This has enabled the Swiss bank to pool its company locations within Frankfurt, and to move its Germany headquarters into this *hausInvest europa* asset.

**Junghof Plaza**
Junghofstrasse 14/16,
Frankfurt am Main

15,200 sqm
newly let or re-let office space

Usable floor space: 32,038 sqm
Newly let or re-let space:
15,200 sqm
Occupancy rate: 83.0 %

# ABB Building

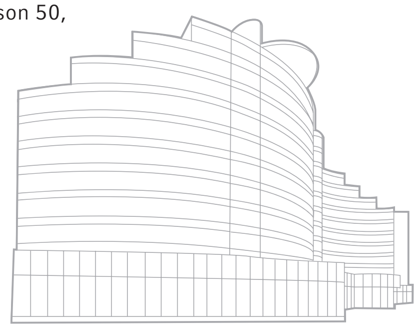
**Milan (Italy)**

The ABB Building is located in the established office location Sesto San Giovanni in Milan.

Since 2001, ABB – an energy and information technology leader – has had its headquarters in this *hausInvest europa* property located in Sesto San Giovanni. Situated just eight kilometres from downtown Milan, the community has evolved into an established office district and has become the seat of many international companies. Optically striking about the ABB Building is the S-shaped design with three staggered terraces on the West and East façade. In addition to high-end office space, the property includes numerous storage and technical areas, a sufficient number of parking spaces, a cafeteria, and an impressive lobby. Just how closely ABB identifies with its corporate headquarters became obvious in the course of the concluded financial year: The company prematurely extended its existing lease by another 6 years. This means that the roughly 1,000 staff working out of these offices of altogether 27,000 sqm will keep calling this place their second home at least through 2016. The lease extension was negotiated by either party without the use of external advisers. While this may seem unusual for a transaction of this scale, it shows how harmonious the relationship between lessor and lessee can be.

**ABB Building**

Viale Tommaso Edison 50,
Milan



100 %

remains fully let

Usable floor space: 27,008 sqm
Newly let or re-let space:
27,008 sqm
Occupancy rate: 100.0 %

# Sound Tenant Structure

*hausInvest europa* favours long-term lease agreements and was able to report a sound spread of remaining lease terms as at 31 March 2010. The tenants' industry affiliations are equally well diversified.

75.9 %

of the leases have a lifetime of more than 3 years

**Remaining lease terms**

| | |
|---|---|
| 2010 | 8.4 % |
| 2011 | 7.5 % |
| 2012 | 8.1 % |
| 2013 | 8.9 % |
| 2014 | 9.2 % |
| 2015 | 7.7 % |
| 2016 | 8.5 % |
| 2017 | 7.1 % |
| 2018 | 14.1 % |
| 2019 | 5.0 % |
| 2020+ | 15.4 % |
| unlimited | 0.1 % |

Status: 31 March 2010

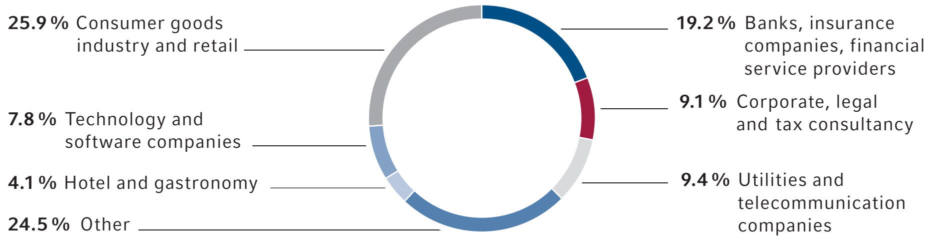
**Remaining lease terms**

exceed

| | |
|---|---|
| 3 years | 75.9 % |
| 5 years | 57.8 % |
| 10 years | 15.4 % |

Status: 31 March 2010

**Spread of tenant industry affiliation by net rent[1]**

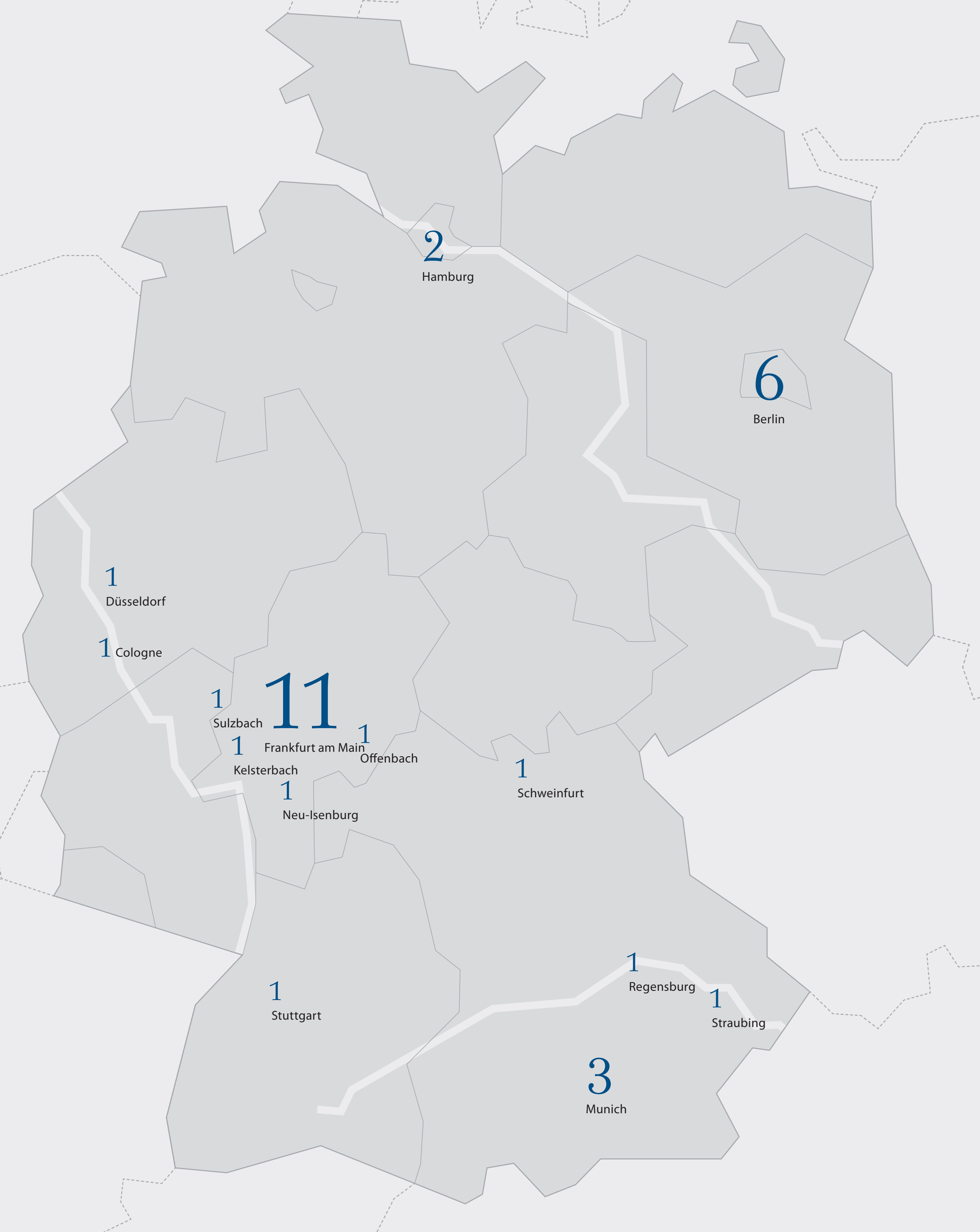



Status: 31 March 2010

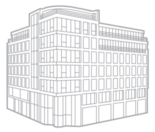
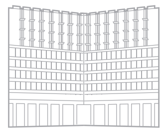
[1] Pro-rata, referring to the holding percentage.

# Property List

## Overview Germany



# Property List

| | | Germany (€) | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | |  |  | |  |  |  |  |
| No. | | 1 | 2 | | 3 | 4 | 5 | 6 |
| Asset name | | Dorotheen–Ensemble | Classicon | | Kö 92 a | | Junghof Plaza | Junghof Plaza |
| Postal code/city | | 10117 Berlin | 10117 Berlin | | 40212 Düsseldorf | 60313 Frankfurt am Main | 60311 Frankfurt am Main | 60311 Frankfurt am Main |
| Address | | Dorotheenstrasse 33 Charlottenstrasse 42 | Leipziger Platz 9 | | Königsallee 92a | Börsenstr. 2–4, Börsenplatz 13–15, Rathenauplatz 14 | Junghofstrasse 14 | Junghofstrasse 16 |
| Internet address | | dorotheenensemble.de | classicon-berlin.de | | | boersenstrasse-frankfurt.de | junghofplaza.de | junghofplaza.de |
| DATA REFERRING TO THE PROPERTY AS A WHOLE | | | | | | | | |
| **PROPERTY DATA** | | | | | | | | |
| Type of use/main type of use* | in % of the lettable area | **O:** 79 | **O:** 65 | | **O:** 75 | **O:** 57; R 30 | **O:** 94 | **O:** 92 |
| Type of property | | | | | | | | |
| Plot size | in sqm | 989 | 2,665 | | 1,671 | 2,182 | 2,610 | 3,852 |
| Date of acquisition/holding period | part of the portfolio since/in years | 06/2002/7.8 | 01/2002/8.3 | | 12/1993/16.3 | 01/1995/15.3 | 07/2002/7.8 | 07/2002/7.8 |
| Year built/remodelled | | 2002 | 2003 | | 1972; 1998 | 1890; 1995 | 2003 | 2003 |
| Gross lettable area | in sqm | 4,927 | 11,698[1] | | 7,036[1] | 13,861 | 14,421 | 17,617 |
| Commercial/residential floor space | in sqm | 4,927/0 | 9,326/2,372 | | 7,036/0 | 13,861/0 | 14,421/0 | 17,617/0 |
| **TENANCY INFORMATION** | | | | | | | | |
| Main tenant | | Zeitverlag Gerd Bucerius | Deutsche Bahn AG | | Regus Düsseldorf | ZARA Deutschland | J. P. Morgan AG | Credit Suisse |
| Vacancy rate (rent loss rate) | in % | 26.7 | 8.8 | | 19.9 | 22.6 | 20.6 | 13.4 |
| Leases expiring in FY 2010/2011 | in % | 6.6 | 100.0 | | 1.7 | 14.0 | 2.6 | 0.1 |
| Remaining lease terms | in years | 2.8 | 0.9 | | 4.1 | 3.6 | 3.9 | 6.1 |
| Rental income during FY 2009/2010 | in thousand | 752 | n/a | | 989 | 5,114 | n/a | n/a |
| Rent forecast for FY 2010/2011 | in thousand | 830 | n/a | | 1,617 | 5,059 | n/a | n/a |
| **VALUATION-BASED DATA** | | | | | | | | |
| Appraised rent rating/gross income | in thousand | 1,062 | 2,557 | | 1,819 | 5,898 | 5,704 | 7,033 |
| Remaining useful life | in years | 63 | 64 | | 43 | 56 | 64 | 64 |
| Fair market value (FMV) | in thousand | 17,790 | 45,390 | | 31,350 | 110,200 | 102,600 | 124,400 |
| DATA REFERRING TO THE PRO-RATA HOLDING PERCENTAGE | | | | | | | | |
| **INVESTMENT DATA** | | | | | | | | |
| Investment type/holding percentage | | direct/100.00 % | direct/100.00 % | | direct/100.00 % | direct/100.00 % | direct/100.00 % | direct/100.00 % |
| Carrying amount in statement of assets and liabilities | in thousand | 17,790 | 45,390 | | 31,350 | 110,200 | 102,600 | 124,400 |
| Purchase price (PP) as at 16 August 2008 | in thousand | | | | | | | |
| Acquisition expenses (AE) as at 16 August 2008 | in thousand/in % of the PP | | | | | | | |
| thereof fees and taxes | in thousand | | | | | | | |
| AE depreciated in FY 2009/2010 | in thousand | | | | | | | |
| AE yet to be depreciated | in thousand | | | | | | | |
| prospective remaining depreciation period | in years | | | | | | | |
| Total investment costs | in thousand | | | | | | | |
| Gearing ratio | In % of FMV | – | – | | – | – | – | – |

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Notes on the Property List

Pages 224+
For more details on the holding companies, please see the Record of Participations

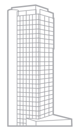
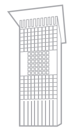
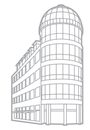
*
O Office building
R Retail building
H Hotel building
L Logistics building
VL Vacant lot
OU Other usage
RB Residential building

1) New survey
2) Add. acquisition
3) Scheduled completion
4) Area as planned

Foreign exchange rates as at 30 March 2010

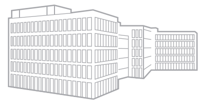
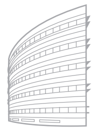
Exchange rate: 1 € = 0.89350 £
Exchange rate: 1 € = 9.77130 SEK

# Property List

| Germany (€) | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | |  |  |  |  |  |  |  |
| No. | | 7 | 8 | 9 | 10 | 11 | 12 | 13 |
| Asset name | | Eurotheum | Schillerhaus | Japan Center | Goldenes Haus | Gerhof | Cambium | |
| Postal code/city | | 60311 Frankfurt am Main | 60313 Frankfurt am Main | 60311 Frankfurt am Main | 60486 Frankfurt am Main | 20354 Hamburg | 20097 Hamburg | 50672 Cologne |
| Address | | Neue Mainzer Strasse 60–66 | Schillerstrasse 18–20 | Taunusstrasse 2 | Theodor-Heuss-Allee 80 | Gerhofstrasse 1–3 | Nagelsweg 33, 35 | Ehrenstrasse 2<br>St.-Apern-Strasse 1 |
| Internet address | | | schillerhaus.com | japan-center.com | goldenes-haus.de | | cambium-hamburg.de | |
| DATA REFERRING TO THE PROPERTY AS A WHOLE | | | | | | | | |
| **PROPERTY DATA** | | | | | | | | |
| Type of use/main type of use | in % of the lettable area | **O:** 73 | **O:** 69 | **O:** 90 | **O:** 95 | **O:** 50; R 41 | **O:** 87 | **O:** 75; R 25 |
| Type of property | | | | | | | | |
| Plot size | in sqm | 1,890 | 2,519 | 2,105 | 15,114 | 1,774 | 5,384 | 432 |
| Date of acquisition/holding period so far | part of the portfolio since/in years | 07/1996/13.8 | 12/2003/6.3 | 06/2002/7.8 | 12/1987/22.3 | 10/2003/6.5 | 01/1988/22.3 | 01/1994/16.3 |
| Year built/remodelled | | 2000 | 2004 | 1996 | 1984; 2001 | 1978; 2003 | 1989; 2005 | 1993 |
| Gross lettable area | in sqm | 21,163 | 12,565[1] | 25,869 | 33,235 | 9,625 | 13,509 | 2,242 |
| Commercial/residential floor space | in sqm | 21,163/0 | 11,398/1,167 | 25,869/0 | 33,235/0 | 9,018/607 | 13,509/0 | 2,242/0 |
| **TENANCY INFORMATION** | | | | | | | | |
| Main tenant | | European Central Bank | MAB Development | Allen & Overy | Commerzbank | ESPRIT | Körber AG | Gravis |
| Vacancy rate (rent loss rate) | in % | 0.0 | 14.0 | 10.0 | 0.6 | 11.8 | 0.9 | 0.0 |
| Leases expiring in FY 2010/2011 | in % | 0.4 | 15.0 | 2.0 | 23.5 | 2.5 | 0.7 | 29.4 |
| Remaining lease terms | in years | 5.1 | 3.5 | 4.0 | 4.4 | 7.0 | 4.6 | 6.6 |
| Rental income during FY 2009/2010 | in thousand | n/a | 3,036 | 8,258 | 7,281 | 4,704 | n/a | n/a |
| Rent forecast for FY 2010/2011 | in thousand | n/a | 3,632 | 8,492 | 6,392 | 4,317 | n/a | n/a |
| **VALUATION-BASED DATA** | | | | | | | | |
| Appraised rent rating/gross income | in thousand | 7,603 | 4,083 | 10,033 | 6,619 | 4,858 | 2,011 | 511 |
| Remaining useful life | in years | 61 | 65 | 57 | 50 | 54 | 56 | 64 |
| Fair market value (FMV) | in thousand | 144,150 | 71,850 | 171,400 | 102,100 | 85,820 | 30,840 | 9,250 |
| DATA REFERRING TO THE PRO-RATA HOLDING PERCENTAGE | | | | | | | | |
| **INVESTMENT DATA** | | | | | | | | |
| Investment type/holding percentage | | direct/100.00 % | direct/100.00 % | direct/100.00 % | direct/100.00 % | direct/100.00 % | direct/100.00 % | direct/100.00 % |
| Carrying amount in statement of assets and liabilities | in thousand | 144,150 | 71,850 | 171,400 | 102,100 | 85,820 | 30,840 | 9,250 |
| Purchase price (PP) as at 16 August 2008 | in thousand | | | | | | | |
| Acquisition expenses (AE) as at 16 August 2008 | in thousand/in % of the PP | | | | | | | |
| thereof fees and taxes | in thousand | | | | | | | |
| AE depreciated in FY 2009/2010 | in thousand | | | | | | | |
| AE yet to be depreciated | in thousand | | | | | | | |
| prospective remaining depreciation period | in years | | | | | | | |
| Total investment costs | in thousand | | | | | | | |
| Gearing ratio | In % of FMV | – | – | – | – | – | – | – |

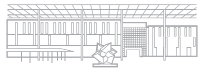
# Property List

**Germany (€)**

| | |  |  |  |  |  |  |  |
|---|---|---|---|---|---|---|---|---|
| No. | | 14 | 15 | 16 | 17 | 18 | 19 | 20 |
| Asset name | | Medienfabrik | Artec-Forum | | | | Limespark | Die Mitte |
| Postal code/city | | 80339 Munich | 80335 Munich | 81379 Munich | 63263 Neu-Isenburg | 70174 Stuttgart | 65843 Sulzbach | 10178 Berlin |
| Address | | Ganghoferstrasse 68–70 | Karlstrasse 64–68 Seidlstrasse 21–23 | Machtlfinger Str. 5–15 | Martin-Behaim-Strasse 4–6 | Theodor-Heuss-Str. 11/Calwer Str. 26 | Limespark 2 | Alexanderplatz 3/ Alexanderstrasse |
| Internet address | | medienfabrik-muenchen.com | artecforum.de | | | | innovapark.de | alexanderplatz.de |
| **DATA REFERRING TO THE PROPERTY AS A WHOLE** | | | | | | | | |
| **PROPERTY DATA** | | | | | | | | |
| Type of use/main type of use | in % of the lettable area | **O:** 75 | **O:** 89 | **O:** 88 | **O:** 87 | **O:** 65 | **O:** 91 | **R:** 100 |
| Type of property | | | | | | | | |
| Plot size | in sqm | 19,138[1] | 6,903 | 12,130 | 8,829 | 1,345 | 16,216 | 3,866 |
| Date of acquisition/holding period so far | part of the portfolio since/in years | 01/2010/0.3 | 06/2003/6.8 | 10/2008/1.5 | 12/1993/16.3 | 12/1993/16.3 | 07/1991/18.7 | 07/2009/0.7 |
| Year built/remodelled | | 2010 | 2003 | 2003 | 1993 | 1982 | 2001 | 2009 |
| Gross lettable area | in sqm | 33,131[1] | 21,918 | 21,682 | 15,882 | 4,145 | 20,706[1] | 19,360 |
| Commercial/residential floor space | in sqm | 33,131/0 | 21,918/0 | 21,682/0 | 15,882/0 | 4,145/0 | 20,706/0 | 19,360/0 |
| **TENANCY INFORMATION** | | | | | | | | |
| Main tenant | | National Instruments | E.ON Vertrieb GmbH | trovicor GmbH | ARAMARK GmbH | dm-Drogeriemarkt | Logica Deutschland | Saturn |
| Vacancy rate (rent loss rate) | in % | 74.0 | 0.6 | 38.9 | 37.4 | 12.5 | 19.5 | 0.0 |
| Leases expiring in FY 2010/2011 | in % | 0.0 | 16.4 | 2.7 | 5.5 | 18.4 | 28.5 | 0.0 |
| Remaining lease terms | in years | 2.5 | 3.3 | 3.2 | 2.5 | 2.6 | 2.7 | 10.9 |
| Rental income during FY 2009/2010 | in thousand | n/a | 5,163 | 2,424 | 1,007 | 1,166 | 2,809 | 5,287 |
| Rent forecast for FY 2010/2011 | in thousand | n/a | 5,101 | 1,901 | 1,103 | 1,186 | 2,969 | 7,281 |
| **VALUATION-BASED DATA** | | | | | | | | |
| Appraised rent rating/gross income | in thousand | 4,942 | 4,602 | 3,299 | 1,689 | 1,301 | 3,494 | 7,239 |
| Remaining useful life | in years | 70 | 64 | 64 | 54 | 43 | 62 | 59 |
| Fair market value (FMV) | in thousand | 78,300 | 83,100 | 49,200 | 19,510 | 21,450 | 49,870 | 126,280 |
| **DATA REFERRING TO THE PRO-RATA HOLDING PERCENTAGE** | | | | | | | | |
| **INVESTMENT DATA** | | | | | | | | |
| Investment type/holding percentage | | direct/100.00 % | direct/100.00 % | direct/100.00 % | direct/100.00 % | direct/100.00 % | direct/100.00 % | indirect/94.80 % |
| Carrying amount in statement of assets and liabilities | in thousand | 73,477 | 83,100 | 49,200 | 19,510 | 21,450 | 49,870 | 118,401 |
| Purchase price (PP) as at 16 August 2008 | in thousand | 73,477 | | 46,480 | | | | 118,406 |
| Acquisition expenses (AE) as at 16 August 2008 | in thousand/in % of the PP | 5,330/7.3 | | 3,094/6.7 | | | | 1,861/1.6 |
| thereof fees and taxes | in thousand | 2,571 | | 1,662 | | | | 340 |
| AE depreciated in FY 2009/2010 | in thousand | 133 | | 309 | | | | 140 |
| AE yet to be depreciated | in thousand | 5,197 | | 2,630 | | | | 1,721 |
| prospective remaining depreciation period | in years | 9.8 | | 8.5 | | | | 9.3 |
| Total investment costs | in thousand | 78,807 | | | | | | 119,732 |
| Gearing ratio | In % of FMV | – | – | – | – | – | – | – |

# Property List

**Germany (€)**

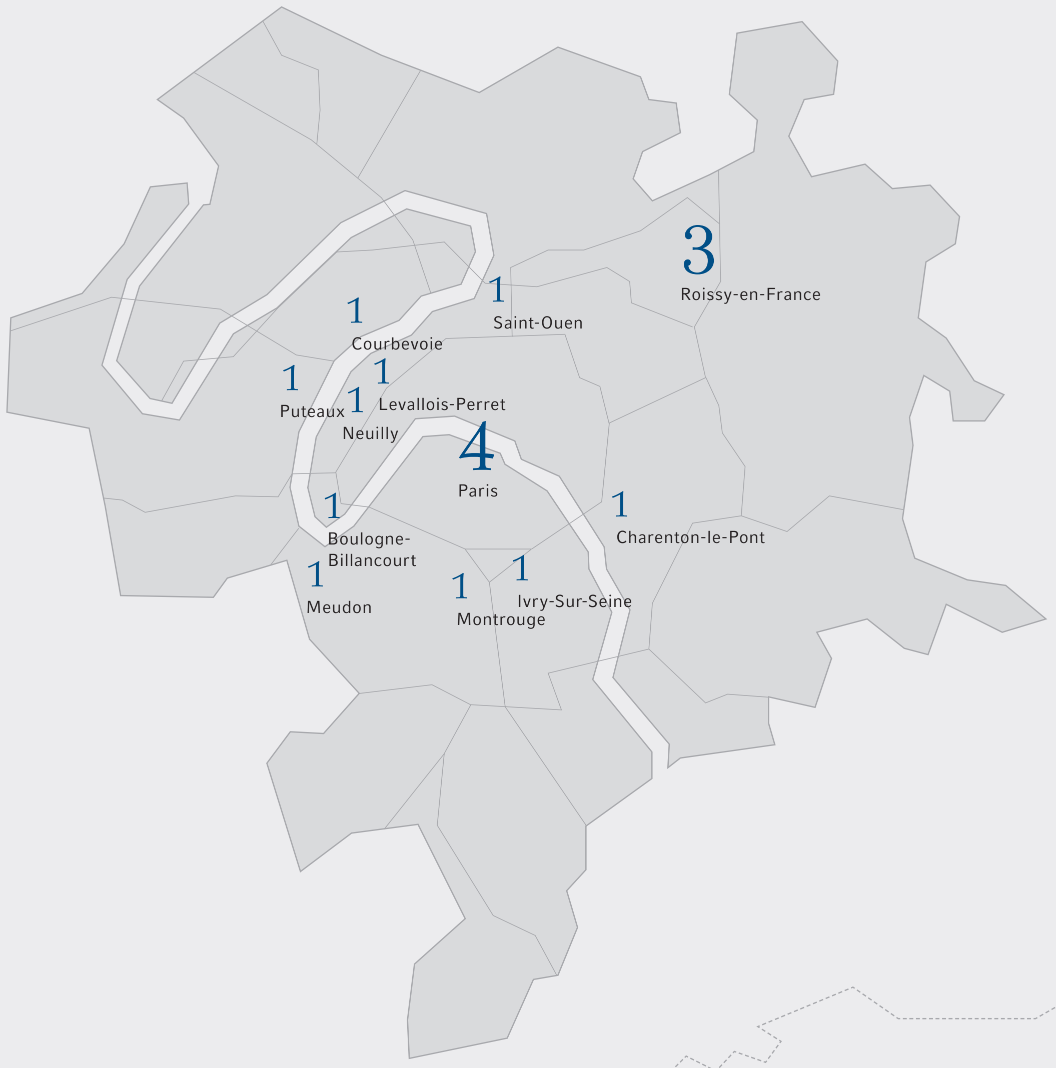
| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | |  |  |  |  |  |  |  |
| No. | | 21 | 22 | 23 | 24 | 25 | 26 | 27 |
| Asset name | | | Regensburg-Arcaden | Stadtgalerie Schweinfurt | Theresien Center | Hotel de Rome | Villa Kennedy | Logicpark Frankfurt Airport |
| Postal code/city | | 10627 Berlin | 93053 Regensburg | 97421 Schweinfurt | 94315 Straubing | 10117 Berlin | 60596 Frankfurt am Main | 65451 Kelsterbach |
| Address | | Wilmersdorfer Str. 117/Pestalozzistr. 77 | Friedenstrasse 23 | Schrammstrasse 5 | Regensburger Str./ Stadtgraben | Behrenstr./Hedwigskirch-gasse/Französische Str. | Kennedyallee 70/Paul-Ehrlich-Strasse 15 | Mönchhofallee 1 |
| Internet address | | | regensburg-arcaden.de | stadtgalerie-schweinfurt.de | theresien-center.eu | hotelderome.de | villakennedyhotel.de | |
| DATA REFERRING TO THE PROPERTY AS A WHOLE | | | | | | | | |
| **PROPERTY DATA** | | | | | | | | |
| Type of use/main type of use | in % of the lettable area | **R:** 73 | **R:** 100 | **R:** 100 | **R:** 75; O 25 | **H** 100 | **H** 92 | **L:** 78 |
| Type of property | | | | | | | | |
| Plot size | in sqm | 1,277 | 25,223 | 29,712 | 13,207 | 3,800 | 7,417[2] | 30,093 |
| Date of acquisition/holding period so far | part of the portfolio since/in years | 12/1999/10.3 | 11/2002; 08/2009/7.4 | 08/2007/2.6 | 06/2009/0.8 | 05/2007/2.9 | 05/2006; 04/2009/3.9 | 07/2009/0.7 |
| Year built/remodelled | | 2002 | 2002 | 2009 | 2009 | 1987; 2006 | 1905; 2006 | 2008 |
| Gross lettable area | in sqm | 5,350 | 36,668[1] | 30,765[1] | 20,687[1] | 14,385 | 15,679[2] | 18,890 |
| Commercial/residential floor space | in sqm | 4,368/982 | 36,668/0 | 30,765/0 | 20,687/0 | 14,385/0 | 15,679/0 | 18,890/0 |
| **TENANCY INFORMATION** | | | | | | | | |
| Main tenant | | Orsay | APCOA Parking Service | C&A | Hertie (dep. Store) | Rocco Forte & Family | Rocco Forte & Family | dress-for-less |
| Vacancy rate (rent loss rate) | in % | 2.4 | 0.4 | 0.4 | 13.4 | 0.0 | 0.0 | 0.0 |
| Leases expiring in FY 2010/2011 | in % | 4.3 | 0.1 | 3.1 | 6.3 | 0.0 | 0.0 | 0.0 |
| Remaining lease terms | in years | 2.3 | 3.9 | 9.7 | 7.6 | 17.0 | 16.7 | 5.7 |
| Rental income during FY 2009/2010 | in thousand | 2,209 | 11,459 | 8,700 | 2,204 | n/a | n/a | n/a |
| Rent forecast for FY 2010/2011 | in thousand | 2,228 | 11,569 | 9,296 | 3,162 | n/a | n/a | n/a |
| **VALUATION-BASED DATA** | | | | | | | | |
| Appraised rent rating/gross income | in thousand | 1,935 | 11,319 | 9,310 | 4,259 | 4,690 | 4,736 | 1,667 |
| Remaining useful life | in years | 62 | 53 | 59 | 60 | 67 | 66 | 49 |
| Fair market value (FMV) | in thousand | 31,560 | 181,000 | 157,530 | 66,100 | 79,250 | 82,270 | 22,000 |
| DATA REFERRING TO THE PRO-RATA HOLDING PERCENTAGE | | | | | | | | |
| **INVESTMENT DATA** | | | | | | | | |
| Investment type/holding percentage | | direct/100.00 % | indirect/94,99 %[2] | indirect/75.00 % | indirect/94.90 % | direct/100.00 % | direct/100.00 % | direct/100.00 % |
| Carrying amount in statement of assets and liabilities | in thousand | 31,560 | 171,932 | 118,148 | 63,480 | 79,250 | 82,270 | 22,000 |
| Purchase price (PP) as at 16 August 2008 | in thousand | | 9,032[2] | | 63,480 | | 1,635[2] | 22,078 |
| Acquisition expenses (AE) as at 16 August 2008 | in thousand/in % of the PP | | 64/0.7 | 2,579 | 1,357/2.1 | | 89/5.4 | 1,111/5.0 |
| thereof fees and taxes | in thousand | | – | 2 | – | | 57 | 767 |
| AE depreciated in FY 2009/2010 | in thousand | | 4 | 215 | 113 | | 11 | 84 |
| AE yet to be depreciated | in thousand | | 60 | 2,364 | 1244 | | 78 | 1,028 |
| prospective remaining depreciation period | in years | | 9.5 | 9.4 | 9.3 | | 9.1 | 9.3 |
| Total investment costs | in thousand | | 9,096[2] | | 64,838 | | 1,724[2] | 23,189 |
| Gearing ratio | In % of FMV | – | – | – | – | – | – | – |

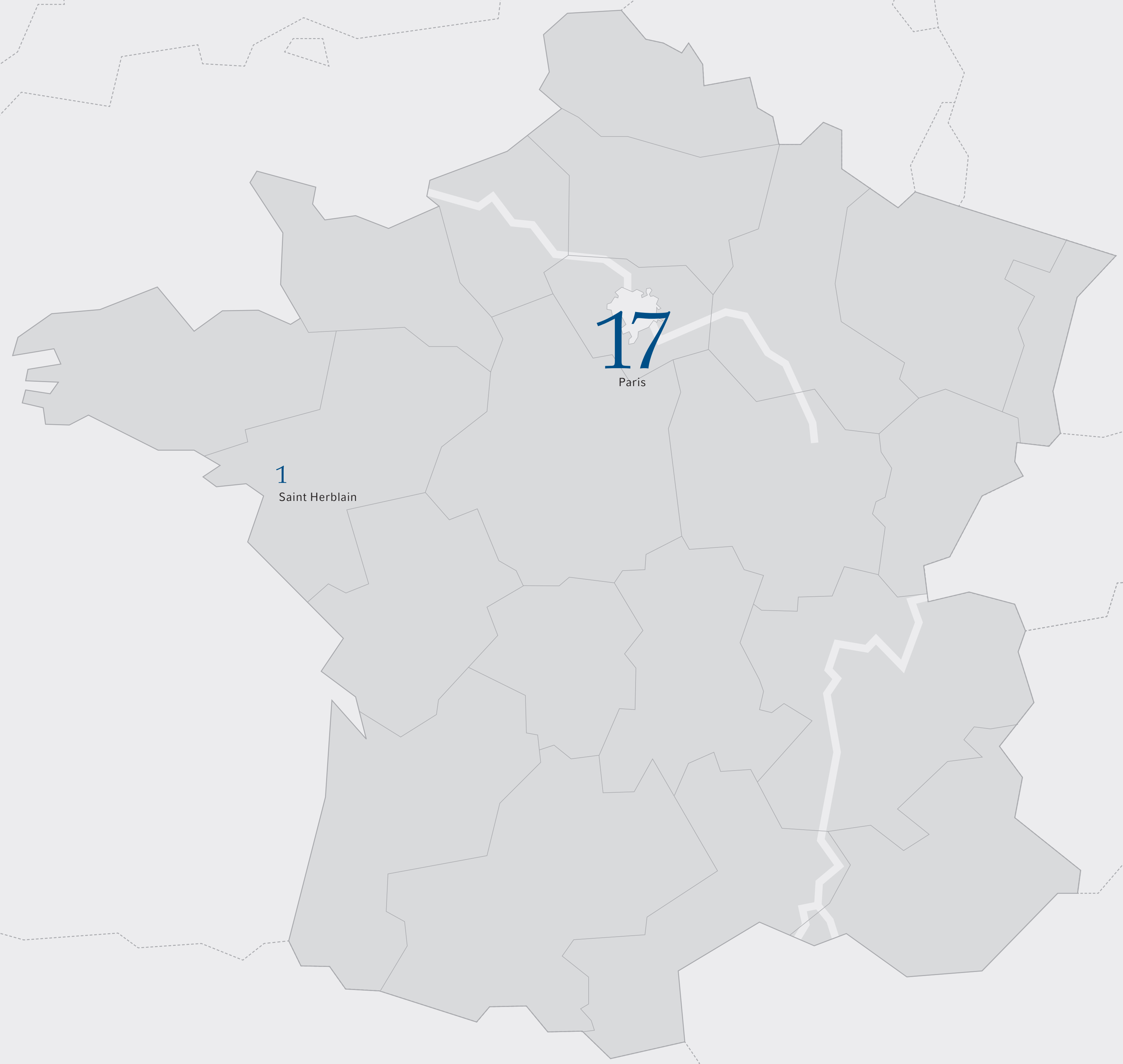
# Property List

| | | Germany (€) | | | | | | Total |
|---|---|---|---|---|---|---|---|---|
| | |  |  | |  |  |  | |
| No. | | 28 | 29 | | 30 | 31 | 32 | |
| Asset name | | | | | | | | |
| Postal code/city | | 60437 Frankfurt am Main | 60439 Frankfurt am Main | | 60439 Frankfurt am Main | 12277 Berlin | 63067 Offenbach | |
| Address | | Homburger Landstrasse 869 | Oberurseler Weg 3<br>Spielsgasse 22 | | Oberurseler Weg 3<br>Spielsgasse 22 | Nahmitzer Damm 12 | Nordring 144<br>Goethering 60 | |
| Internet address | | | | | | | | |
| DATA REFERRING TO THE PROPERTY AS A WHOLE | | | | | | | | |
| **PROPERTY DATA** | | | | | | | | |
| Type of use/main type of use | in % of the lettable area | **RB:** 100 | **RB:** 100 | | **RB:** 100 | **VL:** 100 | **OU:** 91 | |
| Type of property | | | Residential-/ partially owned property | | Residential-/ partially owned property | | | |
| Plot size | in sqm | 773 | 3,267 | | 3,267 | 167,314 | 10,374 | |
| Date of acquisition/holding period so far | part of the portfolio since/in years | 09/1996/13.6 | 06/2000/9.8 | | 06/2000/9.8 | 11/1994/15.4 | 03/1979/31.1 | |
| Year built/remodelled | | 1993 | 2000 | | 2000 | 1972; 1987 | 1950; 1973 | |
| Gross lettable area | in sqm | 599 | 67 | | 61 | 0 | 5,118 | |
| Commercial/residential floor space | in sqm | 0/599 | 0/67 | | 0/61 | 0/0 | 5,035/83 | |
| **TENANCY INFORMATION** | | | | | | | | |
| Main tenant | | n/a | n/a | | n/a | IBM | Keck Automobile | |
| Vacancy rate (rent loss rate) | in % | 0.9 | 0.0 | | 0.0 | 0.0 | 20.2 | |
| Leases expiring in FY 2010/2011 | in % | 100.0 | 100.0 | | 100.0 | 0.0 | 91.2 | |
| Remaining lease terms | in years | 1.0 | 1.0 | | 1.0 | 3.0 | 1.0 | |
| Rental income during FY 2009/2010 | in thousand | 49 | n/a | | n/a | n/a | n/a | |
| Rent forecast for FY 2010/2011 | in thousand | 60 | n/a | | n/a | n/a | n/a | |
| **VALUATION-BASED DATA** | | | | | | | | |
| Appraised rent rating/gross income | in thousand | 62 | 6 | | 6 | 0 | 0 | |
| Remaining useful life | in years | 63 | 71 | | 71 | | | |
| Fair market value (FMV) | in thousand | 950 | 125 | | 120 | 7,770 | 29 | |
| DATA REFERRING TO THE PRO-RATA HOLDING PERCENTAGE | | | | | | | | |
| **INVESTMENT DATA** | | | | | | | | |
| Investment type/holding percentage | | direct/100.00 % | direct/100.00 % | | direct/100.00 % | direct/100.00 % | direct/100.00 % | |
| Carrying amount in statement of assets and liabilities | in thousand | 950 | 125 | | 120 | 7,770 | 29 | direct: 1,567,821<br>indirect: 471,961 |
| Purchase price (PP) as at 16 August 2008 | in thousand | | | | | | | |
| Acquisition expenses (AE) as at 16 August 2008 | in thousand/in % of the PP | | | | | | | |
| thereof fees and taxes | in thousand | | | | | | | |
| AE depreciated in FY 2009/2010 | in thousand | | | | | | | 537 |
| AE yet to be depreciated | in thousand | | | | | | | direct: 8,933; indirect: 5,389 |
| prospective remaining depreciation period | in years | | | | | | | |
| Total investment costs | in thousand | | | | | | | |
| Gearing ratio | In % of FMV | – | – | | – | – | – | |

# Property List

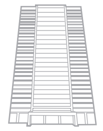
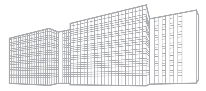
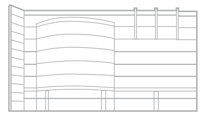
## Overview France



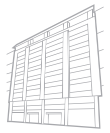
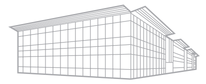



# Property List

**France (€)**

| | |  |  |  |  |  |  |  |
|---|---|---|---|---|---|---|---|---|
| No. | | 33 | 34 | 35 | 36 | 37 | 38 | 39 |
| Asset name | | Arcs de Seine | Rives de Bercy | Europlaza | Le Flavia | Place de Seine | Technopôle Vélizy | Cap Sud |
| Postal code/city | | 92200 Boulogne-Billancourt | 94220 Charenton-le-Pont | 92400 Courbevoie | 94200 Ivry-sur-Seine | 92300 Levallois-Perret | 92360 Meudon | 92120 Montrouge |
| Address | | 32–34 Quai du Pont du Jour | Quai de Bercy | 20 Avenue André Prothin | 16–23 Quai Marcel Boyer | 155–159 Rue Anatole France | Avenue du Maréchal Juin | 162 Av. de la République; 104 Av. Marx Dormoy |
| Internet address | | | | | | | | |
| DATA REFERRING TO THE PROPERTY AS A WHOLE | | | | | | | | |
| **PROPERTY DATA** | | | | | | | | |
| Type of use/main type of use | in % of the lettable area | **O:** 100 | **O:** 100 | **O:** 100 | **O:** 100 | **O:** 91 | **O:** 87 | **O:** 100 |
| Type of property | | | | | | | | |
| Plot size | in sqm | 16,595 | 16,374 | 7,696 | 4,465 | 7,161 | 34,861 | 2,550 |
| Date of acquisition/holding period so far | part of the portfolio since/in years | 08/2000/9.6 | 11/2001/8.4 | 06/1999/10.8 | 09/2009/0.5 | 08/2001/8.7 | 09/2007/2.6 | 06/2008/1.8 |
| Year built/remodelled | | 2001 | 2003 | 1999 | 2008 | 2000 | 2009 | 2008 |
| Gross lettable area | in sqm | 47,064 | 32,012 | 52,470 | 16,355 | 28,082 | 54,244[1] | 12,454 |
| Commercial/residential floor space | in sqm | 47,064/0 | 32,012/0 | 52,470/0 | 16,355/0 | 28,082/0 | 54,244/0 | 12,454/0 |
| **TENANCY INFORMATION** | | | | | | | | |
| Main tenant | | Bouygues Telecom | SA Crédit Foncier de France | CAP GEMINI | FNAC SA | SAP | Bouygues Telecom | TDF |
| Vacancy rate (rent loss rate) | in % | 8.6 | 0.0 | 15.9 | 0.0 | 19.6 | 0.0 | 25.8 |
| Leases expiring in FY 2010/2011 | in % | 89.6 | 0.0 | 0.1 | 0.0 | 0.0 | 0.0 | 0.0 |
| Remaining lease terms | in years | 1.4 | 6.0 | 4.4 | 8.0 | 3.1 | 9.0 | 6.0 |
| Rental income during FY 2009/2010 | in thousand | n/a | n/a | 18,586 | n/a | n/a | n/a | n/a |
| Rent forecast for FY 2010/2011 | in thousand | n/a | n/a | 25,708 | n/a | n/a | n/a | n/a |
| **VALUATION-BASED DATA** | | | | | | | | |
| Appraised rent rating/gross income | in thousand | 22,114 | 11,282 | 24,529 | 5,307 | 12,393 | 14,238 | 4,217 |
| Remaining useful life | in years | 61 | 63 | 60 | 69 | 61 | 70 | 68 |
| Fair market value (FMV) | in thousand | 345,400 | 184,900 | 395,300 | 71,000 | 204,700 | 235,300 | 72,800 |
| DATA REFERRING TO THE PRO-RATA HOLDING PERCENTAGE | | | | | | | | |
| **INVESTMENT DATA** | | | | | | | | |
| Investment type/holding percentage | | indirect/59.78 % | indirect/59.78 % | indirect/59.78 % | direct/100.00 % | direct/100.00 % | direct/100.00 % | indirect/100.00 % |
| Carrying amount in statement of assets and liabilities | | 206,465 | 110,525 | 236,293 | 71,000 | 204,700 | 235,300 | 72,800 |
| Purchase price (PP) as at 16 August 2008 | in thousand | | | | 71,000 | | 252,680 | |
| Acquisition expenses (AE) as at 16 August 2008 | in thousand/in % of the PP | | | | 817/1.2 | | 5,347/2.1 | |
| thereof fees and taxes | in thousand | | | | 0 | | 0 | |
| AE depreciated in FY 2009/2010 | in thousand | | | | 51 | | 178 | |
| AE yet to be depreciated | in thousand | | | | 766 | | 5,169 | |
| prospective remaining depreciation period | in years | | | | 9.5 | | 9.7 | |
| Total investment costs | in thousand | | | | 71,817 | | 258,027 | |
| Gearing ratio | In % of FMV | 24.36 | 25.79 | 26.97 | 63.38 | 41.04 | – | – |

# Property List

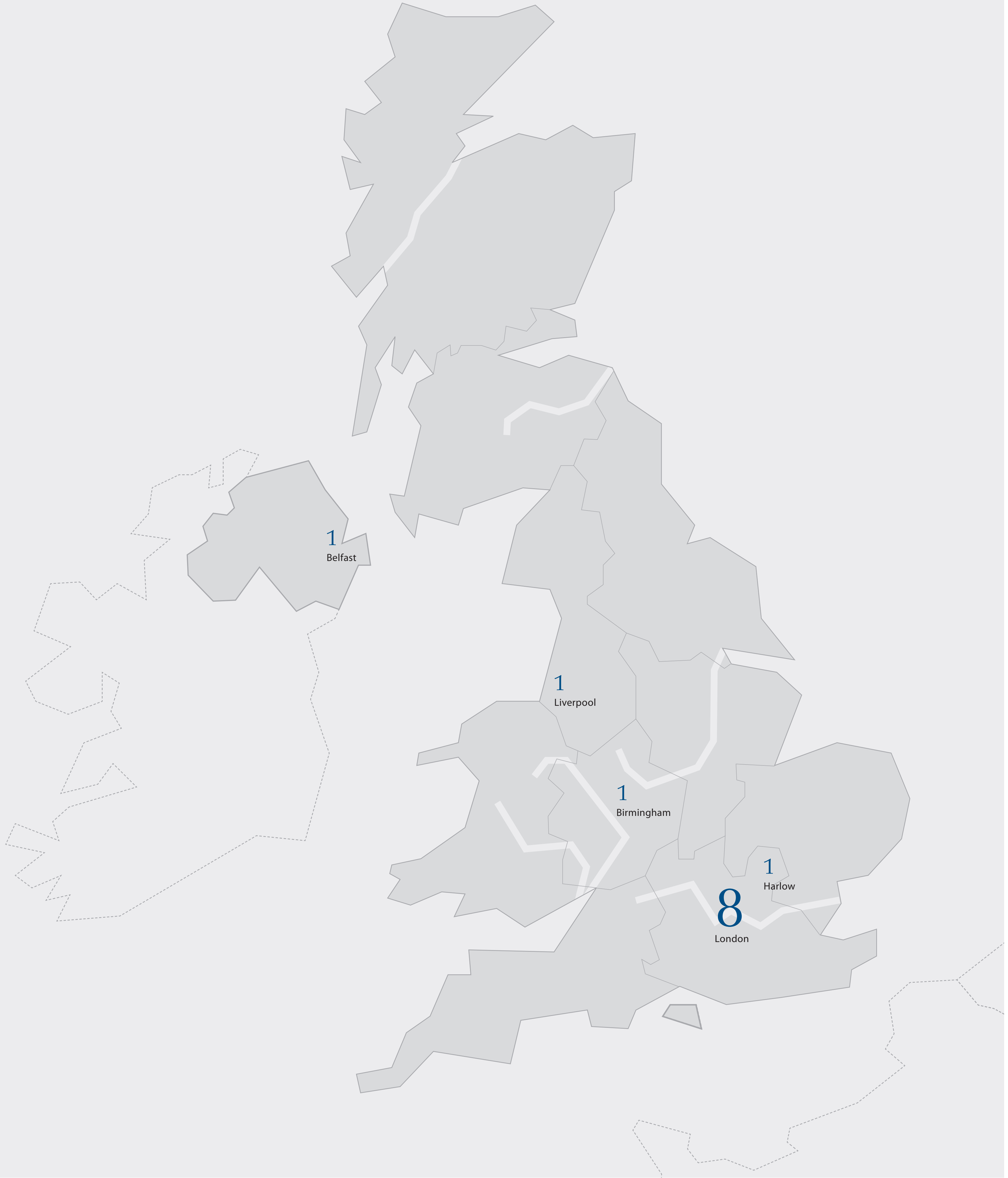
| | | France (€) | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | |  |  | |  |  |  |  |  |
| No. | | 40 | 41 | | 42 | 43 | 44 | 45 | 46 |
| Asset name | | | Périsud | | Etoile Saint Honoré | Espace Kléber | Place d'Iéna | Palatin | Parc de Reflets |
| Postal code/city | | 92200 Neuilly | 75014 Paris | | 75008 Paris | 75116 Paris | 75016 Paris | 92800 Puteaux | 95700 Roissy-en-France |
| Address | | 127 Avenue Charles de Gaulle | 1–11 Boulevard Romain Rolland | | 21–25 Rue Balzac | 23–25 Avenue Kléber | 7 Place d'Iéna/ 12 Avenue d'Iéna | 3–5 Cours du Triangle/ Rue de Valmy | 165 Avenue du Bois de la Pie |
| Internet address | | | | | | | | | |
| DATA REFERRING TO THE PROPERTY AS A WHOLE | | | | | | | | | |
| **PROPERTY DATA** | | | | | | | | | |
| Type of use/main type of use | in % of the lettable area | **O:** 88 | **O:** 91 | | **O:** 90 | **O:** 92 | **O:** 94 | **O:** 86 | **O:** 100 |
| Type of property | | | | | | | | | |
| Plot size | in sqm | 2,914 | 10,872 | | 4,846 | 2,057 | 4,797 | 4,810 | 6,059 |
| Date of acquisition/holding period so far | part of the portfolio since/in years | 05/2003/6.9 | 05/2003/6.9 | | 02/1998/12.2 | 11/2009/0.3 | 05/2002/7.8 | 12/2002/7.3 | 12/2001/8.3 |
| Year built/remodelled | | 1995; 2005 | 2004 | | 1993 | 1998 | 2000 | 2005 | 2003 |
| Gross lettable area | in sqm | 9,661 | 30,401[1] | | 28,238[1] | 11,585 | 11,739 | 23,201[1] | 2,246 |
| Commercial/residential floor space | in sqm | 9,661/0 | 30,401/0 | | 28,238/0 | 11,585/0 | 11,739/0 | 23,201/0 | 2,246/0 |
| **TENANCY INFORMATION** | | | | | | | | | |
| Main tenant | | Kaufman & Broad Immo | Sanofi-Aventis Groupe | | Banque d'Orsay | Credit Suisse | Apple | KPMG | Computacenter France |
| Vacancy rate (rent loss rate) | in % | 0.0 | 0.0 | | 6.8 | 0.0 | 30.1 | 0.0 | 46.9 |
| Leases expiring in FY 2010/2011 | in % | 0.0 | 0.0 | | 6.0 | 0.0 | 0.3 | 0.0 | 0.0 |
| Remaining lease terms | in years | 6.0 | 7.0 | | 3.1 | 6.0 | 4.4 | 8.0 | 1.4 |
| Rental income during FY 2009/2010 | in thousand | n/a | n/a | | 15,924 | n/a | n/a | n/a | n/a |
| Rent forecast for FY 2010/2011 | in thousand | n/a | n/a | | 16,285 | n/a | n/a | n/a | n/a |
| **VALUATION-BASED DATA** | | | | | | | | | |
| Appraised rent rating/gross income | in thousand | 4,867 | 15,687 | | 17,551 | 7,330 | 8,694 | 11,977 | 369 |
| Remaining useful life | in years | 56 | 64 | | 64 | 59 | 62 | 66 | 64 |
| Fair market value (FMV) | in thousand | 84,500 | 266,100 | | 316,000 | 132,400 | 161,300 | 213,300 | 4,740 |
| DATA REFERRING TO THE PRO-RATA HOLDING PERCENTAGE | | | | | | | | | |
| **INVESTMENT DATA** | | | | | | | | | |
| Investment type/holding percentage | | direct/100.00 % | direct/100.00 % | | direct/100.00 % | direct/100.00 % | direct/100.00 % | direct/100.00 % | direct/100.00 % |
| Carrying amount in statement of assets and liabilities | | 84,500 | 266,100 | | 316,000 | 117,557 | 161,300 | 213,300 | 4,740 |
| Purchase price (PP) as at 16 August 2008 | in thousand | | | | | 117,557 | | | |
| Acquisition expenses (AE) as at 16 August 2008 | in thousand/in % of the PP | | | | | 1,324/1.1 | | | |
| thereof fees and taxes | in thousand | | | | | 0 | | | |
| AE depreciated in FY 2009/2010 | in thousand | | | | | 55 | | | |
| AE yet to be depreciated | in thousand | | | | | 1,269 | | | |
| prospective remaining depreciation period | in years | | | | | 9.7 | | | |
| Total investment costs | in thousand | | | | | 118,881 | | | |
| Gearing ratio | In % of FMV | – | 41.53 | | 33.77 | 64.65 | – | – | – |

# Property List

| France (€) | | | | | | | Total |
|---|---|---|---|---|---|---|---|
| | |  | |  |  |  | |
| No. | | 47 | | 48 | 49 | 50 | |
| Asset name | | Colonnadia | | Ar Mor Plaza | Eurosquare II | Marriott Hotel | |
| Postal code/city | | 95700 Roissy-en-France | | 44800 Saint-Herblain | 93400 Saint-Ouen | 95700 Roissy-en-France | |
| Address | | Rue de la Belle Etoile | | Rue de Cochardières/ Impasse Claude Nougaro | 164 Quartier Victor Hugo | Allée du Verger | |
| Internet address | | | | | | marriott.de | |
| DATA REFERRING TO THE PROPERTY AS A WHOLE | | | | | | | |
| **PROPERTY DATA** | | | | | | | |
| Type of use/main type of use | in % of the lettable area | **O:** 100 | | **O:** 100 | **O:** 90 | **H** 100 | |
| Type of property | | | | | | | |
| Plot size | in sqm | 23,072 | | 6,736 | 2,980 | 19,019 | |
| Date of acquisition/holding period so far | part of the portfolio since/in years | 10/2000/9.5 | | 02/2009/1.1 | 06/2002/7.8 | 09/2002/7.6 | |
| Year built/remodelled | | 2002 | | 2009 | 2003 | 2002 | |
| Gross lettable area | in sqm | 7,802 | | 11,353[1] | 17,555 | 17,724 | |
| Commercial/residential floor space | in sqm | 7,802/0 | | 11,353/0 | 17,555/0 | 17,724/0 | |
| **TENANCY INFORMATION** | | | | | | | |
| Main tenant | | Fujitsu Siemens | | SOPRA GROUP | Nokia Siemens | Roissy CYBM SAS | |
| Vacancy rate (rent loss rate) | in % | 50.0 | | 0.0 | 0.0 | 0.0 | |
| Leases expiring in FY 2010/2011 | in % | 0.0 | | 0.0 | 53.5 | 0.0 | |
| Remaining lease terms | in years | 0.0 | | 6.0 | 1.5 | 18.0 | |
| Rental income during FY 2009/2010 | in thousand | n/a | | 601 | n/a | n/a | |
| Rent forecast for FY 2010/2011 | in thousand | n/a | | 1,431 | n/a | n/a | |
| **VALUATION-BASED DATA** | | | | | | | |
| Appraised rent rating/gross income | in thousand | 1,359 | | 1,679 | 6,000 | 3,288 | |
| Remaining useful life | in years | 63 | | 70 | 64 | 43 | |
| Fair market value (FMV) | in thousand | 16,940 | | 23,050 | 97,800 | 46,990 | |
| DATA REFERRING TO THE PRO-RATA HOLDING PERCENTAGE | | | | | | | |
| **INVESTMENT DATA** | | | | | | | |
| Investment type/holding percentage | | direct/100.00 % | | direct/100.00 % | direct/100.00 % | direct/100 % | |
| Carrying amount in statement of assets and liabilities | in thousand | 16,940 | | 23,050 | 97,800 | 46,990 | direct: 1,859,277 indirect: 626,083 |
| Purchase price (PP) as at 16 August 2008 | in thousand | | | 23,372 | | | |
| Acquisition expenses (AE) as at 16 August 2008 | in thousand/in % of the PP | | | 817/3.5 | | | |
| thereof fees and taxes | in thousand | | | 0 | | | |
| AE depreciated in FY 2009/2010 | in thousand | | | 85 | | | 369 |
| AE yet to be depreciated | in thousand | | | 719 | | | direct: 7,923; indirect: 0 |
| prospective remaining depreciation period | in years | | | 8.9 | | | |
| Total investment costs | in thousand | | | 24,189 | | | |
| Gearing ratio | In % of FMV | – | | – | 51.12 | 40.43 | |

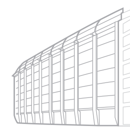
# Property List

## Overview United Kingdom



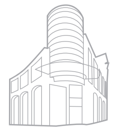
# Property List

**United Kingdom (£)**

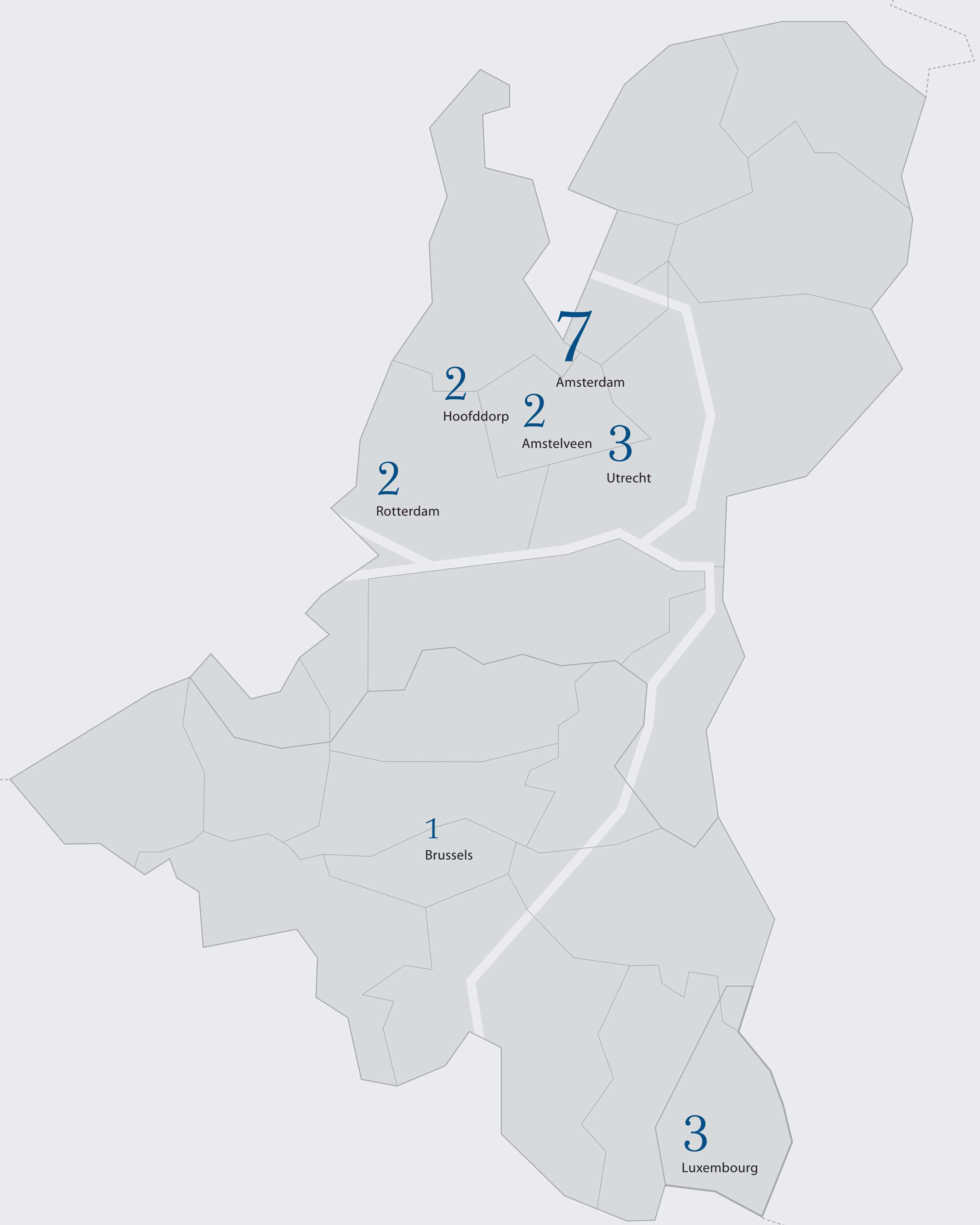
| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| No. | | 51 | 52 | 53 | 54 | 55 | 56 | 57 |
| Asset name | | One Snow Hill | Mann Island | | Globe House | Athene Place | Paternoster Square | Paternoster House |
| Postal code/city | | Birmingham | Liverpool | London | London | London | London | London |
| Address | | Snow Hill Street | Strand Street, L 3 Central | EC2V 7RF, 10 Aldermanbury | WC2, 4 Temple Place | EC4 A, 66–73 Shoe Lane & 22 St. Andrew Street | EC4, 65 St. Paul's Churchyard | EC4, 1 Paternoster Square |
| Internet address | | | mannislanddevelopments.com | | | | | |
| DATA REFERRING TO THE PROPERTY AS A WHOLE | | | | | | | | |
| **PROPERTY DATA** | | | | | | | | |
| Type of use/main type of use | in % of the lettable area | **O:** 100 | **O:** 100 | **O:** 100 | **O:** 100 | **O:** 100 | **O:** 85 | **O:** 85 |
| Type of property | | Ground lease | Property under construction | | | Ground lease | Ground lease | Ground lease |
| Plot size | in sqm | 3,160 | 1,855 | 4,700 | 3,501 | 2,492 | 1,790 | 721 |
| Date of acquisition/holding period so far | part of the portfolio since/in years | 01/2010/0.2 | 06/2009/0.8 | 02/1999/11.2 | 03/2003/7.0 | 07/2008/1.7 | 09/2001/8.6 | 09/2001/8.6 |
| Year built/remodelled | | 2009 | 2011[3] | 1999 | 1998 | 2002 | 2003 | 2003 |
| Gross lettable area | in sqm | 25,033 | 12,968[4] | 30,110 | 17,869 | 13,776 | 7,540 | 1,898 |
| Commercial/residential floor space | in sqm | 25,033/0 | 12,968/0 | 30,110/0 | 17,869/0 | 13,776/0 | 7,540/0 | 1,898/0 |
| **TENANCY INFORMATION** | | | | | | | | |
| Main tenant | | KPMG | | JP Morgan Chase | British American Tobacco | Deloitte | Cognetas | Lexicon Group Services |
| Vacancy rate (rent loss rate) | in % | 15.1 | – | 0.0 | 0.0 | 0.0 | 0.4 | 0.0 |
| Leases expiring in FY 2010/2011 | in % | 0.0 | – | 0.0 | 0.0 | 0.1 | 0.5 | 0.0 |
| Remaining lease terms | in years | 15.0 | – | 16.0 | 15.0 | 10.1 | 6.5 | 4.9 |
| Rental income during FY 2009/2010 | in thousand | n/a | – | n/a | n/a | n/a | 3,806 | n/a |
| Rent forecast for FY 2010/2011 | in thousand | n/a | – | n/a | n/a | n/a | 3,979 | n/a |
| **VALUATION-BASED DATA** | | | | | | | | |
| Appraised rent rating/gross income | in thousand | 8,203 | 3,014 | 15,250 | 10,316 | 5,664 | 3,892 | 1,030 |
| Remaining useful life | in years | 70 | 70 | 70 | 59 | 62 | 74 | 74 |
| Fair market value (FMV) | in thousand | 123,000 | 46,600 | 262,500 | 174,490 | 94,060 | 62,700 | 16,540 |
| DATA REFERRING TO THE PRO-RATA HOLDING PERCENTAGE | | | | | | | | |
| **INVESTMENT DATA** | | | | | | | | |
| Investment type/holding percentage | | direct/100.00 % | direct/100.00 % | direct/100.00 % | direct/100.00 % | direct/100.00 % | direct/100.00 % | direct/100.00 % |
| Carrying amount in statement of assets and liabilities | in thousand | 120,545 | 12,993 | 262,500 | 174,490 | 94,060 | 62,700 | 16,540 |
| Purchase price (PP) as at 16 August 2008 | in thousand | 120,545 | | | | | | |
| Acquisition expenses (AE) as at 16 August 2008 | in thousand/in % of the PP | 7,472/6.2 | | | | | | |
| thereof fees and taxes | in thousand | 4,822 | | | | | | |
| AE depreciated in FY 2009/2010 | in thousand | 187 | | | | | | |
| AE yet to be depreciated | in thousand | 7,285 | | | | | | |
| prospective remaining depreciation period | in years | 9.8 | | | | | | |
| Total investment costs | in thousand | 128,017 | | | | | | |
| Gearing ratio | In % of FMV | – | – | 37.71 | 42.29 | 68.04 | 48.71 | 48.71 |

# Property List

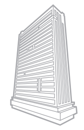
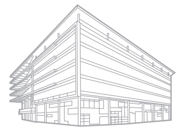
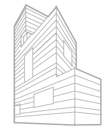
| | | United Kingdom (£) | | | | | Total in £ | Total in € |
|---|---|---|---|---|---|---|---|---|
| | |  |  |  |  |  | | |
| No. | | 58 | 59 | 60 | 61 | 62 | | |
| Asset name | | Capital House | Great Portland Street | Victoria Square | Westfield | Comet | | |
| Postal code/city | | London | London | Belfast | London | Harlow | | |
| Address | | EC3, 10–15 Lombard Street | W1W, 5 Marylebone, 170,180, 190,196,200 Great Portland Street | BT1 4 QG Victoria Square | Westfield/White City | Essex CM 20 2DF, 20–22 Edinburgh Way | | |
| Internet address | | | 180greatportlandstreet.co.uk | victoriasquare.com | uk.westfield.com/london | | | |
| DATA REFERRING TO THE PROPERTY AS A WHOLE | | | | | | | | |
| **PROPERTY DATA** | | | | | | | | |
| Type of use/main type of use | in % of the lettable area | **O:** 90 | **O:** 93 | **R:** 100 | **R:** 100 | **L:** 59, OU: 39 | | |
| Type of property | | | | | Ground lease | | | |
| Plot size | in sqm | 1,633 | 2,429 | 44,470 | 161,000 | 59,691 | | |
| Date of acquisition/holding period so far | part of the portfolio since/in years | 03/2001/9.0 | 09/2008/1.5 | 06/2004/5.8 | 08/2004/5.7 | 09/2008/1.6 | | |
| Year built/remodelled | | 2003 | 1910; 2007 | 2008 | 2008 | 2008 | | |
| Gross lettable area | in sqm | 11,788 | 9,834 | 65,677 | 152,663[1] | 35,302 | | |
| Commercial/residential floor space | in sqm | 11,788/0 | 9,834/0 | 65,677/0 | 152,663/0 | 35,302/0 | | |
| **TENANCY INFORMATION** | | | | | | | | |
| Main tenant | | Natexis | MJ Mapp | House of Fraser | Boots The Chemists | Comet Group | | |
| Vacancy rate (rent loss rate) | in % | 0.0 | 1.8 | 8.5 | 0.0 | 0.0 | | |
| Leases expiring in FY 2010/2011 | in % | 0.0 | 0.0 | 0.6 | 0.1 | 0.0 | | |
| Remaining lease terms | in years | 7.6 | 8.5 | 14.8 | 9.1 | 19.0 | | |
| Rental income during FY 2009/2010 | in thousand | 5,212 | 5,212 | 16,408 | 80,906 | n/a | | |
| Rent forecast for FY 2010/2011 | in thousand | 5,629 | 5,197 | 17,520 | 81,390 | n/a | | |
| **VALUATION-BASED DATA** | | | | | | | | |
| Appraised rent rating/gross income | in thousand | 5,269 | 5,232 | 21,118 | 99,129 | 2,587 | | |
| Remaining useful life | in years | 64 | 68 | 59 | 58 | 49 | | |
| Fair market value (FMV) | in thousand | 87,750 | 83,400 | 336,600 | 1,625,000 | 33,100 | | |
| DATA REFERRING TO THE PRO-RATA HOLDING PERCENTAGE | | | | | | | | |
| **INVESTMENT DATA** | | | | | | | | |
| Investment type/holding percentage | | direct/100.00 % | direct/100.00 % | indirect/99.90 % | direct/49.00 % | direct/100.00 % | | |
| Carrying amount in statement of assets and liabilities | in thousand | 87,750 | 83,400 | 336,263 | 824,200 | 33,100 | direct: 1,772,278 indirect: 336,263 | direct: 1,983,523 indirect: 376,344 |
| Purchase price (PP) as at 16 August 2008 | in thousand | | 79,500 | | | 31,022 | | |
| Acquisition expenses (AE) as at 16 August 2008 | in thousand/in % of the PP | | 4,949/6.2 | | | 2,356/7.6 | | |
| thereof fees and taxes | in thousand | | 3,181 | | | 1,231 | | |
| AE depreciated in FY 2009/2010 | in thousand | | 495 | | | 237 | 919 | 1,029 |
| AE yet to be depreciated | in thousand | | 4,165 | | | 1,980 | direct: 13,430; indirect: 0 | direct: 15,031; indirect: 0 |
| prospective remaining depreciation period | in years | | 8.5 | | | 8.4 | | |
| Total investment costs | in thousand | | 94,515 | | | 37,357 | | |
| Gearing ratio | In % of FMV | 46.32 | 66.64 | 50.45 | 12.13 | 69.15 | | |

# Property List

Overview Belgium, Netherlands,
Luxembourg (BeNeLux)

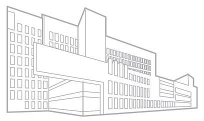
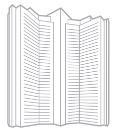


# Property List

| | | Netherlands (€) | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | |  |  | |  |  |  |  |
| No. | | 63 | 64 | | 65 | 66 | 67 | 68 |
| Asset name | | ten-thirty | Handelsplein | | Arena Toren A | Arena Toren B | SOM | ITO Toren |
| Postal code/city | | 1185 MC Amstelveen | 1181 ZA Amstelveen | | 1101 BH Amsterdam | 1101 HG Amsterdam | 1082 MA Amsterdam | 1082 MA Amsterdam |
| Address | | Burgemeester Rijnderslaan 10–30 | Handelsplein 41–59 | | De Entree 11–97 | De Entree 201 | Gustav-Mahlerlaan | Gustav-Mahlerlaan |
| Internet address | | | | | | | mahler4.nl | mahler4.nl |
| DATA REFERRING TO THE PROPERTY AS A WHOLE | | | | | | | | |
| **PROPERTY DATA** | | | | | | | | |
| Type of use/main type of use | in % of the lettable area | **O:** 100 | **O:** 90 | | **O:** 100 | **O:** 100 | **O:** 97 | **O:** 94 |
| Type of property | | | | | Ground lease | Ground lease | Partial ground lease | Partial ground lease |
| Plot size | in sqm | 51,467 | 8,649 | | 967 | 1,179 | 4,095 | 2,655 |
| Date of acquisition/holding period so far | part of the portfolio since/in years | 04/1997/13.0 | 12/2001/8.3 | | 02/2001/9.2 | 04/2002/8.0 | 12/2002/7.3 | 12/2002/7.3 |
| Year built/remodelled | | 1990 | 2004 | | 2000 | 2002 | 2005 | 2005 |
| Gross lettable area | in sqm | 47,459 | 14,080 | | 19,951[1] | 19,679 | 17,431[1] | 34,551[1] |
| Commercial/residential floor space | in sqm | 47,459/0 | 14,080/0 | | 19,951/0 | 19,679/0 | 17,431/0 | 34,551/0 |
| **TENANCY INFORMATION** | | | | | | | | |
| Main tenant | | KPMG Holding | BAT Nederland | | Amvest Management | PricewaterhouseCoopers | Boston Consulting Group | RATIEF V.A. |
| Vacancy rate (rent loss rate) | in % | 0.0 | 8.0 | | 20.1 | 0.0 | 25.1 | 3.8 |
| Leases expiring in FY 2010/2011 | in % | 100.0 | 0.0 | | 17.5 | 100.0 | 0.0 | 0.0 |
| Remaining lease terms | in years | 1.0 | 6.3 | | 1.9 | 3.0 | 4.6 | 5.0 |
| Rental income during FY 2009/2010 | in thousand | n/a | 2,796 | | 2,822 | n/a | 3,440 | 10,169 |
| Rent forecast for FY 2010/2011 | in thousand | n/a | 3,082 | | 2,892 | n/a | 3,806 | 10,341 |
| **VALUATION-BASED DATA** | | | | | | | | |
| Appraised rent rating/gross income | in thousand | 9,355 | 3,146 | | 3,462 | 3,475 | 4,657 | 10,656 |
| Remaining useful life | in years | 51 | 65 | | 61 | 62 | 66 | 66 |
| Fair market value (FMV) | in thousand | 122,200 | 45,890 | | 47,830 | 53,120 | 70,300 | 171,300 |
| DATA REFERRING TO THE PRO-RATA HOLDING PERCENTAGE | | | | | | | | |
| **INVESTMENT DATA** | | | | | | | | |
| Investment type/holding percentage | | direct/100.00 % | direct/100.00 % | | direct/100.00 % | direct/100.00 % | direct/100.00 % | direct/100.00 % |
| Carrying amount in statement of assets and liabilities | in thousand | 122,200 | 45,890 | | 47,830 | 53,120 | 70,300 | 171,300 |
| Purchase price (PP) as at 16 August 2008 | in thousand | | | | | | | |
| Acquisition expenses (AE) as at 16 August 2008 | in thousand/in % of the PP | | | | | | | |
| thereof fees and taxes | in thousand | | | | | | | |
| AE depreciated in FY 2009/2010 | in thousand | | | | | | | |
| AE yet to be depreciated | in thousand | | | | | | | |
| prospective remaining depreciation period | in years | | | | | | | |
| Total investment costs | in thousand | | | | | | | |
| Gearing ratio | In % of FMV | – | 45.76 | | – | – | – | – |

# Property List

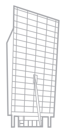
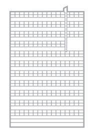
**Netherlands (€)**



| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| No. | | 69 | 70 | | 71 | 72 | 73 | 74 |
| Asset name | | van Doorne | Elsevier | | Twin Towers | Nortel-Orion Buildings | Irdeto | |
| Postal code/city | | 1081 PM Amsterdam | 1043 NX Amsterdam | | 1077 ZZ Amsterdam | 2132 WT Hoofddorp | 2132 TZ Hoofddorp | 3011 TA Rotterdam |
| Address | | Jachthavenweg 121 | Radarweg 29 | | Strawinskylaan 2001–2041/2501–2631 | Siriusdreef 30–72 | Taurusavenue | Blaak 28–34 |
| Internet address | | | | | | | | |
| DATA REFERRING TO THE PROPERTY AS A WHOLE | | | | | | | | |
| **PROPERTY DATA** | | | | | | | | |
| Type of use/main type of use | in % of the lettable area | **O:** 100 | **O:** 100 | | **O:** 100 | **O:** 100 | **O:** 100 | **O:** 100 |
| Type of property | | Ground lease | Ground lease | | Ground lease | | | |
| Plot size | in sqm | 4,196 | 7,800 | | 8,033 | 12,581 | 5,225 | 4,312 |
| Date of acquisition/holding period so far | part of the portfolio since/in years | 04/2002/7.9 | 07/2004/5.8 | | 08/1996/13.7 | 07/1998; 12/2001/11.8 | 12/2009/0.3 | 05/2000/9.9 |
| Year built/remodelled | | 2002 | 2004 | | 1992 | 1999 | 2010 | 2000 |
| Gross lettable area | in sqm | 12,539 | 41,469 | | 23,979 | 11,130[1] | 9,229[1] | 17,070 |
| Commercial/residential floor space | in sqm | 12,539/0 | 41,469/0 | | 23,979/0 | 11,130/0 | 9,229/0 | 17,070/0 |
| **TENANCY INFORMATION** | | | | | | | | |
| Main tenant | | van Doorne | Elsevier | | Stibbe | Nortel Networks | Irdeto Access | OBR Sector Vastgoed |
| Vacancy rate (rent loss rate) | in % | 0.0 | 0.0 | | 1.7 | 11.2 | 0.0 | 9.1 |
| Leases expiring in FY 2010/2011 | in % | 0.0 | 0.0 | | 0.0 | 58.9 | 0.0 | 0.0 |
| Remaining lease terms | in years | 10.0 | 5.0 | | 4.2 | 2.3 | 10.0 | 5.1 |
| Rental income during FY 2009/2010 | in thousand | n/a | n/a | | 7,637 | 1,803 | n/a | 2,587 |
| Rent forecast for FY 2010/2011 | in thousand | n/a | n/a | | 7,731 | 1,041 | n/a | 2,493 |
| **VALUATION-BASED DATA** | | | | | | | | |
| Appraised rent rating/gross income | in thousand | 3,936 | 8,517 | | 7,283 | 1,927 | 1,901 | 2,519 |
| Remaining useful life | in years | 62 | 65 | | 53 | 59 | 70 | 61 |
| Fair market value (FMV) | in thousand | 58,680 | 135,500 | | 113,210 | 24,840 | 30,370 | 37,390 |
| DATA REFERRING TO THE PRO-RATA HOLDING PERCENTAGE | | | | | | | | |
| **INVESTMENT DATA** | | | | | | | | |
| Investment type/holding percentage | | direct/100.00 % | direct/100.00 % | | direct/100.00 % | direct/100.00 % | direct/100.00 % | direct/100.00 % |
| Carrying amount in statement of assets and liabilities | in thousand | 58,680 | 135,500 | | 113,210 | 24,840 | 30,370 | 37,390 |
| Purchase price (PP) as at 16 August 2008 | in thousand | | | | | | 32,827 | |
| Acquisition expenses (AE) as at 16 August 2008 | in thousand/in % of the PP | | | | | | 949/2.9 | |
| thereof fees and taxes | in thousand | | | | | | 0 | |
| AE depreciated in FY 2009/2010 | in thousand | | | | | | 32 | |
| AE yet to be depreciated | in thousand | | | | | | 918 | |
| prospective remaining depreciation period | in years | | | | | | 9.7 | |
| Total investment costs | in thousand | | | | | | 33,776 | |
| Gearing ratio | In % of FMV | – | 43.17 | | – | – | 65.85 | – |

# Property List

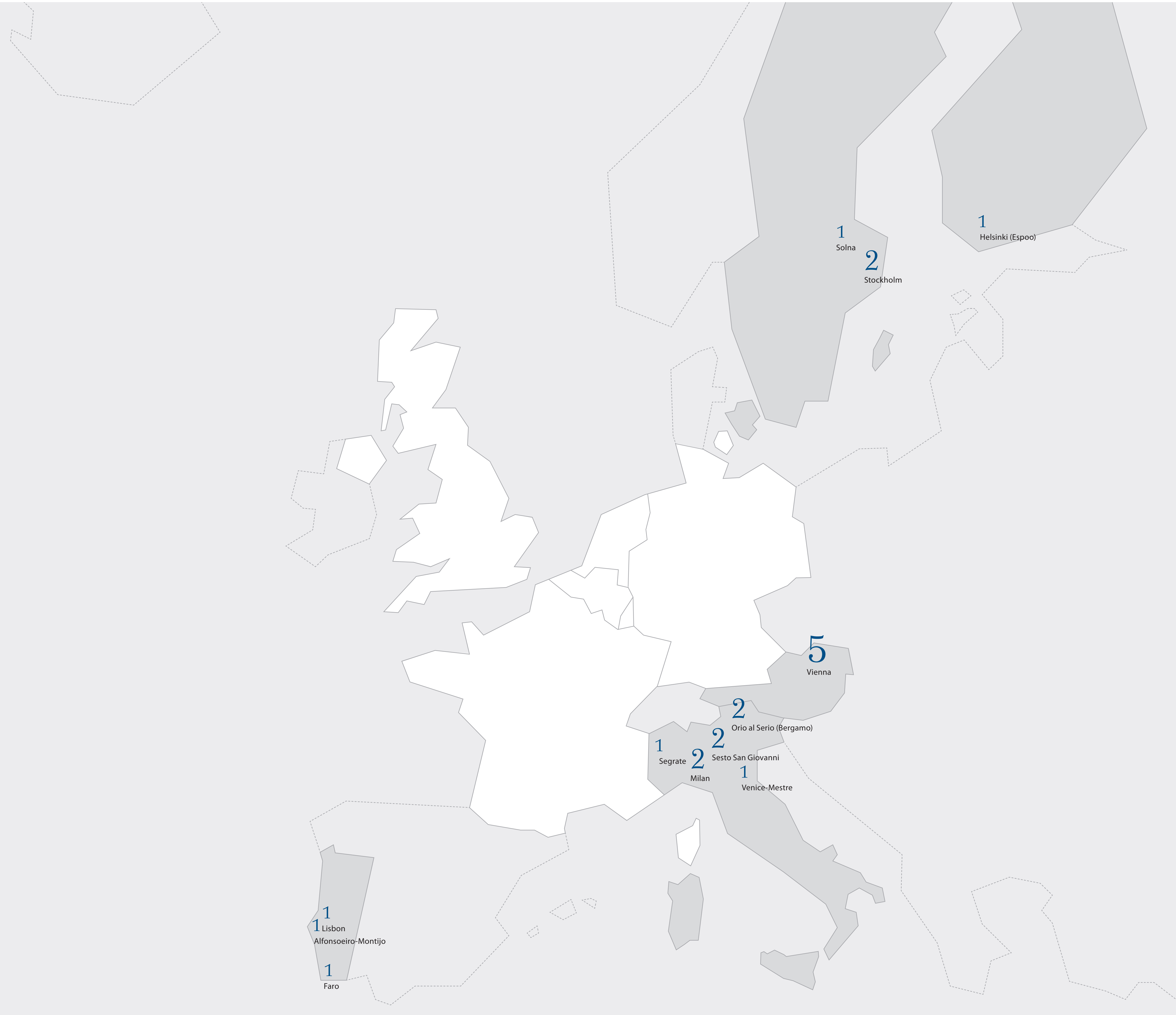
| | | Netherlands (€) | | | | | Total | Belgium (€) |
|---|---|---|---|---|---|---|---|---|
| | |  |  | |  |  | |  |
| No. | | 75 | 76 | | 77 | 78 | | 79 |
| Asset name | | KPN Building | Berenschot Building | | Cirqada | Rabobank Building | | City Atrium |
| Postal code/city | | 3072 AP Rotterdam | 3526 KS Utrecht | | 3454 PV Utrecht | 3454 PV Utrecht | | 1210 Brussels |
| Address | | Wilhelminakade 123 | Europalaan 40, Eendrachtlaan 1+3 | | Orteliuslaan 1000 | Rijnzathe 16, De Meern | | Rue du Progrès 50–56 |
| Internet address | | | | | | | | |
| DATA REFERRING TO THE PROPERTY AS A WHOLE | | | | | | | | |
| **PROPERTY DATA** | | | | | | | | |
| Type of use/main type of use | in % of the lettable area | **O:** 100 | **O:** 100 | | **O:** 100 | **O:** 100 | | **O:** 100 |
| Type of property | | Ground lease | Ground lease | | Ground lease | | | |
| Plot size | in sqm | 3,572 | 8,145 | | 12,151 | 4,878 | | 6,960 |
| Date of acquisition/holding period so far | part of the portfolio since/in years | 10/1998/11.5 | 02/1999/11.2 | | 12/2001/8.3 | 02/2004/6.2 | | 12/2002/7.3 |
| Year built/remodelled | | 2000 | 2001 | | 2004 | 2004 | | 2003 |
| Gross lettable area | in sqm | 18,500 | 16,482 | | 39,653 | 6,657 | | 47,784 |
| Commercial/residential floor space | in sqm | 18,500/0 | 16,482/0 | | 39,653/0 | 6,657/0 | | 47,784/0 |
| **TENANCY INFORMATION** | | | | | | | | |
| Main tenant | | KPN Telecom | Berenschot Group | | Hewlett-Packard | Rabobank | | Régie des Bâtiments |
| Vacancy rate (rent loss rate) | in % | 0.0 | 0.0 | | 0.0 | 0.6 | | 0.0 |
| Leases expiring in FY 2010/2011 | in % | 0.0 | 80.6 | | 0.0 | 5.7 | | 0.0 |
| Remaining lease terms | in years | 8.0 | 6.8 | | 5.8 | 4.4 | | 13.0 |
| Rental income during FY 2009/2010 | in thousand | n/a | n/a | | n/a | 1,434 | | n/a |
| Rent forecast for FY 2010/2011 | in thousand | n/a | n/a | | n/a | 1,476 | | n/a |
| **VALUATION-BASED DATA** | | | | | | | | |
| Appraised rent rating/gross income | in thousand | 3,497 | 3,195 | | 7,569 | 1,089 | | 9,626 |
| Remaining useful life | in years | 61 | 61 | | 65 | 64 | | 63 |
| Fair market value (FMV) | in thousand | 56,980 | 46,100 | | 115,900 | 15,800 | | 180,850 |
| DATA REFERRING TO THE PRO-RATA HOLDING PERCENTAGE | | | | | | | | |
| **INVESTMENT DATA** | | | | | | | | |
| Investment type/holding percentage | | direct/100.00 % | direct/100.00 % | | direct/100.00 % | direct/100.00 % | | indirect/100.00 % |
| Carrying amount in statement of assets and liabilities | in thousand | 56,980 | 46,100 | | 115,900 | 15,800 | direct: 1,145,410<br>indirect: 0 | 180,850 |
| Purchase price (PP) as at 16 August 2008 | in thousand | | | | | | | |
| Acquisition expenses (AE) as at 16 August 2008 | in thousand/in % of the PP | | | | | | | |
| thereof fees and taxes | in thousand | | | | | | | |
| AE depreciated in FY 2009/2010 | in thousand | | | | | | 32 | |
| AE yet to be depreciated | in thousand | | | | | | direct: 918; indirect: 0 | |
| prospective remaining depreciation period | in years | | | | | | | |
| Total investment costs | in thousand | | | | | | | |
| Gearing ratio | In % of FMV | – | – | | 51.25 | – | | 44.24 |

# Property List

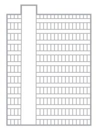
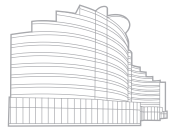
| | | | Luxembourg (€) | | | Total |
|---|---|---|---|---|---|---|
| | | |  |  |  | |
| No. | | | 80 | 81 | 82 | |
| Asset name | | | Président A | Président B | Président C | |
| Postal code/city | | | 2540 Luxembourg | 2540 Luxembourg | 2540 Luxembourg | |
| Address | | | Avenue John F. Kennedy/ Rue Albert Borschette | Avenue John F. Kennedy/ Rue Albert Borschette | Avenue John F. Kennedy/ Rue Albert Borschette | |
| Internet address | | | | | | |
| DATA REFERRING TO THE PROPERTY AS A WHOLE | | | | | | |
| **PROPERTY DATA** | | | | | | |
| Type of use/main type of use | in % of the lettable area | | **O:** 100 | **O:** 100 | **O:** 100 | |
| Type of property | | | | | | |
| Plot size | in sqm | | 4,566 | 4,211 | 4,744 | |
| Date of acquisition/holding period so far | part of the portfolio since/in years | | 05/2007/2.8 | 05/2007/2.8 | 05/2007/2.8 | |
| Year built/remodelled | | | 2010 | 2010 | 2010 | |
| Gross lettable area | in sqm | | 11,274[1] | 9,794[1] | 12,162[1] | |
| Commercial/residential floor space | in sqm | | 11,274/0 | 9,794/0 | 12,162/0 | |
| **TENANCY INFORMATION** | | | | | | |
| Main tenant | | | Atenor (Rental Guarantee) | European Parliament | Atenor (Rental Guarantee) | |
| Vacancy rate (rent loss rate) | in % | | 0.0 | 0.0 | 0.0 | |
| Leases expiring in FY 2010/2011 | in % | | 0.0 | 0.0 | 0.0 | |
| Remaining lease terms | in years | | 3.6 | 5.0 | 2.0 | |
| Rental income during FY 2009/2010 | in thousand | | n/a | n/a | n/a | |
| Rent forecast for FY 2010/2011 | in thousand | | n/a | n/a | n/a | |
| **VALUATION-BASED DATA** | | | | | | |
| Appraised rent rating/gross income | in thousand | | 4,293 | 3,771 | 4,645 | |
| Remaining useful life | in years | | 69 | 69 | 69 | |
| Fair market value (FMV) | in thousand | | 76,230 | 69,280 | 82,470 | |
| DATA REFERRING TO THE PRO-RATA HOLDING PERCENTAGE | | | | | | |
| **INVESTMENT DATA** | | | | | | |
| Investment type/holding percentage | | | indirect/100.00 % | indirect/100.00 % | indirect/100.00 % | |
| Carrying amount in statement of assets and liabilities | in thousand | | 76,230 | 69,280 | 82,470 | direct: 0<br>indirect: 227,980 |
| Purchase price (PP) as at 16 August 2008 | in thousand | | | | | |
| Acquisition expenses (AE) as at 16 August 2008 | in thousand/in % of the PP | | | | | |
| thereof fees and taxes | in thousand | | | | | |
| AE depreciated in FY 2009/2010 | in thousand | | | | | 0 |
| AE yet to be depreciated | in thousand | | | | | 0 |
| prospective remaining depreciation period | in years | | | | | |
| Total investment costs | in thousand | | | | | |
| Gearing ratio | In % of FMV | | – | – | – | |

# Property List

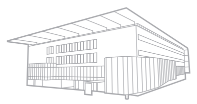
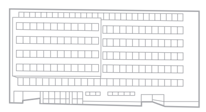
Overview Italy, Austria,
Portugal, Sweden, Finland



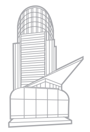
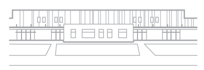
# Property List

| Italy (€) | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | |  |  |  |  |  |  |  |
| No. | | 83 | 84 | 85 | 86 | 87 | 88 | 89 |
| Asset name | | Fastweb | Torre Alfa | IBM HQ | ABB Building | | Orio Center | Le Barche |
| Postal code/city | | 20126 Milan | 20097 Milan (San Donato) | 20090 Segrate | 20099 Sesto San Giovanni | 20099 Sesto San Giovanni | 24050 Orio al Serio (Bergamo) | 30172 Venice-Mestre |
| Address | | Viale Fulvio Testi 280 | Via dell'Unione Europea 6 | Via Circonvallazione Idroscalo | Viale Tommaso Edison 50/ Via Luciano Lama 33 | Viale Tommaso Edison 110A/110B | Via Portico 71 | Piazza XXVII Ottobre |
| Internet address | | | | | | | oriocenter.it | |
| DATA REFERRING TO THE PROPERTY AS A WHOLE | | | | | | | | |
| **PROPERTY DATA** | | | | | | | | |
| Type of use/main type of use | in % of the lettable area | **O:** 100 | **O:** 100 | **O:** 100 | **O:** 100 | **O:** 100 | **R:** 100 | **R:** 100 |
| Type of property | | | | | | | Part ownership | Ground lease |
| Plot size | in sqm | 11,750 | 3,750 | 121,099 | 11,564 | 8,523[1] | 47,159 | 2,454 |
| Date of acquisition/holding period so far | part of the portfolio since/in years | 07/2007/2.8 | 11/2007/2.4 | 09/2004/5.6 | 06/2001/8.8 | 07/2007/2.7 | 06/2000/9.8 | 01/2002/8.3 |
| Year built/remodelled | | 1989; 2005 | 2003 | 2004 | 2001 | 2009 | 1998; 2005 | 1996 |
| Gross lettable area | in sqm | 16,415 | 21,082 | 34,520 | 27,008 | 23,987[1] | 52,089[1] | 12,754 |
| Commercial/residential floor space | in sqm | 16,415/0 | 21,082/0 | 34,520/0 | 27,008/0 | 23,987/0 | 52,089/0 | 12,754/0 |
| **TENANCY INFORMATION** | | | | | | | | |
| Main tenant | | Fastweb | Eniservizi SPA | IBM Italia | ABB CAP S.P.A. | none | L' Innominato | Gruppo Coin/ OVS Industry/Oviesse |
| Vacancy rate (rent loss rate) | in % | 0.0 | 0.0 | 0.0 | 0.0 | 100.0 | 0.0 | 0.0 |
| Leases expiring in FY 2010/2011 | in % | 0.3 | 30.9 | 0.0 | 0.0 | 0.0 | 20.3 | 0.0 |
| Remaining lease terms | in years | 3.0 | 2.9 | 4.0 | 7.0 | 0.0 | 4.6 | 14.0 |
| Rental income during FY 2009/2010 | in thousand | n/a | n/a | n/a | n/a | n/a | 20,256 | n/a |
| Rent forecast for FY 2010/2011 | in thousand | n/a | n/a | n/a | n/a | n/a | 22,365 | n/a |
| **VALUATION-BASED DATA** | | | | | | | | |
| Appraised rent rating/gross income | in thousand | 3,392 | 4,452 | 7,302 | 4,708 | 4,814 | 19,928 | 3,040 |
| Remaining useful life | in years | 57 | 63 | 65 | 62 | 70 | 51 | 56 |
| Fair market value (FMV) | in thousand | 52,700 | 71,300 | 111,790 | 73,420 | 64,690 | 318,550 | 46,540 |
| DATA REFERRING TO THE PRO-RATA HOLDING PERCENTAGE | | | | | | | | |
| **INVESTMENT DATA** | | | | | | | | |
| Investment type/holding percentage | | indirect/100.00 % | indirect/100.00 % | direct/100.00 % | direct/100.00 % | direct/100.00 % | direct/100.00 % | direct/100.00 % |
| Carrying amount in statement of assets and liabilities | in thousand | 52,700 | 71,300 | 111,790 | 73,420 | 64,690 | 318,550 | 46,540 |
| Purchase price (PP) as at 16 August 2008 | in thousand | | | | | | | |
| Acquisition expenses (AE) as at 16 August 2008 | in thousand/in % of the PP | | | | | | | |
| thereof fees and taxes | in thousand | | | | | | | |
| AE depreciated in FY 2009/2010 | in thousand | | | | | | | |
| AE yet to be depreciated | in thousand | | | | | | | |
| prospective remaining depreciation period | in years | | | | | | | |
| Total investment costs | in thousand | | | | | | | |
| Gearing ratio | In % of FMV | – | – | – | 43.58 | – | 39.71 | – |

# Property List

| | | Italy (€) | Total | Austria (€) | | | |
|---|---|---|---|---|---|---|---|
| | |  | |  |  |  |  |
| No. | | 90 | | 91 | 92 | 93 | 94 |
| Asset name | | Orio Hotel | | Optimum | Town Town | Town Town | Town Town |
| Postal code/city | | 24050 Orio al Serio (Bergamo) | | 1020 Vienna | 1030 Vienna | 1030 Vienna | 1030 Vienna |
| Address | | Via Portico | | Dresdner Strasse 81–85, Traisengasse 1 | Erdbergstrasse 133, Thomas-Klestil-Platz 3 | Erdbergstrasse 135, Thomas-Klestil-Platz 2 | Erdbergstrasse 137, Thomas-Klestil-Platz 1 |
| Internet address | | | | | towntown.at | towntown.at | towntown.at |
| DATA REFERRING TO THE PROPERTY AS A WHOLE | | | | | | | |
| **PROPERTY DATA** | | | | | | | |
| Type of use/main type of use | in % of the lettable area | **H** 100 | | **O:** 100 | **O:** 100 | **O:** 100 | **O:** 100 |
| Type of property | | | | | | | |
| Plot size | in sqm | 7,274 | | 3,337 | 1,184 | 1,007 | 1,420 |
| Date of acquisition/holding period so far | part of the portfolio since/in years | 03/2008/2.1 | | 10/2000/9.5 | 01/2009/1.2 | 01/2009/1.2 | 01/2009/1.2 |
| Year built/remodelled | | 2008 | | 2000 | 2009 | 2009 | 2009 |
| Gross lettable area | in sqm | 5,237 | | 17,023 | 4,571[1] | 4,840[1] | 5,711[1] |
| Commercial/residential floor space | in sqm | 5,237/0 | | 17,023/0 | 4,571/0 | 4,840/0 | 5,711/0 |
| **TENANCY INFORMATION** | | | | | | | |
| Main tenant | | NH Orio | | Austrian Travel Agency | Soravia Properties | Generali AG | DenizBank |
| Vacancy rate (rent loss rate) | in % | 0.0 | | 14.7 | 0.0 | 0.0 | 0.0 |
| Leases expiring in FY 2010/2011 | in % | 0.0 | | 0.6 | 0.0 | 0.0 | 0.2 |
| Remaining lease terms | in years | 16.0 | | 1.7 | 8.7 | 9.0 | 7.7 |
| Rental income during FY 2009/2010 | in thousand | n/a | | 2,289 | n/a | n/a | n/a |
| Rent forecast for FY 2010/2011 | in thousand | n/a | | 1,823 | n/a | n/a | n/a |
| **VALUATION-BASED DATA** | | | | | | | |
| Appraised rent rating/gross income | in thousand | 903 | | 2,420 | 633 | 718 | 829 |
| Remaining useful life | in years | 59 | | 61 | 70 | 70 | 70 |
| Fair market value (FMV) | in thousand | 12,340 | | 37,500 | 11,400 | 13,000 | 15,000 |
| DATA REFERRING TO THE PRO-RATA HOLDING PERCENTAGE | | | | | | | |
| **INVESTMENT DATA** | | | | | | | |
| Investment type/holding percentage | | direct/100.00 % | | direct/100.00 % | indirect/99.90 % | indirect/99.90 % | indirect/99.90 % |
| Carrying amount in statement of assets and liabilities | in thousand | 12,340 | direct: 627,330 indirect: 124,000 | 37,500 | 11,389 | 12,987 | 14,985 |
| Purchase price (PP) as at 16 August 2008 | in thousand | | | | 12,618 | 13,846 | 15,734 |
| Acquisition expenses (AE) as at 16 August 2008 | in thousand/in % of the PP | | | | 315/2.5 | 337/2.4 | 394/2.5 |
| thereof fees and taxes | in thousand | | | | – | – | – |
| AE depreciated in FY 2009/2010 | in thousand | | 0 | | 42 | 34 | 39 |
| AE yet to be depreciated | in thousand | | 0 | | 275 | 295 | 345 |
| prospective remaining depreciation period | in years | | | | 8.8 | 8.8 | 8.8 |
| Total investment costs | in thousand | | | | 12,933 | 14,183 | 16,128 |
| Gearing ratio | In % of FMV | 59.16 | | – | – | – | – |

# Property List

| | | Austria (€) | Total | | Portugal (€) | | | Total |
|---|---|---|---|---|---|---|---|---|
| | |  | | |  |  |  | |
| No. | | 95 | | | 96 | 97 | 98 | |
| Asset name | | Galaxy 21 | | | Montijo Retail Park | Forum Algarve | Armazèns do Chiado | |
| Postal code/city | | 1020 Vienna | | | Alfonsoeiro-Montijo | 8000 Faro | 1200-250 Lisbon | |
| Address | | Praterstrasse 31 | | | Estrada do Pau Queimado | Estrada National 125 | Rua do Carmo 2/Rua Nova do Almada 114/Rua do Crucifixo | |
| Internet address | | galaxy21.at | | | forumontijo.com | forumalgarve.net | armazensdochiado.com | |
| DATA REFERRING TO THE PROPERTY AS A WHOLE | | | | | | | | |
| **PROPERTY DATA** | | | | | | | | |
| Type of use/main type of use | in % of the lettable area | **O:** 100 | | | **R:** 100 | **R:** 100 | **R:** 89 | |
| Type of property | | | | | | Part ownership | | |
| Plot size | in sqm | 1,771 | | | 35,193 | 35,415 | 3,145 | |
| Date of acquisition/holding period so far | part of the portfolio since/in years | 11/1996/13.4 | | | 05/2009/0.9 | 05/2000/9.8 | 12/1997/12.3 | |
| Year built/remodelled | | 1978; 2002 | | | 2009 | 2001 | 1999 | |
| Gross lettable area | in sqm | 17,804[1] | | | 19,958[1] | 23,573 | 12,626 | |
| Commercial/residential floor space | in sqm | 17,804/0 | | | 19,958/0 | 23,573/0 | 12,626/0 | |
| **TENANCY INFORMATION** | | | | | | | | |
| Main tenant | | Samsung | | | none | Spean Bridge Cinemas | FNAC | |
| Vacancy rate (rent loss rate) | in % | 8.8 | | | 100.0 | 1.7 | 0.0 | |
| Leases expiring in FY 2010/2011 | in % | 64.3 | | | 0.0 | 2.5 | 0.0 | |
| Remaining lease terms | in years | 2.4 | | | 0.0 | 5.1 | 6.4 | |
| Rental income during FY 2009/2010 | in thousand | 3,404 | | | n/a | 7,571 | n/a | |
| Rent forecast for FY 2010/2011 | in thousand | 3,723 | | | n/a | 8,526 | n/a | |
| **VALUATION-BASED DATA** | | | | | | | | |
| Appraised rent rating/gross income | in thousand | 3,677 | | | 1,592 | 7,624 | 4,650 | |
| Remaining useful life | in years | 63 | | | 50 | 52 | 60 | |
| Fair market value (FMV) | in thousand | 59,900 | | | 18,900 | 120,500 | 76,870 | |
| DATA REFERRING TO THE PRO-RATA HOLDING PERCENTAGE | | | | | | | | |
| **INVESTMENT DATA** | | | | | | | | |
| Investment type/holding percentage | | direct/100.00 % | | | indirect/100.00 % | indirect/99.99 % | direct/100.00 % | |
| Carrying amount in statement of assets and liabilities | in thousand | 59,900 | direct: 97,400 indirect: 39,361 | | 18,900 | 120,500 | 76,870 | direct: 76,870 indirect: 139,400 |
| Purchase price (PP) as at 16 August 2008 | in thousand | | | | 27,783 | | | |
| Acquisition expenses (AE) as at 16 August 2008 | in thousand/in % of the PP | | | | 1,039/3.7 | | | |
| thereof fees and taxes | in thousand | | | | – | | | |
| AE depreciated in FY 2009/2010 | in thousand | | 115 | | 95 | | | 95 |
| AE yet to be depreciated | in thousand | | direct: 0 indirect: 915 | | 944 | | | direct: 0 indirect: 944 |
| prospective remaining depreciation period | in years | | | | 9.1 | | | |
| Total investment costs | in thousand | | | | 28,822 | | | |
| Gearing ratio | In % of FMV | – | | | – | 29.05 | 9.92 | |

# Property List

| | | Sweden (SEK) | | | | Total in SEK | Total in € | Finland (€) |
|---|---|---|---|---|---|---|---|---|
| | |  |  | |  | | |  |
| No. | | 99 | 100 | | 101 | | | 102 |
| Asset name | | Skanska | Klara Zenith | | Enebyängen Retail Park | | | Swing Life Science Center |
| Postal code/city | | 16983 Solna | 11121 Stockholm | | Stockholm (Danderyd) | | | 2150 Espoo |
| Address | | Rasundavägen 2–16/ Brahelund 2 | Drottninggatan 53 | | Enebybergsvägen | | | Keilaranta 10–16 |
| Internet address | | | | | | | | lifesciencecenter.fi |
| DATA REFERRING TO THE PROPERTY AS A WHOLE | | | | | | | | |
| **PROPERTY DATA** | | | | | | | | |
| Type of use/main type of use | in % of the lettable area | **O:** 100 | **O:** 63 | | **R:** 100 | | | **O:** 100 |
| Type of property | | | | | Property under construction | | | |
| Plot size | in sqm | 13,100 | 11,050 | | 36,695 | | | 19,992 |
| Date of acquisition/holding period so far | part of the portfolio since/in years | 11/2003/6.4 | 12/2003/6.3 | | 01/2010/0.2 | | | 06/2009/0.8 |
| Year built/remodelled | | 2001 | 2003 | | 2010; 2011[3] | | | 2003; 2005; 2006; 2008 |
| Gross lettable area | in sqm | 43,709[1] | 65,443 | | 12,474[4] | | | 32,122 |
| Commercial/residential floor space | in sqm | 43,709/0 | 59,017/6,426 | | 12,474/0 | | | 32,122/0 |
| **TENANCY INFORMATION** | | | | | | | | |
| Main tenant | | Skanska | Oriflame Cosmetics | | | | | CSC-Tieteen tietotekniikan |
| Vacancy rate (rent loss rate) | in % | 1.1 | 16.0 | | – | | | 0.0 |
| Leases expiring in FY 2010/2011 | in % | 9.1 | 19.6 | | – | | | 6.3 |
| Remaining lease terms | in years | 3.6 | 3.3 | | – | | | 6.3 |
| Rental income during FY 2009/2010 | in thousand | n/a | 222,434 | | – | | | 6,072 |
| Rent forecast for FY 2010/2011 | in thousand | n/a | 220,918 | | – | | | 7,937 |
| **VALUATION-BASED DATA** | | | | | | | | |
| Appraised rent rating/gross income | in thousand | 90,323 | 243,511 | | 18,334 | | | 7,296 |
| Remaining useful life | in years | 71 | 65 | | 60 | | | 66 |
| Fair market value (FMV) | in thousand | 1,324,800 | 3,957,000 | | 246,350 | | | 121,600 |
| DATA REFERRING TO THE PRO-RATA HOLDING PERCENTAGE | | | | | | | | |
| **INVESTMENT DATA** | | | | | | | | |
| Investment type/holding percentage | | direct/100.00 % | direct/100.00 % | | direct/100.00 % | | | indirect/100.00 % |
| Carrying amount in statement of assets and liabilities | in thousand | 1,324,800 | 3,957,000 | | 122,217 | direct: 5,404,017 indirect: 0 | direct: 553,050 indirect: 0 | 118,912 |
| Purchase price (PP) as at 16 August 2008 | in thousand | | | | | | | 118,912 |
| Acquisition expenses (AE) as at 16 August 2008 | in thousand/in % of the PP | | | | | | | 4,249/3.6 |
| thereof fees and taxes | in thousand | | | | | | | – |
| AE depreciated in FY 2009/2010 | in thousand | | | | | 0 | 0 | 332[5] |
| AE yet to be depreciated | in thousand | | | | | 0 | 0 | 3,917[5] |
| prospective remaining depreciation period | in years | | | | | | | 9.3 |
| Total investment costs | in thousand | | | | | | | 123,161 |
| Gearing ratio | In % of FMV | 30.19 | 40.43 | | – | | | 42.05 |

[5] 2,484 k € of the remaining AE yet to be depreciated, as well as 202 k € of the amount depreciated during the financial year were attributable to the level of the real estate company

# Notes on the Property List

**Vacancy rate (rent loss rate)**
The vacancy rate was determined using the BVI method Data provided in % of the gross annual target rent from the property.

**Remaining lease terms**
This column lists the mean weighted remaining lease term for the respective property in years. The weighting is based on the share that a given lease represents within the targeted annual net rent total.

**Rental income during FY 2009/2010**
These are the total target positions (target net rents), with vacancy periods and contractually agreed rent-free periods set to zero. For properties transferred into the portfolio in the course of the financial year (FY), the rental income posted reflects the period following the date of transfer. Rental income from properties in countries outside the Eurozone was converted into Euro at the valid exchange rate of the respective month, and then summed up. The conversion was undertaken at the foreign exchange rates of 30 March 2010.

**Rent forecast for FY 2010/2011**
This is the sum total of the projected rental income (target net rents), assuming no vacancy periods and contractually agreed rent-free periods. The rental income forecast is detailed for each property — in some cases actually as drilldown to the level of the rental unit — while taking the respective region and market into account. General forecasts regarding national economies, such as, e.g., the development of index values, are based on the estimates issued by the National Economy Department of Commerzbank. Rental income from properties in countries outside the Eurozone were planned in the foreign currency and converted into EUR at a projected mean annual exchange rate. The rental income forecast for the next financial year is not included in the Statement of the Independent Auditor. Variance between the rental income of the concluded financial year or the rent forecasts of the next financial year, respectively, and the appraised rent ratings may be explained by the following reasons, among others:

- The negotiated target net rent exceeds or undercuts the appraised rent.
- The target net rent is reported without taking the vacant or rent-free times into account, whereas an expert opinion would rate this rent loss as a reduction in value, and not include it in the appraised rent rating.
- Target net rents are subject to periodic accounting, whereas the appraised rent ratings are reported as of a certain key date. Significant deviations for a given property are detailed in the Property Record.

**Appraised rent rating/gross income**
The gross annual income, assuming full tenancy, on the basis of the rent rate that a valuer appraised by the key date of the most recent valuation. Properties under construction are posted at their projected value at the time of completion.

**Remaining useful life**
The market value that an expert appraised as at the balance sheet date of the most recent valuation.

**Market value**
The market value a valuer appraised by the balance sheet date of the most recent valuation. Properties under construction are posted at their projected value at the time of completion.

**Purchase price**
The price at which the respective property was acquired. This figure is provided solely for properties acquired after 16 August 2008.

**Acquisition expenses**
The absolute amount of the acquisition expenses pursuant to Article 79, Section 1, Letters 6 and 7, German Investment Act, for property acquisitions after 16 August 2008.

**Gearing ratio**
The gearing ratio represents the so-called loan-to-value relationship between a given real estate investment and the debt capital used to finance that investment. Accordingly, the gearing ratio is calculated as the proportion (in %) of borrowed capital to the market value of the real estate investments. The drilldown lists direct and indirect property investments, as well as the currencies of the capital borrowed in each case. Calculation: Debt capital/market value of the real estate assets) x 100.

**n/a**
To protect the privacy of a given tenant, the tenant data is omitted whenever the property at issue had less than five tenants by the balance sheet date, or whenever the rental income from that particular property were paid to 75 % or more by a single tenant.

**Parking spaces**
Parking spaces are included in the rent revenues, but are not reported in the floor space statistics.

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## Facts and Figures

# Returns and Valuations

**Rate of return ratios for the financial year 2009/2010** in %[1]

| Fully consolidated approach (direct investments and participations) | Germany | France | United Kingdom | Netherlands | Belgium | Luxembourg | Italy | Austria | Portugal | Sweden | Finland | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| I. Real estate | | | | | | | | | | | | |
| Gross income | 6.1 | 5.8 | 7.5 | 8.5 | 6.5 | 2.9 | 6.3 | 5.8 | 6.9 | 6.7 | 6.7 | **6.6** |
| Management costs | -1.0 | -0.5 | -2.0 | -1.2 | -0.2 | -0.5 | -1.0 | -0.6 | -1.1 | -2.1 | -0.4 | **-1.2** |
| Net income | 5.1 | 5.2 | 5.5 | 7.2 | 6.3 | 2.4 | 5.3 | 5.3 | 5.8 | 4.6 | 6.3 | **5.4** |
| Change in value[3] | 0.6 | -3.9 | 1.1 | -1.3 | -0.2 | 0.2 | 0.4 | -3.1 | -2.9 | 0.0 | -0.1 | **-0.8** |
| Real estate profits | 5.7 | 1.4 | 6.6 | 6.0 | 6.1 | 2.6 | 5.7 | 2.2 | 2.9 | 4.6 | 6.1 | **4.6** |
| Foreign income taxes | 0.0 | -0.5 | -0.3 | -0.4 | -0.7 | 0.0 | -0.5 | 0.0 | -1.5 | -0.7 | 0.0 | **-0.4** |
| Deferred foreign taxes | 0.0 | 3.0 | 0.0 | -0.1 | 0.0 | 0.7 | 1.7 | 0.0 | 1.4 | -0.5 | 0.0 | **0.9** |
| Profits before loan expenses | 5.7 | 3.8 | 6.3 | 5.5 | 5.4 | 3.3 | 6.9 | 2.2 | 2.7 | 3.4 | 6.1 | **5.2** |
| Profits after loan costs | 5.6 | 3.6 | 6.8 | 5.6 | 5.4 | 3.3 | 7.6 | 2.1 | 2.2 | 2.9 | 5.9 | **5.2** |
| Currency-related changes in value | 0.0 | 0.0 | 0.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.6 | 0.0 | **0.1** |
| **Total result real estate, equity** | **5.6** | **3.6** | **6.9** | **5.6** | **5.4** | **3.3** | **7.6** | **2.1** | **2.2** | **3.5** | **5.9** | **5.3** |
| **II. Liquidity**[4] | | | | | | | | | | | | **2.1** |
| III. Profits of entire Fund before fund costs | | | | | | | | | | | | **4.5** |
| **Profit of entire Fund after fund costs** (BVI method) | | | | | | | | | | | | **3.6** |
| Capital information in MM € (mean figures)[2] | | | | | | | | | | | | |
| Real Estate | 1,869 | 2,327 | 2,229 | 1,005 | 181 | 228 | 727 | 139 | 203 | 477 | 91 | **9,474** |
| Loan volume | 0 | 738 | 740 | 145 | 91 | 0 | 165 | 0 | 47 | 193 | 2 | **2,116** |
| Liquidity | | | | | | | | | | | | **2,475** |
| Fund volume | 1,869 | 1,597 | 1,489 | 860 | 90 | 228 | 562 | 139 | 156 | 284 | 89 | **9,833** |

Status: 31 March 2010

3.6 % p.a.

Performance of *hausInvest europa* as at 31 March 2010

[1] On the basis of mean figures

[2] The mean figures for the financial year are calculated on the basis of 13 month-end figures (31 March 2009 through 31 March 2010).

[3] Including sales profits/losses

[4] Currency-related changes in value (as well as currency hedging costs) originating in liquid assets in foreign currency are assigned to the respective properties.

## Real Estate Portfolio (Total)

Notwithstanding the difficult economic parameters, *hausInvest europa* was able to report a positive fund performance of 3.6 % for the reporting period starting 01 April 2009 and ending 31 March 2010 (compared to 5.0 % the previous year). This makes *hausInvest europa* not just one of the largest open-ended real estate funds with its market share of 13 %, but also one of the most profitable. The real estate investments with their equity share contributed definitively to bring this positive result about at an average annual rate of 75 %. The operative net income of the 11 European real estate portfolios experienced a substantial increase year-on-year as it rose by 0.3 percentage points up to 5.4 % year on year. It is the result of the continuous portfolio optimisation by actively and consistently exploiting portfolio management instruments. At the same time, it proved impossible to steer entirely clear of the negative trends, as it became necessary to adjust the real estate values by a total of approximately - 0.8 % or - 74.3 million €. Real estate profits after foreign taxes, financing costs, and currency hedging remained on a stable level of 5.3 % (down from 5.9 % last year). The interest earnings for the liquidity portfolio of 25 % developed negatively, in line with the market. If nothing else, though, it still achieved an above-average performance of 2.1 % (last year: 4.3%). By the end of the year, the BVI one-year performance after deduction of Fund costs for our business portfolio equalled 3.6 %.

### Germany (D)

The German portfolio with its 32 properties shows a 5.6 % total return on the average capital employed of approximately 1.9 billion € (compared to 4.5 % the year before), and thus once again clearly exceeded the benchmark set by the IPD Index (2.5 % for 2009, and 3.5 % for 2008). A high net absorption made it possible to push the gross income up by 0.5 % up to 6.1 %. The change in value shows a slight increase by 0.6 % (compared to - 0.4 % last year) or + 10.8 million €. We further diversified the German portfolio by acquiring another four properties. For instance, we continued to expand the share in retail space through the acquisition of the two shopping centres Theresien Center in Straubing and Die Mitte in Berlin. In addition, the Fund acquired the office scheme Medienprojekt in Munich and our first German logistics property in Germany, Logicpark Frankfurt Airport close to this airport. Key letting successes of the past financial year included the expansion of tenant Credit Suisse by about 4,700 sqm up to about 15,200 sqm and an extension of the lease through 2019 at the Junghof Plaza property in Frankfurt. At the Japan Center, also in Frankfurt, we managed to extend the lease with McKinsey for a rental space of about 6,600 sqm through 2017. We expect that the German portfolio will keep showing a stable performance in the future as a result of our investment strategy.

### United Kingdom (GB)

With a total real estate return of 6.9 % (up from 1.7 % last year), the UK real estate portfolio made an above-average contribution to the overall performance. This was accomplished through the acquisition of the Mann Island project development in Liverpool and of the office scheme One Snow Hill in Birmingham – both being let on long-term leases – which helped to put the portfolio on a broader basis. Particularly in the first semester of last year, the British real estate market was paced by falling rent rates, a rising vacancy rate, and eroding real estate prices. These circumstances are reflected in the negative change in value for six office properties in a total amount of - 9.5 million €. Yet the devaluation need was more than compensated by the positive start-up phase of the Westfield shopping centre, which was completed in late 2008, and which reported a positive change in values to the tune of 32.5 million €. Other drivers of the favourable performance of the portfolio return were average financing charges of 5.3 % and a change in exchange rate by 0.1 %. Due to the nascent recovery of the British real estate market, the long remaining life-times of the leases, and the persistently positive financing conditions, our UK portfolio will continue to make a stable and positive contribution to the operating income.

### Belgium (B)

The total real estate return for our City Atrium property in Brussels came to 5.4 % (up from 5.1 % the previous year), which meant a year-on-year increase. The property is let long-term, through the end of 2022 to a public sector institution (Régie des Bâtiments – the building authority), and generates a stable operative net income of 6.3 % (unchanged from last year).

### Netherlands (NL)

With a total real estate return of 5.6 % (down from 10.5 % last year), our Dutch real estate portfolio did contribute positively to the Fund performance. Similar to other countries, the Dutch real estate market was not immune to the general down-trend of the economy, and reported rising vacancy rates and a slightly softening rent level. This development is mirrored in the altogether negative valuation result of - 12.7 million € for the financial year concluded. The operative real estate result, by contrast, improved considerably since last year because we optimised the management costs. The coming financial year will bring challenges in the form of imminent renewal negotiations and the need to sign new leases. Then again, the stabilising rental environment and the favourable impact of the recently acquired project developments Irdeto in Hoofddorp and Blaak in Rotterdam have a positive impact on the situation.

### Luxembourg (LU)

The President office project development, consisting of three individual properties in the Kirchberg district, was completed in January of 2010, and reported a total real estate return of 3.3 % (compared to 0.2 % the year before) on the capital employed. Some of the lettable area is rented to the European Parliament. The vacant floor space is covered by rental guarantees granted by the seller. The office real estate market in the financial hub Luxembourg suffered a drop in take-up that is explained by the recent turmoil on financial markets. Looking forward, we expect the real estate markets to stabilise and the demand for floor space on the part of the EU authorities to regain a sustained level. This will precipitate a positive letting performance and a stable operative net income.

## France (F)

Our French portfolio was confronted with serious economic challenges, and failed to match the performance of past years with a total average real estate return of 3.6 % for the financial year concluded (compared to 9.3 % the year before). The negative capital growth of - 3.9 % (down from 5.0 % last year) played a definitive role in bringing the reduced total real estate result about. Negative rental growth and increased vacancies cause some property values to be marked down. Specifically, the office properties Place de Seine, Technopôle Vélizy, and Périsud suffered impairments that necessitated to a total adjustment of - 63.0 million €. Moreover, the disposal of the CeGeREAL shares in order to retain the fiscally favourable REIT status translated into a negative change in value of - 17.0 million € for the overall portfolio. That said, we were able to offset this negative valuation effect to some extent by exploiting positive fiscal adjustments totalling + 2.5 % (compared to - 2.7 % last year). The stabilising effect of successful portfolio property confirms the Fund's historic investment strategy by returning an operative net income of 5.2 % over a five-year period. The outlook for the next financial year gives us every reason to expect a positive development in France. While the income from portfolio real estate will stabilise, the portfolio as such will benefit from the recent acquisitions of the assets Le Flavia and Espace Kléber with the income and appreciation potential.

## Austria (A)

After deducting the management costs of - 0.6 % (last year: - 1.4 %) and the changes in value totalling - 3.1 % (last year: 0.3 %) of -4.2 million € on the average capital employed of 139 million €, the total real estate return equalled 2.1 % for the reporting period. Due to the lowered vacancy rate, it was possible to cut the management costs since last year. The negative change in value must be blamed on the development of the Austrian office real estate market. A case in point, the Optimum asset in Vienna suffered a downward adjustment of - 2.5 million €.

## Portugal (P)

Our Portugal portfolio reported a sub-average contribution to the fund performance at 2.2 % (compared to 11.7 % the previous year). The negative change in value by - 8.9 million € reflects the devaluation need for the newly acquired Montijo Retail Park during the reporting period. By contrast, the two shopping centres Forum Algarve and Armazèns do Chiado in Lisbon did generate an above-average contribution to the Fund performance in spite of the difficult market environment. The sustained full occupancy and the efficient management of either mall will see to it that they remain the regional market leaders. Accordingly, we expect a consistently positive contribution to operating income from them.

## Italy (I)

With a total real estate return of 7.6 % (compared to 6.0 % last year) on the average capital employed, our Italian real estate portfolio realised an above-average contribution to the Fund performance. Due to high occupancy rates and an efficient property management, we succeeded in finishing the year with a positive real estate result even in Italy's currently difficult economic environment. Taking advantage of fiscal adjustments also benefited the portfolio. The retail property Orio Center in Bergamo stands out because with around 200 stores and a footfall of 10 million per year it has developed into the most successful mall of its class nationwide. For a majority of the leases expiring in 2010 – which account for about 30 % of the lettable area – we already negotiated premature renewals, in many cases subject to substantial rent increases. The tenant structure was further optimised by replacing individual tenants. For instance, recent store openings included Fornarina (fashion) and Villa Lagostina (coffee accessories). Planned openings include Apple (technology) and Hollister (fashion) stores, which will add new unique selling propositions to the mall. This will in turn result in appreciation potential and contribute to the positive operating income of our Italy portfolio.

## Sweden (S)

The total real estate return on the average capital committed in Sweden equalled 3.5 % for the concluded financial year (compared to 10.1 % the previous year). In the past financial year. our Sweden portfolio had to tackle the challenge posed by the insolvency and removal of the largest retail tenant at the Klara Zenith property. We managed to win listed chain retailer Clas Ohlson as new tenant for a 15-year term. The signing marked the biggest retail lease deal of the past decade for Stockholm. The costs associated with the lease deal are reflected in the increased management costs of - 2.1 % (up from - 0.9 % the year before). They were slightly offset by the positive contribution of the currency gain to the overall performance. Given the occupancy rate, we expect a positive and stable contribution to the operating income in the next financial year. The acquisition of the project development Enbyängen Retail Park in Stockholm, already full let on forward commitments, will further diversify the Sweden portfolio.

## Finland (FI)

With the acquisition of the office scheme in Helsinki, the Fund made its market entry in Finland. The property realised a total return of 5.9 % on the average capital employed. Due to the nearly full occupancy by international companies and the efficient cost structure, the property reported an above-average net income of 6.3 %. The floor space still vacant at the moment is covered by a rental guarantee. With a view to the great property location and the stability of the local office market, there is every reason to expect an above-average real estate return.

## Information on Changes in Value

-74.3 MM €

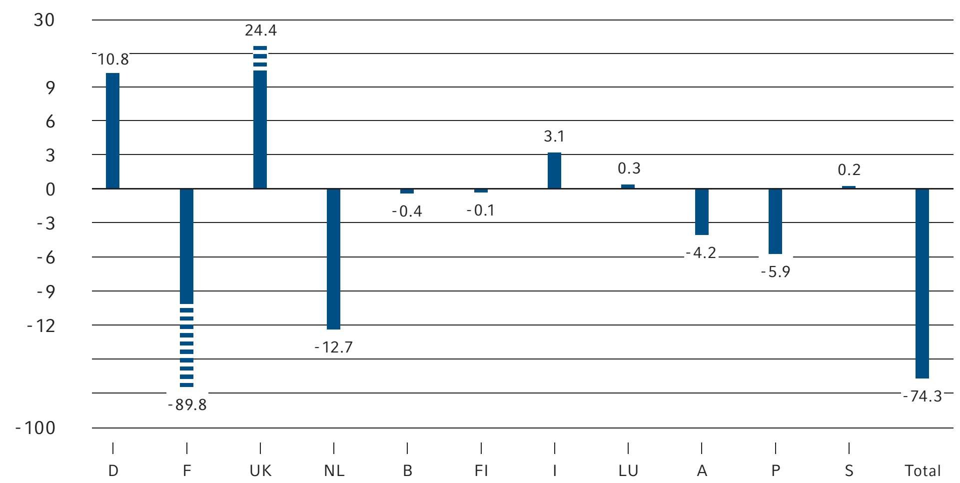
Absolute change in value during the 2009/2010 financial year

All things considered, the real estate assets owned by *hausInvest europa* were less hard hit by the generally negative performance because of the wide diversification of the Fund portfolio across 52 different locations throughout Europe. Yet even *hausInvest europa* was not entirely impervious to the ramifications of the financial market turbulences and the concomitant decline in demand for commercial real estate. As a result, the real estate portfolio suffered devaluations in a total amount of -74.3 million €.

However, the portfolio manifests considerable variances in regard to the absolute impact on the operating income of each national portfolio. For instance, the French real estate portfolio suffered the greatest impairment at -89.8 million €. The Technopôle Vélizy office scheme in Meudon that we acquired in 2007 accounts for the biggest single devaluation in the real estate holdings of *hausInvest europa* at -35.1 million €.

The market trend was to some extent balanced by a number of successful lettings. The new lease signings and the premature lease renewals for the German and Italian portfolios, among others, had a positive impact on the real estate values.

**Changes in value during the reporting period (by country)** in MM €




# Liquidity management

2.1 % p.a.

Liquidity interest during the 2009/2010 financial year

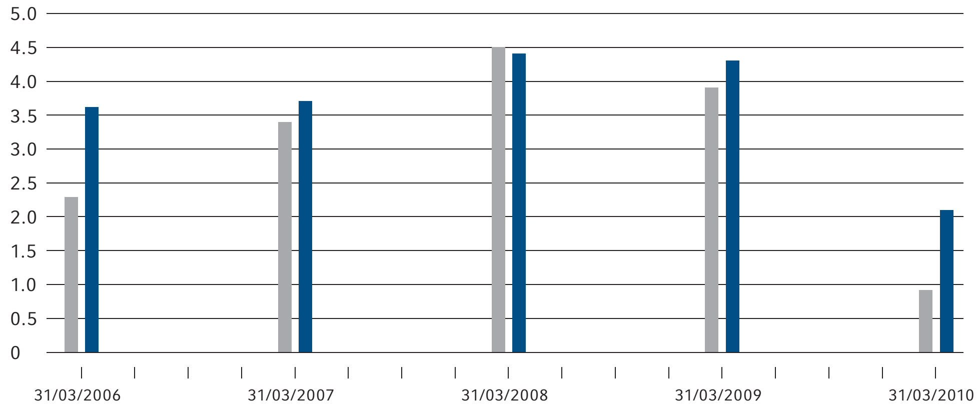
The liquidity management includes the control of cash flows as well as the profit-oriented investment of surplus liquidity for the purpose of boosting the overall performance. *hausInvest europa* principally keeps a strategic supply on liquid assets equal to 15 % of the Fund assets on hand, going far beyond the statutory requirement of a 5 % minimum liquidity. The idea is to cover any capital requirements, to satisfy share redemption requests, and to exploit lucrative investment opportunities.

## Strategy

The objective of the liquidity control is to maintain a solvent, low-risk liquidity portfolio. Downsides are to be avoided as much as possible. To achieve this end, we currently invest the entire liquidity exclusively in overnight and time deposits over terms of twelve months or less. The performance of the liquidity portfolio orients itself to the money market, and benefits, due to the short lifetimes, directly from any rise in the level of interest rates A consistent risk management ensures that new counterparties and existing investments are constantly monitored. To limit default risks, we regularly run credit assessments on our counterparties. Analogously, we check the coverage of the time deposits by the deposit insurance fund. The liquidity portfolio is moreover subject to relative investment ceilings for any given counterparty. In short, individual measures are in place to lower the default risk, while the cash and cash equivalents are invested for profit at several banks.

So far, *hausInvest europa* has never been forced to suspend the redemption of its Fund shares, and has always collected interest in line with the money market standard through its conservative, low-risk cash and cash equivalent investments. We intend to keep pursuing this strategy in the future.

**Comparison of the liquidity interest of *hausInvest europa* with that of the 3-month Euribor Index (31 March 2006–31 March 2010)** in %



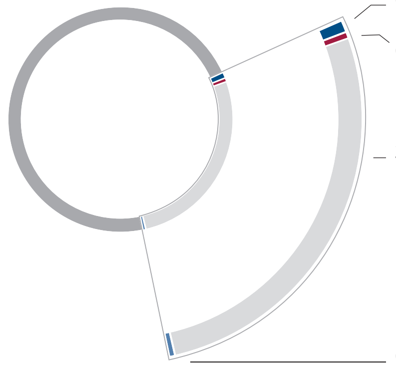

The Euribor (Euro interbank offered rate) is the interest rate for time deposits in €. The chart shows the median of the 3-month Euribor as at 31 March of each year, paired with the respective liquidity interest of the *hausInvest europa* for the same year.

Liquidity interest for *hausInvest europa*

3-month Euribor (median)

Source: Bloomberg, Commerz Real

**Overview cash and cash equivalents**




Status: 31 March 2010

**Composition of the Fund's cash assets**

| Type | € MM | in % of Fund volume |
|---|---|---|
| Overnight deposits | 75.68 | 0.69 |
| Time deposits | 2,987.66 | 27.42 |
| Current acc., savings acc. | 18.35 | 0.17 |
| Distribution accounts | 2.20 | 0.02 |
| **Total** | **3,083.89** | **28.30** |
| | | |
| **Fund assets** | **10,895.39** | |

Status: 31 March 2010

By the balance sheet date, the liquidity ratio of *hausInvest europa* equalled 28.30 %. The statutory minimum liquidity of 5 %, as well as the liquidity ceiling of 49 %, were maintained for the Fund assets throughout the entire reporting period.

The total investments in cash and cash equivalents equalled 3,083.89 million € by the balance sheet date. These break down into 2.20 million € in distribution accounts, 18.35 million € in current accounts and savings accounts, 75.68 million € in overnight deposits, and 2,987.66 million € in time deposits. Thereof, assets worth 3,048.74 million € are denominated in €. Other assets in foreign currencies break down into 30.10 million € denominated in Pound Sterling (£) and 5.05 million € in Swedish Crowns (SEK).

The cash and cash equivalents consist exclusively of cash in banks, invested in overnight deposits and time deposits with terms of one year or less. The sole exception is a time deposit in the amount of 80 million € that will reach maturity in December 2012.

# Currency Management

The currency management is steadily gaining in importance because of the international spread of the investment locations. The ongoing "Euro crisis" and the drastic exchange rate fluctuations that go with it highlight the fact.

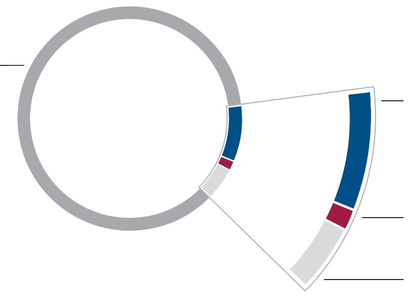
## Strategy

Investing in various currency areas makes a professional currency management indispensable for *hausInvest europa*. Here as elsewhere, the Fund pursues its conservative overall product strategy. Foreign currency risks are minimised through the use of suitable instruments. Irrespective of the current volatility of the currency markets, the Fund assets are not exposed to major fluctuations or indeed losses from currency exposure. The foreign currency items are largely hedged through debt financing in the respective national currency as well as through the use of forward exchange transactions. Here, the default risk is kept low through the careful selection of several counterparties whose credit worthiness is regularly verified.

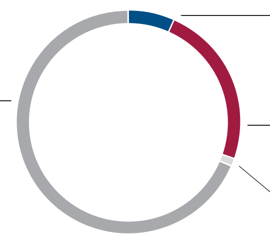
Owing to the hedging policy, exchange rate fluctuations will have no major impact on the foreign currency items. The open foreign currency items are regularly reviewed, and reduced where necessary.

**Foreign currency items by balance sheet date – UK** in £

**ASSETS**




**CURRENCY HEDGING**

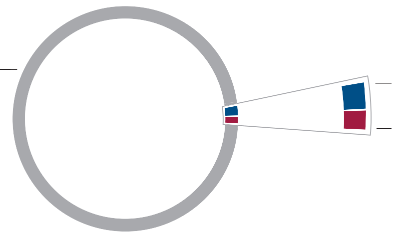



Status: 31 March 2010

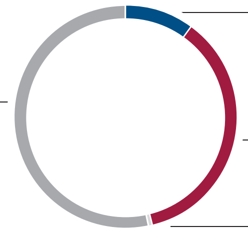
Assets held in the United Kingdom totalled 2,060.84 million £ (2,310.96 million €) by 31 March 2010, and broke down into real estate (1,772.28 million £), interests in real estate companies (169.29 million £), cash and cash equivalents (26.89 million £) and other assets (92.38 million £). The currency hedging took the form of loans (494.52 million £), forward exchange transactions (1,420.90 million £) and provisions/payables (excluding loans, 139.56 million £). This implies non-hedged in an amount of 5.86 million £ as at the balance sheet date.

**Foreign currency items by balance sheet date – Sweden** in Swedish Crowns

ASSETS




CURRENCY HEDGING




Status: 31 March 2010

Assets held in Sweden totalled 5,487.39 million SEK (561.58 million €) by 31 March 2010, and broke down into real estate (5,404.02 million SEK), cash and cash equivalents (49.37 million SEK) and other assets (34.00 million SEK). The currency hedging took the form of loans (2,000.00 million SEK), forward exchange transactions (2,930.50 million SEK) and provisions/payables (excluding loans, 555.02 million SEK). This implies non-hedged in an amount of 1.87 million SEK as of the balance sheet date.





**Overview of foreign currency items by the balance sheet date**

| | United Kingdom MM £ | Sweden MM SEK |
|---|---|---|
| Real Estate | 1,772.28 | 5,404.02 |
| Interests held in real estate companies | 169.29 | 0.00 |
| Cash and cash equivalents | 26.89 | 49.37 |
| Miscellaneous assets | 92.38 | 34.00 |
| **Total assets** | **2,060.84** | **5,487.39** |
| Provisions | -44.07 | -436.95 |
| Payables (including loans) | -590.01 | -2,118.07 |
| **Net assets** | **1,426.76** | **2,932.37** |
| Forward exchange transactions | -1,420.90 | -2,930.50 |
| Non-hedged positions | 5.86 | 1.87 |
| | 6.56 MM € | 0.19 MM € |
| In % of Fund assets | 0.06 | 0.00 |
| **Fund assets in MM EUR** | **10,895.39** | **10,895.39** |

99.94 %

hedged foreign currency items as at 31 March 2010

[1] On 31 March 2010, we signed a forward exchange transaction over 71.5 million £, the value date being 6 April 2010. It is intended to hedge the open foreign currency positions not before that date.

The aggregate foreign currency assets totalled 2,868.06 million € by the end of the financial year. Thereof 99.94 % are hedged through loans, forward exchange transactions, as well as provisions and other accounts payable. Only 0.06 % or 6.75 million € of the Fund assets are actually exposed to currency fluctuations.

## Currency Hedging Transactions

**Existing currency hedging transactions as at 31 March 2010** in €

| Forward exchange contracts (sold against €) | | bought against) | Quoted value at bullet maturity | Quoted value key date | Unrealised gains/ loss by key date |
|---|---|---|---|---|---|
| £ | 734,500,000.00 | | 837,250,868.87 | 821,501,604.21 | 15,749,264.66 |
| £ | 757,900,000.00 | | 839,941,573.50 | 847,481,941.48 | -7,540,367.98 |
| | | | | | **8,208,896.68** |
| SEK | 395,000,000.00 | | 40,665,795.09 | 40,430,061.33 | 235,733.76 |
| SEK | 2,602,500,000.00 | | 250,132,220.24 | 266,331,168.15 | -16,198,947.91 |
| SEK | | 67,000,000.00 | 6,848,614.94 | 6,845,536.10 | -3,078.84 |
| | | | | | **-15,966,292.99** |

**Currency hedging transactions with realised gains that expired during the reporting period** in €

| Forward exchange contracts (sold against €) | | Quoted value, sold | Realised gains | Result by last year's key date | Impact on the Fund assets during the reporting period |
|---|---|---|---|---|---|
| £ | 1,153,900,000.00 | 1,363,210,030.85 | 80,279,102.20 | 103,592,180.64 | -23,313,078.44 |
| SEK | 1,020,000,000.00 | 108,160,067.85 | 12,437,704.49 | 14,604,824.33 | -2,167,119.84 |
| | | | **92,716,806.69** | **118,197,004.97** | **-25,480,198.28** |

**Currency hedging transactions with realised losses that expired during the reporting period** in €

| Forward exchange contracts (sold against €) | | Quoted value, sold | Realised losses | Result by last year's key date | Impact on the Fund assets during the reporting period |
|---|---|---|---|---|---|
| £ | 750,000,000.00 | 824,551,857.78 | -28,323,703.90 | 8,562,428.28 | -36,886,132.18 |
| SEK | 1,867,500,000.00 | 170,999,192.92 | -13,240,098.07 | -670,342.46 | -12,569,755.61 |
| | | | **-41,563,801.97** | **7,892,085.82** | **-49,455,887.79** |

**thereof transactions added to the portfolio since the previous key date** in €

| Forward exchange contracts (sold against €) | | Quoted value, sold | Realised gains | Realised losses | Impact on the Fund assets during the reporting period |
|---|---|---|---|---|---|
| £ | 292,500,000.00 | 332,848,404.24 | 5,623,846.70 | 0.00 | 5,623,846.70 |
| £ | 252,000,000.00 | 280,256,322.65 | 0.00 | -3,298,208.10 | -3,298,208.10 |



# Funding Management

With the increasing influence of capital markets on real estate markets and the corresponding shift in value drivers – which can impact the sustainability of a given real estate investment – the funding management plays an increasingly important role for the management of an open-ended real estate fund. Borrowing capital lays the foundation for the optimal use of capital structures and the hedging of currency risks of foreign currency items.

21.3 %
gearing ratio
as at 31 March 2010

## Strategy

In order to preserve the conservative overall orientation of the Fund, we limit the use of leverage to a maximum of 20–30% of the real real estate portfolio, using debt capital to fund real estate investments while exploiting fiscal structuring options and hedging foreign currency items. By the balance sheet date, *hausInvest europa* showed a gearing ratio equalling 21.3 % of the entire real estate assets, and breaking down into 32 loans.

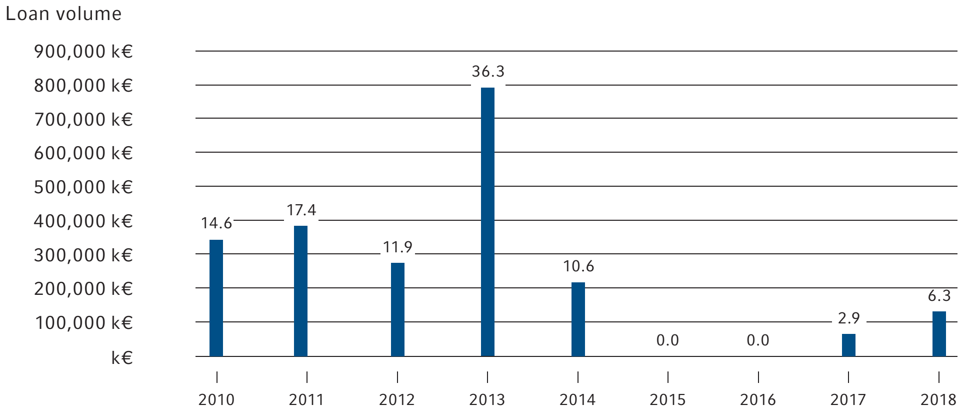
Benefits of partial outside financing include the tax optimisation through deductibility of the interest rates abroad and the attendant use of the leverage effect. Loans are principally taken out in the local currency of the property to be financed. Accordingly, we took 56.4 % of the loans out in Euro, and 43.6 % in foreign currencies. At the same time, such loans as were taken out in the respective national currency served the purpose of hedging the debt capital share.

The creditors have generally secured their loans through mortgage liens and through collateral assignment of cost compensation claims. The stated objective of the Fund Management is to maintain an equilibrium between variable and fixed interest within the framework of a proactive funding management.

**Overview of borrowings – loan volumes by country**

| Country | Loan volume in k € | Share of the market value of all Fund properties in this country | Mean interest rate |
|---|---|---|---|
| Italy | 165,800 | 22.1 % | 4.4 % |
| Netherlands | 158,900 | 13.9 % | 4.8 % |
| France | 729,655 | 29.4 % | 4.1 % |
| Portugal | 42,623 | 19.7 % | 4.1 % |
| Finland | 50,000 | 42.0 % | 2.0 % |
| Belgium | 80,000 | 44.2 % | 5.9 % |
| United Kingdom | 743,531 | 31.5 % | 5.3 % |
| Sweden | 204,681 | 37.0 % | 3.5 % |
| **Total** | **2,175,190** | | |

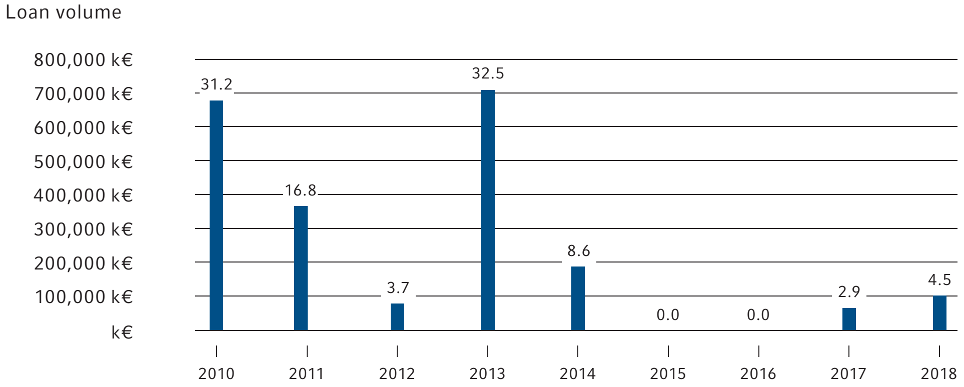
**Loans term to maturity** in % of loan volume




**Fixed-interest rate terms by country (basis: financial year of Fund)** in % of the loan volume

| | Less than 1 year | 1–2 years | 2–5 years | 5–10 years | More than 10 years |
|---|---|---|---|---|---|
| Belgium | – | – | 3.7 | – | – |
| France | 11.2 | – | 22.3 | – | – |
| Finland | 2.3 | – | – | – | – |
| Italy | 5.8 | 1.5 | 0.3 | – | – |
| Netherlands | – | 2.7 | 4.6 | – | – |
| Portugal | 2.0 | – | – | – | – |
| Sweden | 1.9 | 7.5 | – | – | – |
| United Kingdom | 13.0 | – | 13.8 | 7.4 | – |
| **Total** | **36.2** | **11.7** | **44.7** | **7.4** | **0.0** |

**End of fixed-interest period** in % of loan volume



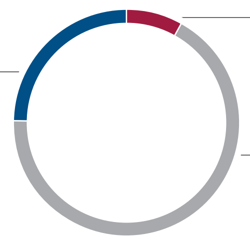
# Investor Structure

91.9 %

private investors

*hausInvest europa* established itself primarily as a public fund for private investors. With a view to its safety-oriented investment strategy our Fund Management has limited commitments by institutional investors – who sometimes have a shorter investment horizon than the average short-term – principally to a maximum ratio of 10 % of the Fund assets. Thus, *hausInvest europa* established itself as basis investment especially for private investors. 91.9 % of the capital paid into the Fund belongs to private individuals. The majority of these has invested amounts of 100,000 € or less in the Fund. This implies a wide spread of the Fund assets in terms of the Fund's investor structure, too. It also makes it easier to foresee liquidity needs and to keep an adequate liquidity ratio on hand so as to satisfy the redemption requests of investors on demand.

**Investor structure of *hausInvest europa***




[1] Referring to 100 % of the Fund assets as at 31 March 2010



# Performance of the Fund Assets

## 01 April 2009 through 31 March 2010

in €

| | | | |
|---|---|---|---|
| Fund assets at the beginning of the financial year | | | 8,819,145,291.05 |
| Distribution for the previous year[1)] | | | -355,071,034.98 |
| Adjustment items for shares issued or returned before the date of distribution[2] | | | -5,380,902.18 |
| Cash inflow from share sales | | 3,668,443,199.60 | |
| Cash outflow from share redemptions | | -1,569,424,920.51 | |
| Cash inflow/outflow (net)[3] | | | 2,099,018,279.09 |
| Regular net income[4] | | | 206,279,370.22 |
| Sales profits[4] | | | -92,461,175.56 |
| Depreciation on acquisition expenses[5] | | | |
| for real estate | | | -1,968,998.01 |
| thereof in foreign currency: | (-1,031,390.11) | | |
| for interests held in real estate companies | | | -801,699.90 |
| thereof in foreign currency: | (0.00) | | |
| Net changes in unrealised gains[6] | | | |
| for real estate | | 247,349,398.69 | |
| thereof in foreign currency: | (38,927,671.03) | | |
| for interests held in real estate companies | | 36,223,104.22 | 283,572,502.91 |
| thereof in foreign currency: | (0.00) | | |
| Net changes in unrealised losses[6] | | | |
| for real estate | | -115,659,934.09 | |
| thereof in foreign currency: | (-11,576,204.54) | | |
| for interests held in real estate companies | | -20,000,713.77 | -135,660,647.86 |
| thereof in foreign currency: | (-2,039,746.04) | | |
| Changes in exchange rate[7] | | | |
| Effects of the changes in exchange rate | | 86,480,033.93 | |
| Profit from forward exchange transactions | | -7,757,396.31 | 78,722,637.62 |
| **Fund assets by the end of the financial year** | | | **10,895,393,622.40** |

# Notes on the Performance of the Fund Assets

The performance of the Fund assets shows which business events during the reporting period are responsible for the new asset total reported in the Fund's Statement of Assets and Liabilities. In other words, it represents a breakdown of the difference between the Fund assets at the beginning and those at the end of the financial year.

## Footnotes on the Performance of the Fund Assets

Re 1) The item **Distribution for the prior year** represents the distributed amount according to last year's Annual Report (for the distribution total, see the "Income Statement", under "Calculation of the Distribution," in that Report).

Re 2) The **Adjustment item** reflects the issuance and redemption of shares between the end of the financial year and the date of distribution. Investors who acquire shares between these two dates will participate in the distribution even through their share subscriptions did not enter into the cash inflow balance of the reporting period. Inversely, investors who sell their shares in the time between these two dates will not participate in the distribution even though their share redemption did not enter into the cash outflow balance of the reporting period.

Re 3) The **Cash inflow from share sales** and the **Cash outflow due to the share redemptions** are directly determined by the respective redemption price of the day, multiplied by the number of shares sold or redeemed by that date. The redemption price includes the return per share, which is referred to as income equalisation.

Re 4) The **Regular net income** and the **Sales profits** are posted in the Income Statement.

Re 5) The item **Depreciation on Acquisition Expenses** lists amounts by which the acquisition expenses for real estate or equity investments were subject to linear depreciation since the conversion of the contract terms of the pool of segregated assets to reflect the new German Investment Act as at 16 August 2008.

Re 6) For the Fund's **Real estate** and **Interests in real estate companies**, the **Net changes in unrealised gains** result from value updates and changes in market value, and from the allocation or release of tax contingency provisions for future sales profits or from other value-impacting factors still to come in the financial year. The Report captures changes in market value based on first-time valuation by the Valuation Committee or revaluations, as well as any other changes in the book value of properties or equity investments. These may derive, e.g., from the formation or dissolution of provisions, from retroactive purchase price adjustments, the acquisition of small space annexes, etc.

The **Changes in the value of non-realised losses** are based on updates and changes in the market value of **real estate** and **interests in real estate companies** that occurred in the course of the financial year. The above elaborations regarding the net changes in unrealised gains apply *mutatis mutandis*.

Re 7) Revaluations due to **Changes in exchange rate** are listed as the difference between the valuation of foreign currency assets at the exchange rate quoted in the beginning and the valuation at the exchange rate quoted by the end of the reporting period, not including the result of value updates. For real estate and interest held in real estate companies, the result of the revaluation – assessed at the going exchange rate at the end of the reporting period – is included in the net change in unrealised gains/losses. For assets acquired during the reporting year, the difference in valuation is listed together with the quoted value at the time of the capitalisation and the quoted value at the end of the reporting period.

Moreover, gains and losses resulting from handling current transactions through foreign currency clearing accounts are taken into account here, as are fluctuations in value for derivative currency transactions that were not yet concluded by the balance sheet date. Realised gains and losses from the closing of derivative currency transactions during the reporting period are also taken into account, minus the net changes of the previous year.

# Summarised Statement of Assets and Liabilities

in €

| By markets | Grand total | in % of the Fund assets | Germany | Belgium | Finland | France | United Kingdom |
|---|---|---|---|---|---|---|---|
| I. Real estate | 7,910,681,526.07 | 72.61 % | 1,567,821,093.00 | 0.00 | 0.00 | 1,859,277,000.00 | 1,983,523,493.19 |
| 1. Developed property | 7,875,862,083.83 | 72.29 % | 1,560,051,093.00 | 0.00 | 0.00 | 1,859,277,000.00 | 1,968,981,790.71 |
| 2. Property under construction | 27,049,442.24 | 0.25 % | 0.00 | 0.00 | 0.00 | 0.00 | 14,541,702.48 |
| 3. Vacant plots | 7,770,000.00 | 0.07 % | 7,770,000.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| II. Interests held in real estate companies | 1,557,420,374.54 | 14.29 % | 499,401,653.44 | 124,316,473.05 | 13,151,705.55 | 369,553,186.12 | 189,474,336.02 |
| 1. Majority interests | 1,115,832,073.94 | 10.24 % | 380,520,034.34 | 124,316,473.05 | 13,151,705.55 | 46,846,504.62 | 189,474,336.02 |
| 2. Minority interests | 441,588,300.60 | 4.05 % | 118,881,619.10 | 0.00 | 0.00 | 322,706,681.50 | 0.00 |
| III. Cash and cash equivalents/cash in banks | 3,083,886,613.23 | 28.30 % | 3,007,500,794.16 | 0.00 | 0.00 | 21,984,320.13 | 30,096,407.98 |
| IV. Miscellaneous assets | 838,451,095.10 | 7.70 % | 101,400,781.74 | 0.00 | 61,901,405.09 | 173,697,435.60 | 103,386,762.47 |
| **Sum total other assets** | **13,390,439,608.94** | **122.90 %** | **5,176,124,322.34** | **124,316,473.05** | **75,053,110.64** | **2,424,511,941.85** | **2,306,480,999.66** |
| V. Payables | 2,202,633,853.01 | 20.22 % | 130,965,843.04 | 0.00 | 0.00 | 714,866,350.67 | 660,334,402.21 |
| VI. Provisions | 292,412,133.53 | 2.68 % | 11,236,040.78 | 9,234,712.00 | 0.00 | 12,450,700.93 | 49,324,013.29 |
| **Sum total of liabilities and provisions** | **2,495,045,986.54** | **22.90 %** | **142,201,883.82** | **9,234,712.00** | **0.00** | **727,317,051.60** | **709,658,415.50** |
| Fund assets | 10,895,393,622.40 | 100.00 % | 5,033,922,438.52 | 115,081,761.05 | 75,053,110.64 | 1,697,194,890.25 | 1,596,822,584.16 |

in €

| By markets | Italy | Luxembourg | Netherlands | Austria | Portugal | Sweden | Spain |
|---|---|---|---|---|---|---|---|
| I. Real estate | 627,330,000.00 | 0.00 | 1,145,410,000.00 | 97,400,000.00 | 76,870,000.00 | 553,049,939.88 | 0.00 |
| 1. Developed property | 627,330,000.00 | 0.00 | 1,145,410,000.00 | 97,400,000.00 | 76,870,000.00 | 540,542,200.12 | 0.00 |
| 2. Property under construction | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 12,507,739.76 | 0.00 |
| 3. Vacant plots | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| II. Interests held in real estate companies | 70,657,013.15 | 126,566,480.19 | 0.00 | 42,431,847.34 | 121,867,679.68 | 0.00 | 0.00 |
| 1. Majority interests | 70,657,013.15 | 126,566,480.19 | 0.00 | 42,431,847.34 | 121,867,679.68 | 0.00 | 0.00 |
| 2. Minority interests | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| III. Cash and cash equivalents/cash in banks | 8,573,932.80 | 0.00 | 5,880,604.08 | 4,606,294.17 | 183,704.88 | 5,052,528.37 | 8,026.66 |
| IV. Miscellaneous assets | 84,241,744.36 | 103,880,373.15 | 96,347,272.76 | 97,601,930.42 | 12,514,033.07 | 3,479,356.44 | 0.00 |
| **Sum total other assets** | **790,802,690.31** | **230,446,853.34** | **1,247,637,876.84** | **242,040,071.93** | **211,435,417.63** | **561,581,824.69** | **8,026.66** |
| V. Payables | 168,970,773.23 | 3,575,688.61 | 199,208,984.61 | 96,197,151.31 | 11,654,993.43 | 216,764,010.49 | 95,655.41 |
| VI. Provisions | 9,825,234.42 | 5,788,220.36 | 134,328,300.26 | 317,340.27 | 14,041,318.83 | 44,717,956.13 | 1,148,296.26 |
| **Sum total of liabilities and provisions** | **178,796,007.65** | **9,363,908.97** | **333,537,284.87** | **96,514,491.58** | **25,696,312.26** | **261,481,966.62** | **1,243,951.67** |
| Fund assets | 612,006,682.66 | 221,082,944.37 | 914,100,591.97 | 145,525,580.35 | 185,739,105.37 | 300,099,858.07 | -1,235,925.01 |

Status: 31 March 2010

# Summarised
# Statement of Assets and Liabilities

## as at 31 March 2010

in €

| By currency | Grand total | in % of the Fund assets | Total in € | (thereof in foreign currency: | United Kingdom | Sweden |
|---|---|---|---|---|---|---|
| I. Real estate | 7,910,681,526.07 | 72.61 % | 5,374,108,093.00 | 2,536,573,433.07 | 1,983,523,493.19 | 553,049,939.88 |
| 1. Developed property | 7,875,862,083.83 | 72.29 % | 5,366,338,093.00 | 2,509,523,990.83 | 1,968,981,790.71 | 540,542,200.12 |
| 2. Property under construction | 27,049,442.24 | 0.25 % | 0.00 | 27,049,442.24 | 14,541,702.48 | 12,507,739.76 |
| 3. Vacant plots | 7,770,000.00 | 0.07 % | 7,770,000.00 | 0.00 | 0.00 | 0.00 |
| II. Interests held in real estate companies | 1,557,420,374.54 | 14.29 % | 1,367,946,038.52 | 189,474,336.02 | 189,474,336.02 | 0.00 |
| 1. Majority interests | 1,115,832,073.94 | 10.24 % | 926,357,737.92 | 189,474,336.02 | 189,474,336.02 | 0.00 |
| 2. Minority interests | 441,588,300.60 | 4.05 % | 441,588,300.60 | 0.00 | 0.00 | 0.00 |
| III. Cash and cash equivalents/cash in banks | 3,083,886,613.23 | 28.30 % | 3,048,737,676.88 | 35,148,936.35 | 30,096,407.98 | 5,052,528.37 |
| IV. Miscellaneous assets | 838,451,095.10 | 7.70 % | 731,584,976.20 | 106,866,118.91 | 103,386,762.47 | 3,479,356.44 |
| **Sum total other assets** | **13,390,439,608.94** | **122.90 %** | **10,522,376,784.60** | **2,868,062,824.35** | **2,306,480,999.66** | **561,581,824.69** |
| V. Payables | 2,202,633,853.01 | 20.22 % | 1,325,535,440.31 | 877,098,412.70 | 660,334,402.21 | 216,764,010.49 |
| VI. Provisions | 292,412,133.53 | 2.68 % | 198,370,164.11 | 94,041,969.42 | 49,324,013.29 | 44,717,956.13 |
| **Sum total of liabilities and provisions** | **2,495,045,986.54** | **22.90 %** | **1,523,905,604.42** | **971,140,382.12** | **709,658,415.50** | **261,481,966.62** |
| Fund assets | 10,895,393,622.40 | 100.00 % | 8,998,471,180.17 | 1,896,922,442.23 | 1,596,822,584.16 | 300,099,858.07 |

Number of shares outstanding
252,112,968.077

Share value (€)
43.22

Exchange rates as at 30 March 2010

Pound Stirling (£) 1 € =
0.8935 £
Swedish Crowns (SEK) 1 € =
9.7713 SEK

# Statement of Assets and Liabilities

## as at 31 March 2010

in €

| | Grand total | in % of the Fund assets | (thereof in foreign currency: | Germany | Belgium | Finland | France | United Kingdom |
|---|---|---|---|---|---|---|---|---|
| **I. REAL ESTATE** | | | | | | | | |
| 1. Residential rental property | 1,195,000.00 | 0.01 % | 0.00 | 1,195,000.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2. Commercial property | 7,874,667,083.83 | 72.28 % | 2,509,523,990.83 | 1,558,856,093.00 | 0.00 | 0.00 | 1,859,277,000.00 | 1,968,981,790.71 |
| 3. Property under construction | 27,049,442.24 | 0.25 % | 27,049,442.24 | 0.00 | 0.00 | 0.00 | 0.00 | 14,541,702.48 |
| 4. Vacant plots | 7,770,000.00 | 0.07 % | 0.00 | 7,770,000.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| **Total** | **7,910,681,526.07** | **72.36 %** | **2,536,573,433.07** | **1,567,821,093.00** | **0.00** | **0.00** | **1,859,277,000.00** | **1,983,523,493.19** |

in €

| | Italy | Luxembourg | Netherlands | Austria | Portugal | Sweden | Spain |
|---|---|---|---|---|---|---|---|
| **I. REAL ESTATE** | | | | | | | |
| 1. Residential rental property | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2. Commercial property | 627,330,000.00 | 0.00 | 1,145,410,000.00 | 97,400,000.00 | 76,870,000.00 | 540,542,200.12 | 0.00 |
| 3. Property under construction | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 12,507,739.76 | 0.00 |
| 4. Vacant plots | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| **Total** | **627,330,000.00** | **0.00** | **1,145,410,000.00** | **97,400,000.00** | **76,870,000.00** | **553,049,939.88** | **0.00** |

Page 84+
Property Record

The Property Record on pages 84 through 131 profiles the composition of the portfolio of real assets, including detailed information on each property.

# Statement of Assets and Liabilities

## as at 31 March 2010

in €

| | Grand total | in % of the Fund assets | (thereof in foreign currency: | Germany | Belgium | Finland | France | United Kingdom |
|---|---|---|---|---|---|---|---|---|
| **II. INTERESTS HELD IN REAL ESTATE COMPANIES** | | | | | | | | |
| 1. Majority interests | 1,115,832,073.94 | 10.24 % | 189,474,336.02 | 380,520,034.34 | 124,316,473.05 | 13,151,705.55 | 46,846,504.62 | 189,474,336.02 |
| Market value/Purchase price of the real estate | 1,633,459,926.46 | 14.99 % | 376,344,040.29 | 353,813,719.72 | 180,850,000.00 | 118,911,626.70 | 72,800,000.00 | 376,344,040.29 |
| Payables arising from external loans | 355,072,730.12 | 3.26 % | 190,072,747.62 | 0.00 | 80,000,000.00 | 50,000,000.00 | 0.00 | 190,072,747.62 |
| Payables arising from shareholder loans | 158,881,438.41 | 1.46 % | 0.00 | 0.00 | 0.00 | 59,080,000.00 | 28,551,438.41 | 0.00 |
| Balance of other receivables/payables/provisions | -3,673,683.99 | -0.03 % | 3,203,043.35 | 26,706,314.62 | 23,466,473.05 | 3,320,078.85 | 2,597,943.03 | 3,203,043.35 |
| 2. Minority interests | 441,588,300.60 | 4.05 % | 0.00 | 118,881,619.10 | 0.00 | 0.00 | 322,706,681.50 | 0.00 |
| Market value/Purchase price of the real estate | 671,430,238.34 | 6.16 % | 0.00 | 118,147,500.00 | 0.00 | 0.00 | 553,282,738.34 | 0.00 |
| Payables arising from external loans | 238,439,897.94 | 2.19 % | 0.00 | 0.00 | 0.00 | 0.00 | 238,439,897.94 | 0.00 |
| Payables arising from shareholder loans | 0.00 | 0.00 % | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Balance of other receivables/payables/provisions | 8,597,960.20 | 0.08 % | 0.00 | 734,119.10 | 0.00 | 0.00 | 7,863,841.10 | 0.00 |
| **Total** | **1,557,420,374.54** | **14.29 %** | **189,474,336.02** | **499,401,653.44** | **124,316,473.05** | **13,151,705.55** | **369,553,186.12** | **189,474,336.02** |

in €

| | Italy | Luxembourg | Netherlands | Austria | Portugal | Sweden | Spain |
|---|---|---|---|---|---|---|---|
| **II. INTERESTS HELD IN REAL ESTATE COMPANIES** | | | | | | | |
| 1. Majority interests | 70,657,013.15 | 126,566,480.19 | 0.00 | 42,431,847.34 | 121,867,679.68 | 0.00 | 0.00 |
| Market value/Purchase price of the real estate | 124,000,000.00 | 227,980,000.00 | 0.00 | 39,360,600.00 | 139,399,939.75 | 0.00 | 0.00 |
| Payables arising from external loans | 0.00 | 0.00 | 0.00 | 0.00 | 34,999,982.50 | 0.00 | 0.00 |
| Payables arising from shareholder loans | 61,800,000.00 | 0.00 | 0.00 | 0.00 | 9,450,000.00 | 0.00 | 0.00 |
| Balance of other receivables/payables/provisions | 8,457,013.15 | -101,413,519.81 | 0.00 | 3,071,247.34 | 26,917,722.43 | 0.00 | 0.00 |
| 2. Minority interests | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Market value/Purchase price of the real estate | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Payables arising from external loans | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Payables arising from shareholder loans | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Balance of other receivables/payables/provisions | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| **Total** | **70,657,013.15** | **126,566,480.19** | **0.00** | **42,431,847.34** | **121,867,679.68** | **0.00** | **0.00** |

Page 224+
Record of Participations

Page 84+
Property Record

For details on the equity investment companies, as well as on the real estate held by them, see the Record of Participations and the Property Record.

# Statement of Assets and Liabilities

## as at 31 March 2010

in €

| | Grand total | in % of the Fund assets | (thereof in foreign currency: | Germany | Belgium | Finland | France | United Kingdom |
|---|---|---|---|---|---|---|---|---|
| **III. CASH AND CASH EQUIVALENTS/CASH IN BANKS** | | | | | | | | |
| 1. Overnight deposits | 75,679,355.34 | 0.69 % | 20,895,355.34 | 28,195,000.00 | 0.00 | 0.00 | 11,130,000.00 | 20,895,355.34 |
| 2. Time deposits | 2,987,662,157.77 | 27.42 % | 2,050,918.42 | 2,975,214,000.00 | 0.00 | 0.00 | 9,646,700.00 | 2,050,918.42 |
| Term to maturity up to 3 months | 1,112,662,157.77 | 10.21 % | 2,050,918.42 | 1,100,214,000.00 | 0.00 | 0.00 | 9,646,700.00 | 2,050,918.42 |
| Term to maturity 3 to 6 months | 930,000,000.00 | 8.54 % | 0.00 | 930,000,000.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Term to maturity 6 to 9 months | 575,000,000.00 | 5.28 % | 0.00 | 575,000,000.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Term to maturity 9 to 12 months | 290,000,000.00 | 2.66 % | 0.00 | 290,000,000.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Term to maturity more than 12 months | 80,000,000.00 | 0.73 % | 0.00 | 80,000,000.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3. Balance in current accounts and one savings account | 18,343,918.33 | 0.17 % | 12,202,662.59 | 1,890,612.37 | 0.00 | 0.00 | 1,207,620.13 | 7,150,134.22 |
| 4. Balance in distribution accounts | 2,201,181.79 | 0.02 % | 0.00 | 2,201,181.79 | 0.00 | 0.00 | 0.00 | 0.00 |
| **Total** | **3,083,886,613.23** | **28.30 %** | **35,148,936.35** | **3,007,500,794.16** | **0.00** | **0.00** | **21,984,320.13** | **30,096,407.98** |

in €

| | Italy | Luxembourg | Netherlands | Austria | Portugal | Sweden | Spain |
|---|---|---|---|---|---|---|---|
| **III. CASH AND CASH EQUIVALENTS/CASH IN BANKS** | | | | | | | |
| 1. Overnight deposits | 5,090,000.00 | 0.00 | 5,670,000.00 | 4,516,500.00 | 182,500.00 | 0.00 | 0.00 |
| 2. Time deposits | 750,539.35 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Term to maturity up to 3 months | 750,539.35 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Term to maturity 3 to 6 months | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Term to maturity 6 to 9 months | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Term to maturity 9 to 12 months | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Term to maturity more than 12 months | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3. Balance in current accounts and one savings account | 2,733,393.45 | 0.00 | 210,604.08 | 89,794.17 | 1,204.88 | 5,052,528.37 | 8,026.66 |
| 4. Balance in distribution accounts | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| **Total** | **8,573,932.80** | **0.00** | **5,880,604.08** | **4,606,294.17** | **183,704.88** | **5,052,528.37** | **8,026.66** |

# Statement of Assets and Liabilities

## as at 31 March 2010

in €

| | Grand total | in % of the Fund assets | (thereof in foreign currency: | Germany | Belgium | Finland | France | United Kingdom |
|---|---|---|---|---|---|---|---|---|
| **IV. MISCELLANEOUS ASSETS** | | | | | | | | |
| 1. Receivables from property management | 110,889,777.83 | 1.02 % | 53,472,288.77 | 26,515,429.18 | 0.00 | 0.00 | 16,480,592.79 | 51,487,698.61 |
| from rents and assessments | 32,121,062.69 | 0.29 % | 26,491,450.58 | 2,092,898.95 | 0.00 | 0.00 | 846,960.35 | 26,217,691.47 |
| from service charges not yet invoiced | 78,201,704.72 | 0.72 % | 26,980,838.19 | 24,422,530.23 | 0.00 | 0.00 | 15,633,632.44 | 25,270,007.14 |
| from prepaid property management costs | 567,010.42 | 0.01 % | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2. Receivables from real estate companies | 158,881,438.41 | 1.46 % | 0.00 | 0.00 | 0.00 | 59,080,000.00 | 28,551,438.41 | 0.00 |
| 3. Interest receivables | 20,079,357.05 | 0.18 % | 2,140.17 | 17,004,000.62 | 0.00 | 1,385,954.00 | 770,660.47 | 2,140.17 |
| from overnight deposits | 1,291.54 | 0.00 % | 240.44 | 844.29 | 0.00 | 0.00 | 86.57 | 240.44 |
| from time deposits | 17,007,369.51 | 0.16 % | 1,899.73 | 17,003,156.33 | 0.00 | 0.00 | 2,250.90 | 1,899.73 |
| from shareholder loans | 3,070,696.00 | 0.03 % | 0.00 | 0.00 | 0.00 | 1,385,954.00 | 768,323.00 | 0.00 |
| 4. Acquisition expenses | 41,486,008.71 | 0.38 % | 15,030,636.82 | 14,322,702.59 | 0.00 | 1,433,108.69 | 7,922,807.84 | 15,030,636.82 |
| for real estate | 32,803,808.16 | 0.30 % | 15,030,636.82 | 8,932,822.50 | 0.00 | 0.00 | 7,922,807.84 | 15,030,636.82 |
| for interests held in real estate companies | 8,682,200.55 | 0.08 % | 0.00 | 5,389,880.09 | 0.00 | 1,433,108.69 | 0.00 | 0.00 |
| 5. Receivables from pending transactions | 306,573,560.72 | 2.81 % | 744,131.82 | 26,764,278.25 | 0.00 | 0.00 | 115,859,319.00 | 0.00 |
| 6. Receivables from foreign revenue authorities | 28,698,779.30 | 0.26 % | 0.00 | 0.00 | 0.00 | 0.00 | 2,451,376.82 | 0.00 |
| Receivables from reclaimable VAT | 28,236,740.45 | 0.26 % | 0.00 | 0.00 | 0.00 | 0.00 | 2,451,376.82 | 0.00 |
| Receivables from income tax/corporate income tax | 462,038.85 | 0.00 % | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 7. Market value of forward exchange transactions | 8,208,896.68 | 0.08 % | 0.00 | 8,208,896.68 | 0.00 | 0.00 | 0.00 | 0.00 |
| 8. Miscellaneous | 163,633,276.40 | 1.50 % | 37,616,921.33 | 8,585,474.42 | 0.00 | 2,342.40 | 1,661,240.27 | 36,866,286.87 |
| Participatory capital of Luxembourg equity investments | 101,088,470.14 | 0.93 % | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Service charges prepaid to property managers and other items relating to the property management | 27,587,577.80 | 0.25 % | 26,049,787.21 | 47,939.60 | 0.00 | 0.00 | 788,565.71 | 25,405,041.88 |
| Receivables on capitalised deferred taxes | 21,050,182.71 | 0.19 % | 11,461,244.99 | 0.00 | 0.00 | 0.00 | 0.00 | 11,461,244.99 |
| Receivables from cash inflow | 7,175,496.06 | 0.07 % | 0.00 | 7,175,496.06 | 0.00 | 0.00 | 0.00 | 0.00 |
| Interest receivables of participatory capital | 2,791,903.01 | 0.03 % | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Receivables from tenant cost shares | 1,511,719.55 | 0.01 % | 0.00 | 267,442.38 | 0.00 | 0.00 | 0.00 | 0.00 |
| Furniture, fixtures and equipment | 1,341,940.87 | 0.01 % | 0.00 | 342,584.00 | 0.00 | 0.00 | 813,596.00 | 0.00 |
| Other miscellaneous receivables | 1,085,986.26 | 0.01 % | 105,889.13 | 752,012.38 | 0.00 | 2,342.40 | 59,078.56 | 0.00 |
| **Total** | **838,451,095.10** | **0.08 %** | **106,866,118.91** | **101,400,781.74** | **0.00** | **61,901,405.09** | **173,697,435.60** | **103,386,762.47** |

# Statement of Assets and Liabilities

## as at 31 March 2010

in €

| | Italy | Luxembourg | Netherlands | Austria | Portugal | Sweden | Spain |
|---|---|---|---|---|---|---|---|
| **IV. MISCELLANEOUS ASSETS** | | | | | | | |
| 1. Receivables from property management | 552,326.14 | 0.00 | 10,884,104.32 | 1,980,155.39 | 1,004,881.24 | 1,984,590.16 | 0.00 |
| from rents and assessments | 552,326.14 | 0.00 | 1,063,934.74 | 73,982.33 | 999,509.60 | 273,759.11 | 0.00 |
| from service charges not yet invoiced | 0.00 | 0.00 | 9,258,530.80 | 1,906,173.06 | 0.00 | 1,710,831.05 | 0.00 |
| from prepaid property management costs | 0.00 | 0.00 | 561,638.78 | 0.00 | 5,371.64 | 0.00 | 0.00 |
| 2. Receivables from real estate companies | 61,800,000.00 | 0.00 | 0.00 | 0.00 | 9,450,000.00 | 0.00 | 0.00 |
| 3. Interest receivables | 916,521.14 | 0.00 | 44.10 | 35.13 | 1.42 | 0.00 | 0.00 |
| from overnight deposits | 39.59 | 0.00 | 44.10 | 35.13 | 1.42 | 0.00 | 0.00 |
| from time deposits | 62.55 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| from shareholder loans | 916,419.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4. Acquisition expenses | 0.00 | 0.00 | 917,541.00 | 915,227.44 | 943,984.33 | 0.00 | 0.00 |
| for real estate | 0.00 | 0.00 | 917,541.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| for interests held in real estate companies | 0.00 | 0.00 | 0.00 | 915,227.44 | 943,984.33 | 0.00 | 0.00 |
| 5. Receivables from pending transactions | 0.00 | 0.00 | 68,867,940.36 | 94,337,891.29 | 0.00 | 744,131.82 | 0.00 |
| 6. Receivables from foreign revenue authorities | 11,263,753.94 | 0.00 | 13,947,369.74 | 0.00 | 1,036,278.80 | 0.00 | 0.00 |
| Receivables from reclaimable VAT | 11,263,753.94 | 0.00 | 13,947,369.74 | 0.00 | 574,239.95 | 0.00 | 0.00 |
| Receivables from income tax/corporate income tax | 0.00 | 0.00 | 0.00 | 0.00 | 462,038.85 | 0.00 | 0.00 |
| 7. Market value of forward exchange transactions | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 8. Miscellaneous | 9,709,143.14 | 103,880,373.15 | 1,730,273.24 | 368,621.17 | 78,887.28 | 750,634.46 | 0.00 |
| Participatory capital of Luxembourg equity investments | 0.00 | 101,088,470.14 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Service charges prepaid to property managers and other items relating to the property management | 37,154.55 | 0.00 | 250,380.73 | 335,000.00 | 78,750.00 | 644,745.33 | 0.00 |
| Receivables on capitalised deferred taxes | 9,588,937.72 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Receivables from cash inflow | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Interest receivables of participatory capital | 0.00 | 2,791,903.01 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Receivables from tenant cost shares | 0.00 | 0.00 | 1,244,277.17 | 0.00 | 0.00 | 0.00 | 0.00 |
| Furniture, fixtures and equipment | 83,050.87 | 0.00 | 86,868.00 | 15,842.00 | 0.00 | 0.00 | 0.00 |
| Other miscellaneous receivables | 0.00 | 0.00 | 148,747.34 | 17,779.17 | 137.28 | 105,889.13 | 0.00 |
| **Total** | **84,241,744.36** | **103,880,373.15** | **96,347,272.76** | **97,601,930.42** | **12,514,033.07** | **3,479,356.44** | **0.00** |

# Statement of Assets and Liabilities

## as at 31 March 2010

in €

| | Grand total | in % of the Fund assets | (thereof in foreign currency: | Germany | Belgium | Finland | France | United Kingdom |
|---|---|---|---|---|---|---|---|---|
| **V. PAYABLES** | | | | | | | | |
| 1. from loans | 1,581,677,673.61 | 14.52 % | 758,139,365.76 | 0.00 | 0.00 | 0.00 | 491,215,000.00 | 553,458,310.02 |
| thereof secured by mortgage | 615,481,974.50 | 5.65 % | 345,658,666.65 | 0.00 | 0.00 | 0.00 | 64,000,000.00 | 181,913,822.05 |
| thereof short-term loans (Art. 53, InvA) | 111,919,418.02 | 1.03 % | 111,919,418.02 | 0.00 | 0.00 | 0.00 | 0.00 | 111,919,418.02 |
| 2 from property acquisitions and construction projects | 41,957,602.81 | 0.39 % | 15,443,762.55 | 21,797,730.78 | 0.00 | 0.00 | 310,950.45 | 15,092,234.65 |
| Acquisition | 41,623,326.65 | 0.38 % | 15,443,762.55 | 21,496,377.45 | 0.00 | 0.00 | 310,950.45 | 15,092,234.65 |
| Security retentions | 334,276.16 | 0.00 % | 0.00 | 301,353.33 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3. from property management | 160,442,180.07 | 1.47 % | 76,727,181.75 | 23,551,309.18 | 0.00 | 0.00 | 33,064,831.32 | 69,808,575.55 |
| Prepaid rents and assessments | 57,463,634.06 | 0.53 % | 35,823,726.43 | 879,932.92 | 0.00 | 0.00 | 7,412,117.15 | 30,326,264.68 |
| Prepayments on recoverable costs | 85,282,956.22 | 0.78 % | 34,314,284.43 | 22,347,142.88 | 0.00 | 0.00 | 15,918,070.92 | 32,893,139.98 |
| Sureties | 17,273,035.29 | 0.16 % | 6,589,170.89 | 268,300.69 | 0.00 | 0.00 | 9,537,494.87 | 6,589,170.89 |
| from deliveries and services | 422,554.50 | 0.00 % | 0.00 | 55,932.69 | 0.00 | 0.00 | 197,148.38 | 0.00 |
| 4. Payables from pending transactions | 251,773,545.63 | 2.31 % | 735,451.41 | 24,750,951.54 | 0.00 | 0.00 | 115,318,242.60 | 0.00 |
| 5. Payables to foreign revenue authorities | 76,814,471.15 | 0.71 % | 6,224,527.33 | 0.00 | 0.00 | 0.00 | 70,134,960.00 | 3,145,353.82 |
| Payables VAT | 6,679,511.15 | 0.06 % | 6,224,527.33 | 0.00 | 0.00 | 0.00 | 0.00 | 3,145,353.82 |
| Payables income tax/corporate income tax | 70,134,960.00 | 0.64 % | 0.00 | 0.00 | 0.00 | 0.00 | 70,134,960.00 | 0.00 |
| 6. Market value of forward exchange transactions | 15,966,292.99 | 0.15 % | 0.00 | 15,966,292.99 | 0.00 | 0.00 | 0.00 | 0.00 |
| 7. Miscellaneous | 74,002,086.75 | 0.68 % | 19,828,123.90 | 44,899,558.55 | 0.00 | 0.00 | 4,822,366.30 | 18,829,928.17 |
| Payables to CRI GmbH for Fund management | 27,632,017.35 | 0.25 % | 0.00 | 27,632,017.35 | 0.00 | 0.00 | 0.00 | 0.00 |
| Profit sharing Westfield | 16,546,782.85 | 0.15 % | 16,546,782.85 | 0.00 | 0.00 | 0.00 | 0.00 | 16,546,782.85 |
| Payables from cash outflow | 10,001,550.57 | 0.09 % | 0.00 | 10,001,550.57 | 0.00 | 0.00 | 0.00 | 0.00 |
| Loan interest | 6,786,295.97 | 0.06 % | 3,121,962.65 | 0.00 | 0.00 | 0.00 | 3,494,772.12 | 2,123,766.92 |
| Custodian bank fee | 2,723,789.73 | 0.02 % | 0.00 | 2,723,789.73 | 0.00 | 0.00 | 0.00 | 0.00 |
| Coupon redemptions | 2,201,181.79 | 0.02 % | 0.00 | 2,201,181.79 | 0.00 | 0.00 | 0.00 | 0.00 |
| Payables to CRI GmbH for VAT | 1,978,614.14 | 0.02 % | 0.00 | 1,978,614.14 | 0.00 | 0.00 | 0.00 | 0.00 |
| Other miscellaneous payables | 6,131,854.35 | 0.06 % | 159,378.40 | 362,404.97 | 0.00 | 0.00 | 1,327,594.18 | 159,378.40 |
| **Total** | **2,202,633,853.01** | **20.22 %** | **877,098,412.70** | **130,965,843.04** | **0.00** | **0.00** | **714,866,350.67** | **660,334,402.21** |

# Statement of Assets and Liabilities

## as at 31 March 2010

in €

| | Italy | Luxembourg | Netherlands | Austria | Portugal | Sweden | Spain |
|---|---|---|---|---|---|---|---|
| **V. PAYABLES** | | | | | | | |
| 1. from loans | 165,800,000.00 | 0.00 | 158,900,000.00 | 0.00 | 7,623,307.85 | 204,681,055.74 | 0.00 |
| thereof secured by mortgage | 39,300,000.00 | 0.00 | 158,900,000.00 | 0.00 | 7,623,307.85 | 163,744,844.60 | 0.00 |
| thereof short-term loans (Art. 53, InvA) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2 from property acquisitions and construction projects | 48,473.46 | 3,575,688.61 | 19,427.96 | 74,514.00 | 687,055.00 | 351,527.90 | 0.00 |
| Acquisition | 48,473.46 | 3,575,688.61 | 19,427.96 | 41,591.17 | 687,055.00 | 351,527.90 | 0.00 |
| Security retentions | 0.00 | 0.00 | 0.00 | 32,922.83 | 0.00 | 0.00 | 0.00 |
| 3. from property management | 2,998,905.67 | 0.00 | 22,126,853.92 | 1,934,160.89 | 38,937.34 | 6,918,606.20 | 0.00 |
| Prepaid rents and assessments | 2,227,662.55 | 0.00 | 11,031,357.90 | 49,899.77 | 38,937.34 | 5,497,461.75 | 0.00 |
| Prepayments on recoverable costs | 0.00 | 0.00 | 10,819,196.87 | 1,884,261.12 | 0.00 | 1,421,144.45 | 0.00 |
| Sureties | 771,243.12 | 0.00 | 106,825.72 | 0.00 | 0.00 | 0.00 | 0.00 |
| from deliveries and services | 0.00 | 0.00 | 169,473.43 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4. Payables from pending transactions | 0.00 | 0.00 | 17,143,601.77 | 93,825,298.31 | 0.00 | 735,451.41 | 0.00 |
| 5. Payables to foreign revenue authorities | 0.00 | 0.00 | 0.00 | 362,593.00 | 0.00 | 3,079,173.51 | 92,390.82 |
| Payables VAT | 0.00 | 0.00 | 0.00 | 362,593.00 | 0.00 | 3,079,173.51 | 92,390.82 |
| Payables income tax/corporate income tax | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 6. Market value of forward exchange transactions | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 7. Miscellaneous | 123,394.10 | 0.00 | 1,019,100.96 | 585.11 | 3,305,693.24 | 998,195.73 | 3,264.59 |
| Payables to CRI GmbH for Fund management | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Profit sharing Westfield | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Payables from cash outflow | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Loan interest | 35,238.00 | 0.00 | 134,323.20 | 0.00 | 0.00 | 998,195.73 | 0.00 |
| Custodian bank fee | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Coupon redemptions | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Payables to CRI GmbH for VAT | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Other miscellaneous payables | 88,156.10 | 0.00 | 884,777.75 | 585.11 | 3,305,693.24 | 0.00 | 3,264.59 |
| **Total** | **168,970,773.23** | **3,575,688.61** | **199,208,984.61** | **96,197,151.31** | **11,654,993.43** | **216,764,010.49** | **95,655.41** |

# Statement of Assets and Liabilities

## as at 31 March 2010

in €

| | Grand total | in % of the Fund assets | (thereof in foreign currency: | Germany | Belgium | Finland | France | United Kingdom |
|---|---|---|---|---|---|---|---|---|
| **VI. PROVISIONS** | | | | | | | | |
| 1 for production costs | 20,057,288.50 | 0.18 % | 13,137,828.50 | 6,382,165.00 | 0.00 | 0.00 | 192,758.06 | 12,732,099.48 |
| 2 for operating and administrative costs | 29,718,477.13 | 0.27 % | 23,118,181.13 | 1,396,488.98 | 0.00 | 0.00 | 1,857,547.33 | 22,107,383.08 |
| 3 for maintenance costs | 2,826,836.14 | 0.03 % | 11,969.13 | 542,185.10 | 0.00 | 0.00 | 391,134.49 | 0.00 |
| 4 for taxes | 223,645,047.37 | 2.05 % | 47,569,034.21 | 0.00 | 9,234,712.00 | 0.00 | 9,231,180.95 | 11,122,344.94 |
| Capital gains tax | 99,588,531.18 | 0.91 % | 33,218,195.96 | 0.00 | 0.00 | 0.00 | 4,208,996.08 | 0.00 |
| Income tax/corporate income tax | 100,931,515.46 | 0.93 % | 14,350,838.25 | 0.00 | 0.00 | 0.00 | 133,136.06 | 11,122,344.94 |
| Discount on equity investments | 23,125,000.73 | 0.21 % | 0.00 | 0.00 | 9,234,712.00 | 0.00 | 4,889,048.81 | 0.00 |
| 5 for miscellaneous items | 16,164,484.39 | 0.15 % | 10,204,956.45 | 2,915,201.70 | 0.00 | 0.00 | 778,080.10 | 3,362,185.79 |
| **Total** | **292,412,133.53** | **2.68 %** | **94,041,969.42** | **11,236,040.78** | **9,234,712.00** | **0.00** | **12,450,700.93** | **49,324,013.29** |

in €

| | Italy | Luxembourg | Netherlands | Austria | Portugal | Sweden | Spain |
|---|---|---|---|---|---|---|---|
| **VI. PROVISIONS** | | | | | | | |
| 1 for production costs | 202,193.73 | 0.00 | 117,343.21 | 25,000.00 | 0.00 | 405,729.02 | 0.00 |
| 2 for operating and administrative costs | 1,220,265.03 | 0.00 | 1,692,854.51 | 277,258.27 | 155,881.88 | 1,010,798.05 | 0.00 |
| 3 for maintenance costs | 647,579.22 | 0.00 | 1,203,971.20 | 11,232.00 | 18,765.00 | 11,969.13 | 0.00 |
| 4 for taxes | 7,219,609.14 | 4,667,404.69 | 130,802,492.75 | 0.00 | 13,772,317.37 | 36,446,689.27 | 1,148,296.26 |
| Capital gains tax | 6,909,346.61 | 0.00 | 53,823,573.37 | 0.00 | 1,428,419.16 | 33,218,195.96 | 0.00 |
| Income tax/corporate income tax | 310,262.53 | 0.00 | 76,978,919.38 | 0.00 | 8,010,062.98 | 3,228,493.31 | 1,148,296.26 |
| Discount on equity investments | 0.00 | 4,667,404.69 | 0.00 | 0.00 | 4,333,835.23 | 0.00 | 0.00 |
| 5 for miscellaneous items | 535,587.30 | 1,120,815.67 | 511,638.59 | 3,850.00 | 94,354.58 | 6,842,770.66 | 0.00 |
| **Total** | **9,825,234.42** | **5,788,220.36** | **134,328,300.26** | **317,340.27** | **14,041,318.83** | **44,717,956.13** | **1,148,296.26** |

# Notes on the Statement of Assets and Liabilities

## Total fund assets

In the course of the 2009/2010 financial year, Fund assets increased by 2,076.25 million € or 23.54 % to a total of 10,895.39 million €. On balance, 49,215,233.800 new shares were issued. This resulted in a cash inflow of 2,099.02 million € into the pool of segregated assets. The distribution for the 2008/2009 financial year in the amount of 360.45 million € or 1.75 € per share took place on 15 June 2009.

## I. Real estate

Page 62+
Acquisitions and Dispositions

The real estate acquired and sold during the reporting period is listed on pages 70–73. The real estate portfolio included 81 directly held properties by 31 March 2010. When taking into account the real estate transactions that took place during the reporting period, plus the revaluations of properties by the valuation committees, plus the changes in value due to progressing construction work in the case of properties under development, plus the currency changes, then the total value of the real assets increased by 668.92 million € or 9.24 % to a grand total of 7,910.68 million € since 31 March 2009.

Page 84+
Property Record

The Property Record on pages 84+ profiles the composition of the portfolio of real assets, including detailed information on each property.

## II. Interests held in real estate companies

Page 224+
Record of Participations

During the reporting period, the Fund acquired majority interests in two real estate companies in Germany and in one real estate company each in Finland and Portugal, respectively. Please see our notes in the Record of Participations on pages 224–229 and the list of acquisitions and disquisition on pages 70–73. This means that the Fund owned 17 majority interests and two minority interests in real estate companies with a total of 21 indirectly held properties by 31 March 2010.

## III. Cash and cash equivalents

The minimum liquidity pursuant to Art. 80, Sec. 1, Sent 2, German Investment Act, equals 27.57 % of the total Fund assets. Cash and cash equivalents in the amount of 565.27 million € have been set aside for imminent property acquisitions and for construction projects or restructuring measures. The list also includes capital for interest and repayment encumbrances during the next 24 months, totalling 798.59 million €, and capital for securing the running property management, totalling 92.30 million €. The next distribution will require funds totalling 441.20 million €. The free liquidity thus equals 10.16 % of the Fund assets.

## IV. Miscellaneous assets

**On item 2, Receivables from real estate companies**
The receivables from real estate companies represent shareholder loans.

**On item 5, Receivables from pending transactions**
The receivables from pending transactions in the amount of 306.57 million € are accounted for by the acquisition of real estate and real estate companies in Germany, France, the Netherlands, Austria and Sweden; the corresponding accounts payable are itemised under “Payables from pending transactions.”

**On item 6, Receivables from foreign revenue authorities**
The receivables from foreign revenue authorities break down into 28.24 million € in reclaimable VAT and 0.46 million € in reclaimable income tax/corporate income tax.

**On item 8, Miscellaneous receivables**
To the real estate companies in Luxembourg, 101.09 million € out of the segregated pool of assets were made available as participatory capital. Due to their equity-like structuring, these participatory rights are posted among “Miscellaneous assets” and appraised at their nominal value. The receivables from capitalised deferred taxes are associable with the commitments in the United Kingdom in an amount of 11.46 million €, commitments in Italy in an amount of 5.44 million €, and the Italian participations in an amount of 4.15 million €. The receivables from cash inflows represent share sales by 30 March 2010 that were credited to the pool of segregated assets on 01 April 2010.

## V. Payables

**On item 1, Payables arising from external loans**
The loans are secured either by mortgages or recourse guarantees, by bonds on land charges, or by assignment of claims for reimbursement of expenditures.

**On item 5, Payables to foreign revenue authorities**
The payables to foreign revenue authorities represent essentially 70.13 million € in income tax/corporate income tax debt due to the French revenue authority, of which amount 68.39 million € result from the taxable write-up of the fiscal book values as at 31 December 2009 of the directly held properties in France at the market values of 31 December 2009. The basis of assessment used was determined using a reduced tax rate.

**On item 7, Miscellaneous payables**
The accounts payable vis-à-vis the fund management company include the remuneration fee billed retroactively at the end of each quarter, amounting to 27.63 million €, as well as VAT dues in the amount of 1.98 million € that are remitted through the fund management company. Payables from cash outflow represent share redemptions by 30 March 2010 that were debited to the pool of segregated assets on 01 April 2010.

## VI. Provisions

**On item 5, Provisions for other things**
The other provisions represent essentially 6.82 million € in provisions for re-letting retail space at the Swedish property located at Drottninggatan 53 in Stockholm, 2.90 million € in payable toward the ground lease for the Westfield property, 1.28 million € in provisions from purchase price retentions of the real estate company CGI Grundstück GmbH & Co. Regensburg Arcaden KG, Wiesbaden, and 1.12 million € in provisions toward purchase price adjustments for the Luxembourg-based real estate companies.

## Risk-prevention toward future capital gains taxation abroad

In some countries, selling real estate that the Fund owns locally is subject to sales profit taxation on the Fund level (capital gains tax, CGT). By 31 March 2010, we had set aside sufficient provisions on the Fund level to cover any CGT to 100 %. These provisions come to a total of 99.59 million €, based on the current market value of the real estate. This ensures that the Fund returns already reflect the full tax load potentially arising out of real estate sales abroad and subject to capital gains taxation, the tax load in each case being calculated on the basis of the most recent market value appraisal.

# Summarised Income Statement

## for the time 01 April 2009 through 31 March 2010

in €

| Drilldown by markets | Grand total | Germany | Belgium | Finland | France | United Kingdom | Italy |
|---|---|---|---|---|---|---|---|
| I. Revenues | | | | | | | |
| 1. Real estate revenues | 469,934,222.67 | 82,742,176.43 | 0.00 | 0.00 | 82,430,840.40 | 144,647,234.93 | 37,698,031.01 |
| 2. Revenues from interests held in real estate companies | 26,220,334.75 | 8,749,175.20 | 0.00 | 0.00 | 17,471,159.55 | 0.00 | 0.00 |
| 3. Revenues from cash and cash equivalents (cash in banks) | 51,007,114.06 | 50,219,231.73 | 0.00 | 0.00 | 67,595.11 | 65,574.05 | 71,109.41 |
| 4. Miscellaneous revenues | 37,590,134.24 | 3,938,999.82 | 0.00 | 4,394,132.69 | 9,943,590.07 | 7,404,231.31 | 3,861,000.22 |
| **Grand total, revenues** | **584,751,805.72** | **145,649,583.18** | **0.00** | **4,394,132.69** | **109,913,185.13** | **152,117,040.29** | **41,630,140.64** |
| II. Expenses | | | | | | | |
| 1. Management costs | 99,288,932.50 | 19,549,160.22 | 1,130.50 | 86.14 | 6,333,215.95 | 43,647,761.51 | 6,096,974.18 |
| 2. Ground rent, life annuities and temporary annuities | 1,108.73 | 0.00 | 0.00 | 0.00 | 0.00 | 1,108.73 | 0.00 |
| 3. Interest expenses | 72,528,338.05 | 2,057.11 | 0.00 | 0.00 | 21,572,505.76 | 27,951,750.28 | 7,434,644.89 |
| 4. Foreign taxes | 104,741,787.45 | 0.00 | 0.00 | 0.00 | 77,048,295.23 | 5,770,435.69 | 12,115,495.69 |
| 5. Administrative overhead for the pool of segregated assets | 101,912,268.77 | 100,970,819; 50 | 8,760.00 | 0.00 | 229,833.25 | 103,885.58 | 139,339.31 |
| **Grand total, expenses** | **378,472,435.50** | **120,522,036.83** | **9,890.50** | **86.14** | **105,183,850.19** | **77,474,941.79** | **25,786,454.07** |
| III. Regular net income | 206,279,370.22 | 25,127,546.35 | -9,890.50 | 4,394,046.55 | 4,729,334.94 | 74,642,098.50 | 15,843,686.57 |

in €

| Drilldown by markets | Luxembourg | Netherlands | Austria | Portugal | Sweden | Spain |
|---|---|---|---|---|---|---|
| I. Revenues | | | | | | |
| 1. Real estate revenues | 0.00 | 81,332,527.96 | 5,773,831.72 | 4,044,565.30 | 31,265,014.92 | 0.00 |
| 2. Revenues from interests held in real estate companies | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3. Revenues from cash and cash equivalents (cash in banks) | 0.00 | 360,512.43 | 14,616.36 | 6,525.38 | 109,044.98 | 92,904.61 |
| 4. Miscellaneous revenues | 2,821,063.82 | 3,691,668.77 | 112,589.08 | 733,979.67 | 631,598.61 | 57,280.18 |
| **Grand total, revenues** | **2,821,063.82** | **85,384,709.16** | **5,901,037.16** | **4,785,070.35** | **32,005,658.51** | **150,184.79** |
| II. Expenses | | | | | | |
| 1. Management costs | 8,344.33 | 12,233,486.95 | 777,855.31 | 331,441.49 | 10,169,414.80 | 140,061.12 |
| 2. Ground rent, life annuities and temporary annuities | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3. Interest expenses | 0.00 | 7,271,127.87 | 22,858.16 | 415,942.37 | 7,857,451.61 | 0.00 |
| 4. Foreign taxes | 0.00 | 4,196,037.85 | 306.02 | 1,870,914.11 | 3,451,722.58 | 288,580.28 |
| 5. Administrative overhead for the pool of segregated assets | 107,000.00 | 226,711.95 | 45,246.12 | 47,835.17 | 32,837.89 | 0.00 |
| **Grand total, expenses** | **115,344.33** | **23,927,364.62** | **846,265.61** | **2,666,133.14** | **21,511,426.88** | **428,641.40** |
| III. Regular net income | 2,705,719.49 | 61,457,344.54 | 5,054,771.55 | 2,118,937.21 | 10,494,231.63 | -278,456.61 |

# Summarised Income Statement

## for the time 01 April 2009 through 31 March 2010

in €

| Drilldown by currency | Grand total | Total in € | thereof in foreign currency: | United Kingdom | Sweden |
|---|---|---|---|---|---|
| I. Revenues | | | | | |
| 1. Real estate revenues | 469,934,222.67 | 294,021,972.82 | 175,912,249.85 | 144,647,234.93 | 31,265,014.92 |
| 2. Revenues from interests held in real estate companies | 26,220,334.75 | 26,220,334.75 | 0.00 | 0.00 | 0.00 |
| 3. Revenues from cash and cash equivalents (cash in banks) | 51,007,114.06 | 50,832,495.03 | 174,619.03 | 65,574.05 | 109,044.98 |
| 4. Miscellaneous revenues | 37,590,134.24 | 29,554,304.32 | 8,035,829.92 | 7,404,231.31 | 631,598.61 |
| **Grand total, revenues** | **584,751,805.72** | **400,629,106.92** | **184,122,698.80** | **152,117,040.29** | **32,005,658.51** |
| II. Expenses | | | | | |
| 1. Management costs | 99,288,932.50 | 45,471,756.19 | 53,817,176.31 | 43,647,761.51 | 10,169,414.80 |
| 2. Ground rent, life annuities and temporary annuities | 1,108.73 | 0.00 | 1,108.73 | 1,108.73 | 0.00 |
| 3. Interest expenses | 72,528,338.05 | 36,719,136.16 | 35,809,201.89 | 27,951,750.28 | 7,857,451.61 |
| 4. Foreign taxes | 104,741,787.45 | 95,519,629.18 | 9,222,158.27 | 5,770,435.69 | 3,451,722.58 |
| 5. Administrative overhead for the pool of segregated assets | 101,912,268.77 | 101,775,545.30 | 136,723.47 | 103,885.58 | 32,837.89 |
| **Grand total, expenses** | **378,472,435.50** | **279,486,066.83** | **98,986,368.67** | **77,474,941.79** | **21,511,426.88** |
| III. Regular net income | 206,279,370.22 | 121,143,040.09 | 85,136,330.13 | 74,642,098.50 | 10,494,231.63 |

Revenues and expenses incurred in the United Kingdom and in Sweden were converted into € at the mean exchange rate of the month.

# Income Statement

## for the time 01 April 2009 through 31 March 2010 in €

| | Grand total | thereof in foreign currency: | Germany | Belgium | Finland | France | United Kingdom |
|---|---|---|---|---|---|---|---|
| **I. REVENUES** | | | | | | | |
| 1. Real estate revenues | | | | | | | |
| 1.1. Rent revenues | 520,627,933.42 | 187,596,780.96 | 93,797,718.33 | 0.00 | 0.00 | 102,780,334.75 | 153,638,567.74 |
| 1.2. Rent losses due to vacancy, rent-free periods and rent reductions | -62,724,866.57 | -18,852,461.40 | -13,654,824.01 | 0.00 | 0.00 | -21,084,642.04 | -16,156,364.45 |
| 1.3. Other rent revenues | 12,031,155.82 | 7,167,930.29 | 2,599,282.11 | 0.00 | 0.00 | 735,147.69 | 7,165,031.64 |
| One-time revenues from the Westfield shopping centre | 7,165,028.97 | 7,165,028.97 | 0.00 | 0.00 | 0.00 | 0.00 | 7,165,028.97 |
| Indemnities paid by tenants | 2,752,833.84 | 0.00 | 2,460,930.51 | 0.00 | 0.00 | 114,698.47 | 0.00 |
| Revenues on written-off rental claims | 1,090,753.98 | 2,787.19 | 118,849.97 | 0.00 | 0.00 | 4,316.55 | 2.67 |
| Revenues from tenant contributions to costs | 279,099.00 | 0.00 | 0.00 | 0.00 | 0.00 | 279,099.00 | 0.00 |
| Revenues from other rent assessments | 743,440.03 | 114.13 | 19,501.63 | 0.00 | 0.00 | 337,033.67 | 0.00 |
| **Total** | **469,934,222.67** | **175,912,249.85** | **82,742,176.43** | **0.00** | **0.00** | **82,430,840.40** | **144,647,234.93** |
| 2. Revenues from interests held in real estate companies | | | | | | | |
| 2.1. Distributions from partnerships | 8,749,175.20 | 0.00 | 8,749,175.20 | 0.00 | 0.00 | 0.00 | 0.00 |
| CGI Grundstück GmbH & Co. Regensburg Arcaden KG, Wiesbaden | 8,749,175.20 | 0.00 | 8,749,175.20 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2.2. Distributions from corporations | 17,471,159.55 | 0.00 | 0.00 | 0.00 | 0.00 | 17,471,159.55 | 0.00 |
| CeGeREAL S.A., Paris | 17,471,159.55 | 0.00 | 0.00 | 0.00 | 0.00 | 17,471,159.55 | 0.00 |
| **Total** | **26,220,334.75** | **0.00** | **8,749,175.20** | **0.00** | **0.00** | **17,471,159.55** | **0.00** |

| | Italy | Luxembourg | Netherlands | Austria | Portugal | Sweden | Spain |
|---|---|---|---|---|---|---|---|
| **I. REVENUES** | | | | | | | |
| 1. Real estate revenues | | | | | | | |
| 1.1. Rent revenues | 40,209,195.70 | 0.00 | 85,501,539.10 | 6,697,802.18 | 4,044,562.40 | 33,958,213.22 | 0.00 |
| 1.2. Rent losses due to vacancy, rent-free periods and rent reductions | -2,883,924.26 | 0.00 | -5,310,324.14 | -938,690.72 | 0.00 | -2,696,096.95 | 0.00 |
| 1.3. Other rent revenues | 372,759.57 | 0.00 | 1,141,313.00 | 14,720.26 | 2.90 | 2,898.65 | 0.00 |
| One-time revenues from the Westfield shopping centre | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Indemnities paid by tenants | 0.00 | 0.00 | 177,204.86 | 0.00 | 0.00 | 0.00 | 0.00 |
| Revenues on written-off rental claims | 687.34 | 0.00 | 964,108.14 | 1.89 | 2.90 | 2,784.52 | 0.00 |
| Revenues from tenant contributions to costs | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Revenues from other rent assessments | 372,072.23 | 0.00 | 0.00 | 14,718.37 | 0.00 | 114.13 | 0.00 |
| **Total** | **37,698,031.01** | **0.00** | **81,332,527.96** | **5,773,831.72** | **4,044,565.30** | **31,265,014.92** | **0.00** |
| 2. Revenues from interests held in real estate companies | | | | | | | |
| 2.1. Distributions from partnerships | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| CGI Grundstück GmbH & Co. Regensburg Arcaden KG, Wiesbaden | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2.2. Distributions from corporations | 0.00 | 0.00 | | 0.00 | 0.00 | 0.00 | 0.00 |
| CeGeREAL S.A., Paris | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| **Total** | **0.00** | **0.00** | **0.00** | **0.00** | **0.00** | **0.00** | **0.00** |

| | Grand total | thereof in foreign currency: | Germany | Belgium | Finland | France | United Kingdom |
|---|---|---|---|---|---|---|---|
| 3. Revenues from cash and cash equivalents (cash in banks) | | | | | | | |
| 3.1. Revenues from time deposits | 49,928,775.29 | 36,806.08 | 49,847,695.19 | 0.00 | 0.00 | 41,181.21 | 20,331.18 |
| 3.2. Revenues from overnight deposits | 226,578.84 | 35,651.54 | 134,595.20 | 0.00 | 0.00 | 13,046.87 | 35,651.54 |
| 3.3. Other revenues from cash and cash equivalents | 851,759.93 | 102,161.41 | 236,941.34 | 0.00 | 0.00 | 13,367.03 | 9,591.33 |
| **Total** | **51,007,114.06** | **174,619.03** | **50,219,231.73** | **0.00** | **0.00** | **67,595.11** | **65,574.05** |
| 4. Miscellaneous revenues | | | | | | | |
| 4.1. Revenues from shareholder loans | 9,679,030.11 | 0.00 | 0.00 | 0.00 | 4,394,132.69 | 1,562,937.26 | 0.00 |
| 4.2. Revenues from dissolution of provisions | 3,411,191.83 | 263,361.75 | 1,150,790.98 | 0.00 | 0.00 | 613,437.92 | 136,663.75 |
| 4.3. Revenues from refurbishment charges | 3,062,114.18 | 302,906.50 | 1,383,550.76 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4.4. Revenues from equity lent to real estate companies | 2,821,063.82 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4.5. Revenues from reimbursed damages | 883,644.37 | 32,288.31 | 89,865.47 | 0.00 | 0.00 | 490,101.66 | 0.00 |
| 4.6. Revenues from leased and sublet parking spaces | 703,126.97 | 19,434.05 | 0.00 | 0.00 | 0.00 | 0.00 | 19,434.05 |
| 4.7. Revenues from the dissolution of value-adjustments | 702,192.63 | 169,705.80 | 242,577.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4.8 Other miscellaneous revenues | 16,327,770.33 | 7,248,133.51 | 1,072,215.61 | 0.00 | 0.00 | 7,277,113.23 | 7,248,133.51 |
| Capitalised deferred taxes | 7,232,640.99 | 7,232,640.99 | 0.00 | 0.00 | 0.00 | 0.00 | 7,232,640.99 |
| Contractual revenues from the property under construction in Meudon | 6,837,736.13 | 0.00 | 0.00 | 0.00 | 0.00 | 6,837,736.13 | 0.00 |
| Other miscellaneous revenues | 2,257,393.21 | 15,492.52 | 1,072,215.61 | 0.00 | 0.00 | 439,377.10 | 15,492.52 |
| **Total** | **37,590,134.24** | **8,035,829.92** | **3,938,999.82** | **0.00** | **4,394,132.69** | **9,943,590.07** | **7,404,231.31** |

| | Italy | Luxembourg | Netherlands | Austria | Portugal | Sweden | Spain |
|---|---|---|---|---|---|---|---|
| 3. Revenues from cash and cash equivalents (cash in banks) | | | | | | | |
| 3.1. Revenues from time deposits | 3,092.81 | 0.00 | 0.00 | 0.00 | 0.00 | 16,474.90 | 0.00 |
| 3.2. Revenues from overnight deposits | 17,748.49 | 0.00 | 10,503.67 | 8,508.29 | 6,524.78 | 0.00 | 0.00 |
| 3.3. Other revenues from cash and cash equivalents | 50,268.11 | 0.00 | 350,008.76 | 6,108.07 | 0.60 | 92,570.08 | 92,904.61 |
| **Total** | **71,109.41** | **0.00** | **360,512.43** | **14,616.36** | **6,525.38** | **109,044.98** | **92,904.61** |
| 4. Miscellaneous revenues | | | | | | | |
| 4.1. Revenues from shareholder loans | 3,721,960.16 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4.2. Revenues from dissolution of provisions | 58,024.09 | 0.00 | 1,274,538.41 | 16,810.12 | 0.00 | 126,698.00 | 34,228.56 |
| 4.3. Revenues from refurbishment charges | 500.00 | 0.00 | 1,375,156.92 | 0.00 | 0.00 | 302,906.50 | 0.00 |
| 4.4. Revenues from equity lent to real estate companies | 0.00 | 2,821,063.82 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4.5. Revenues from reimbursed damages | 22,794.70 | 0.00 | 231,034.47 | 17,559.76 | 0.00 | 32,288.31 | 0.00 |
| 4.6. Revenues from leased and sublet parking spaces | 0.00 | 0.00 | 683,692.92 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4.7. Revenues from the dissolution of value-adjustments | 6,940.18 | 0.00 | 36,627.91 | 7,646.74 | 238,695.00 | 169,705.80 | 0.00 |
| 4.8 Other miscellaneous revenues | 50,781.09 | 0.00 | 90,618.14 | 70,572.46 | 495,284.67 | 0.00 | 23,051.62 |
| Capitalised deferred taxes | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Contractual revenues from the property under construction in Meudon | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Other miscellaneous revenues | 50,781.09 | 0.00 | 90,618.14 | 70,572.46 | 495,284.67 | 0.00 | 23,051.62 |
| **Total** | **3,861,000.22** | **2,821,063.82** | **3,691,668.77** | **112,589.08** | **733,979.67** | **631,598.61** | **57,280.18** |

| | Grand total | thereof in foreign currency: | Germany | Belgium | Finland | France | United Kingdom |
|---|---|---|---|---|---|---|---|
| **II. EXPENSES** | | | | | | | |
| 1. Management costs | | | | | | | |
| 1.1. Service charges | 26,464,852.87 | 17,306,126.76 | 2,925,604.37 | 0.00 | 0.00 | 1,778,131.27 | 16,067,376.30 |
| Expenses for non-recoverable operating costs | 31,036,006.78 | 21,373,480.66 | 3,369,135.17 | 0.00 | 0.00 | 1,819,337.49 | 16,175,962.00 |
| Revenues from lump sum operating costs paid | -4,290,565.77 | -4,062,902.87 | -69,758.17 | 0.00 | 0.00 | -93,132.25 | 0.00 |
| Profit from running cost settlements | -280,588.14 | -4,451.03 | -373,772.63 | 0.00 | 0.00 | 51,926.03 | -108,585.70 |
| 1.2. Maintenance costs | 9,096,987.16 | 354,124.16 | 2,677,093.12 | 0.00 | 0.00 | 1,483,213.82 | 408.52 |
| 1.3. Costs of real estate management | 12,749,685.68 | 7,654,448.85 | 3,377,216.99 | 0.00 | 0.00 | 49,304.83 | 7,353,139.49 |
| Expenses for outside management | 9,418,593.16 | 7,654,448.85 | 85,549.97 | 0.00 | 0.00 | 49,304.83 | 7,353,139.49 |
| Expenses for in-house management | 3,289,000.00 | 0.00 | 3,289,000.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Other administrative costs | 42,092.52 | 0.00 | 2,667.02 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1.4. Miscellaneous costs | 50,977,406.79 | 28,502,476.54 | 10,569,245.74 | 1,130.50 | 86.14 | 3,022,566.03 | 20,226,837.20 |
| Expenses for first-time letting and re-letting | 21,324,895.71 | 7,460,591.63 | 8,508,255.04 | 0.00 | 0.00 | 912,610.78 | 61,776.49 |
| Expenses for tax accounting/tax consulting | 2,513,928.03 | 780,830.66 | 6,333.74 | 0.00 | 0.00 | 562,965.20 | 643,758.97 |
| Expenses for legal consulting/legal prosecution | 4,611,193.45 | 3,653,090.49 | 131,786.84 | 0.00 | 0.00 | 382,361.17 | 3,105,878.38 |
| Depreciation and value adjustment on rental claims | 2,374,965.94 | 1,935,662.71 | 199,855.95 | 0.00 | 0.00 | 26,712.84 | 1,798,560.46 |
| Advertising and promoting costs | 2,180,536.81 | 1,742,519.64 | 90,355.44 | 0.00 | 0.00 | 3,940.00 | 1,742,519.64 |
| Cost sharing expenses | 878,333.26 | 0.00 | 29,967.15 | 0.00 | 0.00 | 285,000.00 | 0.00 |
| Expenses for insurance-covered damages | 816,356.34 | 43,956.00 | 186,186.18 | 0.00 | 0.00 | 278,039.60 | 0.00 |
| Expenses for rented parking spaces | 799,372.06 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Depreciation on furniture, fixtures and equipment | 476,881.62 | 0.00 | 114,639.00 | 0.00 | 0.00 | 320,757.00 | 0.00 |
| Other miscellaneous costs | 15,000,943.57 | 12,885,825.41 | 1,301,866.40 | 1,130.50 | 86.14 | 250,179.44 | 12,874,343.26 |
| **Total** | **99,288,932.50** | **53,817,176.31** | **19,549,160.22** | **1,130.50** | **86.14** | **6,333,215.95** | **43,647,761.51** |
| 2. Ground rent, life annuities and temporary annuities | | | | | | | |
| 2.1. Ground rent, life annuities and temporary annuities | 1,108.73 | 1,108.73 | 0.00 | 0.00 | 0.00 | 0.00 | 1,108.73 |
| **Total** | **1,108.73** | **1,108.73** | **0.00** | **0.00** | **0.00** | **0.00** | **1,108.73** |
| 3. Interest expenses | | | | | | | |
| 3.1. Loan interest | 70,751,825.65 | 35,312,395.37 | 0.00 | 0.00 | 0.00 | 20,695,299.31 | 27,633,857.71 |
| 3.2. Other loan costs | 1,016,537.77 | 470,404.35 | 0.00 | 0.00 | 0.00 | 407,148.00 | 295,914.88 |
| 3.3. Other interest expenses | 759,974.63 | 26,402.17 | 2,057.11 | 0.00 | 0.00 | 470,058.45 | 21,977.69 |
| Expenses for guarantor fees | 678,939.56 | 0.00 | 1,467.75 | 0.00 | 0.00 | 470,058.45 | 0.00 |
| Expenses for interest on security deposits | 35,539.81 | 20,857.91 | 589.36 | 0.00 | 0.00 | 0.00 | 20,857.91 |
| Other miscellaneous interest expenses | 45,495.26 | 5,544.26 | 0.00 | 0.00 | 0.00 | 0.00 | 1,119.78 |
| **Total** | **72,528,338.05** | **35,809,201.89** | **2,057.11** | **0.00** | **0.00** | **21,572,505.76** | **27,951,750.28** |
| 4. Foreign taxes | | | | | | | |
| 4.1. Foreign income taxes | 104,741,787; 45 | 9,222,158.27 | 0.00 | 0.00 | 0.00 | 77,048,295.23 | 5,770,435.69 |
| **Total** | **104,741,787.45** | **9,222,158.27** | **0.00** | **0.00** | **0.00** | **77,048,295.23** | **5,770,435.69** |

| | Italy | Luxembourg | | Netherlands | Austria | Portugal | Sweden | Spain |
|---|---|---|---|---|---|---|---|---|
| **II. EXPENSES** | | | | | | | | |
| 1. Management costs | | | | | | | | |
| 1.1. Service charges | 1,431,200.85 | 0.00 | | 2,720,556.15 | 240,177.43 | 63,056.04 | 1,238,750.46 | 0.00 |
| Expenses for non-recoverable operating costs | 1,431,573.32 | 0.00 | | 2,693,309.36 | 229,021.30 | 120,149.48 | 5,197,518.66 | 0.00 |
| Revenues from lump sum operating costs paid | 0.00 | 0.00 | | 0.00 | 0.00 | -64,772.48 | -4,062,902.87 | 0.00 |
| Profit from running cost settlements | -372.47 | 0.00 | | 27,246.79 | 11,156.13 | 7,679.04 | 104,134.67 | 0.00 |
| 1.2. Maintenance costs | 1,897,512.38 | 0.00 | | 2,178,487.45 | 398,491.73 | 108,064.50 | 353,715.64 | 0.00 |
| 1.3. Costs of real estate management | 713,584.32 | 0.00 | | 946,630.69 | 0.00 | 8,500.00 | 301,309.36 | 0.00 |
| Expenses for outside management | 674,158.82 | 0.00 | | 946,630.69 | 0.00 | 8,500.00 | 301,309.36 | 0.00 |
| Expenses for in-house management | 0.00 | 0.00 | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Other administrative costs | 39,425.50 | 0.00 | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1.4. Miscellaneous costs | 2,054,676.63 | 8,344.33 | | 6,387,812.66 | 139,186.15 | 151,820.95 | 8,275,639.34 | 140,061.12 |
| Expenses for first-time letting and re-letting | 915,086.55 | 0.00 | | 3,528,351.71 | 0.00 | 0.00 | 7,398,815.14 | 0.00 |
| Expenses for tax accounting/tax consulting | 177,194.08 | 0.00 | | 840,411.68 | 31,170.58 | 115,022.09 | 137,071.69 | 0.00 |
| Expenses for legal consulting/legal prosecution | 194,279.90 | 0.00 | | 166,677.30 | 58,339.18 | 24,658.57 | 547,212.11 | 0.00 |
| Advertising and promoting costs | 342,253.50 | 0.00 | | 134.90 | 1,333.33 | 0.00 | 0.00 | 0.00 |
| Cost sharing expenses | 0.00 | 0.00 | | 563,366.11 | 0.00 | 0.00 | 0.00 | 0.00 |
| Expenses for insurance-covered damages | 22,794.70 | 0.00 | | 249,767.60 | 28,140.80 | 0.00 | 43,956.00 | 7,471.46 |
| Expenses for rented parking spaces | 0.00 | 0.00 | | 799,372.06 | 0.00 | 0.00 | 0.00 | 0.00 |
| Depreciation and value adjustment on rental claims | 40,937.20 | 0.00 | | 164,823.62 | 6,973.62 | 0.00 | 137,102.25 | 0.00 |
| Depreciation on furniture, fixtures and equipment | 27,683.62 | 0.00 | | 9,075.00 | 4,727.00 | 0.00 | 0.00 | 0.00 |
| Other miscellaneous costs | 334,447.08 | 8,344.33 | | 65,832.68 | 8,501.64 | 12,140.29 | 11,482.15 | 132,589.66 |
| **Total** | **6,096,974.18** | **8,344.33** | | **12,233,486.95** | **777,855.31** | **331,441.49** | **10,169,414.80** | **140,061.12** |
| 2. Ground rent, life annuities and temporary annuities | | | | | | | | |
| 2.1. Ground rent, life annuities and temporary annuities | 0.00 | 0.00 | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| **Total** | **0.00** | **0.00** | | **0.00** | **0.00** | **0.00** | **0.00** | **0.00** |
| 3. Interest expenses | | | | | | | | |
| 3.1. Loan interest | 7,420,552.35 | 0.00 | | 7,167,476.87 | 0.00 | 156,101.75 | 7,678,537.66 | 0.00 |
| 3.2. Other loan costs | 0.00 | 0.00 | | 63,700.00 | 0.00 | 75,285.42 | 174,489.47 | 0.00 |
| 3.3. Other interest expenses | 14,092.54 | 0.00 | | 39,951.00 | 22,858.16 | 184,555.20 | 4,424.48 | 0.00 |
| Expenses for guarantor fees | 0.00 | 0.00 | | 0.00 | 22,858.16 | 184,555.20 | 0.00 | 0.00 |
| Expenses for interest on security deposits | 14,092.54 | 0.00 | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Other miscellaneous interest expenses | 0.00 | 0.00 | | 39,951.00 | 0.00 | 0.00 | 4,424.48 | 0.00 |
| **Total** | **7,434,644.89** | **0.00** | | **7,271,127.87** | **22,858.16** | **415,942.37** | **7,857,451.61** | **0.00** |
| 4. Foreign taxes | | | | | | | | |
| 4.1. Foreign income taxes | 12,115,495.69 | 0.00 | | 4,196,037.85 | 306.02 | 1,870,914.11 | 3,451,722.58 | 288,580.28 |
| **Total** | **12,115,495.69** | **0.00** | | **4,196,037.85** | **306.02** | **1,870,914.11** | **3,451,722.58** | **288,580.28** |

| | Grand total | thereof in foreign currency: | Germany | Belgium | Finland | France | United Kingdom |
|---|---|---|---|---|---|---|---|
| 5. Administrative overhead for pool of segregated assets | | | | | | | |
| 5.1. Remuneration of Fund Management | 96,221,221.75 | 0.00 | 96,221,221.75 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5.2. Remuneration of custodian bank | 2,723,848.41 | 0.00 | 2,723,848.41 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5.3. Valuation committee costs | 1,314,056.11 | 136,723.47 | 372,606.84 | 8,760.00 | 0.00 | 229,833.25 | 103,885.58 |
| 5.4. Other expenses pursuant to Art. 14, GCT | 1,653,142.50 | 0.00 | 1,653,142.50 | 0.00 | 0.00 | 0.00 | 0.00 |
| Expenses for printing, mailing and publishing the Annual and Semi-Annual Reports | 397,002.50 | 0.00 | 397,002.50 | 0.00 | 0.00 | 0.00 | 0.00 |
| Expenses for auditing the Annual Report | 349,589.87 | 0.00 | 349,589.87 | 0.00 | 0.00 | 0.00 | 0.00 |
| Coupon cashing expenses | 906,550.13 | 0.00 | 906,550.13 | 0.00 | 0.00 | 0.00 | 0.00 |
| **Total** | **101,912,268.77** | **136,723.47** | **100,970,819.50** | **8,760.00** | **0.00** | **229,833.25** | **103,885.58** |
| **III. REGULAR NET INCOME** | | | | | | | |
| 1. Regular net income | | | | | | | |
| 1.1 Regular net income | 206,279,370.22 | 85,136,330.13 | 25,127,546.35 | -9,890.50 | 4,394,046.55 | 4,729,334.94 | 74,642,098.50 |
| **Total** | **206,279,370.22** | **85,136,330.13** | **25,127,546.35** | **-9,890.50** | **4,394,046.55** | **4,729,334.94** | **74,642,098.50** |

| | Italy | Luxembourg | Netherlands | Austria | Portugal | Sweden | Spain |
|---|---|---|---|---|---|---|---|
| 5. Administrative overhead for pool of segregated assets | | | | | | | |
| 5.1. Remuneration of Fund Management | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5.2. Remuneration of custodian bank | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5.3. Valuation committee costs | 139,339.31 | 107,000.00 | 226,711.95 | 45,246.12 | 47,835.17 | 32,837.89 | 0.00 |
| 5.4. Other expenses pursuant to Art. 14, GCT | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Expenses for printing, mailing and publishing the Annual and Semi-Annual Reports | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Expenses for auditing the Annual Report | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Coupon cashing expenses | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| **Total** | **139,339.31** | **107,000.00** | **226,711.95** | **45,246.12** | **47,835.17** | **32,837.89** | **0.00** |
| **III. REGULAR NET INCOME** | | | | | | | |
| 1. Regular net income | | | | | | | |
| 1.1 Regular net income | 15,843,686.57 | 2,705,719.49 | 61,457,344.54 | 5,054,771.55 | 2,118,937.21 | 10,494,231.63 | -278,456.61 |
| **Total** | **15,843,686.57** | **2,705,719.49** | **61,457,344.54** | **5,054,771.55** | **2,118,937.21** | **10,494,231.63** | **-278,456.61** |

| | Realised gains | minus unrealised changes in value from previous years and capital gains tax paid outside Germany | Impact on the Fund assets during the reporting period |
|---|---|---|---|
| **IV. SALES TRANSACTIONS** | | | |
| **Realised gains** | | | |
| 1 from forward exchange transactions | 92,716,806.69 | 118,197,004.97 | -25,480,198.28 |
| Forward exchange transactions in SEK | 12,437,704.49 | 14,604,824.33 | -2,167,119.84 |
| Forward exchange transactions in £ | 80,279,102.20 | 103,592,180.64 | -23,313,078.44 |
| **Total realised gains** | **92,716,806.69** | **118,197,004.97** | **-25,480,198.28** |
| **Realised losses** | | | |
| 1 from real estate | -2,911,617.77 | -2,789,799.81 | -121,817.96 |
| Vienna, Erlachgasse | -2,911,617.77 | -2,789,799.81 | -121,817.96 |
| 3 from cash and cash equivalents | -17,403,271.53 | 0.00 | -17,403,271.53 |
| CeGeREAL shares sold | -17,403,271.53 | 0.00 | -17,403,271.53 |
| 4 from forward exchange transactions | -41,563,801.97 | 7,892,085.82 | -49,455,887.79 |
| Forward exchange transactions in SEK | -13,240,098.07 | -670,342.46 | -12,569,755.61 |
| Forward exchange transactions in £ | -28,323,703.90 | 8,562,428.28 | -36,886,132.18 |
| **Total realised losses** | **-61,878,691.27** | **5,102,286.01** | **-66,980,977.28** |
| **Capital gain** | **30,838,115.42** | **123,299,290.98** | **-92,461,175.56** |
| TER in % | | 1.04 | |
| Success-based remuneration | | 0.00 | |
| Transaction-based remuneration | | 13,520,158.52 | |
| **Information on costs provided pursuant Art. 41, Sec. 5 and 6, German Investment Act** | | | |
| Up-front fees and redemption charges invoiced to the pool of segregated assets for selling or redeeming investment shares, respectively | | 0.00 | |
| Management fees for the investment shares held in the pool of segregated assets | | 0.00 | |

# Notes on the Income Statement

## Expenses

**1.4 Miscellaneous costs**
Out of the other miscellaneous costs, 12.8 million € represent expenses from the participation of White City Acquisitions Limited, London, in the net income of the Westfield property in London.

**4.1 Foreign income taxes**
Foreign income tax in the amount of 68.39 million € arise from the taxable write-up of the fiscal book values of the properties directly held in France as at 31 December 2009 at the market value applicable on 31 December 2009.

**5.1 Remuneration of the Fund Management**
The contractually agreed remuneration paid to the Fund Management Company came to 98.06 million € or 0.90 % p. a. at of the Fund assets at the end of the financial year, with 1.84 million € accounted for by pro-rata expenses for the CeGeREAL S.A. real estate company. This brought the amount posted down to a total of 96.22 million €. In keeping with the terms of contract, the Fund was invoiced 13.05 million € in fees for construction services of real estate and 0.47 million € in fees for the disposition of real estate.

**5.2. Remuneration of custodian bank**
The 2.72 million € in custodian bank fees equal 0.025 % of the Fund volume existing as at 31 March 2008, calculated according to contract.

## Capital gain

The gains realised from real estate and interests in real estate companies represent the difference between sales proceeds and fiscal book values. The changes in the value of real estate and interests in real estate companies that were not realised in previous years result from value updates and the attendant changes in book values. When deducting the gains not realised by the end of the previous year, you get the gains that were realised during the reporting period. To the extent that any capital gains tax was paid on real estate and interests that were disposed of abroad, the realised profit will be reduced by the amount paid.

The profits realised from forward exchange transactions result from the difference between the original forward exchange rate and the spot exchange rate on the day the option was exercised. The unrealised changes in the value of forward exchange transactions include the changes in value accrued by the end of the prior year. When deducting the profits not realised by the end of the previous year, you get the profits for the reporting period.

The realised losses are determined in the same manner as the realised profits.

## Total expense ratio

The TER (Total Expense Ratio) represents the sum total of expenses as percentage of the mean total value of the Fund assets. It includes the following items: Remuneration of the Fund Management, remuneration of the custodian bank, as well as miscellaneous expenses pursuant to Art. 13, No. 4, SCT.

## Success-based remuneration

No success-based remunerations were charged to the pool of segregated assets.

## Transaction-based remuneration

Transaction-based remunerations were paid toward the acquisition of, the construction services for, and the disposition of, real estate or interests in real estate companies. They add up to 13.52 million € or 0.14 % of the mean value of the Fund assets. Due to the nature of such funds, the transaction-based remunerations are subject to major fluctuation during the lifetime of a given fund without permitting conclusions regarding the fund's performance.

## Reimbursements/follow-up commissions

The investment company receives no repayment of any remunerations and reimbursements that have been paid out of the pool of segregated assets to the custodian bank or any third party.

Out of the management remuneration paid in, the investment company grants so-called "follow-up commissions" as brokerage fee to brokers (e. g. financial institutions) on a regular basis, in most cases annually.

# Distribution

The income realised by *hausInvest europa* is annually distributed to the Fund investors. The distributions tend to include a substantial tax-exempt share, which makes this investment vehicle even more attractive.

## Stable amount distributed

The amount distributed for the concluded 2009/2010 financial year equals 1.75 € per *hausInvest europa* share. This means the amount distributed is identical with last year's distribution. For private German investors, 1.17 € of the amount distributed per share remain tax-exempt.

The total amount distributed to investors for the concluded 2009/2010 financial year equals 441.20 million €.

The distribution will be paid out upon submission of coupon No. 37 on 21 June 2010.

For shares held by Commerz Real Investmentgesellschaft mbH in a so-called "Baustein-konto" safe custody account, the distributed amount will be retained and reinvested in new *hausInvest europa* shares at the current redemption price – automatically and free of charge.

**Calculation of the Distribution 01 April 2009–31 March 2010**

| | Total | per share |
|---|---|---|
| Regular net income | 206,279,370.22 | 0.818 |
| Capitan gain relevant for the distribution | 30,838,115.42 | 0.122 |
| Income Equalisation | 145,599,460.01 | 0.578 |
| Account carried forward from last year | 438,740,123.54 | 1.740 |
| Surplus retained pursuant to Art. 14, Sec. 2, SCT | -2,600,000.00 | -0.010 |
| Available for distribution | 818,857,069.19 | 3.248 |
| Reinvested pursuant to Art. 14, Sec. 5, SCT[1] | -30,838,115.42 | -0.122 |
| Carryforward | -346,821,259.64 | -1.376 |
| Total distribution for 252,112,968.077 issued shares | 441,197,694.13 | 1.750 |

[1] Re-invested capital gain with loss on disposal to be deducted.

## Notes on the Calculation of the Distribution

### Regular Net Income and Realised Gains

For a drilldown of the regular net income and the realised gains, please see the Income Statement.

### Income Equalisation

The listed income equalisation represents earnings and reappraisals that accrued since the beginning of the financial year, and that were paid by buyers of shares through the issue price or were remunerated by the Fund through the redemption price in connection with the redemption of shares during the reporting year. The income equalisation posted in the calculation of the distribution refers to the regular net income, the realised gains, and the profits carried forward from the previous year. The income equalisation consequently keeps the distributable amount per share from being influenced by changes in the number of shares in circulation.

### Retentions

Retentions from the income were set aside toward future reinstatements and to offset depreciations of the properties pursuant to Art.1414, Sec. 2, SCT.

### Reinvestment

In the interest of conserving the asset values, the profits realised through forward exchange transactions and securities transactions are allocated in full for reinvestment pursuant to Art. 14, Sec. 5, SCT.

### Carryforward

The amount carried forward will become available again for distribution in the coming years.

### Distribution

The date of distribution is 21 June 2010.

# Notes on Taxation for Shareholders

The distribution for the financial year of 2009/2010 in the amount of 1.75 € per share will be distributed on 21 June 2010.

## Brief Notes on Tax Regulations Relevant for Investors (Pursuant to Tax Laws in force since 01 January 2009)

Any information on tax regulations provided herein applies only to investors with unlimited German tax status. Foreign investors are advised to confer with their tax consultants before acquiring any shares in the pool of segregated assets, and to identify the fiscal consequences that the acquisition of such shares may have in their country of residence.

As a special purpose fund, the pool of segregated assets is exempt from corporate income tax and trade tax. At the same time, the taxable income from the pool of segregated assets rate as income from capital assets for private investors and are therefore taxed only if these exceed – combined with other capital income – the flat rate allowance for savers of 801 € (for single persons or separately assessed spouses) or 1,602 € (for jointly assessed spouses).

Income from capital assets is principally subject to a 25 % tax deduction (plus German solidarity surcharge and, where applicable, church tax). Income from capital assets also includes the earnings distributed by the pool of segregated assets, the deemed-distributed income, the "*Zwischengewinn*" (interim profit), and the profits from buying and selling Fund shares whenever these were acquired after 31 December 2008.[1]

The tax deduction principally has a withholding effect (pursuant to the flat rate withholding tax), so that income from capital assets need no longer be disclosed in the income tax return on a regular basis. Wherever the depository withholds and remits withholding taxes, it will principally offset losses, and credit foreign withholding taxes against the withholding tax dues.

[1] Profits from the sale of Fund shares acquired before 01 January 2009 remain tax-exempt for private investors provided that at least one year passed between the time of their acquisition and the time of their sale.

Scenarios in which the tax deduction loses its withholding effect includes personal tax brackets that remain below the flat rate withholding tax rate of 25 %. In this case, income from capital assets should be disclosed in the income tax return. The Inland Revenue Service will then apply the lower personal tax rate, and credit the tax deduction against the personal tax debt (the so-called "higher-yield test").

Wherever the income from capital assets were tax-exempt (e. g. because the profits from fund share sales were generated by a portfolio held abroad), these need to be disclosed in the tax return. In the tax assessment context, this type of income from capital assets is also subject to a 25 % flat rate withholding tax or the lower personal tax bracket, where applicable.

Even if the tax was deducted and the investor belongs to a higher personal tax bracket than 25 %, the income from capital assets may need to be disclosed if extraordinary personal expenses are asserted in the tax return.

Wherever the shares are held in the form of corporate assets, the income is taxed as business income. German tax legislation requires a differentiated account of the income components in order to assess taxable income, or income subject to the withholding tax, respectively.

# Taxation on the Fund Level

The German legislature has exempted pools of segregated real assets from any income and property taxes. The income is taxed through the income taxation of each investor.

**Personal or corporate income tax procedure for the distribution**

| | For shares held as private assets | For shares held as corporate assets | For shares held as corporate assets of corporations |
|---|---|---|---|
| Distribution per share thereof | 1.7500 | 1.7500 | 1.7500 |
| Tax-free foreign income[1] | -1.1866 | -1.1866[2] | -1.1866 |
| **Taxable share of the distribution** | **0.5634** | **0.5634** | **0.5634** |
| **Taxable share of the retention** | **0.0164** | **0.0164** | **0.0164** |
| Creditable fictitious foreign withholding tax on shares issued | 0.0001 | 0.0001 | 0.0001 |

[1] This item exclusively represents rental and leasehold income, sales profits from real estate located abroad and sold inside and outside the ten-year speculation period, as well as any other income for which the German income taxation has been waived on account of existing double-taxation treaties.
[2] The income is subject to the progression clause. The progression clause implies that even tax-exempt income must enter into the assessment of the tax rate that will be applied to the respective investor's taxable income.

**Income subject to capital gains tax**

| Basis of assessment | 0.5798 € per share |
|---|---|
| Capital gains tax (25 %) | 0.1449 |
| Solidarity surcharge (5.5 %) | 0.0080 |
| **Total** | **0.1529** |

By order of the German Inland Revenue Service, the withholding tax (Art. 7, Sections 1 and 2, German Investment Tax Act) withheld from the individual investor is calculated as follows: First, the distributed and deemed-distributed income share that is subject to withholding tax (0.5798 € per share) must be multiplied with the number of shares held by a given investor on the date of distribution (21 June 2010). Next, the withholding tax is calculated on the basis of the resultant sum. In addition, the solidarity surcharge is levied on the latter amount. Upon submission of a non-assessment note (*NV-Bescheinigung*) or substantiation of a non-resident German tax status, the withholding tax will be waived. Upon submission of a valid exemption order (tax allowance for savers, plus the allowance for income-related expenses), the capital income tax is only applied to that part of the income subject to capital income taxation that exceeds the exemption order allowance.

# Shares in Private Ownership (Resident Tax Status)

**Domestic Rental Income, Interest Income, Interest-Related Income, Foreign Dividends (particularly those from Real Estate Corporations) as well as Profits from Sales of Domestic Real Estate within the first Ten Years after their Acquisition**
The distributed or retained domestic rental income, interest income, interest-related income, foreign dividends as well as profits from sales of domestic real estate within the first ten years after the acquisition of the pool of segregated assets are subject to a tax deduction of 25 % (plus solidarity surcharge and, where applicable, church tax) whenever these are held in custody on domestic accounts.

The tax deduction can be waived if the investor has a resident German tax status and has submitted an exemption order, provided the taxable portions of the income do not exceed the currently applicable saver's flat rate allowance of 801 € in the case of single or singly assessed taxpayers or 1,602 € in the case of jointly assessed couples.

The same applies, *mutatis mutandis*, whenever a non-assessment note (*NV-Bescheinigung*) has been submitted, or whenever a foreign investor substantiates his non-resident tax status.

If an investor keeps his or her shares of a fiscally distributing pool of segregated assets in domestic custody with the capital investment company or at a financial institution (deposit option), the depository will, in its role as paying agent, exempt the shares from the tax deduction if an official exemption order over a sufficient amount or a non-assessment note, issued by the Inland Revenue Service for no more than three years, is presented prior to the set distribution date. In this case, the entire distribution is credited to the investor without deduction.

In the case of a (fiscally) retaining pool of segregated assets, the respective capital investment company itself shall deduct the taxes due on the retained taxable pool earnings that are subject to a 25 % tax rate (plus solidarity surcharge). This tax deduction will thus reduce the issue and redemption price at the end of each financial year. Since the investor identities are normally unknown to the Investment Company, the church tax cannot be withheld in the latter case, that that investors subject to church tax are obliged to make the relevant disclosures in their income tax return.

If the shares are kept in safe custody by a domestic financial institution or by a domestic investment company, the investor account will be credited with any tax deduction that was withheld, provided the investor filed an exemption order over a sufficient amount or a non-assessment note with the depository prior to the expiration of the financial year of the pool of segregated assets.

If the exemption order or non-assessment note is not filed, or not filed in time, the respective depository will issue a tax note to the investor over the taxes and solidarity surcharge withheld at source and remitted. Investors then have the option to have this tax deduction credited against their personal tax debt in conjunction with their income tax return.

If the shares of distributing pools of segregated assets are not kept in safe custody, and if the coupons are submitted to a domestic financial institution (home custody), the disbursed distribution will be subject to a 25 % tax deduction, with the solidarity surcharge to be added.

The dividends paid by foreign (real estate) corporations cannot be tax-exempt as dividend received from an affiliated company in the opinion of the inland revenue authorities.

**Profits from the Sale of Domestic and Foreign Real Estate Ten Years after its Acquisition or Later**
Profits from the sales of domestic and foreign real estate realised on the level of the Pool of Segregated Assets more than ten years after the acquisition always remain tax-free for the investor.

**Foreign Rental Income, and Profits from Sales of Foreign Real Estate Less than Ten Years after its Acquisition**
Foreign rental income and profits from the sales of foreign real estate for which Germany has waived taxation because of existing double-taxation treaties (exemption method), are also tax-exempt (this being the standard). The tax-exempt income does not impact the tax rate to be applied (no progression clause).

Wherever the respective double-taxation treaty stipulates the tax credit method by way of exception, or wherever not double-taxation treaty exists, the information regarding the tax treatment of profits from sales of domestic real estate within ten years after their acquisition applies *mutatis mutandis*. Taxes paid in the country of origin may be credited against the German income tax debt, where applicable, unless the tax remittance is already reflected on the level of the pool of segregated assets in the form of income-related expenses.

**Profits from Securities Sales, and Profits from Forward Transactions, and Income from Option Premiums**
Profits from sales of equities, equity-like participatory rights and investment shares, income from forward transactions, as well as income from option premiums earned on the level of the pool of segregated assets are not assessed for the investor until they have actually been distributed. Also, profits from the sales of capital claims defined in Art. 1, Sec. 3, Sent. 3, No. 1, Letters a through f, German Investment Tax Act, are waived as long as they are not distributed.

This includes the following capital claims:

a) capital claims that feature a yield upon issue,
b) “regular” bonds and non-securitised receivables with fixed coupons, as well as down-rating bonds, floaters, and reverse floaters,
c) risk certificates that map the quoted price of an equity or of a published index for a majority of equities with a 1-to-1 ratio,
d) equity bonds, exchangeable bonds, and convertible debentures,
e) capital gain bonds traded without separate listing of interest accrued (flat) and participatory rights on borrowings and
f) option bonds with warrants (“cum”).

If profits from the sales of securities/capital claims, profits from forward transactions, and profits from option premiums are distributed, these are principally taxable and subject to a 25 % tax deduction at source in the case of domestic safe custody accounts (with solidarity surcharge to be added as well as church tax, where applicable). Distributed profits from the sales of securities and from forward transactions remain tax-exempt if the securities were bought before 01 January 2009 or if the forward transaction was entered into before 01 January 2009.

Profits from sales of capital claims not included in the above list are fiscally treated like capital interest (see page 201).

**Domestic Dividends (Particularly from Real Estate Corporations)**
Domestic dividends of (real estate) corporations that are either distributed or retained by the pool of segregated assets are principally taxable on the investor side. Whenever these are distributed or retained, the investment company will subject domestic dividends to a tax deduction equal to 25 % (plus solidarity surcharge). The depository will also withhold church tax from distributions, where applicable.

The tax deduction of 25 % (plus solidarity surcharge) is immediately and fully reimbursed to private investors if their shares are safe-kept by the investment company or by another domestic financial institution, and if an exemption order over a sufficient amount or a non-assessment note has been filed. Even if the investor fails to submit an exemption order or a non-assessment note in time, the 25 % tax withheld (plus the solidarity surcharge) may be credited against the personal income tax debt if the investor files, together with his or her tax return, the tax note issued by the depository.

**Income from Interest Held in Domestic and Foreign Real Estate Partnerships**
Income from interests held in domestic and foreign real estate partnerships should be included in the tax statement on the level of the pool of segregated assets no later than by the end of the financial year of that partnership. It must be assessed according to general tax principles.

**Negative Tax Income**
If, following reconciliation with comparable positive income, a negative income balance remains on the level of the pool of segregated assets it shall be fiscally carried forward on that level. It may be set off against comparable positive taxable income of later years on the pool level. It is not possible to credit the negative taxable income directly to the investor's account. Thus, these negative amounts will not affect the investor’s income tax base before the assessment period (fiscal year) in which the financial year of the pool of segregated assets ends, or in which the distribution for the financial year of the pool takes place, and for which the negative tax earnings on the pool level have been set off. The investor cannot claim such negative income in an earlier income tax return.

**Disbursement of Assets**
Disbursements of assets (e. g. interest on building finance) are not taxable. However, disbursements of assets that the investor received during the ownership period must be added to the taxable profits from the sales of fund shares, i. e., they increase the taxable profit.

## Shares in Corporate Ownership (Resident Tax Status)

**Domestic Rental Income and Interest Income, as well as Interest-Related Income**
Domestic rental income, interest income, and interest-related income are principally taxable for investors.[2] This applies regardless of whether such income is retained or distributed.

The tax deduction can be waived or reimbursed only if a non-assessment note over a corresponding amount is submitted. Otherwise the investors will receive a tax note identifying the tax amount withheld.

**Foreign Rental Income**
Germany generally waives taxation on rental income from foreign real estate (exemption on the grounds of double-taxation treaties). However, investors other than corporations need to remember the progression clause.

If, by way of exception, the tax credit method is stipulated by the respective double-taxation treaty, or if no double-taxation treaty has been ratified, taxes on earnings that were paid in the countries of origin may still be credited against the German income or corporate tax debt, provided the taxes paid have not already been accounted for as income-related expenses on the level of the pool of segregated assets.

**Profits from the Sale of Domestic and Foreign Real Estate**
The investor need not report retained profits from the sales of domestic and foreign real estate, provided that the profit from real estate sales are realised on the fund level no earlier than ten years after the acquisition of a given property. Profits become taxable after their distribution, though Germany normally waives the taxation of foreign profits (exemption on the grounds of double-taxation treaties).

Retained or distributed profits from the sale of domestic and foreign real estate within said ten-year period need to be reported as taxable on the investor level. By contrast, profits from the sale of domestic real estate are fully taxable.

Germany generally waives taxation on profits from the sale of foreign real estate (exemption on the grounds of double-taxation treaties). However, investors other than corporations need to remember the progression clause.

If, by way of exception, the tax credit method is stipulated by the respective double-taxation treaty, or if no double-taxation treaty has been ratified, taxes on earnings that were paid in the countries of origin may still be credited against the German income or corporate tax debt, provided the taxes paid have not already been accounted for as income-related expenses on the level of the pool of segregated assets.

The tax deduction can be waived or reimbursed only if a non-assessment note over a corresponding amount is submitted. Otherwise the investors will receive a tax note identifying the tax amount withheld.

[2] The taxable interest must be taken into account pursuant to Art. 2, Sec. 2a, German Investment Tax Act, along the lines of the Interest Deduction Ceiling Rule pursuant to Art. 4h, German Income Tax Act.

**Profits from Securities Sales, and Profits from Forward Transactions, and Income from Option Premiums**
Profits from sales of equities, equity-like participatory rights and investment shares, income from forward transactions, as well as income from option premiums, need not be reported as taxable income by the investor as long as they are retained. Also, profits from sales of capital claims of the types listed below are waived on the investor level as long as they are not distributed:

a) capital claims that feature a yield upon issue,
b) "regular" bonds and non-securitised receivables with fixed coupons, as well as down-rating bonds, floaters, and reverse floaters,
c) risk certificates that map the quoted price of an equity or of a published index for a majority of equities with a 1-to-1 ratio,
d) equity bonds, exchangeable bonds, and convertible debentures,
e) capital gain bonds traded without separate listing of interest accrued (flat) and participatory rights on borrowings and
f) option bonds with warrants ("cum").

If such gains are distributed, though, they must be reported as taxable income on the investor level. By contrast, profits from equities sales remain fully[3] tax-exempt (for incorporated investors) or to 40 % tax-exempt (for all other business investors, e.g. sole proprietors). Sales profits from fixed income / capital claims, profits from forward transactions, as well as income from option premiums, however, are fully taxable.

Profits from sales of capital claims not included in the above list are fiscally treated like capital interest (see page 204).

Distributed profits from securities sales, distributed profits from forward transactions, as well as distributed profits from option premiums are principally taxable (withholding tax of 25 % plus solidarity surcharge). This does not apply to profits from sales of securities acquired before 01 January 2009, nor for profits from forward transactions entered into before 01 January 2009. However, the paying agent will specifically not withhold any tax at source if the investor is a fully taxed corporation, or if the investment income represents operative income of a domestic enterprise, provided this fact is declared by the creditor of the investment income vis-à-vis the paying agent, using the officially mandated form.

**Domestic and Foreign Dividends (in Particular those Paid by Real Estate Corporations)**
Dividends paid by domestic and foreign (real estate) corporations, and distributed by shares held in the corporate assets or retained, remain tax-exempt for corporations pursuant to the German REIT Act.[4] This income remains taxable at a rate of 60 % for all other corporate investors (partial income procedure).

Domestic dividends are subject to a tax deduction (withholding tax of 25%, plus solidarity surcharge).

[3] For corporations, 5 % of these sales profits from equities are rated as non-deductible operating expenses, and are therefore taxable.

Foreign dividends are principally subject to a tax deduction (withholding tax of 25 %, plus solidarity surcharge). However, the paying agent will specifically not withhold any tax at source if the investor is a fully taxed corporation (provided the corporation pursuant to Art. 1, Sec. 1, No. 4 and 5, German Corporate Income Tax Act, has presented a note issue by the Inland Revenue Service to the paying agent) or if the foreign dividends represent operative income of a domestic enterprise, provided this fact is declared by the creditor of the investment income vis-à-vis the paying agent, using the officially mandated form.

Investors subject to trade tax need to add, and not subtract again, the partially (corporate) income tax-exempt dividend income to the tax base to determine the taxable trade earnings. At the moment, the inclusion of the trade tax in the context of free-float dividends from investment assets is subject to an ongoing law suit.

In the opinion of the inland revenue authorities, dividends paid by foreign (real estate) corporations may be fully tax-exempt as dividend received from an affiliated company only if the investor represents a company (corporation) pursuant to the relevant double taxation treaty, and if the investor benefits from a sufficiently large (controlling) equity stake.

### Income from Interest Held in Domestic and Foreign Real Estate Partnerships

Income from interests held in domestic and foreign real estate partnerships should be included in the tax statement on the level of the pool of segregated assets no later than by the end of the financial year of that partnership. It must be assessed according to general tax principles.

### Negative Tax Income

If, following reconciliation with comparable positive income, a negative income balance remains on the level of the pool of segregated assets it shall be fiscally carried forward on that level. It may be set off against comparable positive taxable earnings of later years on the pool level. It is not possible to credit the negative taxable income directly to the investor's account. Thus, these negative amounts will not affect the investor's income tax base or corporate tax base before the assessment period (fiscal year) in which the financial year of the pool of segregated assets ends, or in which the distribution for the pool's financial year takes place, and for which the negative tax earnings on the pool level have been set off. It is not possible for the investor to claim such negative income in an earlier income tax or corporate tax return.

[4] For corporations, 5 % of the dividends are rated as non-deductible operating expenses, and are therefore taxable.

### Disbursement of Assets

Disbursements of assets (e. g. interest on building finance) are not taxable. For an investor preparing his or her accounts, this means that the disbursements of assets must be received on the earnings side of the trade balance, while a passive balancing item must be entered on the expenditure side of the tax balance so as to technically diminish the historic acquisition costs in a fiscally equitable way.

### Investors with Non-Resident Tax Status

If an investor with a non-resident German tax status keeps his or her shares in a distributing pool of segregated assets in safe custody at a domestic depository (safe custody scenario), the tax deduction on interest income, interest-like income, profits from securities sales, profits from forward transactions, and foreign dividends will be waived if the investor substantiates his or her non-resident tax status. The extent to which the tax deduction on domestic dividends can be credited or reimbursed to foreign investors depends on whether a double-taxation treaty has been ratified between the investor's country of residence and the Federal Republic of Germany. If the depository is unaware of the investor's non-resident tax status, or if the investor fails to substantiate this status in time, the foreign investor must apply for reimbursement of the tax deduction pursuant to Art. 37, Sec. 2, German Fiscal Code. Such requests should be addressed to the Inland Revenue office at the established place of business of the depository.

If a foreign investor keeps shares of a retaining pool of segregated assets in safe custody at a domestic depository, the tax deduction of 25 % plus solidarity surcharge – assuming the latter is not waived for domestic dividends – will be reimbursed to that investor once the investor substantiates his or her non-resident German tax status. If the application for reimbursement is filed late, the investor may file for reimbursement pursuant to Art. 37, Sec. 2, German Fiscal Code – as with the late substantiation of a non-resident tax status.

## Solidarity Surcharge

Germany's so-called solidarity surcharge of 5.5 % is levied on any tax deduction withheld at source for distributed or retained income. The solidarity surcharge can be credited against the income tax and corporate income tax.

If no tax is deducted or if the tax deduction is refunded through the retention – for instance, if an exemption order over a sufficient amount, a non-assessment note, or proof of a non-resident tax status has been submitted – no solidarity surcharge needs to be remitted; alternatively, it is refunded if the distribution is retained.

## Church Tax

If the income tax is already remitted by a domestic depository (tax deduction agent) by way of tax deduction, the church tax due on this amount at a rate depending on the respective church to which the respective taxpayer belongs is levied as tax surcharge on the tax deduction. For this purpose, taxpayers subject to church taxation must disclose their church membership vis-à-vis the tax deduction agent in a written application. Jointly assessed couples must moreover disclose in said application according to what ratio the total capital income is split between the spouses, so that the church tax can be divided, retained, and remitted according to this ratio. If no splitting ratio is specified, the church tax will be divided per capita.

The church tax will already be credited as special personal deduction at the time of deduction.

## Foreign Withholding Tax

Some of the foreign income of the pool of segregated assets is subject to taxes withheld at source in the countries of origin.

The investment company may deduct any creditable withholding tax as income-related expense on the level of the pool of segregated assets. In this case, the foreign withholding tax can neither be credited nor deducted on the investor level.

If the investment company chooses not to exercise its option to withhold the foreign withholding tax at the fund level, then the creditable withholding tax will be taken into account as credit at the time of the tax deduction.

## Income Equalisation

The portion of the issue price that reflects the share income and that may be distributed (income equalisation procedure) is fiscally treated just like income for which this portion of the issue price accounts.

## Separate Assessment, External Audit

The tax bases established on the level of the pool of segregated assets must be assessed separately. The investment company must file a self-assessment note at the appropriate Inland Revenue Office. Adjustments to self-assessment declarations, e. g. occasioned by an external audit (Art. 11, Sec. 3, German Investment Tax Act) by the revenue authorities will become effective in that financial year in which the adjusted assessment can no longer be appealed. The tax allocation of the adjusted assessment on the investor side is effected at the end, or the distribution date, of that financial year.

This means that the correction of mistakes will economically impact the investors who are holding shares in the Pool of Segregated Assets at the time of the adjustments. The fiscal ramifications can be either positive or negative.

## Taxation on "*Zwischengewinn*"

"*Zwischengewinn*" (interim profit) is defined as remuneration for the earned or accrued interest included in the up-front price or redemption price, as well as profits from sales of capital claims defined in Art. 1, Sec. 3, Sent. 3, No. 1, Letters a) through f), German Investment Tax Act, inasmuch as these have not yet been distributed or reinvested and therefore have not yet become taxable for the investor (perhaps comparable to the accrued interest on fixed-income securities). The "*Zwischengewinn*" realised by the pool of segregated assets becomes subject to income taxation whenever investors with resident German tax status redeem or sell their shares. The tax deduction on the "*Zwischengewinn*" equals 25 % (plus solidarity surcharge and, where applicable, church tax).

"*Zwischengewinn*" included in the share subscription price may be deducted from the investor's income tax debt as negative income for the year in which it was paid. It is already credited against the investor's income tax load at the time of the tax deduction. Whenever no "*Zwischengewinn*" is published, an annual 6 % of the consideration for the redemption or sale of the investment share must be assessed as "*Zwischengewinn*."

The "*Zwischengewinn*" is also regularly listed in bank statements and bank income compilations.

## Transparent, Semi-Transparent, and Non-Transparent Taxation

The aforementioned taxation principles (the so-called transparent taxation) apply only if the entire tax base pursuant to Art. 5, Sec. 1, German Investment Tax Act, has been disclosed (the so-called duty to disclose tax information). This applies also to the extent that the pool of segregated assets acquired interests in other pools of segregated assets and listed investment companies, EU investment shares, and foreign investment shares that are not investment shares held in other EU member states (target funds pursuant to Art. 10, German Investment Tax Act) and these comply with the fiscal notification requirements

The Investment Company strives to disclose its entire tax base to the extent that the required information is available.

Nonetheless, the required announcement cannot be guaranteed, specifically not whenever the pool of segregated assets acquired target funds that fail to disclose their tax information as legally required. In this case, the distributions and the "*Zwischengewinn*" of the respective target fund as well as 70 % of the appreciation of the respective target fund in the most recent calendar year (though in no case less than 6 % of the redemption price) are assessed as taxable income on the level of the pool of segregated assets. Moreover, the investment company strives to disclose its tax base over and above the requirements of Art. 5, Sec. 1, Investment Tax Act (specifically the "*Aktiengewinn*" stock profits, the "*Immobiliengewinn*" real estate profit, and the "*Zwischengewinn*" interim profit).

## EU Interest Directive / Interest Information Regulation (ZIV)

The Interest Information Regulation (German acronym: ZIV) that implements the Council Directive 2003 48/EC of 03 June 2003, EU Official Journal L157, p. 38, is intended to ensure that interest income of natural persons are effectively taxed throughout EU territory. The EU has signed treaties with EU Third Countries (in particular with Switzerland, Liechtenstein, the Channel Islands, Monaco, and Andorra) that largely match the EU Interest Directive.

To this end, interest income that a German credit institute (acting as paying agent in this context) credits to a natural person residing in another European country or certain third countries are reported by that German credit institute to the Federal German Tax Authority (*Bundeszentralamt für Steuern*), to be ultimately reported to the local inland revenue office in the respective person's home country.

Analogously, interest income that a natural person residing in Germany receives from a foreign credit institute in another European country or certain third party countries are reported to that person's local inland revenue office in Germany by the respective credit institute. Alternatively, some foreign countries apply withholding taxes that can be credited in Germany.

This regulation consequently affects any private investor residing within the European Union or in any of the affiliated EU third countries who keeps safe custody accounts or other accounts in another EU member state and thereby generates interest income. Luxembourg and Switzerland, among others, have agreed to levy a withholding tax of 20 % (35 % after 01 July 2008, and 35 % after 01 July 2011) to interest income. Within the framework of their tax documentation, the investors receives a tax note that permits the deduction of the tax withheld to be credited against the investor's income tax return.

Alternatively, private investors have the option to exempt themselves from the application of the withholding tax abroad by authorising the foreign credit institute to disclose the interest income, thus enabling the respective institute to forgo collection of the withholding tax and to report the investment income to the legally specified revenue office instead.

Pursuant to the German Interest Information Regulation, the investment company must state for each domestic and foreign fund whether it is in or out of scope in regard to the Interest Information Regulation. The Interest Information Regulation sets two investment limits toward this assessment.

If the assets of a given fund consist of no more than 15 % receivables pursuant to the Interest Information Regulation, the paying agents – who ultimately rely on the data reported by the respective investment company – need not report to the Federal German Tax Authority. Exceeding the 15 % threshold will oblige the paying agents to report the interest share included in the distribution to the Federal German Tax Authority.

The interest share included in redemptions or sales of fund shares needs to be reported if the 40 % threshold is exceeded. If the fund at issue belongs to the kind that distributes its earnings, the share of interest included in the distribution also needs to be reported to the Federal German Tax Authority. Analogously, if the fund at issue retains its earnings, only fund share redemptions or sales need to be reported.

## Limited Taxation in Austria

The Austrian Real Estate Investment Fund Act (ImmoInvFG) has been in force since 01 September 2003. This law introduced a limited taxation on the profits a foreign investor earns from Austrian real estate through an open-ended real estate fund. Continuous management profits that arise from the letting and from the increase in value due to the annual valuation of Austrian real estate are subject to taxation. The person subject to this limited taxation in Austria is the individual investor who has neither his permanent nor his habitual residence (in the case of a corporation, neither the company's seat nor the location of its management) in Austria. For natural persons, the tax rate for this type of income equals 25 % in Austria. If a given investor realises no more than a maximum of 2,000 € in taxable income in Austria per annum, no tax return needs to be filed, and the income remains tax-free. However, the investor will have to file a tax return in Austria if he or she exceeds this ceiling, or if he or she is prompted by the relevant Austrian inland revenue office to do so. The corporate income tax rate in Austria currently equals 25 %. Unlike with natural persons, there is no statutory tax allowance. Responsible for this kind of taxation is the Inland Revenue Office Vienna 1/23 (*Finanzamt Wien 1/23*). For the calendar year of 2010, the income subject to limited Austrian taxation equals 0.0007 € per share. As investor with an unlimited tax status, you should multiply this amount with the number of Fund shares in your possession.

## 3 % Tax in France

Since 01 January 2008, pools of segregated real estate assets have been principally subject to a French special tax (the so-called French 3 % tax) that is levied annually on the fair market value of real estate situated in France. French law exempts French pools of segregated real estate assets as well as comparable foreign pool of segregated assets from the 3 % tax. The French revenue authorities are of the opinion that German pools of segregated real assets are not principally comparable to French pools of segregated real assets, which implies that they are not principally exempt from the 3 % tax either.

In order to be exempt from said tax, the French revenue authorities represent that a given pool of segregated assets must submit an annual statement that lists its French real estate as at 01 January of each year and identifies those shareholders that held 1 % of the shares of more in the pool of segregated assets by that date of 01 January of the respective year.

In order to enable this pool of segregated assets to meet its obligation to provide said information and thereby to avoid the remittance of the French 3% tax, we would like to ask you to submit your written consent to the disclosure of the amount of your investment in the Fund vis-à-vis the French revenue authorities if your pro-rata share in the Fund equals or exceeds the threshold of 1 % by 01 January of a given year.

Disclosing your identity will have no financial ramifications for you, nor will it make you subject to obligations to file statements or to report to the French revenue authorities as long as your interest in the pool of segregated assets equalled less than 5 %, and provided this is your only investment in French real estate.

If your holding percentage equalled or indeed exceeded 5 % by 01 January 2009, of if you have additional direct or indirect real estate holdings in France, your interest in French real estate may be subject to taxation, and may require you to apply personally for a tax exemption by filing a statement of your own with the French revenue authorities.

**However, a number of investor groups may benefit from general exemption rules; for instance, natural persons and listed companies are exempt from the 3 % tax. In such cases, no separate statement needs to be filed.**

For more details on the exemption rules, we recommend that you get in touch with a French tax consultant.

# "Aktiengewinn," "Immobiliengewinn" and "Zwischengewinn" for the time between 01/04/2009 and 31/03/2010

| Date | "Aktiengewinn" | "Immobilien-gewinn" | "Zwischen-gewinn" per share |
|---|---|---|---|
| 01/04/2009 | 2.14 % | 6.70 % | 0.38 € |
| 02/04/2009 | 2.14 % | 6.71 % | 0.38 € |
| 03/04/2009 | 2.14 % | 6.71 % | 0.38 € |
| 06/04/2009 | 2.15 % | 6.72 % | 0.39 € |
| 07/04/2009 | 2.15 % | 6.73 % | 0.39 € |
| 08/04/2009 | 2.15 % | 6.73 % | 0.39 € |
| 09/04/2009 | 2.15 % | 6.74 % | 0.39 € |
| 14/04/2009 | 2.15 % | 6.76 % | 0.39 € |
| 15/04/2009 | 2.15 % | 6.77 % | 0.39 € |
| 16/04/2009 | 2.15 % | 6.77 % | 0.39 € |
| 17/04/2009 | 2.15 % | 6.78 % | 0.39 € |
| 20/04/2009 | 2.15 % | 6.78 % | 0.40 € |
| 21/04/2009 | 2.15 % | 6.78 % | 0.40 € |
| 22/04/2009 | 2.15 % | 6.79 % | 0.40 € |
| 23/04/2009 | 2.15 % | 6.79 % | 0.40 € |
| 24/04/2009 | 2.15 % | 6.80 % | 0.40 € |
| 27/04/2009 | 2.15 % | 6.81 % | 0.40 € |
| 28/04/2009 | 2.16 % | 6.82 % | 0.40 € |
| 29/04/2009 | 2.16 % | 6.82 % | 0.40 € |
| 30/04/2009 | 2.16 % | 6.80 % | 0.40 € |
| 04/05/2009 | 2.16 % | 6.82 % | 0.41 € |
| 05/05/2009 | 2.16 % | 6.82 % | 0.41 € |
| 06/05/2009 | 2.16 % | 6.83 % | 0.41 € |
| 07/05/2009 | 2.16 % | 6.84 % | 0.41 € |
| 08/05/2009 | 2.16 % | 6.84 % | 0.41 € |
| 11/05/2009 | 2.16 % | 6.85 % | 0.41 € |
| 12/05/2009 | 2.16 % | 6.86 % | 0.41 € |
| 13/05/2009 | 2.16 % | 6.86 % | 0.41 € |
| 14/05/2009 | 2.16 % | 6.87 % | 0.41 € |
| 15/05/2009 | 2.17 % | 6.87 % | 0.41 € |
| 18/05/2009 | 2.17 % | 6.88 % | 0.42 € |
| 19/05/2009 | 2.17 % | 6.89 % | 0.42 € |
| 20/05/2009 | 2.17 % | 6.89 % | 0.42 € |
| 22/05/2009 | 2.17 % | 6.90 % | 0.42 € |
| 25/05/2009 | 2.17 % | 6.94 % | 0.42 € |
| 26/05/2009 | 2.17 % | 6.95 % | 0.42 € |
| 27/05/2009 | 2.17 % | 6.95 % | 0.42 € |
| 28/05/2009 | 2.17 % | 6.96 % | 0.42 € |
| 29/05/2009 | 2.17 % | 7.00 % | 0.43 € |
| 02/06/2009 | 2.17 % | 7.01 % | 0.43 € |
| 03/06/2009 | 2.17 % | 7.02 % | 0.43 € |
| 04/06/2009 | 2.17 % | 7.03 % | 0.43 € |
| 05/06/2009 | 2.17 % | 7.03 % | 0.43 € |
| 08/06/2009 | 2.18 % | 7.03 % | 0.43 € |
| 09/06/2009 | 2.18 % | 7.04 % | 0.43 € |
| 10/06/2009 | 2.17 % | 7.05 % | 0.43 € |
| 12/06/2009 | 2.13 % | 7.09 % | 0.44 € |
| 15/06/2009 | 2.05 % | 4.65 % | 0.05 € |
| 16/06/2009 | 2.05 % | 4.65 % | 0.06 € |
| 17/06/2009 | 2.05 % | 4.66 % | 0.06 € |
| 18/06/2009 | 2.05 % | 4.70 % | 0.06 € |
| 19/06/2009 | 2.05 % | 4.70 % | 0.06 € |
| 22/06/2009 | 2.05 % | 4.72 % | 0.06 € |
| 23/06/2009 | 2.05 % | 4.72 % | 0.06 € |
| 24/06/2009 | 2.04 % | 4.73 % | 0.06 € |
| 25/06/2009 | 2.04 % | 4.73 % | 0.06 € |
| 26/06/2009 | 2.04 % | 4.73 % | 0.06 € |
| 29/06/2009 | 2.04 % | 4.75 % | 0.06 € |
| 30/06/2009 | 2.04 % | 4.68 % | 0.06 € |
| 01/07/2009 | 2.04 % | 4.69 % | 0.06 € |
| 02/07/2009 | 2.04 % | 4.70 % | 0.06 € |
| 03/07/2009 | 2.04 % | 4.70 % | 0.07 € |
| 06/07/2009 | 2.04 % | 4.72 % | 0.07 € |
| 07/07/2009 | 2.04 % | 4.72 % | 0.07 € |
| 08/07/2009 | 2.05 % | 4.73 % | 0.07 € |
| 09/07/2009 | 2.05 % | 4.73 % | 0.07 € |
| 10/07/2009 | 2.05 % | 4.74 % | 0.07 € |
| 13/07/2009 | 2.05 % | 4.75 % | 0.07 € |
| 14/07/2009 | 2.05 % | 4.76 % | 0.07 € |
| 15/07/2009 | 2.05 % | 4.76 % | 0.07 € |
| 16/07/2009 | 2.05 % | 4.77 % | 0.07 € |
| 17/07/2009 | 2.05 % | 4.77 % | 0.07 € |
| 20/07/2009 | 2.05 % | 4.78 % | 0.08 € |
| 21/07/2009 | 2.05 % | 4.79 % | 0.08 € |
| 22/07/2009 | 2.05 % | 4.79 % | 0.08 € |
| 23/07/2009 | 2.05 % | 4.79 % | 0.08 € |
| 24/07/2009 | 2.05 % | 4.79 % | 0.08 € |
| 27/07/2009 | 2.05 % | 4.81 % | 0.08 € |
| 28/07/2009 | 2.00 % | 5.11 % | 0.08 € |
| 29/07/2009 | 2.00 % | 5.11 % | 0.08 € |
| 30/07/2009 | 2.00 % | 5.16 % | 0.08 € |
| 31/07/2009 | 2.00 % | 5.17 % | 0.08 € |
| 03/08/2009 | 2.00 % | 5.18 % | 0.08 € |
| 04/08/2009 | 2.00 % | 5.18 % | 0.08 € |
| 05/08/2009 | 2.00 % | 5.19 % | 0.08 € |
| 06/08/2009 | 2.00 % | 5.20 % | 0.09 € |
| 07/08/2009 | 2.00 % | 5.20 % | 0.09 € |
| 10/08/2009 | 2.00 % | 5.21 % | 0.09 € |
| 11/08/2009 | 2.00 % | 5.22 % | 0.09 € |
| 12/08/2009 | 2.00 % | 5.22 % | 0.09 € |
| 13/08/2009 | 2.00 % | 5.22 % | 0.09 € |
| 14/08/2009 | 2.00 % | 5.23 % | 0.09 € |
| 17/08/2009 | 2.00 % | 5.24 % | 0.09 € |
| 18/08/2009 | 2.00 % | 5.25 % | 0.09 € |
| 19/08/2009 | 2.00 % | 5.25 % | 0.09 € |
| 20/08/2009 | 2.00 % | 5.25 % | 0.09 € |
| 21/08/2009 | 2.00 % | 5.26 % | 0.09 € |
| 24/08/2009 | 2.00 % | 5.27 % | 0.10 € |
| 25/08/2009 | 2.00 % | 5.27 % | 0.10 € |
| 26/08/2009 | 2.00 % | 5.28 % | 0.10 € |
| 27/08/2009 | 2.00 % | 5.28 % | 0.10 € |
| 28/08/2009 | 2.00 % | 5.28 % | 0.10 € |
| 31/08/2009 | 2.00 % | 5.58 % | 0.10 € |
| 01/09/2009 | 2.00 % | 5.58 % | 0.10 € |
| 02/09/2009 | 2.00 % | 5.59 % | 0.10 € |
| 03/09/2009 | 2.00 % | 5.59 % | 0.10 € |
| 04/09/2009 | 2.00 % | 5.60 % | 0.10 € |
| 07/09/2009 | 2.00 % | 5.61 % | 0.10 € |
| 08/09/2009 | 2.00 % | 5.61 % | 0.11 € |
| 09/09/2009 | 2.00 % | 5.61 % | 0.11 € |
| 10/09/2009 | 2.00 % | 5.62 % | 0.11 € |
| 11/09/2009 | 2.00 % | 5.62 % | 0.11 € |
| 14/09/2009 | 2.01 % | 5.63 % | 0.11 € |
| 15/09/2009 | 2.01 % | 5.63 % | 0.11 € |
| 16/09/2009 | 2.01 % | 5.64 % | 0.11 € |
| 17/09/2009 | 2.01 % | 5.64 % | 0.11 € |
| 18/09/2009 | 2.01 % | 5.64 % | 0.11 € |
| 21/09/2009 | 2.01 % | 5.63 % | 0.11 € |
| 22/09/2009 | 2.01 % | 5.63 % | 0.11 € |
| 23/09/2009 | 2.01 % | 5.64 % | 0.11 € |
| 24/09/2009 | 2.01 % | 5.64 % | 0.12 € |
| 25/09/2009 | 2.01 % | 5.64 % | 0.12 € |
| 28/09/2009 | 2.01 % | 5.63 % | 0.12 € |
| 29/09/2009 | 2.00 % | 5.82 % | 0.12 € |
| 30/09/2009 | 2.00 % | 5.83 % | 0.12 € |
| 01/10/2009 | 2.02 % | 5.84 % | 0.12 € |
| 02/10/2009 | 2.02 % | 5.84 % | 0.12 € |
| 05/10/2009 | 2.02 % | 5.86 % | 0.12 € |
| 06/10/2009 | 2.00 % | 5.86 % | 0.13 € |
| 07/10/2009 | 2.00 % | 5.86 % | 0.13 € |
| 08/10/2009 | 2.00 % | 5.88 % | 0.13 € |
| 09/10/2009 | 2.01 % | 5.87 % | 0.13 € |
| 12/10/2009 | 2.01 % | 5.88 % | 0.13 € |
| 13/10/2009 | 2.01 % | 5.88 % | 0.13 € |
| 14/10/2009 | 2.01 % | 5.88 % | 0.13 € |
| 15/10/2009 | 2.00 % | 6.00 % | 0.14 € |
| 16/10/2009 | 2.00 % | 6.01 % | 0.14 € |
| 19/10/2009 | 2.00 % | 6.02 % | 0.14 € |
| 20/10/2009 | 2.00 % | 6.02 % | 0.14 € |
| 21/10/2009 | 2.00 % | 6.02 % | 0.14 € |
| 22/10/2009 | 2.00 % | 6.02 % | 0.14 € |
| 23/10/2009 | 2.00 % | 6.02 % | 0.14 € |
| 26/10/2009 | 2.00 % | 6.01 % | 0.14 € |
| 27/10/2009 | 2.00 % | 6.01 % | 0.14 € |
| 28/10/2009 | 2.00 % | 6.02 % | 0.14 € |
| 29/10/2009 | 2.01 % | 6.05 % | 0.14 € |
| 30/10/2009 | 2.01 % | 6.05 % | 0.15 € |
| 02/11/2009 | 2.01 % | 6.06 % | 0.15 € |
| 03/11/2009 | 2.01 % | 6.06 % | 0.15 € |
| 04/11/2009 | 2.01 % | 6.06 % | 0.15 € |
| 05/11/2009 | 2.01 % | 6.07 % | 0.15 € |
| 06/11/2009 | 2.01 % | 6.07 % | 0.15 € |
| 09/11/2009 | 2.01 % | 6.08 % | 0.15 € |
| 10/11/2009 | 2.01 % | 6.08 % | 0.15 € |
| 11/11/2009 | 2.01 % | 6.08 % | 0.15 € |
| 12/11/2009 | 2.01 % | 6.09 % | 0.15 € |
| 13/11/2009 | 2.01 % | 6.09 % | 0.15 € |
| 16/11/2009 | 2.01 % | 6.10 % | 0.16 € |
| 17/11/2009 | 2.01 % | 6.10 % | 0.16 € |
| 18/11/2009 | 2.01 % | 6.10 % | 0.16 € |
| 19/11/2009 | 2.01 % | 6.10 % | 0.16 € |
| 20/11/2009 | 2.01 % | 6.10 % | 0.16 € |
| 23/11/2009 | 2.01 % | 6.12 % | 0.16 € |
| 24/11/2009 | 2.01 % | 6.11 % | 0.16 € |
| 25/11/2009 | 2.01 % | 6.11 % | 0.16 € |
| 26/11/2009 | 2.01 % | 6.11 % | 0.16 € |
| 27/11/2009 | 2.01 % | 6.11 % | 0.16 € |
| 30/11/2009 | 2.01 % | 6.12 % | 0.17 € |
| 01/12/2009 | 2.01 % | 6.12 % | 0.17 € |
| 02/12/2009 | 2.01 % | 6.12 % | 0.17 € |
| 03/12/2009 | 2.01 % | 6.12 % | 0.17 € |
| 04/12/2009 | 2.01 % | 6.12 % | 0.17 € |
| 07/12/2009 | 2.01 % | 6.13 % | 0.17 € |
| 08/12/2009 | 2.01 % | 6.14 % | 0.17 € |
| 09/12/2009 | 2.01 % | 6.14 % | 0.17 € |
| 10/12/2009 | 2.01 % | 6.14 % | 0.17 € |
| 11/12/2009 | 2.01 % | 6.14 % | 0.17 € |
| 14/12/2009 | 2.01 % | 6.15 % | 0.17 € |
| 15/12/2009 | 2.01 % | 6.16 % | 0.17 € |
| 16/12/2009 | 2.01 % | 6.16 % | 0.17 € |
| 17/12/2009 | 2.01 % | 6.16 % | 0.18 € |
| 18/12/2009 | 2.01 % | 6.16 % | 0.18 € |
| 21/12/2009 | 2.01 % | 6.11 % | 0.18 € |
| 22/12/2009 | 2.01 % | 6.11 % | 0.18 € |
| 23/12/2009 | 2.01 % | 6.11 % | 0.18 € |
| 28/12/2009 | 2.01 % | 6.13 % | 0.18 € |
| 29/12/2009 | 2.01 % | 6.13 % | 0.18 € |
| 30/12/2009 | 2.02 % | 6.12 % | 0.18 € |
| 04/01/2010 | 2.02 % | 6.13 % | 0.19 € |
| 05/01/2010 | 2.02 % | 6.14 % | 0.19 € |
| 06/01/2010 | 2.02 % | 6.14 % | 0.19 € |
| 07/01/2010 | 2.02 % | 6.14 % | 0.19 € |
| 08/01/2010 | 2.02 % | 6.14 % | 0.19 € |
| 11/01/2010 | 2.02 % | 6.11 % | 0.19 € |
| 12/01/2010 | 2.02 % | 6.11 % | 0.19 € |
| 13/01/2010 | 2.02 % | 6.12 % | 0.19 € |
| 14/01/2010 | 2.02 % | 6.12 % | 0.19 € |
| 15/01/2010 | 2.03 % | 6.12 % | 0.19 € |
| 18/01/2010 | 2.02 % | 6.13 % | 0.19 € |
| 19/01/2010 | 2.03 % | 6.13 % | 0.19 € |
| 20/01/2010 | 2.03 % | 6.14 % | 0.19 € |
| 21/01/2010 | 2.03 % | 6.14 % | 0.19 € |
| 22/01/2010 | 2.03 % | 6.15 % | 0.19 € |
| 25/01/2010 | 2.03 % | 6.16 % | 0.20 € |
| 26/01/2010 | 2.03 % | 6.16 % | 0.20 € |
| 27/01/2010 | 2.03 % | 6.17 % | 0.20 € |
| 28/01/2010 | 2.03 % | 6.17 % | 0.20 € |
| 29/01/2010 | 2.02 % | 6.29 % | 0.20 € |
| 01/02/2010 | 2.02 % | 6.29 % | 0.20 € |
| 02/02/2010 | 2.02 % | 6.30 % | 0.20 € |
| 03/02/2010 | 2.02 % | 6.30 % | 0.20 € |
| 04/02/2010 | 2.02 % | 6.30 % | 0.20 € |
| 05/02/2010 | 2.02 % | 6.31 % | 0.20 € |
| 08/02/2010 | 2.02 % | 6.32 % | 0.20 € |
| 09/02/2010 | 2.02 % | 6.32 % | 0.20 € |
| 10/02/2010 | 2.02 % | 6.33 % | 0.20 € |
| 11/02/2010 | 2.02 % | 6.33 % | 0.20 € |
| 12/02/2010 | 2.02 % | 6.33 % | 0.21 € |
| 15/02/2010 | 2.02 % | 6.34 % | 0.21 € |
| 16/02/2010 | 2.02 % | 6.35 % | 0.21 € |
| 17/02/2010 | 2.02 % | 6.35 % | 0.21 € |
| 18/02/2010 | 2.02 % | 6.35 % | 0.21 € |
| 19/02/2010 | 2.03 % | 6.36 % | 0.21 € |
| 22/02/2010 | 2.01 % | 6.37 % | 0.21 € |
| 23/02/2010 | 2.01 % | 6.37 % | 0.21 € |
| 24/02/2010 | 2.02 % | 6.38 % | 0.21 € |
| 25/02/2010 | 2.02 % | 6.38 % | 0.21 € |
| 26/02/2010 | 2.02 % | 6.39 % | 0.22 € |
| 01/03/2010 | 2.02 % | 6.40 % | 0.22 € |
| 02/03/2010 | 2.02 % | 6.40 % | 0.22 € |
| 03/03/2010 | 2.02 % | 6.41 % | 0.22 € |
| 04/03/2010 | 2.02 % | 6.41 % | 0.22 € |
| 05/03/2010 | 2.02 % | 6.41 % | 0.22 € |
| 08/03/2010 | 2.01 % | 6.42 % | 0.22 € |
| 09/03/2010 | 2.01 % | 6.43 % | 0.22 € |
| 10/03/2010 | 2.01 % | 6.43 % | 0.22 € |
| 11/03/2010 | 2.01 % | 6.43 % | 0.22 € |
| 12/03/2010 | 2.01 % | 6.44 % | 0.22 € |
| 15/03/2010 | 2.02 % | 6.45 % | 0.22 € |
| 16/03/2010 | 2.02 % | 6.46 % | 0.22 € |
| 17/03/2010 | 2.02 % | 6.46 % | 0.22 € |
| 18/03/2010 | 2.02 % | 6.46 % | 0.22 € |
| 19/03/2010 | 2.02 % | 6.46 % | 0.22 € |
| 22/03/2010 | 2.02 % | 6.44 % | 0.23 € |
| 23/03/2010 | 2.02 % | 6.45 % | 0.23 € |
| 24/03/2010 | 2.02 % | 6.44 % | 0.23 € |
| 25/03/2010 | 2.02 % | 6.44 % | 0.23 € |
| 26/03/2010 | 2.02 % | 6.44 % | 0.23 € |
| 29/03/2010 | 2.07 % | 6.42 % | 0.23 € |
| 30/03/2010 | 2.07 % | 6.44 % | 0.23 € |
| 31/03/2010 | 2.07 % | 6.39 % | 0.23 € |

# Tax Base Evidence Pursuant to Art. 5, Sec. 1, German Investment Tax Act (InvTA)

| | |
|---|---|
| Name of the investment company: Commerz Real Investmentgesellschaft mbH | Financial year started: 01 April 2009 |
| Name of the pool of segregated assets: *hausInvest europa* | Financial year ended: 31 March 2010 |
| ISIN: DE0009807016 | Ex-Day: 21 June 2010 |
| WKN (securities no.): 980701 | Resolution day: 10 June 2010 |
| | Pay day: 21 June 2010 |

per share in €

| | Privately held assets[1] | Corporate assets, Income Tax Act (ITA)[2] | Corporate assets, Corporate Income Tax Act (CITA)[3] |
|---|---|---|---|
| Art. 5, Sec. 1, Sent. 1, No. 1 and 2, InvTA, Letter: | | | |
| a) Amount distributed[4] | 1.7500000 | 1.7500000 | 1.7500000 |
| including distributions of capital assets | 0.0000000 | 0.0000000 | 0.0000000 |
| Deemed-distributed income from previous years included in the distribution | 0.0000000 | 0.0000000 | 0.0000000 |
| memo item: amount distributed including the capital income tax withheld | 1.7500000 | 1.7500000 | 1.7500000 |
| Sum of the | | | |
| distributed income | 1.7500000 | 1.7500000 | 1.7500000 |
| thereof non-deductible income-related expenses pursuant to Art. 3, Sec. 3, Sent. 2, No. 2, InvTA | 0.0000000 | 0.0000000 | 0.0000000 |
| deemed-distributed income (partially reinvested amount) | 0.0163595 | 0.0163595 | 0.0163595 |
| thereof non-deductible income-related expenses pursuant to Art. 3, Sec. 3, Sent. 2, No. 2, InvTA | 0.0163595 | 0.0163595 | 0.0163595 |
| c) Distributed income that includes: | | | |
| aa) (repealed) | – | – | – |
| bb) tax-free capital gain pursuant to Art. 2, Sec. 3, No. 1, Sent. 1, InvTA, the version effective as at 31 December 2008 | 0.0000000 | – | – |
| cc) income pursuant to Art. 3, No. 40, ITA[5] | – | 0.0000000 | – |
| dd) income pursuant to Art. 8b, Sec.1, CITA | – | – | 0.0000000 |
| ee) capital gain pursuant to Art 3, No. 40, ITA[5] | – | 0.0000000 | – |
| ff) capital gain pursuant to Art. 8b, Sec. 2, CITA | – | – | 0.0000000 |
| gg) income pursuant to Art. 2, Sec. 3, No. 1, Sent. 2, InvTA, in the version effective as at 31 December 2008, provided the income does not represent return on capital pursuant to Art. 20, ITA | 0.0000000 | – | – |
| hh) tax exempt capital gains pursuant to Art. 2, Sec. 3, InvTA | 0.0000000 | – | – |
| Deemed-distributed income (partially reinvested amount) that includes: | | | |
| cc) income pursuant to Art. 3, No. 40, ITA[5] | – | 0.0000000 | – |
| dd) income pursuant to Art. 8b, Sec.1, CITA | – | – | 0.0000000 |
| Distributed and deemed-distributed income (partially reinvested amount) that include cumulatively: | | | |
| ii) income pursuant to Art. 4, Sec. 1, InvTA | 1.1865740 | 1.1865740 | 1.1865740 |
| jj) income pursuant to Art. 4, Sec. 2, InvTA, for which no deduction as defined in Sec. 4 was filed[6] | 0.0000000 | 0.0000000 | 0.0000000 |
| thereof in the context of income pursuant to Art. 8b, CITA, or Art. 3, No. 40, ITA | – | 0.0000000 | 0.0000000 |
| kk) income pursuant to Art. 4, Sec.2, InvTA, which entitles to credit for taxes considered paid from your income tax or corporate income tax pursuant to treaties for the prevention of double taxation[6] | 0.0004657 | 0.0004657 | 0.0004657 |
| thereof in the context of income pursuant to Art. 8b, CITA, or Art. 3, No. 40, ITA | – | 0.0000000 | 0.0000000 |
| ll) income pursuant to Art. 2, Sec. 1, InvTA[7] | – | 0.1945999 | 0.1945999 |
| d) That part of the distribution and deemed-distributed income that entitles to a capital gains tax credit or refund pursuant to Art. 7, Sections 1 through 3, InvTA | 0.5797856 | 0.5797856 | 0.5797856 |
| e) Amount of the capital income tax to be credited or refunded, pursuant to Art 7, Sec.1 through 3, InvTA | 0.1449464 | 0.1449464 | 0.1449464 |
| f) Foreign tax amount due on income included in the distributed and on deemed distributed income, pursuant to Art. 4, Sec. 2, InvTA, and | | | |
| aa) can be credited pursuant to Art. 4, Sections 2 and 3, InvTA, combined with Art. 34c, Sec. 1, ITA, or under a treaty for the prevention of double taxation, provided that no deduction pursuant to Art. 4, Sec. 4, InvTA, was made.[8] | 0.0000000 | 0.0000000 | 0.0000000 |
| thereof in the context of income pursuant to Art. 8b, CITA, or Art. 3, No. 40, ITA | – | 0.0000000 | 0.0000000 |
| bb) can be deducted pursuant to Art. 4, Sec. 2 and 3, InvTA, combined with Art. 34c, Sec. 3, ITA, provided that no deduction pursuant to Art. 4, Sec. 4, InvTA, was made. | 0.0000000 | 0.0000000 | 0.0000000 |
| cc) is considered paid under a treaty for the prevention of double taxation, and can be credited pursuant to Art. 4, Sec. 2 and 3, InvTA, in combination with that treaty [8] | 0.0000913 | 0.0000913 | 0.0000913 |
| thereof in the context of income pursuant to Art. 8b, CITA, or Art. 3, No. 40, ITA | – | 0.0000000 | 0.0000000 |
| g) Amount deducted for wear / accrued depletion pursuant to Art. 3, Sec. 3, Sent. 1, InvTA | 0.5071161 | 0.5071161 | 0.5071161 |
| h) Amount of the corporate income tax reduction claimed by the distributing corporation, pursuant to Art. 37, Sec. 3, CITA | – | – | 0.0000000 |

[1] Private assets: investment shares held as part of the shareholders' private assets in a fiscal sense.
[2] Corporate assets, ITA: investment shares held as part of the corporate assets by shareholders subject to taxation under the Income Tax Act.
[3] Corporate assets, CITA: investment shares held as part of the corporate assets by shareholders subject to taxation under the Corporate Income Tax Act.
[4] Distribution as defined in the Circular of the Federal Ministry of Finance dated 18 August 2009, margin number 12.
[5] The income is posted to 100 % (thereof 40 % tax-exempt pursuant to partial-income procedure).
[6] The income is posted to 100 %.
[7] The posted amount is the net amount.
[8] The withholding tax is posted to 100 %.

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MISCELLANEOUS

# Key Performance Indicators

**Rate of return ratios for the 2009/2010 financial year** in %[1]

| Overview pursuant to the BVI guideline of March 2010 | Germany | United Kingdom | France | Netherlands | Italy | Austria | Portugal | Sweden | Direct investments | Participations | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **I. Real estate** | | | | | | | | | | | |
| Gross income | 5.9 | 8.1 | 5.5 | 8.5 | 6.3 | 6.0 | 6.2 | 6.7 | 6.8 | 5.9 | **6.6** |
| Management costs | -1.1 | -2.3 | -0.4 | -1.2 | -1.0 | -0.8 | -0.4 | -2.1 | -1.3 | -0.7 | **-1.2** |
| Net income | 4.8 | 5.8 | 5.1 | 7.2 | 5.3 | 5.2 | 5.8 | 4.6 | 5.5 | 5.1 | **5.4** |
| Change in value[3] | 1.0 | 1.5 | -3.8 | -1.3 | 0.9 | -1.8 | 1.4 | 0.0 | -0.4 | -2.1 | **-0.8** |
| Real estate profits | 5.9 | 7.3 | 1.3 | 6.0 | 6.2 | 3.4 | 7.2 | 4.6 | 5.1 | 3.0 | **4.6** |
| Foreign income taxes | 0.0 | -0.3 | -0.5 | -0.4 | -0.5 | 0.0 | -0.9 | -0.7 | -0.3 | -0.4 | **-0.4** |
| Deferred foreign taxes | 0.0 | 0.0 | 4.2 | -0.1 | 1.7 | 0.0 | 3.6 | -0.5 | 1.1 | 0.2 | **0.9** |
| Profits before loan expenses | 5.9 | 7.0 | 5.0 | 5.5 | 7.4 | 3.4 | 9.9 | 3.4 | 5.9 | 2.8 | **5.2** |
| Profits after loan costs | 5.9 | 7.8 | 5.2 | 5.6 | 8.6 | 3.4 | 10.9 | 2.9 | 6.2 | 2.0 | **5.2** |
| Currency-related changes in value | 0.0 | -0.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.6 | 0.0 | 0.2 | **0.1** |
| **Total result real estate, equity** | 5.9 | 7.7 | 5.2 | 5.6 | 8.6 | 3.4 | 10.9 | 3.5 | 6.2 | 2.2 | **5.3** |
| **II. Liquidity[4]** | | | | | | | | | | | **2.1** |
| **III. Profits of entire Fund before fund costs** | | | | | | | | | | | **4.5** |
| **Profit of entire Fund after fund costs** (BVI method) | | | | | | | | | | | **3.6** |
| Capital information in MM € (mean figures)[2] | | | | | | | | | | | |
| Real Estate | 1,452 | 1,878 | 1,647 | 1,005 | 601 | 99 | 74 | 477 | 7,231 | 2,244 | **9,474** |
| Loan volume | 0 | 550 | 456 | 145 | 166 | 0 | 11 | 193 | 1,521 | 595 | **2,116** |
| Liquidity | | | | | | | | | | | **2,475** |
| Fund volume | | | | | | | | | | | **9,833** |

Status: 31 March 2010

[1] On the basis of mean figures

[2] The mean figures for the financial year are calculated on the basis of 13 month-end figures (31 March 2009 through 31 March 2010).

[3] Including sales profits/losses

[4] Currency-related changes in value (as well as currency hedging costs) originating in liquid assets in foreign currency are assigned to the respective properties.

**Vacancy rates** in %

| | Germany | United Kingdom | France | Netherlands | Italy | Austria | Portugal | Sweden | Direct investments | Participations | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Office | 11.1 | 1.0 | 6.4 | 3.4 | 0.0 | 9.7 | 0.0 | 0.0 | 4.6 | 3.3 | **4.3** |
| Retail/gastronomy | 0.2 | 0.2 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 10.9 | 0.9 | 2.6 | **1.2** |
| Hotel | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | **0.0** |
| Leisure | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | **0.0** |
| Industrial (storage/warehouses) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | **0.0** |
| Automotive | 0.6 | 0.1 | 0.5 | 0.0 | 0.0 | 1.3 | 0.0 | 0.1 | 0.3 | 0.2 | **0.3** |
| Residential | 0.2 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | **0.0** |
| Other use | 1.0 | 0.0 | 0.1 | 0.6 | 0.0 | 0.2 | 0.0 | 0.5 | 0.4 | 0.2 | **0.3** |
| Vacancy rate | 13.1 | 1.3 | 7.0 | 4.0 | 0.0 | 11.1 | 0.0 | 11.5 | 6.1 | 6.3 | **6.1** |
| **Occupancy rate** | 86.9 | 98.7 | 93.0 | 96.0 | 100.0 | 88.9 | 100.0 | 88.5 | 93.9 | 93.7 | **93.9** |

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**Annual rental income by type of use** in %

| | Germany | United Kingdom | France | Netherlands | Italy | Austria | Portugal | Sweden | Direct investments | Participations | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Office | 67.0 | 47.9 | 86.2 | 90.5 | 29.3 | 88.8 | 2.4 | 60.9 | 67.3 | 55.1 | **64.6** |
| Retail/gastronomy | 12.1 | 48.4 | 1.5 | 0.5 | 63.5 | 1.8 | 83.6 | 25.5 | 21.7 | 35.4 | **24.8** |
| Hotel | 10.6 | 0.0 | 2.8 | 0.0 | 2.4 | 0.0 | 9.4 | 0.0 | 2.9 | 0.0 | **2.3** |
| Leisure | 0.0 | 0.0 | 0.1 | 0.4 | 0.8 | 0.0 | 1.3 | 1.8 | 0.3 | 0.7 | **0.4** |
| Industrial (storage/warehouse) | 1.2 | 2.4 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.8 | 0.0 | **0.6** |
| Automotive | 3.5 | 0.6 | 7.1 | 6.4 | 3.2 | 8.6 | 0.1 | 4.6 | 4.2 | 5.6 | **4.5** |
| Residential | 0.8 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 3.5 | 0.4 | 0.0 | **0.3** |
| Other use | 4.8 | 0.7 | 2.3 | 2.2 | 0.8 | 0.8 | 3.2 | 3.7 | 2.4 | 3.2 | **2.5** |
| **Total** | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | **100.0** |

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**Remaining lease terms, by net rental income** in %

| | Germany | United Kingdom | France | Netherlands | Italy | Austria | Portugal | Sweden | Direct investments | Participations | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Unlimited | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1.3 | 0.0 | 0.0 | 0.2 | 0.1 |
| 2010 | 7.5 | 0.1 | 4.1 | 18.7 | 10.3 | 15.7 | 6.4 | 11.3 | 7.3 | 11.9 | 8.4 |
| 2011 | 12.4 | 1.2 | 6.8 | 4.4 | 5.7 | 65.5 | 18.9 | 12.9 | 7.1 | 8.6 | 7.5 |
| 2012 | 7.1 | 0.8 | 12.4 | 10.6 | 6.5 | 6.3 | 7.6 | 9.4 | 7.3 | 10.6 | 8.1 |
| 2013 | 11.9 | 0.5 | 4.7 | 7.4 | 25.2 | 0.2 | 11.1 | 39.4 | 9.2 | 7.9 | 8.9 |
| 2014 | 19.7 | 2.8 | 3.6 | 21.4 | 4.3 | 3.0 | 14.4 | 13.3 | 10.2 | 6.1 | 9.2 |
| 2015 | 3.6 | 1.7 | 15.9 | 12.2 | 4.1 | 9.3 | 4.4 | 3.6 | 7.5 | 8.3 | 7.7 |
| 2016 | 15.1 | 0.1 | 18.3 | 5.4 | 30.0 | 0.0 | 0.0 | 7.0 | 10.5 | 1.8 | 8.5 |
| 2017 | 4.0 | 2.5 | 17.4 | 9.4 | 0.0 | 0.0 | 0.0 | 3.1 | 7.1 | 7.1 | 7.1 |
| 2018 | 5.3 | 46.8 | 13.6 | 0.1 | 0.0 | 0.0 | 1.2 | 0.0 | 16.2 | 7.3 | 14.1 |
| 2019 | 1.9 | 8.8 | 0.0 | 7.6 | 3.0 | 0.0 | 19.8 | 0.0 | 4.4 | 7.3 | 5.0 |
| 2020 + | 11.5 | 34.7 | 3.2 | 2.8 | 10.9 | 0.0 | 14.9 | 0.0 | 13.2 | 22.9 | 15.4 |

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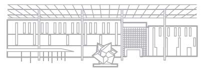
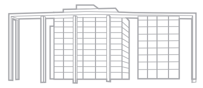
# Record of Participations as at 31 March 2010

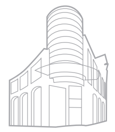
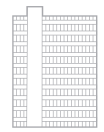
| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | Germany (€) | | | | | France (€) | |
| | |  |  | |  |  |  |  |
| No. | | 20 | 22 | | 23 | 24 | 33, 34, 35 | 39 |
| Asset name | | Die Mitte | Regensburg Arcaden | | Stadtgalerie Schweinfurt | Theresien Center | Arcs de Seine / Rives de Bercy / Europlaza | Cap Sud |
| Postal code / city | | 10178 Berlin | 93053 Regensburg | | 97421 Schweinfurt | 94315 Straubing | 92200 / 94220 / 92400 Boulogne-Billancourt, Charenton-le-Pont, Courbevoie | 92120 Montrouge |
| Address | | Alexanderplatz 3 / Alexanderstrasse | Friedenstrasse 23 | | Schrammstrasse 5 | Regensburger Str. / Stadtgraben | 32–34 Quai du Pont du Jour, Quai de Bercy, 20 Avenue André Prothin | 162 Av. de la République; 104 Av. Marx Dormoy |
| Company and company's legal seat. | | Alexanderplatz D4 Erste Verwaltungsgesellschaft mbH, Friedrichstrasse 50–55, 10117 Berlin | CGI Grundstück GmbH & Co. Regensburg Arcaden KG, Kreuzberger Ring 56, 65025 Wiesbaden | | Stadtgalarie Schweinfurt KG, Heegbarg 30, 22391 Hamburg | Theresien Center GmbH & Co KG, Rudolf-Diesel-Strasse 20a, 65760 Eschborn | CeGeREAL S.A., 21–25 Rue de Balzac, 75008 Paris | Commerz Real Cap Sud SAS, 21 Rue Balzac, 75008 Paris |
| Share capital[1] | | 25,000 | 16,500,000 | | 169,100,000 | 4,000,200 | 160,470,000 | 2,040,000 |
| Holding percentage | In % | 94.80 | 94.99[3] | | 75.00 | 94.90 | 59.77 | 100.00 |
| Shareholder loans | | – | – | | – | – | – | 28,551,438 |
| Date acquired | | 7 / 2009 | 11 / 2002 | | 8 / 2007 | 6 / 2009 | 6 / 1999 | 7 / 2008 |
| Acquisition costs of the participation/property[2] | in thousand | 1,721–70 | 60–70 | | 2,364–70 | 1,244–70 | – | – |

[1] Total share capital.

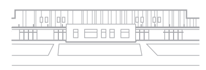
[2] These are the acquisition expenses (before depreciation) toward the acquisition of the interest in the company as well as the acquisition expenses on the level of the real estate company. The acquisition expenses are posted only for companies acquired after the conversion of the contract terms to conform with the new German Investment Act.

[3] Add. acquisition

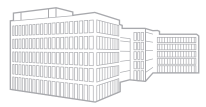
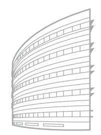
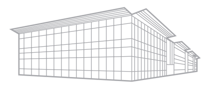
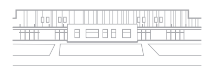
# Record of Participations as at 31 March 2010

| | | United Kingdom (£) | Belgium (€) | | Luxembourg (€) | | | Italy (€) |
|---|---|---|---|---|---|---|---|---|
| | |  |  | |  |  |  |  |
| No. | | 60 | 79 | | 80 | 81 | 82 | 83 |
| Asset name | | Victoria Square | City Atrium | | Président A | Président B | Président C | Fastweb |
| Postal code/city | | BT1 4 QG Belfast | 1210 Brussels | | 2540 Luxembourg | 2540 Luxembourg | 2540 Luxembourg | 20126 Milan |
| Address | | Victoria Square | Rue du Progrès 50–56 | | Avenue John F. Kennedy/ Rue Albert Borschette | Avenue John F. Kennedy/ Rue Albert Borschette | Avenue John F. Kennedy/ Rue Albert Borschette | Viale Fulvio Testi 280 |
| Company and company's legal seat. | | CGI Victoria Square Partnership, 3 More London Riverside, London SE1 2AQ | Immobilière des Croisades S.A. "Avenue de Tervueren 13A," 1040 Brussels | | President A 20, Rue de la Poste, L-2346 Luxembourg | President B 20, Rue de la Poste, L-2346 Luxembourg | President C 20, Rue de la Poste, L-2346 Luxembourg | Lacerta Immobiliare S.R.L., Via Cordusio 2, 20123, Milan |
| Share capital | | 100 | 4,957,871 | | 31,000 | 2,630,970 | 31,000 | 10,000 |
| Holding percentage | In % | 99.90 | 100.00 | | 100.00 | 100.00 | 100.00 | 100.00 |
| Shareholder loans | | – | – | | – | – | – | 26,300,000 |
| Date acquired | | 6/2004 | 12/2002 | | 5/2007 | 5/2007 | 5/2007 | 7/2007 |
| Acquisition costs of the participation/property | in thousand | – | – | | – | – | – | – |

# Record of Participations as at 31 March 2010

| | | Italy (€) | Austria (€) | | | Portugal (€) | | Finland (€) |
|---|---|---|---|---|---|---|---|---|
| | |  |  |  |  |  |  |  |
| No. | | 84 | 92 | 93 | 94 | 96 | 97 | 102 |
| Asset name | | Torre Alfa | Town Town | Town Town | Town Town | Montijo Retail Park | Forum Algarve | Swing Life Science Center |
| Postal code/city | | 20097 Milan (San Donato) | 1030 Vienna | 1030 Vienna | 1030 Vienna | Alfonsoeiro-Montijo | 8000 Faro | 2150 Espoo |
| Address | | Via dell'Unione Europea 6 | Erdbergstrasse 137, Thomas-Klestil-Platz 3 | Erdbergstrasse 137, Thomas-Klestil-Platz 2 | Erdbergstrasse 137, Thomas-Klestil-Platz 1 | Estrada do Pau Queimado | Estrada National 125 | Keilaranta 10–16 |
| Company and company's legal seat. | | Alfa S.r.l., Via Cordusio 2, 20123 Milan | CR Erdberg Drei GmbH & Co KG, Tuchlauben 17, 1014 Vienna | CR Erdberg Drei GmbH & Co KG, Tuchlauben 17, 1014 Vienna | CR Erdberg Drei GmbH & Co KG, Tuchlauben 17, 1014 Vienna | CR Montijo Retail Park S.A., Avenida da Liberdade 224, 1250–148 Lisbon | Forum Algarve, Gestão de Centro Comercial Sociedade Unipessoal, Lda. II & Comandita, Avenida da Liberdade 224, 1250–148 Lisbon | CRI Swing Holding Oy, c/o Aatsto Castrén & Snellman Oy, 00131 Helsinki |
| Share capital | | 10,000 | 70,000 | 70,000 | 70,000 | 100,000 | 10,000,000 | 2,500 |
| Holding percentage | In % | 100.00 | 99.90 | 99.90 | 99.90 | 100.00 | 99.99 | 100.00 |
| Shareholder loans | | 35,500,000 | 0 | – | – | 9,450,000 | – | 59,080,000 |
| Date acquired | | 11/2007 | 1/2009 | 1/2009 | 1/2009 | 5/2009 | 5/2000 | 6/2009 |
| Acquisition costs of the participation/property | in thousand | – | 275–70 | 295–70 | 345–70 | 944–70 | – | 1,433/2,484 |

# Letting management challenges

| Buildings with a vacancy rate of more than 33 %. | | Germany | | | | France | | Portugal |
|---|---|---|---|---|---|---|---|---|
| | |  |  | |  |  |  |  |
| No. | | 14 | 16 | | 17 | 46 | 47 | 96 |
| Asset name | | Medienfabrik | | | | Parc de Reflets | Colonnadia | Montijo Retail Park |
| Postal code/city | | 80339 Munich | 81379 Munich | | 63263 Neu-Isenburg | 95700 Roissy-en-France | 95700 Roissy-en-France | Alfonsoeiro-Montijo |
| Address | | Ganghoferstrasse 68–70 | Machtlfinger Str. 5–15 | | Martin-Behaim-Strasse 4–6 | 165 Avenue du Bois de la Pie | Rue de la Belle Etoile | Estrada do Pau Queimado |
| Vacancy on the property level | In % | 74.0 | 38.9 | | 37.4 | 46.9 | 50.0 | 100.0 |
| Vacancy on the Fund level | in % | 0.5 | 0.2 | | 0.1 | 0.0 | 0.1 | 0.3 |
| Comment | | We took over the entire property, but have signed only one lease for about 6,500 sqm so far. Additional leases will be taken over once the lettable area has been handed over, the first rent has been paid, and the guarantee has been substantiated. According to the developer, 60 % of the floor space has already been let. The developer expects to see the property fully let by 31 December 2010. | Following the removal of Postbank, 8,735 sqm are currently vacant. One incumbent tenant is planning to expand his floor space. We are in the process of developing a comprehensive concept for marketing the lettable area. | | Negotiations for 600 sqm with one prospective tenant are currently under way. One incumbent tenant will rent another 185 sqm. At this location, a total of 120,000 sqm in office space is currently vacant. Demand is low. | The market environment at this location remains difficult. Marketing efforts are hampered by the remoteness from the nearest public transportation. Because of the market situation, an extended vacancy period is to be expected before full occupancy is be realised. | Demand for floor spaces of more than 5,000 sqm is low at this location. Moreover, the site's remoteness from the nearest public transportation is hampering marketing efforts. While the building quality is excellent, we are bracing ourselves for a lengthy marketing phase. | Various prospective tenants have expressed interest in this property. However, the minimum occupancy rate according to the deed remains too low to permit a successful opening of the mall. |

**Information on changes in value during the reporting period** in MM €

| thereof directly held | Germany | France | United Kingdom | Netherlands | Italy | Austria | Portugal | Sweden | Direct investments |
|---|---|---|---|---|---|---|---|---|---|
| Real property assets, portfolio as at 31 March 2010[1] | 1,567.8 | 1,859.3 | 1,983.5 | 1,145.4 | 627.3 | 97.4 | 76.9 | 553.1 | 7,910.7 |
| Appraised rent ratings, portfolio as at 31 March 2010[2] | 92.2 | 110.7 | 121.5 | 76.2 | 40.7 | 6.1 | 4.6 | 35.1 | 487.1 |
| Appraised positive changes in value | 19.6 | 4.3 | 60.7 | 11.7 | 9.1 | 0.3 | 1.1 | 2.4 | 109.2 |
| Other positive reappraisals[3] | 8.2 | 5.5 | 0.0 | 0.8 | 0.1 | 0.6 | 0.0 | 0.0 | 15.2 |
| Appraised negative changes in value | -6.9 | -53.5 | -9.6 | -23.8 | -0.1 | -2.5 | 0.0 | -2.0 | -98.4 |
| Other negative reappraisals[3)] | -5.9 | -18.7 | -22.5 | -1.4 | -3.5 | -0.1 | 0.0 | -0.2 | -52.3 |
| Total appraised changes in value | 12.7 | -49.2 | 51.1 | -12.1 | 9.0 | -2.2 | 1.1 | 0.4 | 10.8 |
| Sum total of other reappraisals[3] | 2.3 | -13.2 | -22.5 | -0.6 | -3.4 | 0.5 | 0.0 | -0.2 | -37.1 |
| Other changes in value due to capital gains tax | 0.0 | 68.8 | 0.0 | -0.8 | 10.1 | 0.0 | 2.7 | -2.4 | 78.4 |

**Information on changes in value during the reporting period** in MM €

| Indirectly held | Germany | France | United Kingdom | Belgium | Luxembourg | Italy | Austria | Portugal | Finland | Participations | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Real property assets, portfolio as at 31 March 2010[1] | 472.0 | 626.1 | 376.3 | 180.9 | 228.0 | 124.0 | 39.4 | 139.4 | 118.9 | 2,304.9 | **10,215.6** |
| Appraised rent ratings, portfolio as at 31 March 2010[2] | 28.6 | 38.8 | 23.6 | 9.6 | 12.7 | 7.9 | 2.2 | 9.2 | 7.4 | 140.0 | **627.1** |
| Appraised positive changes in value | 4.3 | 0.6 | 0.0 | 0.0 | 7.2 | 0.0 | 0.0 | 2.0 | 0.0 | 14.1 | **123.3** |
| Other positive reappraisals[3] | 0.1 | 0.0 | 10.4 | 0.0 | 0.0 | 0.0 | 0.6 | 0.0 | 0.0 | 11.1 | **26.3** |
| Appraised negative changes in value | -4.7 | -10.5 | -14.6 | -0.2 | -0.2 | -2.5 | -2.8 | -8.9 | 0.0 | -44.4 | **-142.8** |
| Other negative reappraisals[3)] | -3.9 | -17.5 | 0.0 | -0.2 | -6.7 | 0.0 | -0.3 | -0.1 | -0.1 | -28.8 | **-81.1** |
| Total appraised changes in value | -0.4 | -9.9 | -14.6 | -0.2 | 7.0 | -2.5 | -2.8 | -6.9 | 0.0 | -30.3 | **-19.5** |
| Sum total of other reappraisals[3] | -3.8 | -17.5 | 10.4 | -0.2 | -6.7 | 0.0 | 0.3 | -0.1 | -0.1 | -17.7 | **-54.8** |
| Other changes in value due to capital gains tax | 0.0 | 0.0 | 0.0 | 0.0 | 1.6 | 2.0 | 0.0 | 0.2 | 0.0 | 3.8 | **82.2** |

[1] Properties under construction are posted with their land value plus capitalised construction costs.

[2] Appraised rent rates, adjusted to the progressive stage of completion in the case of properties under construction

[3] Including sales profits/losses without currency

## Portfolio of Money Market Instruments, Investment Shares, Securities, and Hedging Instruments

in €

| | Acquisitions, nominal | Sales/decreases, nominal | Holdings, nominal | Quoted value | Share of the Fund assets |
|---|---|---|---|---|---|
| 1. Total units held in REIT companies or comparable shares in foreign entities | | | | | |
| CeGeREAL units (966.075 pieces) (reclassification of the 7.23 % stake in CeGeREAL S.A., Paris, from interests in real estate companies to cash and cash equivalents with subsequent sale on 7 December 2009) | 38,173,384.03 | 38,173,384.03 | 0.00 | 0.00 | 0.0 % |
| **Sum total of securities** | **38,173,384.03** | **38,173,384.03** | **0.00** | **0.00** | **0.0 %** |
| **Fund assets** | | | | | **10,895,393,622.40** |

Status: 31 March 2010



# Statement of the Independent Auditor

Pursuant to Art. 44, Sec. 5, German Investment Act (InvA), we reviewed the annual report for the hausInvest global pool of segregated assets for the financial year beginning 01 April 2009 and ending 31 March 2010. The preparation of the annual report in accordance with the provisions of the German Investment Act is the responsibility of the investment company's (*Kapitalanlagegesellschaft*) Managing Directors. Our responsibility is to express an opinion on the annual report based on our audit.

We conducted our audit in accordance with Art. 44, Sec. 5, InvA, and generally accepted German standards for the audit of financial statements promulgated by the IDW Institute of Public Auditors in Germany. Those standards require that we plan and perform the audit in such a way that misstatements materially affecting the annual report are detected with reasonable certainty. The definition of the audit procedures takes into account any available knowledge regarding the management of the pool of segregated assets as well as any expectation regarding potential error. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the annual report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the accounting principles for the annual report used and significant estimates made by the investment company's Managing Directors. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion that is based on the findings of our audit, the annual report complies with the legal requirements.

Frankfurt am Main, 07 June 2010

**PricewaterhouseCoopers**
**Aktiengesellschaft**
**Registered Public Accounting Firm**

Eva Handrick ppa. Heiko Sundermann
Auditor Auditor

# Certification

## pursuant to Art. 5, Sec. 1, Sent. 1, No. 3, German Investment Tax Act (InvTA), on the auditing of tax disclosures

This is an English Translation of the German text, which is the sole authoritative version.

To the **Commerz Real Investmentgesellschaft** mbH investment company (hereinafter: the Company)

The Company has engaged us to to examine in accordance with Art. 5, Sec. 1, Sent. 1, No. 3, InvTA, whether the aforesaid disclosures to be published in compliance with Art. 5, Sec. 1, Sent. 1, No. 1 and 2, InvTA, by the Company for its investment portfolio *hausInvest europa* were ascertained according to the rules of German tax laws.

Responsibility for ascertaining the tax-related disclosures pursuant to Art5, Sec. 1, Sent. 1, Numbers 1 and 2, InvTA, in conjunction with the provisions of German tax law lies with the Company's legal representatives. Ascertainment of the tax-related disclosures was done by drawing on the accounting or records and the annual report for the respective period. Components of the review include reconciliation accounts in compliance with tax law provisions as well as the compilation of the tax disclosures intended for publication pursuant to Art. 5, Sec. 1, Sent. 1, Numbers 1 and 2, InvTA. To the extent that the Company invested in shares of other investment funds (target investment funds), the Company used the tax disclosures available from said target investment funds.

Our responsibility was to express an opinion, on the basis of our examination, as to whether the disclosures made by the Company pursuant to the provisions of the German Investment Tax Act were determined according to the rules of German tax law. Our examination was based on the annual report examined by an auditor as well as on the Company's underlying accounting and other records. The object of our opinion were the reconciliation accounts based upon these, and the disclosures intended for publication. In particular, our examination covered the fiscal qualification of capital investments, of revenues and expenses, including their designation as income-related expenses, as well as other fiscally relevant records.

We were not engaged to review the records and information submitted to us for completeness and accuracy in analogy to an audit of financial statements under commercial law; accordingly, we relied on the auditor's report without undertaking any further review. Moreover, we assumed that the records and information the Company submitted to us are complete and accurate over and beyond the auditor's report.

To the extent that the Company invested in units of a target fund, our review is limited to the correct transfer of data made available for these funds according to the available accompanying tax certificates. We do not review the corresponding tax disclosures.
We conducted our examination in accordance with the generally accepted standards in Germany for the audit of financial statements promulgated by the Institute of German Certified Public Accountants (*Institut der Wirtschaftsprüfer*). Those standards require that we plan and perform the audit such that it permits us to assess with reasonable certainty whether the disclosures pursuant to Art. 5, Sec. 1, Sent. 1, Numbers 1 and 2, InvTA, are free from material misstatements. Knowledge of the management of the investment as well as evaluations of possible misstatements is taken into account in the determination of the audit procedures. During the audit, the effectiveness of the internal control system relating to the determination of the disclosures pursuant to Art. 5, Sec. 1, Sent. 1, Numbers 1 and 2, InvTA, as well as evidence supporting the tax-related disclosures are examined primarily on a the basis of samples.

The examination also includes assessing the Company's interpretation of the tax laws applied. The interpretation chosen by the Company will not give rise to reservations as long as it is reasonably supported by statuary instruments, court decisions, relevant legal literature and opinions published by the fiscal administration. We point out that a future evolution of the body of law, especially of legal precedents, may require a different opinion on the interpretation adopted by the Company.

We believe that our audit provides a reasonable basis for our opinion.

On this basis, and pursuant to Art. 5, Sec. 1, Sent. 1, No. 3, InvTA, we certify on behalf of the Company that the disclosures submitted pursuant to Art. 5, Sec. 1, Sent. 1, Numbers 1 and 2, InvTA, were collected in compliance with the German tax laws.

Frankfurt, 11 June 2010

PwC FS Tax GmbH
Certified public accountants
Tax consultants

Dr. Hans-Ulrich Lauermann M. Oliver Schachinger
Tax consultants

# Bodies

## Investment Company

Commerz Real Investmentgesellschaft mbH
Kreuzberger Ring 56
D- 65205 Wiesbaden
Tel.: +49 (0)611 7105-0
Fax: +49 (0)611 7105-189
E-mail info@commerzreal.com

District Court Wiesbaden, commercial register HRB 8440

Established: 25 March 1992

Subscribed capital: 5.2 MM €
Paid-up capital: 5.2 MM €
Liable capital (net worth): 21.6 MM €
Status: 31 December 2009

## Investment Company

Michael Bücker, CEO (as at 01 October 2009)[1]
Hubert Spechtenhauser, CEO (until 31 October 2009)[2]
Eberhard Graf (until 31 December 2009)[3]
Hans-Joachim Kühl[4]
Dr. Andreas Muschter (as at 01 June 2010)[5]
Roland Potthast[6]
Erich Seeger[7]

## Shareholders

Commerz Real AG, Eschborn
(a member company of Commerzbank AG)

Commerz Grundbesitz Beteiligungsgesellschaft mbH & Co. KG, Frankfurt am Main
(a member company of Commerzbank AG)

## Custodian Bank

Commerzbank AG, Frankfurt am Main
District Court Frankfurt am Main, HRB 32000
Liable capital (net worth) pursuant to Art. 10, German Banking Act (KWG) 33,067 MM €
Status: 31 December 2009

[1] CEO, Commerz Real AG, Eschborn, Member of the Supervisory Board, BRE Leasing Sp. z o.o, Warsaw, and Member of the Executive Body of the ZIA Zentraler Immobilien-Ausschuss e.V., Berlin.

[2] Until 31 October 2009, CEO of Commerz Real AG, Eschborn; Member of the Board, Bundesverband Deutscher Leasing-Unternehmen e.V., Berlin; Member of the Supervisory Board, BRE Leasing Sp. z o.o, Warsaw; Member of the Advisory Board, Eurohypo AG, Eschborn, Deputy Chairman of the Shareholder Meeting, ILV Immobilien-Leasing Verwaltungsgesellschaft Düsseldorf mbH, Düsseldorf; Member of the Executive Body, ZIA Zentraler Immobilien-Ausschuss e.V., Berlin.

[3] Member of the Board of Commerz Real AG, Eschborn; Member of the Management of Commerz Real Vertrieb GmbH, Düsseldorf; Member of the Management of ILV Immobilien-Leasing Verwaltungsgesellschaft Düsseldorf mbH, Düsseldorf.

[4] Member of the Board, Commerz Real AG, Eschborn, and Deputy Chairman of the Supervisory Board, Commerz Real Spezialfondsgesellschaft mbH, Wiesbaden.

[5] Member of the Board, Commerz Real AG, Eschborn.

[6] Member of the Board, Commerz Real AG, Eschborn, Deputy Chairman of the Supervisory Board, BRE Leasing Sp. z o.o, Warsaw, and Member of the Shareholder Meeting, ILV Immobilien-Leasing Verwaltungsgesellschaft Düsseldorf mbH, Düsseldorf.

[7] Member of the Board of Commerz Real AG, Eschborn, and Chairman of the Supervisory Board of Commerz Real Spezialfondsgesellschaft mbH, Wiesbaden.



## Supervisory Board

**Jochen Klösges[1,2], Chairman**
Member of the Board of Directors, Commerzbank AG, Frankfurt am Main

**Dr. Stefan Schmittmann[1,2], Chairman (until 25 May 2009)**
Member of the Board of Directors, Commerzbank AG, Frankfurt am Main

**Dr. Thorsten Reitmeyer, Deputy Chairman**
Division Head, Wealth Management, Commerzbank AG, Frankfurt am Main

**Henri Alster[3] (until 31 December 2009)**
Chairman of the Global Real Estate Institute, London

**Joachim Plesser[3] (as at 7 January 2010)**
Former Member of the Board, Eurohypo AG, retired

**Dr. Detlev Dietz[1,2]**
Division Head, Private and Corporate Customers, Commerzbank AG, Frankfurt am Main

**Martin Fischedick**
Division Head, Corporate Banking, Commerzbank AG, Frankfurt am Main

**Dr. Thomas Bley[1,2] (as at 25 May 2009)**
Member of the Board, Eurohypo AG, Eschborn.

**Thomas Köntgen[1,2] (until 25 May 2009)**
Member of the Board, Eurohypo AG, Eschborn, and Division Head, Asset-Based Finance Commercial Real Estate Germany, Commerzbank AG, Frankfurt am Main

Wiesbaden, in June 2010

Erich Seeger    Hans-Joachim Kühl

Michael Bücker (CEO)    Roland Potthast

[1] Member of the Real Estate Investment Committee.

[2] Member of the Securities Investment Committee.

[3] Independent member of the Supervisory Board pursuant to Art. 6, Sec. 2a, Sent. 1, German Investment Act

## Valuation Committee

**Stefan Brönner, B.Com.**
Publicly appointed and sworn expert for the appraisal of developed and undeveloped property, Munich

**Uwe Ditt, MBA**
Publicly appointed and sworn expert for the appraisal of developed and undeveloped property, Hochheim

**Dr. Ralf Hans Engel, Cert.En.**
Publicly appointed and sworn expert for building damages, and for the appraisal of developed and undeveloped property, Münster

**Florian Lehn, Cert.En. Architect**
Publicly appointed and sworn expert for the appraisal of developed and undeveloped property, Munich

**Martin von Rönne, Cert.En. Architect**
Publicly appointed and sworn expert for the appraisal of developed and undeveloped properties and the appraisal of rental values, Hamburg

**Dr. Günter Schäffler**
Publicly appointed and sworn expert for construction costing and cost controlling, the valuation of developed and undeveloped property, and rent rates (for plots and buildings), Stuttgart

**Michael Schlarb, Cert.En.**
Publicly appointed and sworn expert for the appraisal of developed and undeveloped real estate, Essen

**Prof. Jürgen Simon, Cert.En.Archi.**
Publicly appointed and sworn expert for the appraisal of developed and undeveloped real estate, Hanover

**Klaus Thelen, Cert.En.**
Publicly appointed and sworn expert for the appraisal of developed and undeveloped property, Gladbeck

## Experts for Pre-Acquisition Valuations

**Dr. Klaus P. Keunecke, D.En.Sci.**
Publicly appointed and sworn expert for the appraisal and rent rates of developed and undeveloped property, Berlin

**Hagen Kieffer, Cert.En., Civil En., Cert.Econ.**
Publicly appointed and sworn expert for the appraisal of developed and undeveloped property, expanded to include the appraisal of rent and lease rates, Frankfurt

**Horst Rittershaus, B.Com.**
Publicly appointed and sworn expert for the value assessment of property, rent rates, and leases, Düsseldorf

## Auditor

PricewaterhouseCoopers Aktiengesellschaft
Certified public accountants, Frankfurt am Main

# Corporate Governance and BVI Code of Conduct

www.bvi.de

BVI (Federal Investment and Asset Management Association), the leading association of the German investment fund industry, formulated – in cooperation with its members – the so-called BVI Code of Conduct for the protection of fund investors, which orients itself to the principles of good corporate governance. This self-obligating policy goes beyond the anyway strict regulations under German law, and is directly available on the Internet at www.bvi.de (in German).

In managing its Funds, Commerz Real Investmentgesellschaft mbH has committed itself to a consistent implementation of the BVI Code of Conduct. Compliance with the provisions of the BVI Code of Conduct is therefore subject to constant internal control. In regard to the endorsement of the Code we would like to make explicit mention of the fact that Commerz Real Investmentgesellschaft mbH relies, in addition to its in-house experts, on the advise provided by external experts (e.g. attorneys, tax consultants, real estate analysts, etc.) in the management of its funds. Moreover, Commerz Real Investmentgesellschaft mbH has commissioned an affiliated company, Commerz Real AG, to handle all real estate transactions (acquisitions and sales) for its investment funds. Commerz Real Investmentgesellschaft mbH has undertaken the required measures to supervise the activities of Commerz Real AG effectively at any time.

As it considers it binding, Commerz Real Investmentgesellschaft mbH thus applies the BVI Code of Conduct, and commissioned the auditors of PricewaterhouseCoopers (PWC) in May 2006 to review the company's implementation of the code.

www.hausinvest.de

As a result, the auditors stated that Commerz Real Investmentgesellschaft mbH uses a printed regulatory catalogue that is principally suited to define such standards for the underlying segregated pool of assets in order to pursue and promote the investors' interests. The audit has not led to any reservations. The catalogue of mandatory documents (including an overview of all documents whose submission Commerz Real Investmentgesellschaft mbH deems necessary in order to implement the BVI Code of Conduct) is also available on the Internet at www.hausinvest.de.



# Special Notes for Investors

## Performance is Subject to Fluctuations

As investment vehicles, open-ended real estate funds are grouped with investment funds, and manifest a noticeably lower rate of fluctuation in terms of performance than many other capital investments. For open-ended real estate funds, such fluctuations as do occur are caused by a variety of developments on the real estate markets. Unperturbed by market fluctuations of this sort, *hausInvest europa* has shown positive results every year since the Fund's inception. Nonetheless, it cannot be ruled out for the future that even *hausInvest europa* may have to report a negative return one day.

## Real Estate Valuations Influence the Performance

The cyclical development of the real estate markets – which includes particularly the location-driven changes in regard to average rent rates, demand, as well as sales and purchase prices for real estate – necessitate a continuous revaluation of the Fund properties. The valuation of real estate is legally required, and is performed for each property at least once a year by an independent valuation committee of publicly appointed and sworn experts. Depending on the market situation at the time, the revaluation of properties may precipitate an appreciation or a depreciation, thus causing either an increase or a decrease of returns, as the case may be.

## Suspension of Share Redemptions Given Special Circumstances

The liquidity of open-ended real estate funds is subject to varying degrees of cash inflows and outflows. A major increase in net cash inflows can therefore cause a fund's liquidity to rise and put pressure on returns in times of low interest rates. Naturally, investing liquid capital in real estate does take a certain amount of time. In anticipation of a potential short-term increase in net capital outflow, a fund is legally held to keep a minimum liquidity equivalent to 5 % of the fund assets in order to accommodate share redemptions. Under the self-obligating policy of its Investment Company, the liquidity ceiling for *hausInvest europa* is no less than 10 %. In the unlikely event that the statutory minimum liquidity is undercut, or that the liquid capital of the Fund does not suffice to accommodate redemption requests, the Fund Management may temporarily suspend the redemption of shares in the interest of all investors (see the item "Suspension of Redemptions" in the Sales Prospectus, Art. 12, General Contract Terms). In special cases, the Fund Management is actually obliged to do so.

# Legal Notice

**Published by**
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**Forward-Looking Statements**
This Annual Report of *hausInvest europa* includes forward-looking statements regarding the Fund performance based on our present plans, estimates, forecasts and expectations. These statements imply risks and uncertainties. There is a variety of factors that impact *hausInvest europa* and that are to a large extent outside our sphere of control. These include above all the economic development and the condition of the financial and real estate markets. The actual profits and developments may therefore deviate from assumptions put forward at this time.

**Concept, Design and Copy**
3st kommunikation GmbH, Mainz

**Photos**
Management Board and Fund Manager
Marcus Pietrek, Düsseldorf

Cover and Image Gallery
Karsten Thormaehlen, Frankfurt am Main

Other

Commerz Real Investmentgesellschaft mbH

**Productions Service**
Ariel Druck- und Verlags GmbH,
Kronberg im Taunus

**Print**
Franz Kuthal GmbH & Co. KG,
Mainaschaff

**Paper**
400g/sqm, 170g/sqm, 135g/sqm
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Mix
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# Highlights of the Year 2009/2010

**MAY 2009**

**Re-Letting 27,000 sqm in Milan**

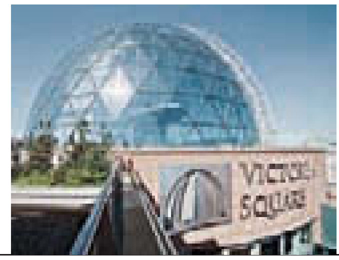
In May, that is, 18 months before the actual lease expiration, we signed a follow up-lease for about 27,000 sqm of floor space at ABB property in Milan. In terms of take-up scale, the signing represented one of the largest letting achievements in the entire financial year.

The Main tenant ABB will use these award-winning premises as corporate headquarters for at least another six years. Due to the great tenant/landlord relationship, the transaction was handled by either party without the use of external advisers.

**JUNE 2009**

**Victoria Square Fund Property Wins Civic Trust Award**

In June, Victoria Square in Belfast won the Civic Trust Award. The prize is awarded annually to properties whose outstanding architecture and extraordinary design represent a significant contribution to the urban development. According to the jury,



the shopping centre closed a gap in Belfast's cityscape without flaunting the typical stand-alone mall presence. The centrepiece of the shopping mall is the glass cupola that definitively enriched Belfast's skyline.

**JUNE 2009**

**Open-Ended Real Estate Funds: A Success Story of 50 years**

Sustainability and stability – these are the hallmarks of the asset class of open-ended real estate funds, which celebrated their 50th anniversary in late June. According to the BVI Federal Investment and Asset Management Association, open-ended real estate funds offer a unique combination of perks: sustainable income, a material value backed by tangible fixed assets, a tax-exempt share of the ROI, as well as statutory control mechanisms. Indeed, this type of fund has proven its merits even during economically turbulent times.

*hausInvest europa* is part of this success story, and has left its mark on it with positive returns every year since the fund inception in 1972.

**JUNE 2009**

***hausInvest europa* Commits itself in Helsinki**

The Swing Life Science Center in Helsinki is the Fund's premier commitment in Finland. The investment volume totalled 123 million €. The market entry in this northern European country in June helped to diversify the asset portfolio of *hausInvest europa* even further by spreading into new economic sectors and expanding the Scandinavia share.

OCTOBER 2009

**Westfield Shopping Centre in London Celebrates its First Birthday, and Cited as Best Mall of the Year**

It's the first anniversary for Europe's largest inner city mall, the Westfield shopping centre in London. More than 22 million people have already been to the Westfield within the first twelve months of its opening – a footfall 15 % higher than initially expected. The mall benefits not least from London's popularity as tourist destination. Indeed, tourists account for 30 % of the mall's visitors. What is more, the property won the MAPIC Award as "Best Shopping Centre of the Year" – perhaps a belated birthday present? The annual MAPIC retail trade fair in Cannes/ France is the largest of its kind in Europe.

NOVEMBER 2009

***hausInvest europa* Wins Scope Award for the Third Consecutive Time**

For the third time in as many years, the probity of *hausInvest europa* has swayed the minds of the Scope jury members as the fund followed up the 2007 and 2008 trophies with the 2009 Award as best open-ended real estate fund targeting Europe. The jury's argument: The sound liquidity situation enabled *hausInvest europa* to undertake extensive new investments and to reap strategic benefits on the market in a generally difficult year. The real estate portfolio of the large-scale European investment products is moreover characterised by its well-balanced structural diversification.

MARCH 2010

**Strategic Redevelopment of *hausInvest europa***

As at 30 September 2010, our two open-ended real estate funds – *hausInvest europa* and *hausInvest global* – will be merged into a single product. With approximately 12 billion € assets under management, this will create the largest open-ended real estate fund in Europe by far. The name of the new fund will be "*hausInvest*". 85 % of the properties of the merged fund will be located in stable European countries, and no more than 15 % in growth markets outside Europe. The expanded investment strategy is intended to help as align our fund to the changed market parameters and thus to pave the way for a successful ongoing development.

# Glossary

**RETURN ON INVESTMENT FOR THE FINANCIAL YEAR** The performance of a share in € or in % during a given financial year, taking the distribution into account.

**SHARE VALUE** The value of a fund share is calculated as the total value of the fund assets divided by the total number of shares outstanding.

**DISTRIBUTION** Investment funds normally pay out their regular and, where applicable, their extraordinary, income once a year to their investors in the form of a distribution.

**BVI METHOD** Method for calculating the performance of a given investment fund.

**DOUBLE TAXATION TREATY** Double taxation treaties (DTT) are signed between one country and another to avoid that one and the same item is taxed twice in cross-border financial transactions.

**GROUND LEASE** Entitlement to raise and use a structure on a plot not owned by the holder of such a ground lease.

**IMMOBILIENGEWINN** This German term refers to the real estate gain not regulated by the German Investment Tax Act that represents that share of sales proceeds from property sales or the redemption of investment shares which accounts for rental income as well as for realised and unrealised appreciations in foreign real estate for which Germany has no right to taxation pursuant to existing double taxation treaties.

**LIQUIDITY RATIO** The liquidity ratio of a given fund refers to the portfolio of cash and cash equivalents available on short notice.

**PROJECT DEVELOPMENT** New properties that are still in the planning stage of under construction are referred to as project developments. Such buildings are either raised in the fund's own right or in collaboration with one or several partners.

**POOL OF SEGREGATED ASSETS** The capital paid into a trust launched by the investment company against the issuance of share certificates and the assets acquired with such capital form a so-called pool of segregated assets. The pool of segregated assets must be kept separate from the investment company's own assets. The pool of segregated assets is not liable for obligations of the investment company.

**TOTAL EXPENSE RATIO (TER)** In its annual report, the investment company discloses the grand total of all costs incurred for the administration of the pool of segregated assets in the course of the reported financial year (not including transaction costs), which sum is referred to as TER.

**FAIR MARKET VALUE** The value of a given property is periodically, though at least once a year, appraised by an independent valuer, and forms the basis for appraising the total value of the fund assets. The fair market value (FMV) is based on the sustainably feasible rental income, multiplied by a factor that takes location, fit-out, age and condition of the property into account.

**OCCUPANCY RATE** The percentage of the let gross lettable floor space of a given property or property portfolio. To determine this percentage on the basis of rental income, the vacant floor space is assessed at the appraised rent rate.

**STATEMENT OF ASSETS AND LIABILITIES** A listing of securities and other assets held as part of the fund portfolio by a given balance sheet date. The statement of assets and liabilities is published as part of a given investment company's annual report.

**MANAGEMENT FEES** The investment company receives for its management and administrative services a fixed percentage of the fund assets as management fee.

**REINVESTMENT** Whenever a given investor has no immediate need for the amount annually distributed, it recommends itself to retain the amount distributed and to reinvest it, for instance, through investment savings programs that sometimes even waive the up-front fee. As the reinvestment of the amount distributed in new shares, or parts of shares, repeats itself in the context of each annual distribution, the amount distributed for these new shares will in turn be reinvested, and so on.

**INTEREST INCOME TAX** The German interest income tax is a withholding tax prepaid on the estimated income tax base, and will be credited to the investor in conjunction with his or her tax return.

**ZWISCHENGEWINN** The German term "Zwischengewinn" refers to an interim gain that is defined as that remuneration for interest collected through the sales price or the redemption price that has not yet been distributed or retained, and that therefore has not yet become taxable for the investor.

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