UBM

Half-yearly REPORT

Interim Report on the first half of 2010

KEY *figures*

Trust, at a glance.

Key figures in EUR million	H1/2010	2010*	H1/2009	2009	H1/2008	2008
Total revenues of UBM Group	117.3	217.5	128.4	275.4	146.1	307.3
of which: international in %	88.5	85.3	85.6	87.9	85.3	85.6
Earnings before interest and taxes (EBIT)	12.7		12.2	24.4	20.2	35.8
Earnings before taxes (EBT)	5.7		5.1	14.2	7.1	16.8
Profit after tax	3.5		3.2	14.1	7.8	16.2
Investments	26.1	50.0	6.6	18.2	33.4	44.2

Business overview in EUR million	H1/2010	2010*	H1/2009	2009	H1/2008	2008
Total revenues of UBM Group	117.3	217.5	128.4	275.4	146.1	307.3
Central and Eastern Europe	58.9	96.0	43.0	105.2	86.4	162.6
Western Europe	44.9	89.6	66.9	136.8	38.3	100.3
Austria	13.5	31.9	18.5	33.4	21.4	44.4
Headcount (fully-consolidated companies)						
As of 30 June	384		337		345	
of which, hotel staff	171		131		100	

* Projection

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FOREWORD FROM THE *Managing* BOARD

Dear shareholders,

In spite of the general economic conditions, the first half-year in 2010 went very well for the UBM Group. Construction output for H1 declined by around €11.1 million from €128.4 million to €117.3 million, which makes the half-yearly profit of €5.7 million (previous year: €5.1 million) all the more pleasing.
The main driving forces behind this result were the "Hotel angelo Katowice" and the "Poleczki Business Park" projects in Poland as well as the sale of the interest in the SO 16/17 property in Andel City. In addition to these we have some other projects in the pipeline, such as the "Villa Galicja" residential project in Poland and the "Dornach" office centre project in Germany, which are outlined in more detail on pages 6-8. In what remains of the year and in the coming years we intend to exploit the opportunities presented by the recovering real estate markets.

We endeavour to develop properties on the office market that are both cost-effective for tenants and have excellent transport links. In the hotel sector the emphasis is placed on cost-conscious business travellers and tourists, while in terms of residential buildings we target the medium to upper segment of customers. Throughout the countries of Central and Eastern Europe in particular there is massive potential on the market, especially with commercial real estate (retail parks).
Our focus in 2010 will remain on Poland and Germany. We also have projects in the pipeline and awaiting approval in all other countries, which we can implement depending on how the market climate changes.

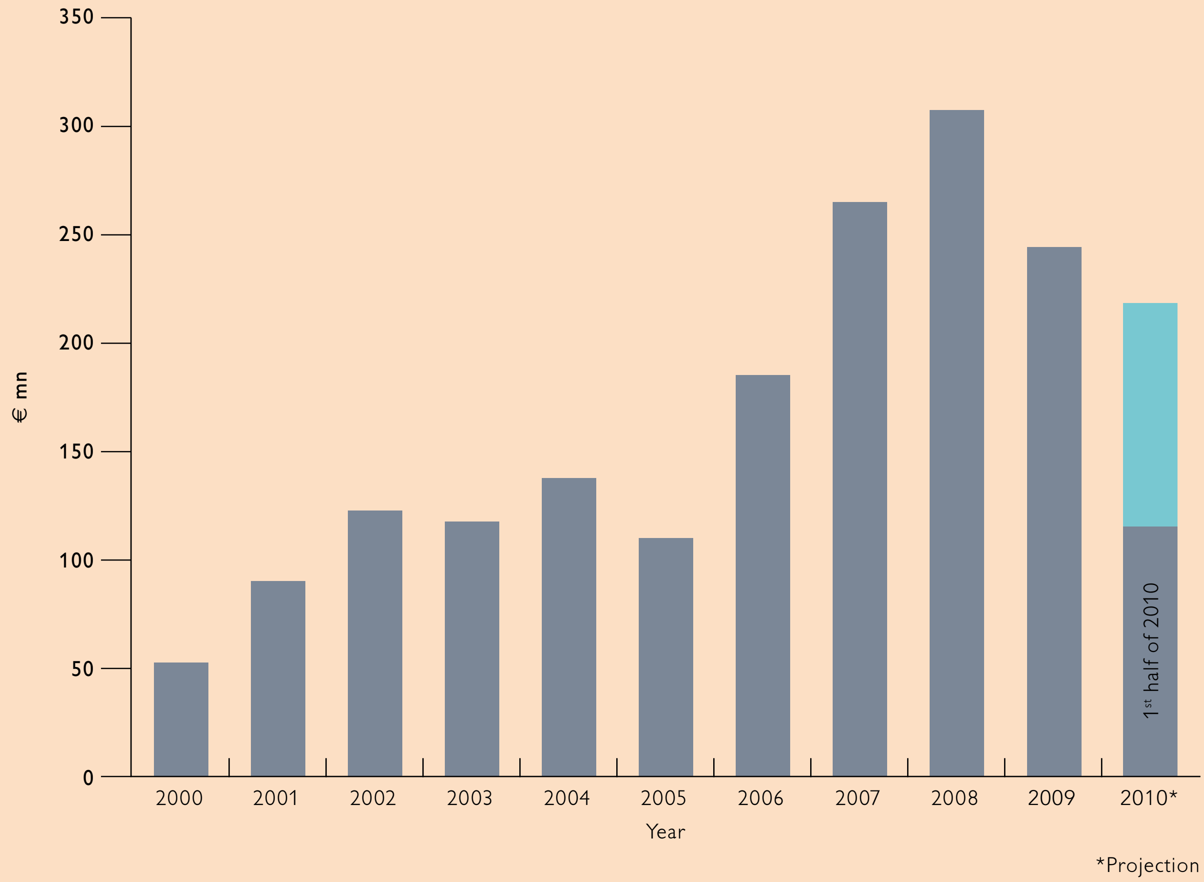



Karl Bier
(Chairman)

Peter Maitz

Heribert Smolé

Martin Löcker



A decade of sales revenue at UBM Group

The development in sales revenue at UBM AG has been extremely encouraging in the last decade, displaying a steady upwards trend since 2000. As early as 2001 we managed to register a 68.9% increase in sales compared to the previous year, followed by 36.3% the year after, coupled with annual construction output in 2002 of €120.7 million, already in excess of the €100 million mark. Yet even more was to come in the subsequent years as activities were expanded throughout Central Europe: until 2005 the construction output fluctuated slightly but remained stable between €109.0 million and €120.7 million. But in 2006, annual construction output received a welcome boost from the sale of various projects (Darex, Velky Spalicek, Hotel "angelo" Prague) and rose 70.4% from €109.0 million to €185.7 million. Subsequent years were equally pleasing to the eye: in 2007 annual construction output again exceeded the previous year, totalling €263.0 million (sale of Florido Tower, Griffin House, first phase of Andel City) while in 2008 the trend of steady increases was sustained, recording an increase of 16.9% to €307.3 million.
Only in 2009 did the adverse impact of the financial crisis make itself felt. Nonetheless, in comparison to the rest of the industry the setback suffered then was rather moderate: the output of €245.1 million was still the third-best result in the history of UBM. Based on the construction output of €117.3 million achieved in the very successful first half-year, we forecast an annual construction output of €217.5 million for 2010 as a whole.

Andel City: Sale of SO 16/17 building

"Andel" means angel in Czech and is also the name of the completely new quarter of the city that has arisen in part of the Prague district of Smichov. Here, everything co-exists with everything else: hotels, apartments, houses, leisure and shopping centres as well as office buildings.

This part of the city had to be completely redeveloped and UBM proved to be more than up to the task. Back in 1994, UBM acquired the former factory site that spreads out over roughly 25,000 m^2. Under the brand name of "Andel City", the former industrial land first accommodated Hotel "andel's" (2002), followed by the first office phase (2002), a Village Cinemas Multiplex (2002) and a building with 51 executive apartments (2004). UBM also built a 9,000 m^2 office building for the pharmaceutical company Pfizer. Based on the resounding success of the Andel City Residence with 97 freehold flats, construction began in 2004 Q4 with another such development (Andel City Residence II), which was completed in 2007. Two further office projects and a second hotel have also been built. The latter is known as "Hotel Angelo" and opened its doors on 12 June 2006. The first office phase was sold in October 2007 and April 2008. Building SO 16/17, also part of the "Andel City" concept, was sold in May 2010. This seven-storey office building combines modern architecture with advanced technology, and thanks to its location it has excellent public transport links. Its underground car park also means guests can happily arrive by car.

Münchner Grund: Dornach

The Dywidagstraße 1 office building is located in the industrial area of Dornach near Aschheim north-east of Munich, opposite the new Munich/Riem trade fair centre. In the direct vicinity of the Riem tram station and the A94 motorway, this location offers excellent links to the city and the regional transport network. Connections from here take you on to other highways and the airport.

The six-storey building constructed in 1978 in the form of a cross and with a normal construction depth of 12.5m facilitates a flexible office layout (open-plan, combi-office and individual offices). The different ways to divide the space mean that with a gross floor area of almost 30,000 m^2 and a floor space per storey of more than 4,000 m^2, the building can be used easily and efficiently by both large tenants and many individual tenants from just 400-600 m^2. In the basement of the building and in addition to larger areas for conference and meeting rooms there is also an eating area with a large kitchen and an archive. Additionally, there is also an area of roughly 15,000 m^2 on the site that is earmarked for development. On the neighbouring land the gross floor area for potential use totals more than 95,000 m^2.

Münchner Grund acquired the office building and part of the neighbouring land in 2007 via a project company. The building permit for the modernisation work was issued in December 2008. The construction of two modern office buildings is planned for the vacant land. This will give companies the opportunity to establish themselves in a spacious and very high quality environment, but one that is still more economically efficient.

Villa Galicja

The land for the “Villa Galicja” residential project is situated in Krakow, just 4km away from the city centre, and therefore it is quick and easy to reach (public transport in the immediate vicinity). A post office, a bank and a supermarket can be found only 150m from the building; 1km away there are also diverse shopping opportunities as well as a multiplex cinema. As there are many new office buildings in the neighbourhood it is reasonable to assume that the employees working there will also want to have apartments that are located close to their workplace. Consequently, this investment constitutes a meaningful addition to the surrounding area and will certainly raise the standards of the location. The area stretches over 5,362 m^2 and will comprise 72 apartments over four storeys (plus a basement for car parking spaces).

The apartments will contain 1-3 rooms and range from 32 to 129 m^2, whereby the ground floor units will have a garden and the upper units a spacious balcony. Some apartments will have a conservatory, while the loft apartments will have a mezzanine floor and access to the terrace. The four stairwells will be fitted with lifts that are also suitable for handicapped persons. The underground garage will have 72 car parking spaces for residents plus a further 40 extra places.
The building will be constructed using wood and glass (windows and doors made of aluminium) to make sure it fits seamlessly with the style of the surrounding area. The neighbouring land will include grassy areas and a play-park for relaxation.

BUSINESS DEVELOPMENTS, RESULTS AND *position* OF COMPANY

Economic situation

General conditions

Even in spite of the clear differences between regions, there is one thing we can say about the development of the global economy: it is picking up pace again. In terms of growth prospects China is leading this recovery trend: foreign trade is booming and growth rates of approximately 50% were achieved in May for both imports and exports. The US economy has also benefited from this, recording its third robust rate of quarterly growth in succession with an annualised figure of 3% in 2010 Q1. For 2010 as a whole the forecasts predict expansion of far more than 3% in some cases. Strong exports and powerful domestic demand have also spurred the Japanese economy on, which recently resulted in an upwards revision of GDP growth in 2010 to 3%. Yet the global economy is not only propped up by the US economy and the Asian markets, it is also being driven by the Latin American markets. The global economy naturally benefits from the predominantly positive forecasts for these regions too, and this has resulted in a forecasted growth rate of 4.2% for 2010 and 4.3% for 2011. The government-funded economic stimulus programmes have made a substantial contribution to the global recovery. Nonetheless, we must not forget that the industrialised countries will have an average public debt ratio of 100% of GDP in 2014 (35% more than before the crisis erupted) and therefore a solution must quickly be found to lower the budget deficits that have swelled in the meantime to alarming levels.

Europe

Europe is finding it quite difficult to keep up with the predominantly upbeat projections for the global economy. In the first quarter of 2010 real GDP in the euro area expanded by 0.2% compared to the previous quarter; in annual terms the growth rate once again managed to make it into positive territory with a figure of 0.6%. Overall demand remains subdued as before and the introduction of the necessary fiscal consolidation measures will not help bolster growth trends either. In May 2010 the majority of the confidence indicators suffered a setback after following a growth trajectory that steepened for roughly a year (up to and including 2010 Q1). Consumer confidence in particular is on the decline throughout the euro area since the plans for consolidation in countries such as Germany too are weighing down on economic and income expectations.
In the meantime the Greek debt crisis and speculation of further liquidity crises in the euro area have been the cause of massive turmoil on the financial markets. However, the adopted European Stabilisation Mechanism as well as the accompanying

monetary policy action in the euro area brought stability and put an end to the loss in the external value of the euro. Growth of just 1% is forecast for both the euro area and the entire EU throughout 2010. The corresponding figures for 2011 should be 1.5 and 1.8% respectively. The outstanding exceptions are Slovakia and Turkey, which are set to grow by 4.1 and 5.2% respectively this year.

Austria

The sluggish recovery of global trade is also favouring the upswing in the Austrian economy. After posting a figure of –15% in 2009, the 2010 forecast of the Austrian central bank as of mid-June 2010 suggests export growth will move back into the black at 4.6%, rising further to 5.4% in 2011 and 6.1% in 2012. Real GDP this year will grow by 1.6% (seasonally adjusted) followed by 1.8% and 2.1% in 2011 and 2012 respectively. The inflation rate will hover at 1.7% this year and next, while the jobless rate will sit at around 5%. However, the measures required from 2011 to bring the deficit down below 3% of GDP in the medium term are likely to contain growth at 1.7% (in both 2011 and 2012).

The indicators of the Austrian business climate survey (WBA) reflect the current economic upswing, but they seem to be under a bit of pressure from the various pieces of contrasting news that have surfaced in recent months. It has gradually been confirmed since spring 2009 that the drastic economic decline has petered out, but we are still far from revisiting pre-crisis levels of growth. The results of the latest survey show a much improved trend summary indicator that is positive again for the first time since autumn 2008.

Expectations regarding both sales and orders for the coming 12 months surprised on the upside. Total sales expectations is the best performing indicator in the survey, with increases noted for export and domestic sales expectations alike. The expectations on employment and investments reveal a gradual but much slower pace of improvement. All told, investment expectations are still negative, and this should be taken as a warning. We can only expect a gradual revival of investment activity if the economic upswing proves to be a lasting trend.

Central and Eastern Europe

Turning to the EU Member States in Central, Eastern and South-eastern Europe, the figures on economic trends in 2010 Q1 point towards much stronger economic dynamics than in the previous quarter. With Poland leading the way, growth rates have improved in practically every single country; year-on-year growth figures were written with black ink again in the Czech Republic, Slovakia and in Hungary for the first time since mid-2008. As before, however, the economic situation is far from being homogenous: the countries of Central Europe were quicker in identifying their escape routes from the recession than the Baltic States and countries in South-eastern Europe.

In addition to foreign trade and the replenishing of inventories, growth has also been bolstered by base effects. Consequently, (seasonally-adjusted) quarterly growth trends are somewhat less favourable and differ in comparison to year-on-year growth rates: while the majority of countries have managed to record positive rates of growth again compared to the previous quarter, or have at least generated some level of growth, the situation is different in Estonia and Lithuania, where quarterly GDP expansion is in the red once more, and in Slovenia where the pace has slackened off. Nevertheless, the economic output of the entire region in the first quarter of 2010 rose slightly compared to the previous quarter. The 2010 forecast for EU Member States in the CEE region given in the spring by the European Commission predicts moderate growth of 1.5%. However, this is largely being driven by Poland and the Czech Republic. By contrast, economic output in Latvia and Lithuania is set to contract further in 2010, while flat growth is on the cards for Bulgaria and Hungary. Thus the differences observed in economic trends in recent quarters are here to stay for the remainder of the year.

Development of real estate markets

Even though the positive trends seen in recent months are limited to the premium segment of the real estate market for the time being, we are seeing a general increase in confidence: the growing willingness of banks to finance loans and credits, the recovery in net present values and the improved investor sentiment will raise the total volume of transactions throughout 2010 (for Europe the current estimates exceed €100 billion). Retail properties are dominating the European commercial real estate market at present with an investment volume of €8 billion. Commanding a market share of 42 percent this category of property is enjoying stronger demand than office properties. While the level of investment on the entire market for commercial property dropped by 32 percent between the altogether strong Q4 in 2009 and the first quarter in 2010, this was contrasted with an almost constant volume of investment in retail real estate. The strongest expansion was recorded in Spain, Portugal, Norway and Germany.

In the CEE region the investment volume in the first half of 2010 rose by nearly 200% compared to the same period in 2009. In 2010 Q2 alone a total of 28 large-scale investments were registered with a volume of around €969 million. Yet the situation in the individual CEE countries remains rather varied. While the CEE markets of the Czech Republic and Poland but also Hungary and Slovakia are now over the worst of the crisis, countries in South-eastern Europe are still battling away and are less attractive for investors. The positive outlook for the entire region is being driven first and foremost by two factors: on the one hand the relatively low public debt levels in the CEE economies, and on the other hand the higher rates of expected growth, which will stimulate demand for real estate once more.

This more upbeat mood is also reflected on the Vienna office market: approximately €1,020 million was invested into real estate in 2010 H1, more than double the sum in the second half of 2009. In the first six months of 2010, four times as much office space was completed than in the same period in the previous year, while the volume of rented space and prime office rents remained stable.

Business developments

Sales trends
(by line of business)

As of 30 June 2010, the annual construction output of the UBM Group totalled €117.3 million (previous year: €128.4 million) which constitutes only a moderate decline on the comparable figure from the previous year. This is an impressive result, especially in light of the difficult economic conditions, and is attributable to the long-term business strategy of UBM. In line with the current climate the segments of "Western Europe" along with "Austria" experienced a decline in business, while "Central and Eastern Europe" bucked the trend and managed to generate growth.
In the "Central and Eastern Europe" segment, output rose to €58.9 million. This increase is due first and foremost to the sale of the SO 16/17 property in Andel City. Although the Czech Republic recorded massive growth with its contribution of €22.3 million (previous year: €4.5 million), it remains in second place behind Poland, which again accounted for the greatest portion of the segment output at €31.8 million. In Poland the main projects are "Hotel angelo Katowice" and the "Poleczki Business Park". Romania managed to maintain its healthy contribution via revenues from the "Chitila logistics park" (this year: €0.9 million). Russia also merits a separate mention, where services for the "Airport Center St. Petersburg" project accounted for a major part of the improved output of €3.9 million, up €1.3 million.
In the "Western Europe" segment, output contracted by €22 million to €44.9 million. In spite of a sharp decline, Germany is still the main driver of output contributing €38.2 million, which in turn was mainly facilitated by the apartments in the Parkstadt Schwabing project. France primarily generates revenues from hotel businesses, and here we registered growth of €4.9 million to €5.5 million. In comparison to "Western Europe", the "Austria" segment recorded a more modest decline of €5 million, bringing its contribution to total output down to €13.5 million. Since the sales trends in the individual regions are principally dependent on our decisions regarding which project to sell in which segment, this puts the resultant fluctuations in sales revenue into perspective.

Reconciliation to sales in consolidated income statement of UBM Group as of 30 June 2010

in T€	1-6/2010	1-6/2009
Total Group output	117,302.3	128,386.2
Sales revenue as per consolidated income statement	72,789.1	108,186.0
Difference	44,513.2	20,200.2
Revenue from participation sales	12,799.7	0.0
Inventory changes in own projects	–7,434.6	7,729.5
Sales from associated and subsidiary companies	27,722.7	12,553.1
Joint ventures	11,425.4	
Own work capitalised as per statement of financial position	0.0	–82.4
	44,513.2	20,200.2

Key financial indicators

Results and earnings

The sales revenue reported in the consolidated income statement as of 30 June 2010 totalled €72.8 million, which is €35.4 million less than the corresponding figure in the previous year. The figure that is most relevant for UBM because it is more meaningful in terms of operations is annual construction output, which totalled €117.3 million. This represents a moderate decline on the previous year (€128.4 million) compared to the market as a whole. Other operating income remained stable at €2.3 million (previous year: €2.2 million).
Material expenses fell from €82.3 million to €46.7 million, thanks first and foremost to the completion of the general contracting for "Andel's Berlin".
As of 30 June 2010, personnel expenses totalled €7.3 million. The loss from associated companies in the first six months of 2010 amounted to €–3.4 million, comprising mainly the losses sustained by hotels in Berlin, Warsaw and Katowice caused by write-downs. Income from other financial investments and current financial assets totalled €2.2 million. Financing expenses amounted to €5.8 million on account of a dip in investment activity. Profit after tax totalled €3.5 million with an earnings per share figure of €1.10, up slightly on the previous year.



Assets and financial position

Total assets of the UBM Group increased over the first six months of 2010 compared to 2009 year-end by approximately 12.8% to €548.0 million.
On the asset side of the statement of financial position there were significant changes in financial real estate, inventories, financial assets and liquid assets. The reason for the increase in financial real estate to €271.6 million lies in the first-time consolidation of retail parks in Gdynia, Sosnowitz und Lublin. The fall in inventories by €1.5 million to €43.8 million can be attributed first and foremost to residential sales. Financial assets dropped from €21.0 million to €15.0 million thanks primarily to the deconsolidation of Andel City. The increase in liquid assets from €39.6 million to €87.5 million is attributable to the issuance of a new bond worth more than €100.0 million in April 2010. On the equity and liabilities side of the statement of financial position the main changes are in bonds under long-term liabilities. The bond issue to 2015 pushed this figure up to €171.3 million.
Equity capital rose €1.0 million by 30 June 2010 and totals €133.6 million. The equity ratio came in at 24.4%, down slightly on account of the higher total assets figure.

Segment reporting

1-6/2010	Austria	Western Europe	Eastern Europe	Total	Recon-ciliation	Group
Production output (Group)	13,500.0	44,900.0	58,900.0	117,300.0	0.0	117,300.0
Segment revenue	10,579.6	32,791.7	31,671.7	75,043.0	0.0	75,043.0
EBIT (Earnings before interest and taxes)	–2,966.0	5,158.4	10,507.1	12,699.5	0.0	12,699.5
Segment assets 30.06.	406,518.1	162,307.1	181,354.0	750,179.2	–202,208.8	547,970.4
Segment debts 30.06.	276,222.5	149,663.3	164,549.0	590,434.8	–176,030.9	414,403.9
Investments in property, plant and equipment	164.9	1,088.8	24,824.4	26,078.1	0.0	26,078.1

1-6/2009	Austria	Western Europe	Eastern Europe	Total	Recon-ciliation	Group
Production output (Group)	18,500.0	66,886.2	43,000.0	128,386.2	0.0	128,386.2
Segment revenue	15,612.0	66,750.5	32,738.3	115,100.8	–4,588.7	110,512.1
EBIT (Earnings before interest and taxes)	–1,124.4	9,067.3	3,795.1	11,738.0	444.8	12,182.8
Segment assets 30.06.	338,389.3	175,861.7	146,531.6	660,782.6	–159,030.3	501,752.3
Segment debts 30.06.	214,531.4	171,616.2	127,553.7	513,701.3	–134,695.9	379,005.4
Investments in property, plant and equipment	574.8	4,278.2	235.2	5,088.2	0.0	5,088.2

Events after 30 June 2010

There were no major events after the reporting date.

Outlook for 2010 H2

Throughout 2010 we intend to exploit the opportunities presented by the recovering real estate markets. This is why we are planning the further development and implementation of existing real estate projects, the acquisition of new projects, the continuation of regional diversification in countries that we consider to have stable economies and the deepening of partnerships and services. We endeavour to develop properties on the office market that are both cost-effective for tenants and have excellent transport links. In the hotel sector the emphasis is placed on cost-conscious business travellers and tourists, while in terms of residential buildings we target the medium to upper segment of customers. Throughout the countries of Central and Eastern Europe there is massive potential on the market, particularly with commercial real estate (retail parks). For 2010 this means we shall be focusing on Poland (completion of hotel project in Katowice, completion of first phase of Poleczki Business Park, launch of residential projects in Wroclaw and Krakow as well as retail parks in Gdynia, Lublin and Sosnowitz) and on Germany (residential project in Schwabing and Cosimastraße project in Munich). We also have projects in the pipeline in all other countries which we can implement depending on how the market climate changes.

Key risks and factors of uncertainty

More detailed information on existing risks and uncertainties can be found in the 2009 Business Report (pps. 50-52).

Declaration of the Managing Board

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

Vienna, 30 August 2010

The Managing Board

Karl Bier
(Chairman)

Peter Maitz

Heribert Smolé

Martin Löcker

CONDENSED INTERIM CONSOLIDATED FINANCIAL *statements*

Consolidated income statement for the period 1 January to 30 June 2010

in T€	1-6/2010	1-6/2009
Sales revenue	72,789.1	108,186.0
Own work capitalised in non-current assets	–	82.4
Other operating income	2,253.9	2,243.7
Cost of materials and other services	–46,745.7	–82,303.9
Personnel expenses	–7,322.0	–6,907.0
Amortisation and depreciation on intangible assets and property, plant, equipment	–580.4	–532.1
Other operating expenses	–7,695.4	–8,586.3
Earnings before interest and taxes (EBIT)	**12,699.5**	**12,182.8**
Profit/loss from associated companies	–3,399.6	–4,285.7
Financial income	2,212.0	4,206.8
Financial expenditure	–5,833.1	–7,020.4
Earnings before tax (EBT)	**5,678.8**	**5,083.5**
Taxes on income	–2,218.4	–1,861.6
Profit after tax	**3,460.4**	**3,221.9**
of which interests of parent company shareholders	**3,290.1**	**3,142.5**
of which non-controlling interests	170.3	79.4
Earnings per share (in €)	**1.10**	**1.05**

Consolidated statement of comprehensive income for the period 1 January 2010 to 30 June 2010

in T€	1-6/2010	1-6/2009
Profit after tax	**3,460.4**	**3,221.9**
Other comprehensive income:		
Unrealised profit from hedging transactions	186.4	1,119.8
Difference from currency translations	503.2	–855.5
income tax expense (proceeds) on other profit	–	–209.8
Other comprehensive income	**689.6**	**54.5**
Total comprehensive income for the period	**4,150.0**	**3,276.4**
of which non-controlling interests	170.3	79.4
Share of parent company shareholders in profit after tax	**3,979.7**	**3,197.0**

Consolidated statement of financial position as of 30 June 2010

Assets

in T€	30.06.2010	31.12.2009
Non-current assets		
Intangible assets	2,706.2	2,723.5
Property, plant and equipment	26,400.2	27,072.0
Financial real estate	271,601.3	250,296.2
Shares in associated companies	5,936.2	5,747.0
Project financing	64,265.8	65,604.7
Other financial assets	18,971.0	18,244.1
Deferred tax assets	616.1	625.1
	390,496.8	**370,312.6**
Current assets		
Inventories	43,827.9	45,254.1
Trade receivables	5,215.2	5,087.0
Financial assets	15,019.8	20,971.9
Other receivables and assets	5,897.2	4,485.5
Liquid assets	87,513.5	39,604.6
	157,473.6	**115,403.1**
	547,970.4	**485,715.7**

Equity and liabilities

in T€	30.06.2010	31.12.2009
Shareholders' equity		
Share capital	5,450.5	5,450.5
Capital reserves	45,185.8	45,185.8
Foreign currency translation reserve	3,175.4	2,672.2
Other reserves	78,595.6	78,119.1
Interests of parent company shareholders	**132,407.3**	**131,427.6**
non-controlling interests	1,159.2	1,022.5
	133,566.5	**132,450.1**
Long-term liabilities		
Provisions	7,297.1	7,227.6
Bonds	171,300.0	100,000.0
Financial liabilities	143,889.6	146,260.9
Other liabilities	16,683.7	–
Deferred tax liabilities	5,742.1	4,982.9
	344,912.5	**258,471.4**
Current liabilities		
Provisions	2,413.6	3,061.8
Financial liabilities	18,853.5	29,719.8
Trade liabilities	35,647.4	33,346.2
Tax liabilities	5,536.5	6,115.6
Other liabilities	7,040.4	22,550.8
	69,491.4	**94,794.2**
	547,970.4	**485,715.7**



Consolidated cash flow statement for the period 1 January 2010 to 30 June 2010

in T€	1-6/2010	1-6/2009
Cash flow from operating activities	18,728.5	46,527.1
Cash flow from investment activities	–28,571.9	–17,304.1
Cash flow from financing activities	57,652.1	–46,700.5
Change in liquid assets	**47,808.7**	**–17,477.5**
Liquid assets as of 01.01	39,604.6	42,603.9
Currency differences	100.2	188.6
Change in liquid assets due to altered scope of consolidation	0.0	–4,605.1
Liquid assets as of 30.06	**87,513.5**	**20,709.9**

Changes in consolidated equity

in T€	Share capital	Capital reserve	Foreign currency translation reserve	Other reserves	Parent company share-holders	Minority interests	Total
As of 1.1.2009	5,450.5	45,185.8	3,949.9	67,003.4	121,589.6	1,219.8	122,809.4
Total comprehensive income for the period	–	–	−855.5	4,052.5	3,197.0	79.4	3,276.4
Dividend payments	–	–	–	−3,300.0	−3,300.0	−39.0	−3,339.0
As of 30.6.2009	5,450.5	45,185.8	3,094.4	67,755.9	121,486.6	1,260.2	122,746.8
As of 1.1.2010	5,450.5	45,185.8	2,672.2	78,119.1	131,427.6	1,022.5	132,450.1
Total comprehensive income for the period	–	–	503.2	3,476.5	3,979.7	170.3	4,150.0
Dividend payments	–	–	–	−3,000.0	−3,000.0	−13.4	−3,013.4
Acquisition of minority interests	–	–	–	–	–	−20.2	−20.2
As of 30.6.2010	5,450.5	45,185.8	3,175.4	78,595.6	132,407.3	1,159.2	133,566.5

UBM Realitätenentwicklung AG Notes to the consolidated interim financial statements as of 30 June 2010

1. General information

The UBM Group is composed of UBM Realitätenentwicklung Aktiengesellschaft (UBM AG) and its subsidiaries. UBM AG is a public company pursuant to Austrian law and is headquartered at Floridsdorfer Hauptstrasse 1, 1210 Vienna. The company is registered at the Vienna Commercial Court under registration No. FN 100059 x. The core activities of the Group are the development, utilisation and administration of real estate.

The reporting currency is the euro, which is also the functional currency for UBM AG and for the majority of subsidiaries included in the consolidated financial statements.

The consolidated financial statements were not audited or subject to any review by an auditor.

2. Scope of consolidation

In addition to UBM AG, the consolidated financial statements include 6 domestic subsidiaries (as of 31 December 2009: 6) and 47 foreign subsidiaries (as of 31 December 2009: 45). Furthermore, 6 domestic (as of 31 December 2009: 6) and 14 foreign (as of 31 December 2009: 14) associated companies were valued using the equity method.

The change in the scope of consolidated companies is attributable to the sale of Andel City s.r.o based in Prague and to the acquisition of three project companies in Poland. The resultant changes led to a fall in property, plant and equipment of €6,916,700, and in interest-bearing liabilities of €4,707,600.

3. Principles of reporting

Essentially the same accounting and measurement methods have been applied for these interim consolidated financial statements of UBM AG and its subsidiary companies for the period ended 30 June 2010, prepared based on the IFRS (IAS 34) adopted by the EU, as for the consolidated financial statements in fiscal 2009. For more information on the individual accounting and measurement methods applied, please see the consolidated financial statements of UBM AG for the year ended 31 December 2009.

4. Business connections with related companies and individuals

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

Services to/from related companies or individuals

In addition to the associated companies, UBM AG also has related companies and individuals as per IAS 24 in the form of Allgemeine Baugesellschaft – A. Porr AG, its subsidiaries, and CA Immo International Beteiligungsverwaltungs GmbH, since they have significant holdings in UBM AG.

The transactions in the fiscal year between companies of the UBM Group included in the consolidated financial statements and companies of the Porr Group are largely connected to construction services.

5. Dividends

At the General Meeting of Shareholders held on 21 April 2010 it was decided to pay a dividend of €1.00 per share, which with 3,000,000 shares totals €3,000,000.00, while the remainder of the profits totalling €25,693.73 was to be carried forward. The dividend was paid on 26 April 2010.

6. Contingent liabilities

Most contingent liabilities are related to credit guarantees and the undertaking of guarantees for associated companies. In 2010 H1 there were no major changes in comparison to the reporting date of 31 December 2009.

Vienna, 30 August 2010

The Managing Board

Karl Bier (Chairman)	Peter Maitz	Heribert Smolé	Martin Löcker

www.projektagentur.at

Your UBM contact partner

UBM Realitätenentwicklung AG
Floridsdorfer Hauptstraße 1, 1210 Vienna
Austria
Tel: +43 (0) 50 626-0
www.ubm.at, www.ubm.eu

UBM Austria

UBM Investor Services
Dr. Julia Schmidt
Mail: julia.schmidt@ubm.at
Tel: +43 (0) 50 626-3827

UBM Vienna/Lower Austria/ Burgenland
Edgar Rührlinger
Mail: edgar.ruehrlinger@ubm.at
Tel: +43 (0) 50 626-1760

UBM Styria/Carinthia
Martin Löcker
Mail: martin.loecker@ubm.at
Tel: +43 (0) 50 626-1261

UBM Tyrol/Vorarlberg
Peter Ellmerer
Mail: peter.ellmerer@ubm.at
Tel: +43 (0) 50 626-3032

UBM Salzburg
Edgar Rührlinger
Mail: edgar.ruehrlinger@ubm.at
Tel: +43 (0) 50 626-1760

UBM Upper Austria
Markus Lunatschek
Mail: markus.lunatschek@ubm.at
Tel: +43 (0) 50 626-1712

UBM International

UBM in Hungary
Eva Tarcsay
Mail: eva.tarcsay@ubm.at
Tel: +36 (1) 41 10 443

UBM in the Czech Republic
Margund Schuh
Mail: margund.schuh@ubm.at
Tel: +42 (02) 510 13-0

UBM in Switzerland
Edgar Rührlinger
Mail: edgar.ruehrlinger@ubm.at
Tel: +43 (0) 50 626-1760

UBM in Poland
Peter Obernhuber
Mail: peter.obernhuber@ubm.pl
Tel: +48 (22) 356 81 10

UBM in France
Martin Löcker
Mail: martin.loecker@ubm.at
Tel: +43 (0) 50 626-1261

UBM in Germany
Münchner Grund
Dr. Bertold Wild
Mail: bertold.wild@muenchnergrund.de
Tel: +49 (89) 74 15 05-0

UBM in Slovakia
Edgar Rührlinger
Mail: edgar.ruehrlinger@ubm.at
Tel: +43 (0) 50 626-1760

UBM in Croatia
Davor Vilic
Mail: davor.vilic@ubm.at
Tel: +385 (0) 15 390-732

UBM in Bulgaria
Elza Vassilieva Stanimirova
Mail: elza.stanimirova@ubm.at
Tel: +359 887 95 47 15

UBM in Romania
Daniel Halswick
Mail: daniel.halswick@ubm.at
Tel: +43 (0) 50 626-1620

UBM in Ukraine
Peter Obernhuber
Mail: peter.obernhuber@ubm.pl
Tel: +48 (22) 356 81 10

UBM in Russia
Peter Maitz
Mail: peter.maitz@ubm.pl
Tel: +43 (0) 50 626-1294

This half-yearly report contains forward-looking statements based on current assumptions and estimates that are made by the management to the best of its knowledge. Information offered using the words “expectation”, “target” or similar phrases indicate such forward-looking statements. The forecasts that are related to the future development of the company represent estimates that were made on the basis of information available as of 30 June 2010. Actual results may differ from these forecasts if the assumptions underlying the forecasts fail to materialise or if risks arise at a level that was not anticipated.

The interim annual report for the period ending 30 June 2010 was prepared with the greatest possible diligence in order to ensure that the information provided in all parts is correct and complete. Nevertheless, rounding, type-setting and printing errors cannot be completely ruled out.