Interim report on the first half of **2011**

HALF-YEARLY REPORT

GREEN BUILDING UBM

UBM

UBM GROUP FIGURES

Key figures

in EUR million	H1/2011	2011*	H1/2010	2010	H1/2009	2009
TOTAL REVENUES OF UBM GROUP	126.1	302.5	117.3	217.0	128.4	275.4
of which: international in %	89.7	89.3	88.5	86.9	85.6	87.9
Earnings before interest and taxes (EBIT)	14.2		12.7	25.8	12.2	24.4
Earnings before taxes (EBT)	6.2		5.7	14.4	5.1	14.2
Profit after tax	2.6		3.5	9.4	3.2	14.1
INVESTMENTS	37.4	75.0	26.1	72.4	6.6	18.2

Business overview

in EUR million	H1/2011	2011*	H1/2010	2010	H1/2009	2009
TOTAL REVENUES OF UBM GROUP	126.1	302.5	117.3	217.0	128.4	275.4
Central and Eastern Europe	43.6	125.6	58.9	93.3	43.0	105.2
Western Europe	69.4	144.6	44.9	95.2	66.9	136.8
Austria	13.1	32.3	13.5	28.5	18.5	33.4
HEADCOUNT (fully-consolidated companies)						
As of 30 June	411		384		337	
of which, hotel staff	181		171		131	

*) Projection

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FOREWORD FROM THE MANAGING BOARD



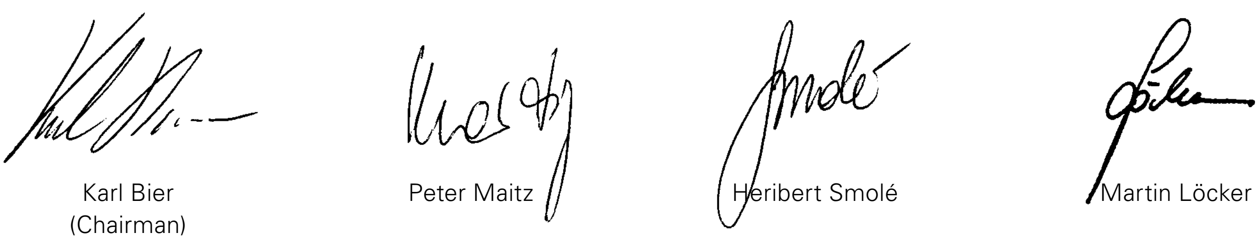

Dear shareholders,

The encouraging start to the year 2011 was continued throughout the first six months. As of 30 June 2011 the UBM Group generated total revenues of €126.1 million. In comparison to the corresponding figure from the previous year this constitutes pleasing growth of 7.5%. EBT was also raised and sits at €6.2 million, which is €0.5 million higher than the figure from the previous year.

The result of the past half-year is predominantly attributable to construction work for the Poleczki Park project (phase 2) and to realising retail parks in Poland (Lublin, Sosnowiec and Gdynia). The higher level of revenue generated from operations in the Netherlands also made a significant contribution in this respect. Furthermore, the input of the many residential construction projects in Germany deserves a mention.

Our activities in the second half of this year will continue to focus mainly on our two key markets, Poland and Germany: in Poland we are engaged in the fields of residential construction, commercial properties and offices, currently focusing on retail parks. In Germany we are concentrating more on residential construction, and expanding our market beyond Munich with projects in Frankfurt, Hamburg and Berlin.

Throughout 2011 we intend to continue exploiting the opportunities presented by the recovering real estate markets. In spite of the continued difficulties in predicting future developments on the market we are confident of being able to generate revenues and profits in 2011 that are commensurate with the results achieved in 2010.



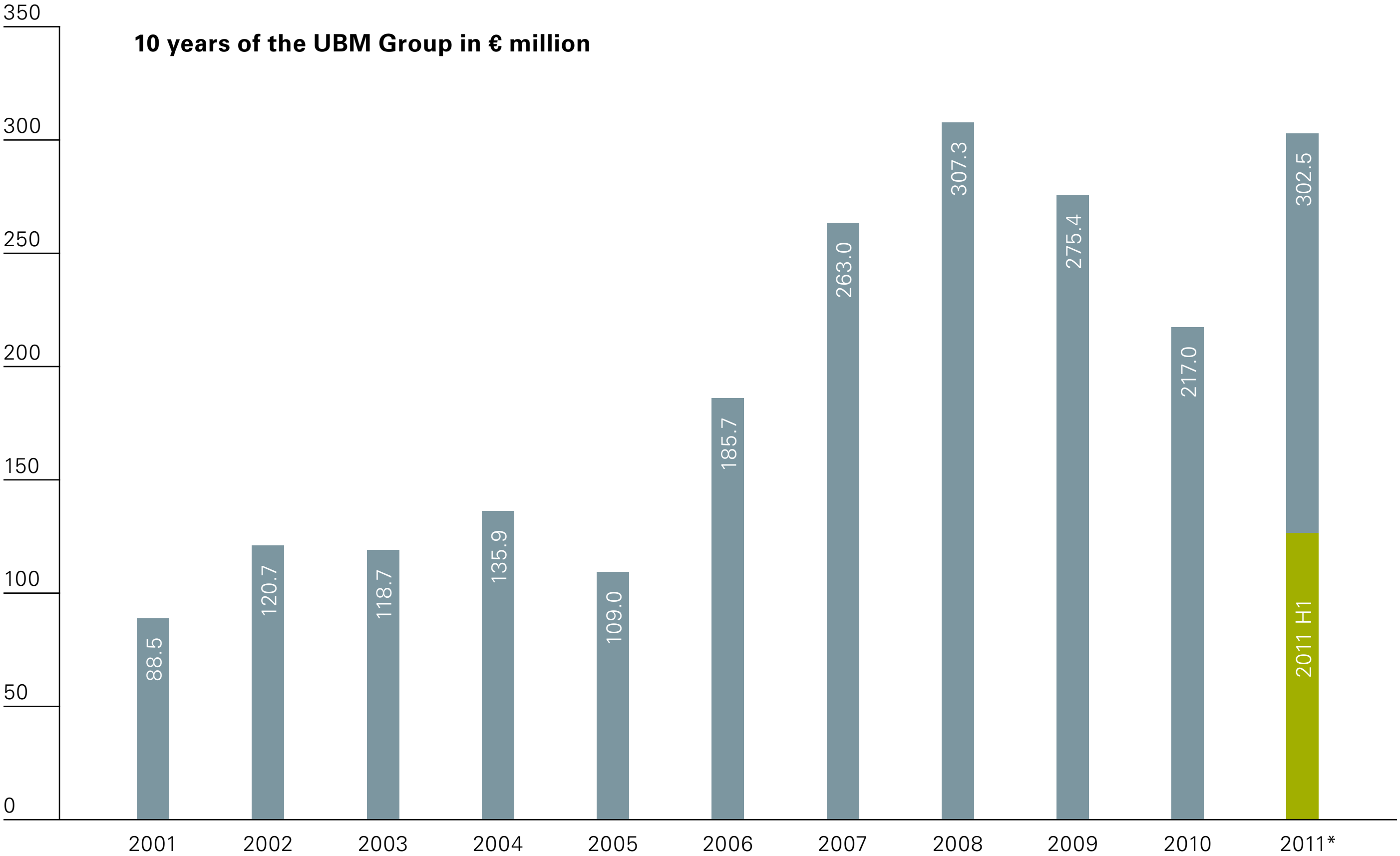
Karl Bier (Chairman)

Peter Maitz

Heribert Smolé

Martin Löcker

10 YEARS OF THE UBM GROUP



* Projection

The development in sales revenue at UBM AG has been extremely encouraging in the last decade, displaying a steady upwards trend since 2001. As early as 2002 we managed to register a 36.3% increase in sales compared to the previous year, which with annual construction output of €120.7 million pushed us past the €100 million mark for the first time. Yet even more was to come in the subsequent years as our activities were expanded throughout Central Europe: construction output fluctuated slightly but remained stable until 2005 between €109.0 million and €120.7 million. In 2006, however, 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 global economic climate make itself felt. Nonetheless, in comparison to the rest of the industry the setback suffered then was rather moderate: the output of €275.4 million was still the second-best result in the history of UBM. Based on the construction output of €126.1 million achieved in the first half-year, we forecast an annual construction output of roughly €302.5 million for 2011 as a whole.

ANDEL CITY, OFFICE BUILDING SO 16/17
Modern and highly flexible: with an energy-efficient, triple aluminium and glass facade and integrated sun protection to optimise cooling.

GREEN BUILDING UBM

ANDEL CITY: SALE OF OFFICE BUILDING SO 16/17

"Anděl" 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. There are 20 properties in total spread over a gross area of 161,945 m^2, uniting all of the business fields of UBM under one name.

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 stretches over roughly 25,000 m^2. Under the brand name of "Anděl City", the former industrial land first accommodated the hotel "andel's" (2002), followed by the initial 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 Andel City Residence with 97 freehold flats, construction began in 2004 Q4 on a similar 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.

90% of building SO 16/17, also part of the "Anděl 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. The remaining 10% was sold in the first half of 2011.

INTERNATIONAL PROJECTS

RETAIL PARK, LUBLIN

A new retail park is being constructed in Lublin, the ninth-largest city in Poland, situated roughly 150 km south-east of the capital Warsaw and around 180 km north-west of the Ukrainian city of Lviv. The building work began in April this year. One special feature of this project is that a kind of outward-facing arcade is being constructed on an area of roughly 5,000 m², meaning that some stores will be accessible directly from the street. The lettable space amounts to approximately 13,800 m², and 8,925 m² have already been snapped up by "Praktiker". The project is set to be completed in March 2012.

RETAIL PARK, LUBLIN

Energy efficiency and sustainability prioritised: Target: a BREEAM certificate (rating – very good).

GREEN
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INTERNATIONAL PROJECTS

UNTERBIBERG: LILIENTHAL

A new residential project is being realised in Lilienthalstraße in Unterbiberg near Munich. Five residential buildings are being integrated harmoniously into the peaceful surroundings, combining modern architecture with individual interior design and thus guaranteeing a high quality of life. The loose arrangement of individual houses creates spacious living conditions in this leafy area, which is also well-situated for nurseries, schools of all levels and many shopping opportunities, and has good links to the city centre.

66 apartments with a total floor space of 5,389 m^2 are planned, whereby all buildings will face south or west. Many of the apartments are designed as corner flats with natural lighting on 3 sides, thus ensuring an extremely high quality layout and finish. The topping-out ceremony for the first construction phase took place on 26 May 2011, and by the end of 2011 the apartments in this phase will likely be ready for occupancy. The structure of the second construction phase should be finished in autumn 2011, and the apartments should be ready for their owners in spring 2012.

UNTERBIBERG: LILIENTHAL

Sustainable, energy-efficient construction: low-energy building (EnEV2009/KfW70) including a combined heat and power unit with cogeneration and controlled ventilation of living spaces.

GREEN BUILDING UBM

BUSINESS DEVELOPMENTS, RESULTS AND POSITION OF COMPANY

ECONOMIC SITUATION

General conditions

The earthquake disaster in Japan hit the Japanese economy particularly hard as real GDP sank by 0.9% in the first quarter (compared to the previous quarter). The OECD is expecting a similar contraction in GDP for the second quarter of 2011. That said, the growing reconstruction efforts and the government's support measures should bolster growth trends again in the second half of 2011. For 2011 as a whole the IMF predicts a drop in GDP of 0.7%, while in 2012 Japan could well grow again by 2.9%.

The effects of the earthquake were not only felt in Japan though, the USA was affected as well: in the year to date the US economic recovery has tapered off considerably – growth of real gross domestic product in the first quarter of 2011 amounted to just 1.8% (by comparison, growth in the fourth quarter of 2010 came in at 3.1%). The consumption of private households made a significant and positive contribution to this development, while government spending, residential construction investments and net exports had the opposite effect. However, this weak economic activity that continued through the second quarter of 2011 is partially down to just temporary factors, such as the strong increase in consumer prices, frequent bad weather conditions and even the outages at Japanese supplier companies for the auto and electronics industries (in April for example, car-making in the USA was 60% below its level from the previous year). Since there has recently been a renewed and strong pick-up in production previously affected by the earthquake, there will likely be a sharp increase in growth too during the second half of the year.

Europe

GDP growth accelerated again in the eurozone in the first quarter of 2011 after a temporary dip in the second half of 2010, which was attributable to the phasing out of fiscal stimulus measures and the reversal of the inventory cycle. Economic output rose 0.8% compared to the previous quarter (after expanding 0.3% in the last quarter of 2010), while relative to the same quarter in the previous year, growth came in at 2.5%. The stimulus came predominantly from domestic demand, and growth itself is thus increasingly self-sufficient – bolstered by the still accommodating monetary policy. Gross fixed capital formation in particular posted robust rates of growth. Alongside industry, the upswing in activity is increasingly enveloping the services sector too.

However, this encouraging development overall is hiding some very disparate trends in individual countries. The driving force behind the expansion is still Germany, whose economy grew by 4.8% in the first quarter of 2011 compared to the previous year. By contrast, the periphery countries are suffering from weak growth dynamics or are even in recession. While the intensity of the recession in Greece has softened somewhat (-4.8% in the first quarter) and moderately positive rates of growth are anticipated again for 2012, Portugal has just slipped back into another recession that will continue next year as well.

The inflation rate in the eurozone has stabilised at a high level for the time being. In May it sat at 2.7%, roughly the same as in the previous two months. For 2012 the OECD expects to see inflation in the region of 1.6% again.

Austria

The Austrian economy managed to maintain its powerful growth trends in the first quarter of 2011. Posting a rate of +0.9% (compared to the previous quarter) the economy expanded at roughly the same pace as in the previous three quarters, bringing GDP growth in the first quarter of 2011 back to its pre-crisis level for the first time. This trend was driven largely by exports and investments. Inflation in May stood at 3.7% (as in April). The current situation on the labour market is rather pleasing to the eye. With an unemployment rate of 4.2% according to Eurostat, Austria has the lowest jobless figure in the EU together with the Netherlands (EU-average: 9.4%).

The Austrian national bank (OeNB) revised upwards by more than one percentage point its economic growth forecast for the whole of 2011, as published on 17 June. Bolstered by strong exports again and higher corporate investments, gross domestic product will expand this year by 3.2% in real terms. Growth for 2012 and 2013 is expected to be above the long-term average too (2012: +2.3%; 2013: +2.4%). This means the Austrian economy is expanding much more strongly than the eurozone, for which the Eurosystem predicts a range of 1.5%-2.3% this year and 0.6%-2.8% next year. The forecasts of the OeNB are admittedly somewhat more optimistic than those of UniCredit, whose economic activity indicator has fallen again. According to UniCredit the pace of the recovery is being hindered by higher inflation driven by commodities, the restraint shown by businesses and private households in many parts of the world, lower risk appetite by participants in the economy, the impacts of fiscal consolidation on public finances and the ongoing monetary tightening. This means the Austrian economy reached its peak in the spring and is now moving into a somewhat calmer phase of growth.

Central and Eastern Europe

According to initial figures, all EU Member States in Central, Eastern and South-Eastern Europe expanded in the first quarter of 2011. In comparison to the previous quarter, economic growth ranged from 0.2% in Latvia to 3.5% in Lithuania. Alongside Lithuania there was also a dynamic economic performance recorded in Estonia, amounting to 2.1% compared to the previous quarter. Growth in the eurozone supported export activities in CE and SEE. The sharp pick-up of growth in Romania is particularly remarkable (from 0.1% to 0.7%), a country that registered negative growth rates all through 2010. Following the radical fiscal consolidation measures last year that weighed down on expansion, Romania has now also returned to a moderate growth trajectory.

At the same time, inflation in the region is still high, coming in at a weighted average of 4.1% yoy in April (compared with 2.8% in the eurozone over the same period). Processed food products and energy were two of the main factors driving inflation. Marked differences emerge when looking at the various countries: while the rate of inflation in the Czech Republic sits at just 1.6% and has recently even fallen slightly, the corresponding figure in Romania is 8.4%, and still rising. These differences can partly be explained by fiscal policy measures (first and foremost tax hikes and the related base effects), but also by exchange-rate factors and countries being at different phases of their economic cycles.

In the course of last year, macro-financial risks eased in almost every country of Central, Eastern and South-Eastern Europe. Only in Slovenia was there any deterioration as regards credit and banking sector risks following the tangible increase in non-performing loans. The generally positive development was fuelled above all by an improvement in macroeconomic and cyclical risks. Over this period, Slovakia, Bulgaria, Romania, Russia and Ukraine performed better than in November 2010. The reasons for this pleasing trend are the re-emergence and pick-up of growth, the more favourable composition of this growth and positive forecasts for economic and/or public finance developments.

Development of real estate markets

The majority of investors on the Austrian real estate market are currently playing a waiting game: according to recent market analyses roughly €500 million was invested in Austrian real estate in the first half of 2011, with more than half (58%) coming from Austria itself. Another 20% of the invested capital originated in Germany. If this dynamic upwards trend from the first half of 2011 continues – €200 million was invested in the first quarter and €300 million in the second – then a figure of €1.5 billion could well be achieved for 2011 as a whole.

Office space is still the most attractive option for investors, accounting for around 36% of the total volume. Similarly to recent years, yields in Austria are stable, sitting at around 5.25% in the case of newly constructed office buildings with long-term tenants outside of district 1 in Vienna. But the trend towards hotels and real estate for other uses is also growing, with residential real estate for example gaining in popularity compared to a few years ago. In the last few months the whole of the CEE region has enjoyed a significant jump in investment, with volumes in the first six months amounting to roughly €5.3 billion, more than ten-fold the figure registered in Austria. By comparison, in the first half of 2010 the figure was only €1.7 billion. Russia led the way, accounting for approximately €1.9 billion, followed by Poland and the Czech Republic with around €1.8 billion and €740 million respectively. Hungary sits fourth in the ranking with a figure of just under €300 million. Some capital cities in the CEE region are also expecting to top records with regard to office leases. In Warsaw for example a total of 225,000 m^2 were let in the first six months – compared to 110,000 m^2 in Vienna in the same period.

This means the volume of space leased out on the Vienna office market declined in the first half of 2011, falling from 91,000 m^2 in 2010 H1 to just 85,000 m^2 – a drop of approximately 7%. The main reason for this is that some of the major leases expected in the first half of the year were postponed until the second six months or until 2012.

Demand continues to focus on buildings furnished to high standards – not so much luxury furnishings or prestigious locations but more a modern image and office solutions that are sustainable and can be used efficiently. This includes, in particular, space efficiency, flexibility, simplifying internal processes by means of floor drawings planned accordingly, optimal transport connections and economical cooling and heating technology.

Sources: CB Richard Ellis, Der Standard, EHL, OeNB, UniCredit

BUSINESS DEVELOPMENTS

Sales trends (by line of business)

As of 30 June 2011, the annual construction output of the UBM Group totalled €126.1 million (previous year: €117.3 million) which constitutes an encouraging increase of 7.5% on the comparable figure from the previous year. This development is consistent with the upwards trend noted in the first half of 2011.

Accordingly, the "Western Europe" segment posted significant growth, the "Austria" segment generated relatively flat growth and the "Central and Eastern Europe" segment contracted slightly.

The decline of €15.3 million in this latter segment to €43.6 million is primarily down to the sale last year of 90% of Building SO 16/17 in Andel City (Czech Republic), with the remaining 10% being sold in the reporting period. This means the Czech Republic generated sales revenue in the first half of 2011 amounting to €5.1 million. Russia recorded an increase following the complete upgrade of the Hotel Crown Plaza and the first building in the "Airport Center St. Petersburg" project. The lion's share of sales revenue was produced by Poland, totalling €31.9 million, which is essentially the same as the previous year (€31.8 million). Major contributing factors in Poland include the retail parks in Lublin, Sosnowiec and Gdynia as well as the Poleczki Business Park (phase 2). Romania managed to maintain its healthy contribution via revenues from the "Chitila logistics park" (€0.9 million this year, as in 2010).

In the "Western Europe" segment, output rose by €44.9 million to €69.4 million, mainly thanks to revenues from the Netherlands. France primarily generates revenues from hotel businesses, and here we registered modest growth from €5.5 million to €6.4 million. Germany, which used to drive this segment, produced a performance of €11.4 million.

The "Austria" segment produced a steady performance of €13.1 million (previous year: €13.5 million), which chiefly contains management services and revenue from renting.

KEY FINANCIAL INDICATORS

Results and earnings

The sales revenue of the fully consolidated companies reported in the consolidated income statement as of 30 June 2011 totalled €50.4 million, which is €22.4 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 €126.1 million in comparison to the previous year, up by €8.8 million.

Other operating income totalled €10.6 million, most of which is derived from re-measurements in accordance with IAS 40.

The cost of materials and services used fell to €–29.5 million following the completion of general contracting services to third parties.

As of 30 June 2011, personnel expenses totalled €–8.9 million.

The loss from associated companies in the first six months of 2011 amounted to €–5.0 million, mainly comprising the losses sustained by hotel investments on account of higher write-offs.

Income from other financial investments and current financial assets totalled €4.7 million. Financing expenses amounted to

€–7.8 million, which resulted in a roughly €0.6 million improvement in net interest income compared to the previous year.

Profit after tax totalled €2.6 million following the massive increase in deferred taxes, with an earnings per share figure of €0.86.

Assets and financial position

Total assets of the UBM Group increased over the first six months of 2011 compared to 2010 year-end by approximately 10.2% to €616.4 million.

On the asset side of the statement of financial position there were significant changes in property, plant, equipment, financial real estate and inventories. The reason for the reduction in property, plant and equipment to €26.8 million is the reclassification of a property under financial real estate. The rise in financial real estate by €65.9 million to €317.7 million is primarily attributable to investments in Polish retail parks and German office projects as well as the hotel investment in Amsterdam. Inventories grew to €100.7 million on account of investment in Polish, German and Austrian residential construction projects.

On the equity and liabilities side of the statement of financial position, the largest change is under "bonds" caused by reclassifying items between current and long-term liabilities. The increase in current as well as long-term financial liabilities should also be emphasised. Both positions increased thanks to investments in residential construction projects as well as in financial real estate, bringing current financial liabilities to €45.5 million and long-term liabilities to €171.2 million as of 30 June 2011.

Equity capital barely changed up to 30 June 2011 and totals €139.1 million.

EVENTS AFTER 30 JUNE 2011

There were no major events after the reporting date.

OUTLOOK FOR 2011 H2

For 2011 as a whole 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. 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).

Our key markets will remain Poland and Germany. While the spotlight in Poland will still mainly be on retail parks, in Germany we are focusing on residential construction (realising projects in various cities: from Berlin through Frankfurt to Munich). In Austria we are already in the second phase of the Sternbrauerei residential building project in Salzburg. In addition to projects in the traditional core markets of UBM we are also planning project developments in various segments in other European countries: for example, we are realising a hotel project in Amsterdam and 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 2010 Annual 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 its operations. The half-yearly report of the Group presents a true and fair view of the Group's financial and earnings position and the results of operations during the first six months of the fiscal year, and their impacts on the condensed interim consolidated financial statements, whilst also outlining the significant risks and uncertainties in the remaining six months of the fiscal year.

Vienna, 22 August 2011
The Managing Board

Karl Bier (Chairman)	Peter Maitz	Heribert Smolé	Martin Löcker

Andel City, Prague

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

for the period 1 January 2011 to 30 June 2011

in T€	1-6/2011	1-6/2010
Sales revenue	50,449.1	72,789.1
Other operating income	10,644.2	2,253.9
Cost of materials and other services	–29,516.5	–46,745.7
Personnel expenses	–8,914.7	–7,322.0
Amortisation and depreciation on intangible assets and property, plant, equipment	–565.6	–580.4
Other operating expenses	–7,854.0	–7,695.4
EARNINGS BEFORE INTEREST AND TAXES (EBIT)	**14,242.5**	**12,699.5**
Profit/loss from associated companies	–5,039.3	–3,399.6
Financial income	4,723.4	2,212.0
Financial expenditure	–7,757.0	–5,833.1
EARNINGS BEFORE TAX (EBT)	**6,169.6**	**5,678.8**
Taxes on income	–3,609.9	–2,218.4
PROFIT AFTER TAX	**2,559.7**	**3,460.4**
OF WHICH INTERESTS OF PARENT COMPANY SHAREHOLDERS	**2,584.7**	**3,290.1**
of which non-controlling interests	–25.0	170.3
EARNINGS PER SHARE (IN €)	**0.86**	**1.10**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the period 1 January 2011 to 30 June 2011

in T€	1-6/2011	1-6/2010
PROFIT AFTER TAX	**2,559.7**	**3,460.4**
Realised profit from hedging transactions	200.1	186.4
Income tax expense (proceeds)	–	–
Difference from currency translations	129.1	503.2
OTHER COMPREHENSIVE INCOME	**329.2**	**689.6**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**2,888.9**	**4,150.0**
of which interests of parent company shareholders	2,915.3	3,979.7
of which non-controlling interests	–26.4	170.3

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as of 30 June 2011

ASSETS

in T€	30.06.2011	31.12.2010
NON-CURRENT ASSETS		
Intangible assets	2,679.4	2,701.2
Property, plant and equipment	26,790.9	56,251.7
Financial real estate	317,655.8	251,717.6
Shares in associated companies	20,527.6	18,814.2
Project financing	54,727.3	51,052.4
Other financial assets	17,476.6	18,956.5
Deferred tax assets	1,151.1	981.3
	441,008.7	**400,474.9**
CURRENT ASSETS		
Inventories	100,712.4	84,312.7
Trade receivables	15,658.8	15,254.6
Other receivables and assets	13,005.4	12,499.7
Liquid assets	45,970.1	46,711.1
	175,346.7	**158,778.1**
	616,355.4	**559,253.0**

EQUITY AND LIABILITIES

in T€	30.06.2011	31.12.2010
SHAREHOLDERS' EQUITY		
Share capital	5,450.5	5,450.5
Capital reserves	45,185.8	45,185.8
Foreign currency translation reserve	3,663.8	3,533.3
Other reserves	83,854.1	84,369.3
INTERESTS OF PARENT COMPANY SHAREHOLDERS	**138,154.2**	**138,538.9**
Non-controlling interests	908.3	988.7
	139,062.5	**139,527.6**
LONG-TERM LIABILITIES		
Provisions	7,558.8	5,677.2
Bonds	100,000.0	171,300.0
Financial liabilities	171,175.1	157,996.3
Other financial commitments	14,174.0	16,391.6
Deferred tax liabilities	8,930.6	6,221.2
	301,838.5	**357,586.3**
CURRENT LIABILITIES		
Provisions	3,359.3	2,972.5
Bonds	71,300.0	
Financial liabilities	45,469.3	10,730.5
Trade liabilities	38,780.0	27,861.8
Other financial commitments	7,482.0	10,587.6
Other liabilities	5,861.7	4,749.3
Tax liabilities	3,202.1	5,237.5
	175,454.4	**62,139.2**
	616,355.4	**559,253.1**

CONSOLIDATED CASH FLOW STATEMENT

for the period 1 January 2011 to 30 June 2011

in T€	1-6/2011	1-6/2010
CASH FLOW FROM OPERATING ACTIVITIES	**–9,481.1**	**18,728.5**
CASH FLOW FROM INVESTMENT ACTIVITIES	**–36,005.3**	**–28,571.9**
CASH FLOW FROM FINANCING ACTIVITIES	**44,601.1**	**57,652.1**
CHANGE IN LIQUID ASSETS	**–885.3**	**47,808.7**
Liquid assets as of 01.01	46,711.1	39,604.6
Currency differences	–14.4	100.2
Change in liquid assets due to altered scope of consolidation	158.7	0.0
LIQUID ASSETS AS OF 30.06	**45,970.1**	**87,513.5**

SEGMENT REPORTING

		Austria
in T€	1-6/2011	1-6/2010
TOTAL OUTPUT		
- Project sales, development and construction	402.3	1,056.8
- Hotel operation	1,329.5	963.7
- Leasing and administration of real estate	5,325.9	5,710.2
- Facility management	6,001.6	5,782.3
- Land under development	0.0	0.0
TOTAL OUTPUT	**13,059.3**	**13,480.6**
EBT		
- Project sales, development and construction	9.7	181.2
- Hotel operation	–176.9	–182.9
- Leasing and administration of real estate	1,261.2	1,504.7
- Facility management	113.8	153.1
- Land under development	0.0	0.0
- Administration	–1,982.0	–2,704.2
TOTAL EBT	**–774.2**	**–1,048.1**

CHANGES IN CONSOLIDATED EQUITY

in T€	Share capital	Capital reserve	Foreign currency translation reserve	Other reserves	Parent company sharehold-ers	Minority interests	Total
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
Change in 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**
AS OF 1.1.2011	**5,450.5**	**45,185.8**	**3,533.3**	**84,369.3**	**138,538.9**	**988.7**	**139,527.6**
Total comprehensive income for the period	–	–	130.5	2,784.8	2,915.3	–26.4	2,888.9
Dividend payments	–	–	–	–3,300.0	–3,300.0	–54.0	–3,354.0
AS OF 30.6.2011	**5,450.5**	**45,185.8**	**3,663.8**	**83,854.1**	**138,154.2**	**908.3**	**139,062.5**

Western Europe		Central and Eastern Europe		Group	
1-6/2011	1-6/2010	1-6/2011	1-6/2010	1-6/2011	1-6/2010
54,220.0	31,250.2	27,476.3	43,301.2	82,098.6	75,330.6
12,504.4	11,676.4	10,639.3	12,327.3	24,473.2	24,967.4
2,422.3	2,078.2	3,525.7	1,830.1	11,273.9	9,618.5
0.0	0.0	1,921.2	1,505.0	7,922.8	7,287.1
269.7	98.7	76.1	0.0	345.8	98.7
69,443.4	**44,898.3**	**43,638.6**	**58,923.4**	**126,141.3**	**117,302.3**
7,620.2	3,817.4	2,607.9	7,620.3	10,237.8	11,618.9
–1,052.1	–1,281.9	–1,523.6	–2,160.0	–2,752.6	–3,624.8
306.8	360.2	–233.2	1,070.2	1,334.8	2,935.1
0.0	0.0	177.4	47.0	291.2	200.1
–11.6	–1,620.1	–947.8	–1,126.2	–959.4	–2,746.3
0.0	0.0	0.0	0.0	–1,982.2	–2,704.2
6,863.3	**1,275.6**	**80.7**	**5,451.3**	**6,169.8**	**5,678.8**

UBM REALITÄTENENTWICKLUNG AG
NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
as of 30 June 2011

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 7 domestic subsidiaries (as of 31 December 2010: 7) and 51 foreign subsidiaries (as of 31 December 2010: 49). Furthermore, 8 domestic (as of 31 December 2010: 8) and 18 foreign (as of 31 December 2010: 14) associated companies were measured using the equity method.

The change in the scope of consolidated companies is attributable to the establishment of a project company in Poland. Additionally, one company is no longer classified as a subsidiary.

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 2011, prepared based on the IFRS (IAS 34) adopted by the EU, as for the consolidated financial statements in fiscal year 2010. For more information on the individual accounting and measurement methods applied, please refer to the consolidated financial statements of UBM AG for the year ended 31 December 2010.

4. Business connections with related companies and individuals

Transactions between companies in the Group and its 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 14 April 2011 it was decided to pay a dividend of €1.10 per share, which with 3,000,000 shares totals €3,300,000.00, while the remainder of the profits totalling €15,403.15 was to be carried forward. The dividend was paid on 19 April 2009.

6. Contingent liabilities

Most contingent liabilities are related to credit guarantees and the undertaking of guarantees for associated companies. In 2011 H1 there were no major changes in comparison to the reporting date of 31 December 2010.

Vienna, 22 August 2011
The Managing Board

Karl Bier (Chairman)	Peter Maitz	Heribert Smolé	Martin Löcker

Poleczki Business Park, Warsaw

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