

IVG Immobilien AG
Conference Call
Interim Report 9m 2008

November 13, 2008

ivg



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Worsening market environment has changed focus to...

- **Enhance cash flow**
- **Optimize costs**
- **Secure liquidity**
- **Reduce debt**

Review – 9m 2008

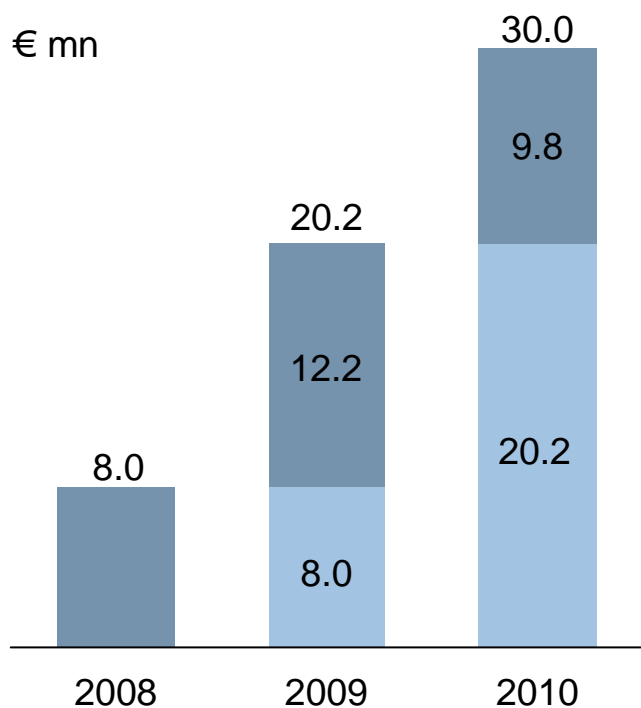
- **Total Income** decreased from € 893.1 to € 773.6 mn (-13 %)
- **EBIT** declined from € 384.2 mn to € 252.5 mn (-34 %)
- **EBIT adjusted** decreased from € 399.1 to € 228.7 mn (-43 %)
 - Without changes in market values of IVG Investment and effects of cavern transaction in Q3 2008: EBIT adjusted of € 404 mn
- **Net Profit** declined from € 261.9 mn to € 34.1 mn (-87 %)
- **NAV** based on modified calculation: € 23.59 per share

NAV – Modified calculation method

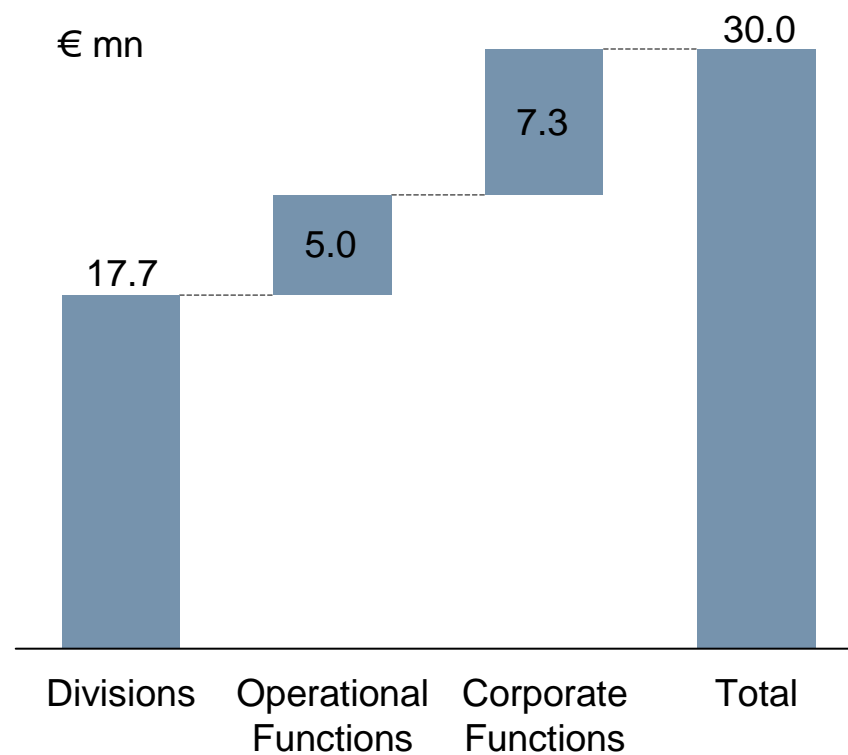
- **Difficult market environment led to modified calculation method**
- **NAV per share as of September 2008**
 - modified calculation: € 23.59
 - previous calculation: € 26.71
- **Modifications:**
 - **Costs of resale of Investment Property**
 - **previously:** added on to NAV because sales normally above book values
 - **now:** due to worsening market conditions, resale costs no longer added to NAV
 - **Enterprise value of Private Funds and direct mandates**
 - **previously:** EBIT adj. 2007 multiplied by 9
 - **now:** due to falling share prices of peers, reduction of multiple to 4.5 and EBIT adj. 2008e for Private Funds
 - **Development Pipeline**
 - **previously:** contribution margins for **total** pipeline (discounted by 12.5%)
 - **now:** only 50% of contribution margins for **short-term** pipeline (discounted by 12.5%)

Project cost optimization on track

Effect level of measures



Source of measures



IVG Investment – Highlights 9m 2008

- **EBIT adjusted** decreased from € 230.4 mn to € -124.6 mn
- **Unrealised changes in market values** of € -319.1 mn (thereof € -150.8 mn in Q3) after € 834 mn in 9m 2007
- **NOI yield** with 4.6% at H1 level
- **Like-for-like rents** increased by 2.9% as of 30 September 2008 (compared to year-end 2007)
- **Vacancy rate** unchanged at 7.5% (compared to H1 2008)
- **Long-term rental contracts:** more than two-thirds will expire after 2011
- **REIT IPO** will not be executed as planned



IVG Funds – Highlights 9m 2008

- **EBIT adjusted** declined from € 45.5 mn to € 25.1 mn
- **Income from transactions** decreased from € 49.3 mn to € 10.5 mn
- Numerous acquisitions with total value of € 768 mn for **institutional funds**
- **Assets under Management** increased to €14.3 bn
- Promising distribution of **EuroSelect 16** The Square to private investors; **Asia Fund** disappointing
- Successful entry into infrastructure funds business via **caverns fund**



IVG Development – Highlights 9m 2008

- **EBIT adjusted** increased from € 75.1 mn to € 92.3 mn
- **Sales** of 10 projects with settled volume of € 280 mn (IVG share only)
- Terms agreed for **further project sale** in the City of London, due diligence ongoing; closing targeted for Q4 2008
- Increase in **letting** to 67,400 m² (9m 2007: 36,700 m²)
- **Short-term project pipeline** of € 1.5 bn in projects with concrete contractual commitments (to be delivered until 2010)
- Economic **occupancy rate** for the short term pipeline of 45.4% as of 30 September 2008



IVG Caverns – Highlights 9m 2008

- **EBIT adjusted** increased from € 98.7 mn to € 252.7 mn
- High **unrealised changes in market values** of € 224.2 mn, thereof € 143.6 mn in Q3
- **130 caverns in total**
 - **70 caverns: sold to fund** in November (40 operational caverns plus 30 caverns under construction)
 - **60+ caverns: remaining** with IVG for further development (33 caverns with options and 27 caverns available for letting)
- **Construction** of additional caverns as scheduled
- Further negotiations regarding additional **rental contracts**



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Sale of 70 caverns delivers value for IVG

- **Caverns fund transaction creates highest value**
 - Lower cost of capital for funds
 - Better price than sale to infrastructure funds (no “wholesaler margin”)
 - Development potential of additional 60+ caverns remains with IVG

- **Predictable cash flows to reduce leverage**
 - High cash flow in 2008; continuous cash flow in 2009-2014
 - Additional income from co-investment and funds management
 - Tax-optimised deal structure

- **Enhances business model**
 - Strengthening relationship with institutional investors
 - Keeping the assets under management
 - Finding the right source of capital for assets

IVG Caverns Fund: € 910 mn equity raised

- **Closing of IVG Caverns Fund in November**
 - 12 German institutional investors
 - € 910 mn equity, € 539 mn to be drawn
 - Acquisition of 40 caverns for € 836 mn

- **Attractive performance**
 - IRR 10.0%
 - Attractive distribution yield
 - Institutional fund as defined in German Investment Act (“Spezialfonds”)
 - Tax-optimised
 - Formal real estate investment (“Immobilienquote“)

- **IVG co-investor and funds manager**
 - € 50 mn long-term investment
 - Fund management fee 0.3% p.a. (on GAV)

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Solid financing

- **Attractive cost of debt finance**

Average interest rate 5.15% (as of 11/12/2008) / 5.11% (as of 12/31/2007)

- **Long-term maturities profile**

Financial liabilities with maturity \geq 4 years: 54% as of 11/12/2008 (2007: 45%)

Financial liabilities with maturity \geq 5 years: 35% as of 11/12/2008 (2007: 37%)

- **Use of CP programme**

CP lines drawn in 2008 with average margin of 46 bps (2007: 40 bps)

As of 11/12/2008, use of € 139.0 mn (12/31/2007: € 2690 mn)

- **Debt relief**

Contribution to debt relief through diverse sales of more than € 1bn expected until end of 2008

Undrawn credit lines

▪ Undrawn credit lines as of 12/31/2007:	€ 2.00 bn
<hr/>	
New lines until 11/12/2008:	+ € 1.68 bn
<hr/>	
Expiring lines until 11/12/2008:	- € 1.02 bn
<hr/>	
New drawings (net) until 11/12/2008:	- € 1.40 bn (e.g. Allianz/Core)
<hr/>	
▪ Undrawn credit lines as of 11/12/2008:	= € 1.26 bn

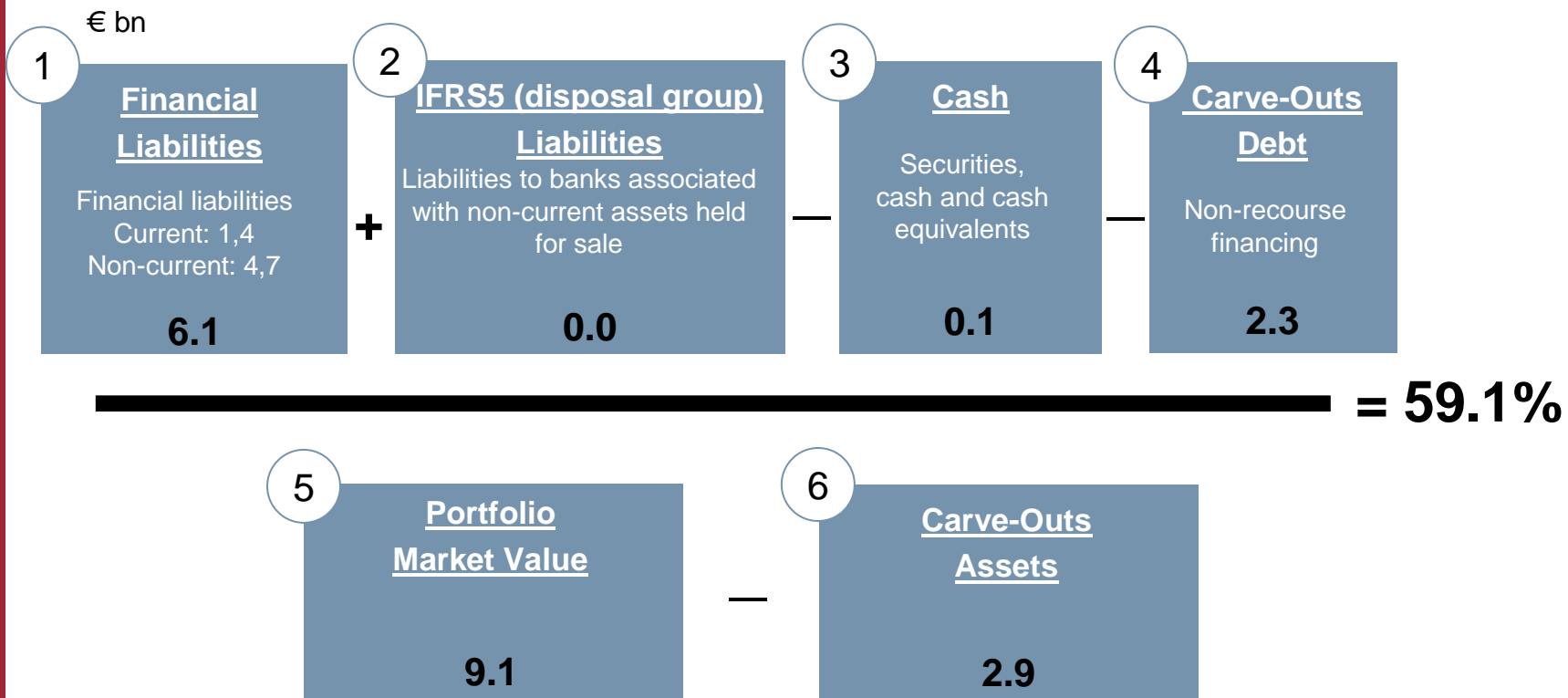
- **End of 2008**
 - Undrawn credit lines of more than € 1 bn expected

Loan to Value (LTV) Covenant

- **Covenant based on banks' LTV calculation** as of 30 September 2008
 - LTV of 59.1%
 - LTV covenant \leq 75%
 - **High cushion before covenant limit is reached**, which corresponds to
 - Additional theoretical devaluation of portfolio by approx. € 1.3 bn
 - Additional theoretical lending of € 4.0 bn

- **IVG's debt ratios** as of 30 September 2008
 - On-balance equity ratio of 22.3% ➡ debt ratio of 77.7%
 - Equity ratio at market values of 28.1% ➡ debt ratio of 71.9%

LTV bank calculation



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IVG Investment – Outlook 2008 I

- **Total financial forecast**
 - **Considering** non-cash **unrealised changes in market values** of € -400 mn to € -420 mn, thereof € -319 mn already effective in 9m results
 - Positive low **Total Income** in single-digit million Euro range expected (H1 forecast: € 0 mn)
 - **EBIT adjusted:** € -160 mn to € -170 mn (same as H1 forecast)

- **Operational financial forecast**
 - **Total Income:** € 400 mn to € 420 mn (H1 forecast: € 380 to € 400 mn)
 - **EBIT adjusted:** € 240 mn to € 250 mn (H1 forecast: € 240 to € 250 mn)

IVG Investment – Outlook 2008 II

- **Disposal of property** worth at least € 500 mn until year-end still envisaged, but ambitious due to difficult market environment
- **Like-for-like rental growth** of at least 230 bps
- Increase in **NOI yield** to 4.7%, due to
 - Cost reduction programme
 - Unrealised changes in market values
 - Sale of properties with below-average NOI contribution

IVG Funds – Outlook 2008

- **Total financial forecast**
 - **Total Income:** € 200 mn to € 230 mn (same as H1 forecast)
 - **EBIT adjusted:** € 30 mn to € 35 mn (H1 forecast: € 35 mn to € 40 mn)

- Full **placement of EuroSelect 16 fund** with € 240 mn equity until year-end
- **Placement** period of **Asia fund** extended until June 2009
- **Equity placement** for **private funds** reduced by € 50 mn to € 250 mn
- Successful **entry into infrastructure funds business** via Caverns Fund

IVG Development – Outlook 2008

- **Total financial forecast**
 - **Total Income:** € 500 mn to € 520 mn (H1 forecast: € 620 mn to € 650mn)
 - **EBIT adjusted:** € 80 mn to € 85 mn (H1 forecast: € 90 mn to € 95 mn)

- **Disposal of 11 projects** with settled volume of € 420 mn to € 430 mn
- **Expected spread** between yield on cost and exit yield of >2.0%
- **Reduction of short-term development pipeline** from € 1.5 bn to € 1.4 bn due to additional project sale until year-end
- Ongoing review of various options to **reduce development pipeline** and de-risk

IVG Caverns – Outlook 2008 I

- **Total financial forecast**
 - **Considering € 273 mn EBIT adj. contribution from caverns transaction**, thereof € 143.6 mn already effective in 9m results
 - **Total Income:** € 430 mn to € 440 mn (H1 forecast: € 420 mn to € 430mn)
 - **EBIT adjusted:** € 390 mn to € 400 mn (H1 forecast: € 380 mn to € 390 mn)

- **Operational financial forecast**
 - **Total Income:** € 140 mn to € 150 mn (H1 forecast: € 130 mn to € 135mn)
 - **EBIT adjusted:** € 120 mn to € 130 mn (H1 forecast: € 110 mn to € 115 mn)

IVG Caverns – Outlook 2008 II

- Concentration on **construction** of 30 remaining **caverns** for fund and at least 60 potential caverns
- **Construction work** in progress, 20 caverns currently in leaching process
- Further negotiations regarding additional **rental contracts**

IVG Group – Outlook 2008

- **Outlook considers two non-operational effects:**
 - Non-cash unrealised changes in market values of IVG Investment of € -400 mn to € -420 mn
 - € 273 mn from caverns transaction

- **Total financial forecast**
 - **Total Income:** € 1.1 to € 1.2 bn (H1 forecast: € 1.2 bn to € 1.3 bn)
 - **EBIT adjusted:** € 300 mn to € 320 mn (H1 forecast: € 270 mn to € 300mn)
 - **Net Profit:** € 50 mn to € 70 mn
 - **NAV:** expected to be stable at current level of € 23.59 per share
 - **Dividend:** decision in spring 2009 because of challenging market environment

- **Total operational forecast**
 - **Total income:** € 1.2 bn to € 1.3 bn (H1 forecast: € 1.3 bn to € 1.4bn)
 - **EBIT adjusted:** € 430 mn to € 460 mn (H1 forecast: € 430 mn to € 460mn)
 - **Net Profit:** € 160 mn to € 170 mm

Thank you very much for your attention!

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Balance Sheet – Assets

€ mn	9m 2008	31 Dec 2007
Investment property	5,642.5	5,361.8
Other non-current assets	1,096.9	1,169.9
Non-current assets	6,739.4	6,531.7
Inventories	1,153.7	966.0
Other current assets	250.1	252.0
Cash and cash equivalents	105.5	105.7
Assets held for sale	755.0	385.6
Current assets	2,264.3	1,709.3
Total assets	9,003.7	8,241.0

Balance Sheet – Liabilities and Equity

€ mn	9m 2008	31 Dec 2007
Equity	2,012.0	2,117.1
Non-current financial liabilities	4,708.6	3,496.7
Other non-current liabilities	479.3	535.8
Non-current liabilities	5,187.9	4,032.5
Current financial liabilities	1,417.5	1,292.5
Other current liabilities	386.3	438.3
Liabilities in connection with assets held for sale	0.0	360.6
Current liabilities	1,803.8	2,091.4
Total liabilities and equity	9,003.7	8,241.0

Consolidated Income Statement

€ mn	9m 2008	9m 2007	Q3 2008	Q3 2007
Revenues	450.0	365.6	138.6	128.2
Changes in inventories and own work capitalised	289.9	222.6	147.2	192.6
Unrealised changes in market value of Investment Property	-62.6	159.1	-17.0	-30.0
Realised changes in market value of Investment Property	17.4	124.3	1.8	61.6
Other operating income	One-offs € 26.8 mn 78.8	21.5	39.8	15.4
Total income	773.6	893.1	310.4	367.8
Material expenses	-314.1	-267.5	-145.7	-207.1
Personnel expenses	-53.1	-64.3	-16.0	-19.4
Depreciation on intangible assets, property, plant and equipment	-3.9	-4.4	0.9	-1.6
Expenses from Investment Property	-54.5	-44.7	-17.1	-15.1
Other operating expenses	One-offs € -28.0 mn -105.5	-131.4	-38.5	-60.9
Profit/Loss from associates accounted for using the equity method	One-offs € 6.6 mn 2.2	1.9	0.9	-2.6
Income from share investments	7.9	1.5	7.3	0.6
EBIT	252.5	384.2	102.3	61.7
Financial earnings	-194.4	-85.4	-126.4	-28.9
Net profit before tax	58.1	298.8	-24.1	32.8
Income taxes	One-offs € 0.5 mn -24.0	-36.9	7.2	44.1
Consolidated net profit	34.1	261.9	-17.0	76.9
Share of net profit attributable to Group shareholders	13.7	238.9	-12.7	68.5
Share of net profit attributable to hybrid investors	24.0	22.3	8.0	8.0
Share of net profit attributable to minority interests	-3.6	0.7	-12.3	0.4
Undiluted earnings per share (in €)	0.12	2.06	-0.11	0.59
Diluted earnings per share (in €)	0.13	1.98	-0.11	0.59

Other Operating Expenses

€ mn	9m 2008	9m 2007
Tax consultancy fees	1.3	2.8
Legal consultancy fees	6.3	3.9
Audit fees	2.2	1.8
Valuation and other consultancy fees	7.7	11.9
One-off items	9.5	5.4
Total audit, legal and consultancy fees	27.0	25.8
Purchased external services	11.5	7.9
Rents, ground rents, leasing expenses, service costs and maintenance	11.7	10.5
Data processing	6.8	6.0
Communication and marketing	5.6	10.7
Levies, fees, banking charges, early redemption penalties and donations	5.1	8.2
Travel expenses and ancillary staff costs	4.0	4.2
Insurance premiums	2.0	2.1
One-off costs incl. deconsolidation loss	18.5	34.7
Other operating expenses	13.3	21.3
Total	105.5	131.4

One-offs
€ 28.0 mn

From EBIT to EBIT adjusted

9m 2008 € mn	IVG Investment	IVG Funds	IVG Development	IVG Caverns	Non Core	Corporate Functions	Consolidation	Group
EBIT	-102.9	44.3	76.2	251.7	0.0	-16.8	0.0	252.5
Adjustments	-21.7	-19.2	16.1	1.0	0.0	0.0	0.0	-23.8
EBIT adjusted	-124.6	25.1	92.3	252.7	0.0	-16.8	0.0	228.7

9m 2007 € mn	IVG Investment	IVG Funds	IVG Development	IVG Caverns	Non Core	Corporate Functions	Consolidation	Group
EBIT	211.6	59.6	65.4	98.0	-2.1	-48.4	0.1	384.2
Adjustments	18.8	-14.1	9.7	0.7	-0.2	0.0	0.0	14.9
EBIT adjusted	230.4	45.5	75.1	98.7	-2.3	-48.4	0.1	399.1

- **IVG Investment:** negative adjustment due to property transfer tax refund and results from properties recognised as finance lease → € -21.7 mn
- **IVG Funds:** effects from deconsolidation, project development/letting and consolidation (The Square € -16.9 mn; Macciachini € 5.3 mn and Balanced Portfolio Asia € 3.0 mn) → € -19.2 mn
- **IVG Development:** income from joint ventures earned from interest and tax advantages → € 16.1 mn
- **IVG Caverns:** results from caverns recognised as finance lease → € 1.0 mn

Consolidated Cash Flow Statement

€ mn	9m 2008	9m 2007
Consolidated net profit	34.1	261.9
+/- Write-downs/reversals of write-downs	3.9	4.4
-/+ Changes in market value of Investment Property	62.6	-159.1
+/- Other non-cash earnings and expenses	-19.4	13.2
- Gains from the disposal of non-current assets	-30.3	-129.4
Changes in current assets items and liabilities:		
Receivables and other assets (+ decrease/- increase)	72.7	-90.0
Trade payables/other liabilities (+ increase/-decrease)	-130.3	-46.5
Cash flow from/used in operating business	-6.7	-145.5
Increase in inventories in IVG Funds division	-52.0	0.0
Increase in inventories in IVG Development division	-255.0	-242.6
Cash flow from/used in short/middle term investments of divisions	-307.0	-242.6
Cash flow from/used in business activities	-313.7	-388.1
Cash flow from/used in investing activities	-987.3	-1,623.4
Cash flows from/used in financing activities	1,300.3	1,562.0
Net change in cash and cash equivalents	-0.7	-449.5
Changes in cash and cash equivalents due to exchange rate movements	0.0	-0.2
Cash and cash equivalents at the beginning of the period	106.2	551.2
Cash and cash equivalents at the end of the period	105.5	101.5
Less cash and cash equivalents of the disposal group	0.0	-0.8
Cash and cash equivalents reported in the balance sheet	105.5	100.7

Financial earnings I

€ mn	9m 2008	9m 2007
Income from foreign currencies	40.5	11.7
Expenses from foreign currencies	-49.5	-9.3
Net foreign currency result	-9.0	2.4
Interest income	21.2	37.4
Recognised interest (AV)	4.2	3.8
Interest expense	-240.5	-131.9
Net interest expense	-215.1	-90.7
Income from hedging transactions	30.5	5.9
Expenses from hedging transactions	-0.5	-0.3
Net result from hedging transactions	30.0	5.6
Other financial expenses	-0.3	-2.7
Financial earnings	-194.4	-85.4

Financial earnings II

- Interest expenses increased from € -131.9 mn to € -2405 mn due to higher volume of financial liabilities based on portfolio expansion in the last 18 months
- Net result from hedging transactions € -40.6 mn in Q3 due to decreasing market values of derivatives. Year-on-year increased from € +5.6 mn to € +30.0 mn as a result of increased market values of derivatives YTD
- Ending of hedge accounting. Underlying transactions include loans of properties in disposal groups and IVG credit lines for which the terms of revolving fixed interest rates has been changed (i.e. 3-month EURIBOR to 1-month EURIBOR)
- Additional interest rate savings with basis swaps

Maturity for fixed and variable interest rate loans

Nominal in € mn

up to 1 year*	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	over 5 years	Book value total**
1,204.6	701.7	435.3	214.8	1,163.6	1,833.9	5,553.9

* Includes € 182 mn in equity bridging loans for EuroSelect funds, which are consolidated by IVG until successful placement of the equity

** Excluding CP (€ 208 mn, <1Y) and Convertible (€ 308 mn, >5Y)

LTV bank calculation – details I

1

Financial Liabilities

- Short-term and long-term financial debt
- Reported on balance sheet
- In Q3/08 Report, p. 37 (German version)

2

IFRS 5 Liabilities

Amounts due to banks from long-term assets held for sale

- Properties acquired for Private Funds, only temporarily on IVG's balance sheet
- Reported on balance sheet; will be recognised for „full year“
- As in FY 2007 Report, Chapter 9.9

3

Cash Securities, cash and cash equivalents

- Securities, cash and cash equivalents
- Reported on balance sheet
- In Q3/08 Report, p.36 (German version)

4

Debt

Carve-Outs

6

Assets

- All non-recourse finance
 - Project finance
 - Development projects
 - Investment projects
 - temp. finance for funds
 - Caverns forfeiting
- Not published

LTV bank calculation – details II

5

Portfolio Value

- Fair-value-based valuation derived from NAV calculation
- In Q3/08 Report p. 26 (German version)
- Unlike in the NAV calculation, the following items were not fully included in the calculation of the portfolio value:
 - Financial assets
 - Receivables and other assets
 - Receivables from taxes on income
 - Derivatives
 - Securities
 - Cash and cash equivalents

€ mn	Group
Intangible assets	258
Other property, plant and equipment	382
Investment property	5,643
Shares in associated companies accounted for under the equity method	45
Inventories	1,153
Non-current assets held for sale	755
Non-recognised items	806
Other items	108
Portfolio value	9,150

NAV

	Total in € mn	€ per share
Shareholders' Equity according to IFRS 30.09.2008	1,620.7	13.97
Net deferred tax and derivatives	310.6	2.68
IVG Investment *	34.6	0.3
IVG Funds *	35.7	0.31
IVG Development *	64.0	0.55
IVG Caverns *	671.2	5.78
NAV as of 30.09.2008	2,736.8	23.59

- **IVG Group:** Net deferred tax liabilities of € 346.0 mn and net derivatives assets of € 35.4 mn are eliminated
- **IVG Investment*:** difference to net fair values for properties not balanced as Investment Property → € 34.6 mn
- **IVG Funds*:** calculated enterprise value of € 330.1 mn netted by the accounted values of € 294.4 mn → € 35.7 mn
- **IVG Development*:** 50% of discounted contribution margins for short term project developments → € 64.0 mn
- **IVG Caverns*:** difference between valuation and accounted values of the existing 40 caverns and the 90 potential caverns → € 671.2 mn

* Non-recognised items

Derivation of NAV at divisional level I

€ mn	Balance sheet at 30.09.2008	NAV at 30.09.2008					
	Group	Group	IVG Investment	IVG Funds	IVG Development	IVG Caverns	Corporate functions
Intangible assets	258.3	258.3	3.5	249.5	0.3	4.9	0.0
Other property, plant and equipment	381.9	381.9	69.5	2.6	2.4	302.4	5.0
Investment property	5,642.5	5,642.5	5,484.2	0.0	158.3	0.0	0.0
Financial assets	288.5	288.5	108.5	170.2	3.2	3.5	3.2
Shares in associated companies accounted for under the equity method	45.0	45.0	21.3	15.5	8.5	0.0	-0.3
Inventories	1,153.7	1,153.7	97.8	291.9	759.6	4.5	0.0
Receivables and other assets	234.6	234.5	106.4	24.4	20.5	9.1	74.0
Income tax receivables	19.0	19.0	0.0	0.0	0.0	0.0	19.0
Derivative financial instruments	36.8	-	-	-	-	-	-
Securities	2.3	2.4	1.1	0.2	0.0	0.0	1.0
Cash and cash equivalents	105.5	105.5	72.1	9.2	11.6	12.7	-
Non-current assets held for sale	755.0	755.0	35.2	0.0	0.0	719.8	0.0
Deferred tax assets	80.7	-	-	-	-	-	-
Non-recognised items	-	805.5	34.6	35.7	64.0	671.2	0.0
Total assets/asset value	9,003.7	9,691.7	6,034.1	799.2	1,028.3	1,728.0	102.1

Derivation of NAV at divisional level II

€ mn	Balance sheet at 30.09.2008	NAV at 30.09.2008					
		Group	IVG Investment	IVG Funds	IVG Development	IVG Caverns	Corporate functions
Assets	Group						
Total assets/asset value	9,003.7	9,691.7	6,034.1	799.2	1,028.3	1,728.0	102.1
	Balance sheet at 30.09.2008	NAV at 30.09.2008					
Debt							
Hybrid capital	EK	400.9					
Minority interests	EK	-9.6					
Financial liabilities	6,126.1	6,126.1					
Derivative financial instruments	1.4	-					
Deferred tax liabilities	426.7	-					
Pension provisions	10.0	10.0					
Other provisions	149.6	149.6					
Trade payables/other liabilities	242.7	242.7					
Income tax liabilities	35.2	35.2					
Total debt	6,991.7	6,954.9					
Net Asset Value		2,736.8					
NAV per share in €		23.59					

IVG Investment – Income Statement

€ mn	9m 2008	9m 2007	Q3 2008	Q3 2007
Revenues	273.7	183.5	90.0	61.5
Changes in inventories and own work capitalised	-0.9	-1.0	-0.9	0.0
Unrealised changes in market value of Investment Property	-319.1	83.4	-150.8	-59.4
Realised changes in market value of Investment Property	15.1	55.0	1.8	49.8
Other operating income	28.8	6.5	22.0	1.7
Total income	-2.4	327.4	-37.9	53.6
Material expenses	-2.8	-2.6	-0.8	-1.4
Personnel expenses	-0.7	-10.6	-0.3	-3.0
Depreciation on intangible assets, plant and equipment	-0.3	-0.3	-0.1	-0.1
Expenses from Investment Property	-49.5	-40.7	-18.0	-13.9
Other operating expenses	-38.4	-60.8	-15.1	-31.2
Profit/Loss from associates accounted for using the equity method	-8.9	0.0	-2.9	0.0
Income from share investments	0.1	-0.8	0.0	0.0
Total operating expenses incl. profit/loss from associates and income from share investments	-100.5	-115.8	-37.2	-49.6
EBIT	-102.9	211.6	-75.1	4.0
Adjustments	-21.7	18.8	-22.4	28.3
EBIT adjusted	-124.6	230.4	-97.5	32.3

IVG Investment – Market Values

€ mn	Changes in market values 9m 2008	Changes in %*	Changes in market values in Q3 2008	Changes in %*	Market values 09/30/08
Berlin	-17.3	-3.2	-7.4	-1.4	520
Düsseldorf	-20.9	-4.9	-11.1	-2.5	401
Frankfurt	-45.1	-7.8	-20.6	-3.6	598
Hamburg	-39.3	-4.9	-18.2	-2.2	794
Munich	-46.5	-3.3	-26.6	-1.9	1,416
Stuttgart	-14.1	-3.4	-10.8	-2.6	407
Germany	-183.2	-5.1	-94.8	-3.0	4,135
Brussels	-4.4	-1.1	-1.2	-0.3	380
Helsinki	-4.0	-1.6	-2.4	-0.9	242
London	-68.1	-25.9	-38.5	-15.4	218
Milan	0.2	1.7	0.0	0.0	12
Paris	-59.6	-10.2	-13.9	-2.5	552
International	-135.9	-9.0	-56.0	-3.7	1,404
Total IP	-319.1	-5.6	-150.8	-2.7	5,539
Non IP					172
Total					5,711

* % of average market values

IVG Investment – Yields

Countries	Market value as of 09/30/2008 in € mn	Average capital invested in € mn	Rental yield	NOI yield	Capital growth	Total return
Germany	4,276	4,336	5.2%	4.6%	-4.1%	0.6%
REIT	3,392	3,398	5.2%	4.8%	-5.0%	-0.2%
Non-REIT	884	938	5.4%	4.2%	-0.6%	3.6%
Income Property	468	523	6.2%	5.0%	-2.1%	2.9%
Consolidated third-party property	222	221	6.0%	4.8%	1.1%	5.9%
Sites	145	146	3.2%	2.1%	0.7%	2.8%
Woodland	49	48	1.7%	-0.4%	3.0%	2.6%
France	552	582	5.2%	5.0%	-10.2%	-5.2%
BeNeLux	406	411	5.3%	4.0%	-0.7%	3.2%
United Kingdom	218	263	5.7%	5.3%	-25.9%	-20.6%
Finland	248	259	9.1%	4.7%	-0.3%	4.3%
Others*	12	19	5.0%	2.3%	1.3%	3.6%
Total	5,711	5,870	5.5%	4.6%	-5.2%	-0.6%

* Italy and Spain

IVG Investment – NOI Calculation

€ mn	9m 2008
Rental income	241.4
+ Income from running costs and service charges	30.6
+/- Leasehold charges	-1.3
- Running costs and service charge expenses	-38.8
- Maintenance expenses/Refurbishment costs	-8.1
- Cost of letting (incl. marketing and agents' fees)	-3.9
- External property management	-3.4
- IVG Asset Management	-8.3
- Other property-related expenses	-3.2
NOI	205.0
NOI yield in %	4.6

IVG Investment – Like-for-Like Rents – Q3 2008 vs end 2007

in € ' 000s	09/30/08 annualised	12/31/07 annualised	Change	Change in %
Berlin	25,889	24,534	1,355	5.5
Düsseldorf	23,016	21,774	1,241	5.7
Frankfurt	15,339	15,811	-472	-3.0
Hamburg	36,734	36,014	720	2.0
Stuttgart	16,151	15,999	152	0.9
Munich	57,377	55,814	1,563	2.8
Germany	174,504	169,945	4,559	2.7
BeNeLux	24,040	23,044	996	4.3
Paris	27,618	25,459	2,159	8.5
London	16,518	16,518	0	0.0
Helsinki	21,837	22,299	-463	-2.1
Others	585	356	229	64.2
International	90,598	87,677	2,921	3.3
Total	265,103	257,622	7,480	2.9

IVG Investment – Expiry of Leases

€ mn	Q4 2008	2009	2010	2011	2012 et seq	unlimited
Germany	3.3	18.0	29.2	25.3	139.0	18.2
London	0.0	1.4	0.8	1.0	13.4	0.0
Paris	0.1	0.3	0.8	0.5	29.0	0.3
Others	6.2	6.3	5.7	2.5	17.1	8.8
Total	9.6	25.9	36.4	29.3	198.5	27.3
Total in %	2.9	7.9	11.1	8.9	60.7	8.3

IVG Funds – Income Statement

€ mn	9m 2008	9m 2007	Q3 2008	Q3 2007
Revenues	80.2	108.8	25.3	47.0
Changes in inventories and own work capitalised	50.2	0.0	19.4	0.0
Unrealised changes in market value of Investment Property	0.0	1.8	0.0	-2.0
Realised changes in market value of Investment Property	0.0	0.9	0.0	0.9
Other operating income	13.0	13.6	7.6	12.6
Total income	143.5	125.1	52.4	58.5
Material expenses	-54.8	-28.7	-23.5	-14.4
Personnel expenses	-9.5	-21.8	-3.5	-7.6
Depreciation on intangible assets, plant and equipment	-0.6	-1.0	-0.2	-0.3
Expenses from Investment Property	0.0	-0.9	0.3	0.1
Other operating expenses	-44.6	-15.4	-8.6	-6.1
Profit/Loss from associates accounted for using the equity method	9.7	0.0	3.1	0.0
Income from share investments	0.7	2.3	0.2	0.7
Total operating expenses incl. profit/loss from associates and income from share investments	-99.2	-65.5	-32.3	-27.6
EBIT	44.3	59.6	20.1	30.9
Adjustments	-19.2	-14.1	-2.2	-9.4
EBIT adjusted	25.1	45.5	17.9	21.5

IVG Funds – Acquisitions and disposals of Institutional Funds

Country	Acquisitions				Disposals			
	9m 2008		9m 2007		9m 2008		9m 2007	
	Properties	€ mn	Properties	€ mn	Properties	€ mn	Properties	€ mn
Belgium			1	40	1	5		
Canada	2	134	1	79				
Central and Eastern Europe	1	21	8	232				
Finland	3	100						
France	2	41					6	257
Germany	2	155	1	8	6	40	29	232
Italy	1	27						
Netherlands	2	71	3	32	3	58	6	76
Spain	2	33						
Sweden	2	10	4	29				
Switzerland			1	18				
United Kingdom	1	56	10	213			1	39
USA	4	120	1	28				
Total	22	768	30	679	10	103	42	604

IVG Development – Income Statement

€ mn	9m 2008	9m 2007	Q3 2008	Q3 2007
Revenues	56.8	28.1	7.4	3.0
Changes in inventories and own work capitalised	230.1	223.6	118.1	192.6
Unrealised changes in market value of Investment Property	32.3	0.3	-9.8	-12.2
Realised changes in market value of Investment Property	2.3	68.4	0.0	10.9
Other operating income	29.1	0.3	4.7	-0.7
Total income	350.7	320.7	120.5	193.6
Material expenses	-249.7	-236.2	-115.1	-191.3
Personnel expenses	-8.1	-5.1	-2.4	-1.8
Depreciation on intangible assets, plant and equipment	-0.7	-0.5	-0.2	-0.2
Expenses from Investment Property	-3.5	-0.6	0.1	-0.2
Other operating expenses	-14.0	-14.8	-4.4	-2.5
Profit/Loss from associates accounted for using the equity method	1.4	1.9	0.7	-2.6
Income from share investments	0.0	0.0	0.0	0.0
Total operating expenses incl. profit/loss from associates and income from share investments	-274.5	-255.3	-121.2	-198.6
EBIT	76.2	65.4	-0.7	-5.0
Adjustments	16.1	9.7	0.2	9.4
EBIT adjusted	92.3	75.1	-0.5	4.4

IVG Development – Cost to Complete

€ mn	Invested until Q3 2008	Cost to complete	Q4 2008	2009	2010	2011
Cost to complete overall pipeline	926	1.586				
thereof short term pipeline	690	790	174	492	117	7

IVG Caverns – Income Statement

€ mn	9m 2008	9m 2007	Q3 2008	Q3 2007
Revenues	39.5	36.6	14.0	13.7
Changes in inventories and own work capitalised	10.4	0.0	10.4	0.0
Unrealised changes in market value of Investment Property	224.2	73.6	143.6	43.5
Realised changes in market value of Investment Property	0.0	0.0	0.0	0.0
Other operating income	5.9	0.6	4.7	0.7
Total income	280.0	110.8	172.7	57.9
Material expenses	-6.6	-0.3	-6.2	-0.1
Personnel expenses	-5.6	-3.0	-3.4	-0.9
Depreciation on intangible assets, plant and equipment	-1.8	-0.7	1.5	-0.3
Expenses from Investment Property	-1.1	-2.9	0.4	-1.2
Other operating expenses	-13.3	-5.9	-8.1	-2.6
Profit/Loss from associates accounted for using the equity method	0.0	0.0	0.0	0.0
Income from share investments	0.0	0.0	0.0	0.0
Total operating expenses incl. profit/loss from associates and income from share investments	-28.4	-12.8	-15.8	-5.1
EBIT	251.7	98.0	157.0	52.8
Adjustments	1.0	0.7	-0.3	2.2
EBIT adjusted	252.7	98.7	156.7	55.0

Cavern transaction figures

- **Purchase Price**
 - 2008 – 2014: € 1.7 bn, thereof € 836 mn in 2008
- **Cash Flow**
 - 2008 – 2014: € 1.3 bn, thereof € 598 mn in 2008
- **Equity Ratio Improvement NAV (c.p.)**
 - 2008: + 3.5 pp
 - until 2014: + 7.9 pp
- **IFRS EBIT**
 - 2008: € 273 mn, thereof € 143.6 mn in Q3, € 129.4 mn in Q4
 - 2009 – 2014: € 0.5 bn
- **Tax rate**
 - Cash tax rate of 17%; tax optimized deal structure saves future cash taxes

Financial Calendar

- March 25, 2009 Publication of year-end figures 2008
- May 14, 2009 IVG Annual General Meeting

Disclaimer

This handout contains forward-looking statements and information. Such statements are based on our current expectations and assumptions and are therefore subject to certain risks and uncertainties.

A variety of factors, many of which are beyond IVG's control, affect its operations, performance, business strategy and results and could cause the actual results, performance or achievements of IVG Immobilien AG to be materially different.

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