

IVG Immobilien AG

Company Presentation

September 2008



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Company Presentation

Dr. Bernd Kottmann

UniCredit – German Investment Conference

September 2008



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Four Divisions

IVG Immobilien AG



5.0

14.0

0.8

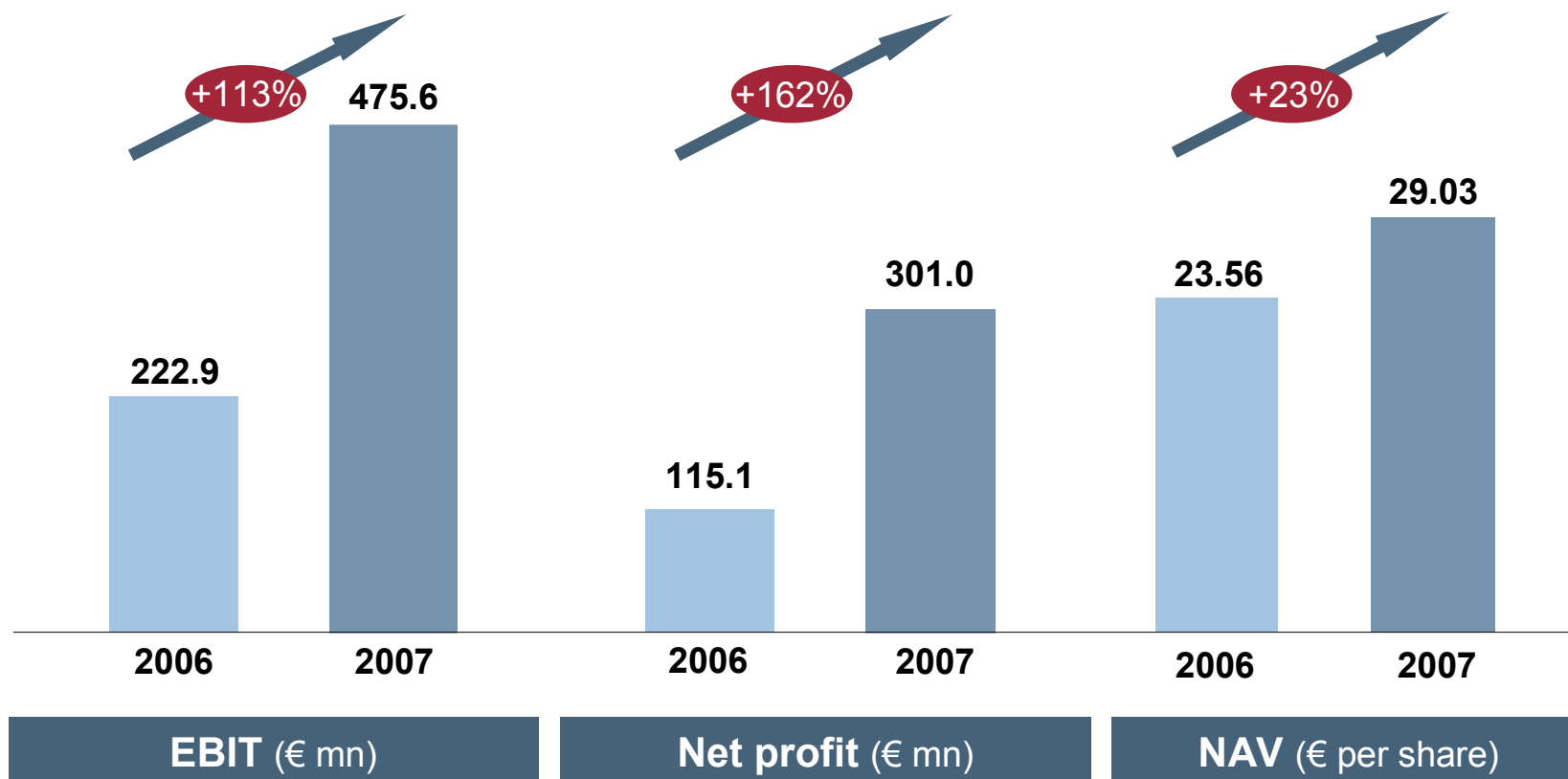
1.4

(€ bn)

Assets under Management > € 21 bn*

* as of 12/31/07

Review 2007 – Successful Financial Year



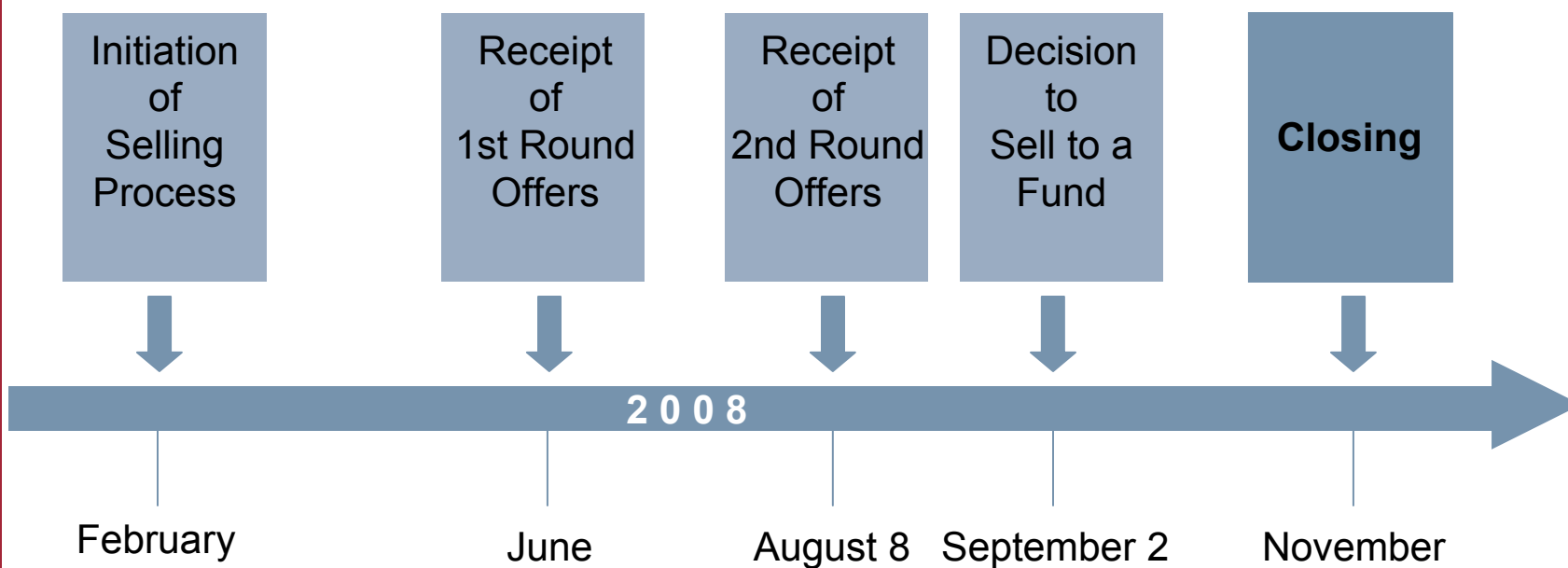
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Overview of Caverns Transaction

- 70 caverns (40 operational caverns plus 30 caverns under construction) successfully sold to IVG institutional fund (“Spezialfonds”)
- Selling price amounts to a total of € 1.7 billion, of which € 836 million will be paid in 2008
- 10 institutional investors have already made commercial commitments for 90% of the fund’s equity to be placed
- Cash flow after cash taxes will amount to € 1.3 billion by 2014 and € 553 million in 2008
- Equity ratios will improve substantially
- IVG will retain value-adding potential of at least 60 additional caverns

Chronology of Caverns Transaction Process



Sale to a Caverns Fund

in € mn	2008	2009	2010	2011	2012	2013	2014	Total
Purchase Price	836	34	202	268	183	139	65	1,728
EBIT under IFRS	261	84	123	161	91	76	39	835
Net Profit under IFRS	225	60	87	114	65	54	28	633
Cash Flow*	553	-8	155	240	160	122	60	1,282
Δ Equity Ratio CV pp**	+ 3.5	+ 4.2	+ 5.4	+ 7.1	+ 8.2	+ 9.0	+ 9.5	
Δ Equity Ratio NAV pp**	+ 3.5	+ 4.0	+ 4.9	+ 6.2	+ 7.1	+ 7.6	+ 7.9	

- Investment to be made in development of 30 caverns: approx. € 150 million (2009 - 2014)
- Cash flow in 2008 for 40 caverns, result under IFRS in 2008 for 38 caverns, for another 2 caverns in 2009 when caverns will be handed over to tenants
- NPV after capex € 1,410 million (discount rate 7.5%)

* before capex 11/12 2008 (- € 25 mn), before repayment of forfeiting debt (- € 270 mn), before IVG co-investment (- € 50 mn)

** Δ vs. H1 2008

Caverns Fund Highlights

- Institutional fund as defined in German Investment Act (“Spezialfonds”)
- Purchase price for 70 caverns: approx. € 1.73 billion
- Equity to be placed: approx. € 800 million
- Minimum investment for investors: € 50 million
- IVG share of fund: € 50 million
- IRR 10.0%
- Average distribution yield 7.5%
- Minimum distribution yield p.a. 6.1%
- Fund management fee for IVG 0.35% p.a. (on GAV)

Value-Adding Potential of Remaining Caverns

- IVG will retain 60 potential caverns
 - Potential proceeds from the sale of these caverns: approx. € 2.2 billion
 - IVG expects to sell the caverns as they are completed between 2014 and 2022
 - Capex of approx. € 650 million
 - NPV based on assumption of planned construction cost and rental income:
 - Discount rate of 10.5%: € 310 million
 - Discount rate of 9.5%: € 418 million
 - Discount rate of 8.5%: € 569 million
 - Additional potential from rental increases

- IVG intends to obtain additional licenses for potential caverns at its Etzel site

Expected Earnings and Cash Contributions of 60 Remaining Caverns

in € mn	2014	2015	2016	2017	2018	2019	2020	2021	2022	Total
Purchase Price	190	120	287	289	218	305	261	347	216	2,233
EBIT IFRS	99	40	191	165	147	204	173	228	143	1,390
Net Profit IFRS	83	33	160	133	105	145	123	162	101	1,045
Cash Flow*	113	34	177	177	105	194	172	250	168	1,390

- Each cavern expected to be sold upon completion
- Assumed rental rate:
 - 22 caverns with options: contractual terms have been taken into account
 - 38 available caverns: € 5.08 per cubic metre in 2015 (2% inflation / 60% price adjustment)
- Cost of developing one cavern: € 10.5 million in 2008 (2% inflation)
- Including cost of re-leaching, decommissioning and operational management

*before capex 2008 - 2013 (€ 294 million)

Completion Schedule of the 130 Caverns

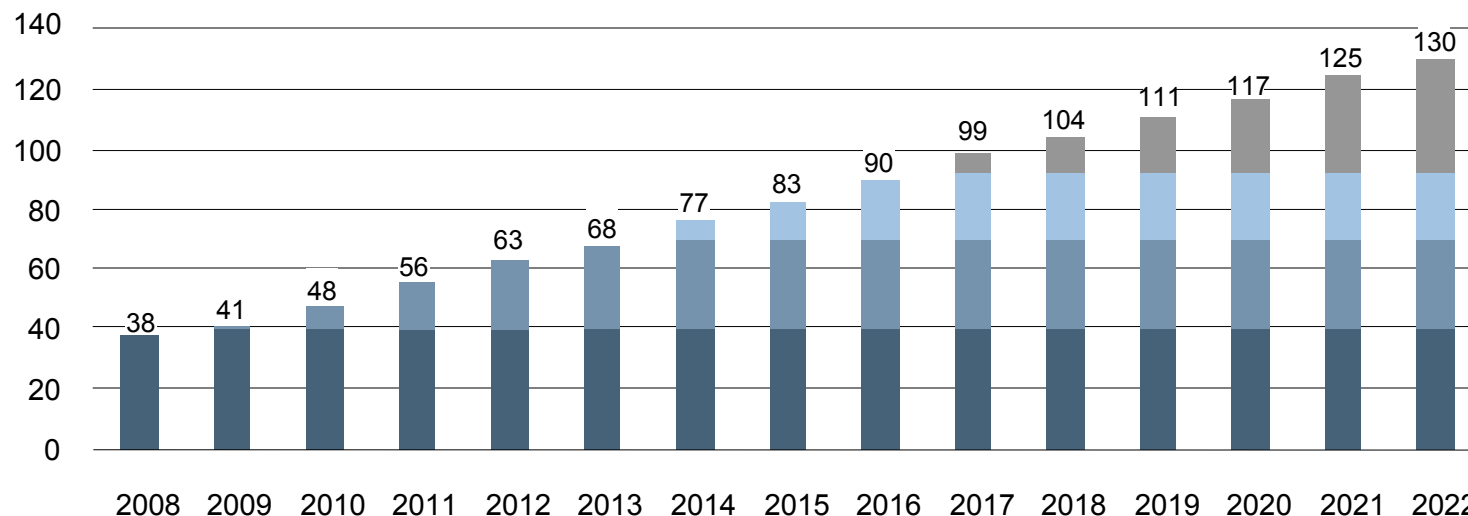
40 Operational caverns

30 Caverns under construction

22 Caverns w/ options

38 Available caverns






Number of Caverns



70 Fund Caverns

60 Potential Caverns

IVG Achieved Objectives of Caverns Transaction

- 
 70 caverns successfully sold for € 1.7 billion (NPV: € 1,410 million)
- 
 Value of 60 potential caverns assessed on this basis (NPV: > € 310 million)
- 
 Considerable synergies achieved due to IVG business model
- 
 Sustainable stable earnings and cash contribution in the next few years
- 
 Reduction of debt in 2008 and in subsequent years

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Review – H1 2007 to H1 2008

- Total Income decreased from € 525.2 to € 463.2 mn (-12 %)
- EBIT decreased from € 322.4 mn to € 150.2 mn (-53 %)
- EBIT adjusted fell from € 306.4 mn to € 151.1 mn (-51 %)
- Net Profit declined from € 184.9 mn to € 51.1 mn (-72 %)
- NAV per share decreased from € 29.03 (31 December 2007) to € 27.62

IVG Investment – Results in H1 2008

€ mn	H1 2008	H1 2007	Δ in %	Q2 2008	Q2 2007	Δ in %
Total income	35.5	273.8	-87.0	-16.5	134.0	<-100
Net rental income	162.7	103.3	57.5	83.5	52.0	60.6
Unrealised changes in market value of Investment Property	-168.3	142.8	<-100	-123.2	67.9	<-100
Realised changes in market value of Investment Property	13.3	5.2	>100	8.7	5.2	67.3
Others	27.8	22.5	23.6	14.5	8.9	62.9
Total operating expenses incl. profit/loss from associates and income from share investments	-63.3	-66.2	-4.4	-30.8	-43.0	-28.4
EBIT	-27.8	207.6	<-100	-47.3	91.0	<-100
EBIT adjusted	-27.1	198.1	<-100	-47.0	81.2	<-100
Market Value	5,832.6	3,904.9	49.4			

IVG Investment – Like-for-Like Rents – H1-o-H1

in € ' 000s	06/30/08 annualised	06/30/07 annualised	Change	Change in %
Berlin	17.176	16.303	873	5.4
Düsseldorf	15.014	14.504	510	3.5
Frankfurt	8.446	9.372	-927	-9.9
Hamburg	23.844	22.930	914	4.0
Stuttgart	3.562	3.562	0	0.0
Munich	44.946	43.539	1.407	3.2
Germany	112.987	110.209	2.778	2.5
Brussels	23.680	22.796	884	3.9
Paris	19.127	19.627	-500	-2.5
London	16.518	16.419	99	0.6
Helsinki	24.513	24.810	-297	-1.2
Others	573	533	41	7.6
International	84.412	84.185	227	0.3
Total	197.399	194.394	3.005	1.5

De-letting of
6,000m² in Q2

IVG Investment – Like-for-Like Rents – H1 2008

in € ' 000s	06/30/08 annualised	12/31/07 annualised	Change	Change in %
Berlin	25.521	24.538	983	4.0
Düsseldorf	22.914	21.774	1.140	5.2
Frankfurt	14.938	15.811	-873	-5.5
Hamburg	36.708	36.014	694	1.9
Stuttgart	16.009	15.999	11	0.1
Munich	57.329	55.814	1.516	2.7
Germany	173.419	169.949	3.470	2.0
Brussels	23.680	23.044	636	2.8
Paris	27.501	25.459	2.042	8.0
London	16.518	16.518	0	0.0
Helsinki	24.513	24.602	-89	-0.4
Others	573	356	217	60.9
International	92.786	89.980	2.806	3.1
Total	266.205	259.929	6.276	2.4

IVG Investment – Market Values

€ mn	Changes in market values in H1	Changes in %*	Changes in market values in Q2	Changes in %*	Market values 06/30/08
Berlin	-9.9	-1.9	-6.3	-1.2	527
Düsseldorf	-9.8	-2.4	-10.1	-2.5	413
Frankfurt	-24.5	-4.2	-6.6	-0.4	623
Hamburg	-21.1	-2.7	-20.9	-2.6	777
Munich	-19.9	-1.4	-17.1	-1.2	1,439
Stuttgart	-3.3	-0.8	-2.8	-0.7	418
Germany	-88.4	-2.1	-63.6	-1.5	4,196
Brussels	-3.2	-0.8	-5.2	-1.3	385
Helsinki	-1.6	-0.7	-1.8	-0.7	244
London	-29.6	-10.5	-9.1	-3.3	257
Milan	0.2	1.7	-1.5	-11.8	12
Paris	-45.7	-7.8	-42.0	-7.2	566
International	-79.9	-5.3	-59.6	-4.0	1,464
Total IP	-168.3	-3.0	-123.2	-2.2	5,660
Non IP					173
Total					5,833

* % of average market values

IVG Investment – NOI Calculation

€ mn	H1 2008	Q2 2008	Q1 2008
Rental income	162.7	83.5	79.3
+ Income from running costs and service charges	20.0	8.1	11.9
+/- Leasehold charges	-2.0	-1.0	-1.0
- Running costs and service charge expenses	-25.3	-11.2	-14.1
- Maintenance expenses/Refurbishment costs	-7.2	-3.2	-4.0
- Cost of letting (incl. marketing and agents' fees)	-1.9	-0.7	-1.2
- External property management	-2.4	-1.3	-1.1
- IVG Asset Management	-5.7	-3.0	-2.7
- Other property-related expenses	-2.4	-1.4	-1.0
NOI	135.8	69.7	66.1
NOI yield	4.6	4.7	4.5

FFO € 30.8 mn, FFO yield 3.5 % (based on average invested equity of € 1.8 bn)

IVG Investment – Returns in H1 2008

Countries	Market value as of 06/30/2008 in € mn	Average capital invested in € mn	Rental yield	NOI yield	Capital growth	Total return
Germany	4.340	4.363	5.3%	4.6%	-1.8%	2.8%
REIT	3.447	3.375	5.2%	4.7%	-2.3%	2.3%
Non-REIT	893	988	5.6%	4.4%	-0.1%	4.3%
Income Property	481	574	6.4%	5.2%	0.0%	5.2%
Consolidated third-party property	221	220	6.0%	4.9%	0.5%	5.4%
Sites	144	146	3.0%	2.0%	-1.0%	1.0%
Woodland	47	48	1.8%	-0.6%	-0.7%	-1.3%
France	566	589	5.1%	4.8%	-7.8%	-3.0%
BeNeLux	411	412	5.4%	3.9%	-0.5%	3.4%
United Kingdom	257	282	5.3%	4.8%	-10.5%	-5.6%
Finland	247	266	9.3%	4.4%	0.7%	5.1%
Others*	12	25	5.4%	2.9%	1.0%	3.9%
Total	5.833	5.936	5.5%	4.6%	-2.6%	2.0%

* Italy and Spain

IVG Funds – Results in H1 2008

€ mn	H1 2008	H1 2007	Δ in %	Q2 2008	Q2 2007	Δ in %
Total income	91.1	66.6	36.8	54.5	36.9	47.7
Income from transactions, development and sales	4.4	24.9	-82.3	2.6	12.1	-78.5
Income from funds and property management	31.3	28.1	11.4	16.5	15.2	8.6
Net rental income	18.5	5.6	>100	9.6	3.6	>100
Change in inventories	30.8	0.0	-	22.2	0.0	-
Others	6.1	8.0	-23.8	3.6	6.0	-39.5
Total operating expenses incl. profit/loss from associates and income from share investments	-66.9	-37.9	76.5	-48.6	-19.5	>100
EBIT	24.2	28.7	-15.7	5.9	17.4	-66.3
EBIT adjusted	7.2	24.0	-70.0	-1.5	11.3	<-100
Assets under management	14,107.1	13,825.0	2.0	14,107.1	13,825.0	2.0

IVG Funds – Purchases of Institutional Funds

Country	H1 2008		H1 2007		Q2 2008		Q2 2007	
	Properties	€ mn	Properties	€ mn	Properties	€ mn	Properties	€ mn
Belgium			1	40			1	40
Germany			1	8			1	8
Finland	2	90			1	18		
France								
United Kingdom			3	103				
Italy	1	27			1	27		
Canada	2	134			2	134		
Central and Eastern Europe	1	21	7	211			5	164
Netherlands	2	71	3	32	1	48	3	32
Switzerland			1	18			1	18
Spain	2	33			2	33		
USA	1	26	1	28			1	28
Total	11	402	17	440	7	260	12	290

IVG Funds – Sales of Institutional Funds

Country	H1 2008		H1 2007		Q2 2008		Q2 2007	
	Properties	€ mn	Properties	€ mn	Properties	€ mn	Properties	€ mn
Belgium	1	5			1	5		
Germany	4	28	26	212	2	11	25	200
Finland								
France			2	87				
United Kingdom			1	39				
Italy								
Canada								
Central and Eastern Europe								
Netherlands	3	58	6	76			6	76
Switzerland								
Spain								
USA								
Total	8	91	35	414	3	16	31	276

IVG Development – Results in H1 2008

€ mn	H1 2008	H1 2007	Δ in %	Q2 2008	Q2 2007	Δ in %
Total income	230.2	127.1	81.1	105.0	102.9	2.0
Income from project sales	42.7	80.7	-47.1	5.8	79.4	-92.7
Changes in inventories	112.0	31.0	>100	78.1	20.9	>100
Unrealised changes in market value of Investment Property	42.1	12.5	>100	-5.3	0.7	<-100
Other income	33.4	2.9	>100	26.4	1.9	>100
Total operating expenses incl. profit/loss from associates and income from share investments	-153.3	-56.7	>100	-91.0	-42.7	>100
EBIT	76.9	70.4	9.2	14.0	60.2	-76.7
EBIT adjusted	92.8	70.7	31.3	27.2	55.4	-50.9
Pipeline (IVG)	2,507.6	1,733.0	44.7	2,507.6	1,733.0	44.7

IVG Caverns – Results in H1 2008

€ mn	H1 2008	H1 2007	Δ in %	Q2 2008	Q2 2007	Δ in %
Total Income	107.3	53.0	>100	91.2	42.9	>100
Net rental income	23.8	18.4	29.3	12.3	9.2	33.7
Unrealised changes in market value of Investment Property	80.6	30.1	>100	77.7	30.1	>100
Others	2.9	4.5	-35.6	1.2	3.6	-66.7
Total operating expenses incl. profit/loss from associates and income from share investments	-12.6	-7.8	61.5	-8.3	-4.4	88.6
EBIT	94.7	45.2	>100	82.9	38.5	>100
EBIT adjusted	96.0	43.7	>100	83.7	35.9	>100

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Consolidated Income Statement – H1 2008

€ mn	H1 2008	H1 2007	Δ in %	Q2 2008	Q2 2007	Δ in %
Revenues	311.4	237.4	31.2	139.8	133.0	5.1
Changes in inventories and own work capitalised	142.8	30.0	>100	100.2	19.9	>100
Unrealised changes in market value of Investment Property	-45.6	189.1	<-100	-50.8	102.4	<-100
Realised changes in market value of Investment Property	15.6	62.7	-75.1	10.8	62.7	-82.8
Other operating income	39.0	6.0	>100	33.5	0.3	>100
Total income	463.2	525.2	-11.8	233.5	318.3	-26.6
Material expenses	-168.4	-60.4	>100	-102.2	-41.0	>100
Personnel expenses	-37.2	-44.9	-17.1	-21.6	-25.1	-13.9
Depreciation on intangible assets, property, plant and equipment	-4.9	-2.8	75.0	-3.6	-1.4	>100
Expenses from Investment Property	-37.4	-29.6	26.4	-19.3	-16.0	20.6
Other operating expenses	-67.0	-70.5	-5.0	-36.7	-44.3	-17.2
Profit/Loss from associates accounted for using the equity method	1.3	4.5	-71.1	-2.3	0.4	<-100
Income from share investments	0.6	0.9	-33.3	0.3	0.0	-
EBIT	150.2	322.4	-53.4	48.1	190.9	-74.8
Financial earnings	-68.0	-56.5	-20.4	14.7	-26.0	>100
Net profit before tax	82.2	265.9	-69.1	62.8	164.9	-61.9
Income taxes	-31.1	-81.0	-61.6	-23.8	-51.1	-53.4
Consolidated net profit	51.1	184.9	-72.3	39.0	113.8	-65.7
Share of net profit attributable to Group shareholders	26.4	170.3	-84.5	22.4	105.0	-78.7
Share of net profit attributable to hybrid investors	16.0	14.3	11.9	8.0	8.0	0.0
Share of net profit attributable to minority interests	8.7	0.3	>100	8.6	0.8	>100
Undiluted earnings per share (in €)	0.23	1.47	-84.5	0.20	0.91	-78.0
Diluted earnings per share (in €)	0.24	1.40	-82.9	0.19	0.97	-80.4

One-offs
€ 18.1mn

One-offs
€ 8.1mn

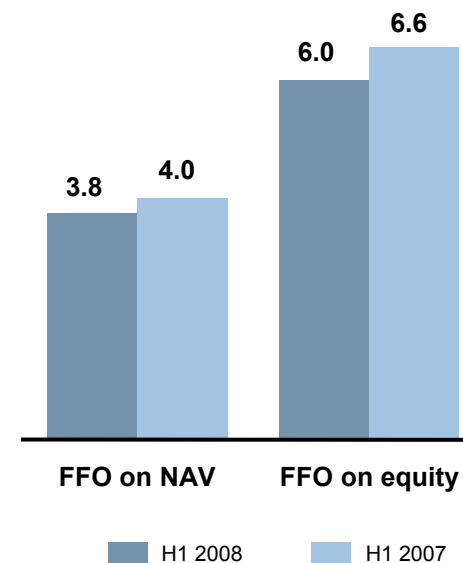
FFO – IVG Group

€ mn	H1 2008	H1 2007
EBIT	150.2	322.4
Depreciation	4.9	2.8
Unrealised changes in market values	45.6	-189.1
Financial result*	-129.2	-56.6
Effective tax	-9.5	-19.9
Funds From Operations	62.0	59.6

* financial result (cash equivalent)

Capital base in € mn	H1 2008	H1 2007
NAV	3,203.8	3,181.9
Ø NAV	3,285.9	2,957.6
Equity (balance sheet)	2,035.4	2,037.0
Ø Equity	2,076.3	1,820.3

FFO Yields



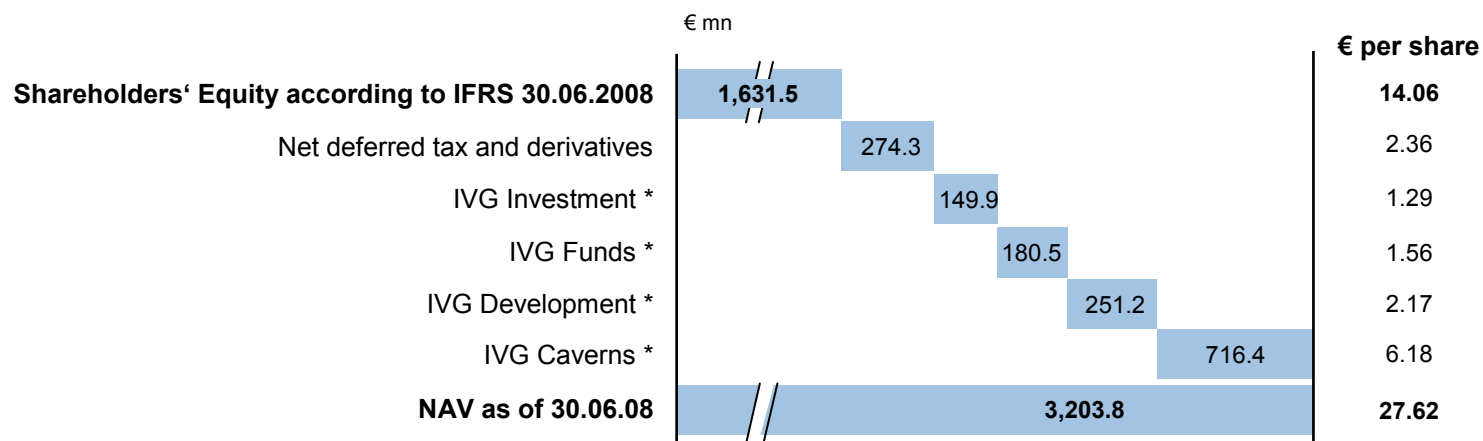
Balance Sheet – Assets – H1 2008

Assets € mn	H1 2008	31 Dec 2007	Δ in %
Investment property	6,317.3	5,361.8	17.8
Other non-current assets	1,100.9	1,169.9	-5.9
Non-current assets	7,418.2	6,531.7	13.6
Inventories	1,018.7	966.0	5.5
Other current assets	293.2	252.0	16.3
Cash and cash equivalents	86.9	105.7	-17.8
Assets held for sale	392.7	385.6	1.8
Current assets	1,791.5	1,709.3	4.8
Total assets	9,209.7	8,241.0	11.8

Balance Sheet – Liabilities and Equity – H1 2008

€ mn	H1 2008	31 Dec 2007	Δ in %
Equity	2,035.4	2,117.1	-3.9
Non-current financial liabilities	4,606.3	3,496.7	31.7
Other non-current liabilities	498.2	535.8	-7.0
Non-current liabilities	5,104.5	4,032.5	26.6
Current financial liabilities	1,312.8	1,292.5	1.6
Other current liabilities	404.0	438.3	-7.8
Liabilities in connection with assets held for sale	353.0	360.6	-2.1
Current liabilities	2,069.8	2,091.4	-1.0
Total liabilities and equity	9,209.7	8,241.0	11.8

NAV



- **IVG Group:** Net deferred tax liabilities of € 354.3 mn and net derivatives assets of € 80.5 mn are eliminated
- **IVG Investment*:** adding back transaction costs to net fair values → € 149.9 mn.
- **IVG Funds*:** calculated enterprise value of € 458.8 mn netted by the reported goodwill of € 249.6 mn, and the fair value adjustment of € 16.1m → € 180.5 mn.
- **IVG Development*:** discounted contribution margins for project developments € 241.9 mn, adding back transaction costs to net fair values for two investment properties € 9.3 mn → € 251.2 mn
- **IVG Caverns*:** difference between valuation and accounted values of the existing 40 caverns and the 90 potential caverns → € 716.4 mn.

* Non-recognised items

Solid Financing – Current Status

- **Attractive cost of debt finance**

Average interest rate 5.12% (as of 08/28/2008) / 5.11% (as of 12/31/2007)

- **Long-term maturities profile**

Financial liabilities with maturity \geq 4 years: 53% as of 06/30/2008 (2007: 45%)

Financial liabilities with maturity \geq 5 years: 35% as of 06/30/2008 (2007: 37%)

- **Constant use of CP programme**

CP lines drawn in 2008 with average margin of 45 bps (2007: 40 bps)

As of 08/28/2008, usage of € 345.0 mn (€ 76.0 mn above 12/31/2007)

- **Unused lines allow IVG to respond flexibly**

Undrawn credit lines as of 08/28/2008: € 1.32 bn

Finance 2008 – Liquidity Secured

▪ Undrawn lines as of 12/31/2007:	€ 2.00 bn
New lines until 08/28/2008:	+ € 1.17 bn
Expiring lines until 08/28/2008:	- € 0.62 bn
New drawings (net) until 08/28/2008:	- € 1.23 bn (e.g. Allianz/Core)
▪ Undrawn lines as of 08/28/2008:	= € 1.32 bn

➔ **End of 2008, unused lines of € 1 bn expected**

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IVG Investment – Outlook 2008

- **Further developments**

- Disposal of property worth at least € 500 mn until year end
- Like-for-like rental growth of 150 bps
- Increase in NOI yield to 4.75%

- **Financial forecast**

- Total Income expected in a range of between € 210 mn and € 230 mn
(Previous forecast: € 300 mn - € 320 mn)
- EBIT adjusted expected in a range of between € 70 mn and € 80 mn
(Previous forecast: € 185 mn - € 205 mn)

➡ Future changes in market values not taken into consideration

IVG Funds – Outlook 2008

- **Further developments**

- Placement of Asia fund: \$ 100 mn equity
- Placement of Luxembourg fund: € 240 mn equity
- Acquisition of assets for institutional investors for more than € 1 bn

- **Financial forecast**

- Total Income expected in a range of between € 200 mn and € 230 mn
(Previous forecast: € 175 mn - € 185 mn)
- EBIT adjusted expected in a range of between € 35 mn and € 40 mn
(Previous forecast: € 45 mn - € 50 mn)

IVG Development – Outlook 2008

- **Further developments**

- Disposal of 11 projects with total settled volume of € 440 mn
- Expected spread between yield on cost and exit yield of >2.0%
- 50% of project volume already sold
- No further growth of development pipeline

- **Financial forecast**

- Total Income expected in a range of between € 620 mn and € 650 mn
(Previous forecast: € 720 mn - € 750 mn)
- EBIT adjusted expected in a range of between € 90 mn and € 95 mn
(as previous forecast)

IVG Caverns – Outlook 2008

- **Further developments**

- Construction work in progress; full leaching capacity already reached
- Rental contracts for 4 caverns plus 2 options likely to become effective
- Further talks regarding additional rental contracts

- **Financial forecast**

- Total Income expected in a range of between € 130 mn and € 135 mn
(Previous forecast: € 100 mn - € 105 mn)
- EBIT adjusted expected in a range of between € 110 mn and € 115 mn
(Previous forecast: € 85 mn - € 90 mn)

➡ EBIT from transaction process of € 261 mn not included

Project cost optimization I

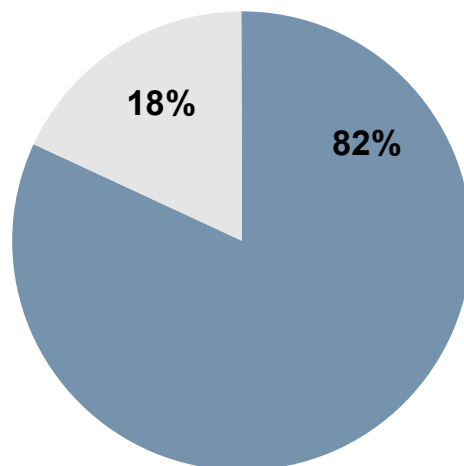
→ Cost reduction of € 30 mn

- **Structural actions**

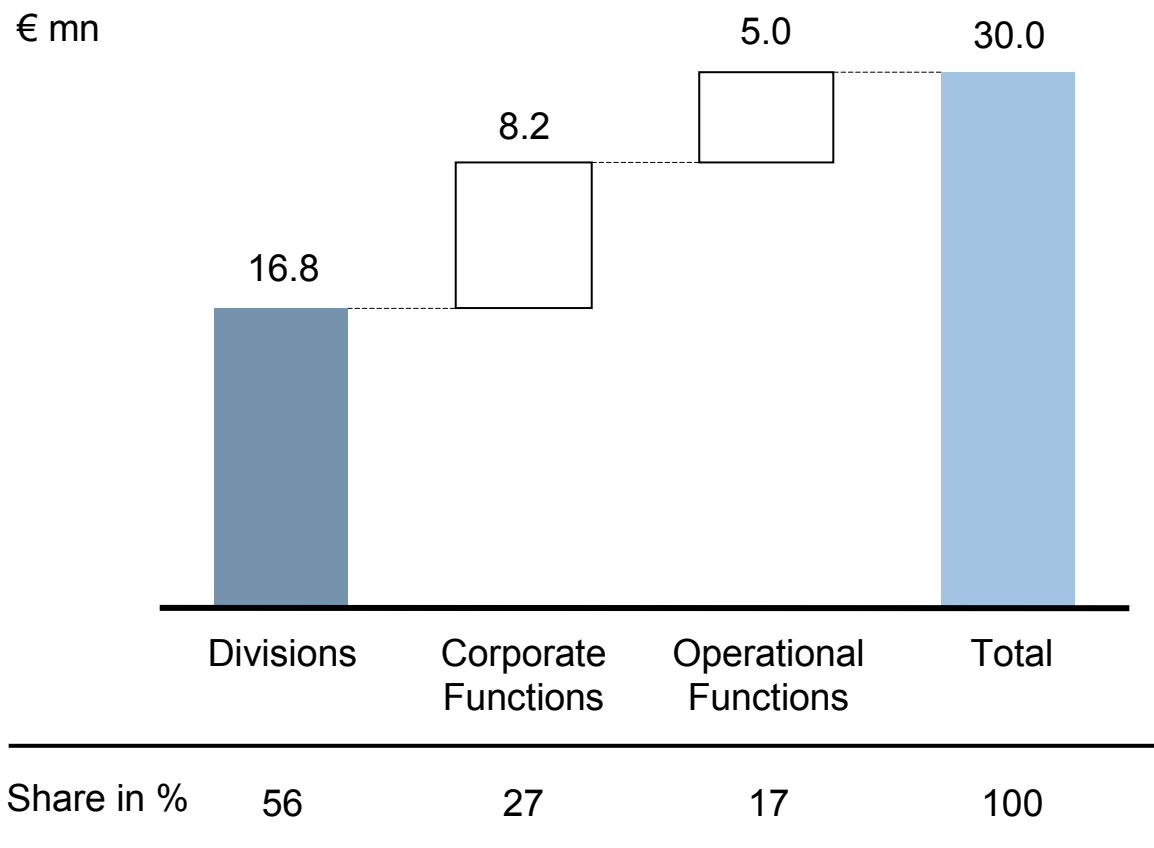
- Restructuring corporate functions
- Reorganizing divisions
- Reviewing branch office structure

- **Operational improvements**

- Reducing production costs
- Optimizing technical workflows and commercial processes
- Optimizing procurement processes
- Streamlining IT



Project cost optimization II



Outlook 2008

- **Key activities**

- Finish caverns transaction process
- Optimize costs
- Reduce leverage

- **Financial guidance**

- Total Income: € 1.2 - € 1.3 bn (Previous forecast: € 1.3 bn – € 1.4 bn)
- EBIT adjusted: € 265 mn - € 290 mn (Previous forecast: € 365 mn – € 400 mn)
- Net profit: € 50 mn - € 60 mn (Previous forecast: € 90 mn – € 100 mn)
- NAV: € 27 per share
- Dividend: at least at previous year's level

➔ **2 opposite effects not included: Future changes in market value of property portfolio and EBIT from caverns transaction process of € 261 mn**

Agenda

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Consolidated Cash Flow Statement – H1 2008

€ mn	H1 2008	H1 2007	Δ in %
Consolidated net profit	51.1	184.9	-72.4
+/- Write-downs/reversals of write-downs	4.9	2.8	75.0
-/+ Changes in market value of Investment Property	45.6	-189.1	>100
+/- Other non-cash earnings and expenses	-9.8	-4.6	>100
- Gains from the disposal of non-current assets	-28.4	-62.7	-54.7
Changes in current assets items and liabilities:			
Receivables and other assets (+ decrease/- increase)	-32.2	-102.4	-68.6
Trade payables/other liabilities (+ increase/-decrease)	-75.7	-54.7	38.4
Cash flow from/used in operating business	-44.5	-225.8	-80.3
Increase in inventories in IVG Funds division	-44.3	0.0	-
Increase in inventories in IVG Development division	-142.9	-89.3	60.0
Cash flow from/used in short/middle term investments of divisions	-187.2	-89.3	>100
Cash flow from/used in business activities	-231.7	-315.1	-26.5
Cash flow from/used in investing activities	-904.3	-1,362.4	-33.6
Cash flows from/used in financing activities	1,117.3	1,182.8	-5.5
Net change in cash and cash equivalents	-18.7	-494.7	-96.2
Changes in cash and cash equivalents due to exchange rate movements	0.0	0.1	-100.0
Cash and cash equivalents at the beginning of the period	106.2	551.2	-80.7
Cash and cash equivalents at the end of the period	87.5	56.6	54.6
Less cash and cash equivalents of the disposal group	0.6	0.0	-
Cash and cash equivalents reported in the balance sheet	86.9	56.6	53.5

IVG Investment – Income Statement H1 2008

€ mn	H1 2008	H1 2007	Δ in %	Q2 2008	Q2 2007	Δ in %
Revenues	183.7	122.0	50.6	91.8	61.9	48.3
Changes in inventories and own work capitalised	0.0	-1.0	-100	0.0	-1.0	-100
Unrealised changes in market value of Investment Property	-168.3	142.8	<-100	-123.2	67.9	<-100
Realised changes in market value of Investment Property	13.3	5.2	>100	8.7	5.2	67.3
Other operating income	6.8	4.8	41.7	6.2	0.0	>100
Total income	35.5	273.8	-87.0	-16.5	134.0	<-100
Material expenses	-2.0	-1.2	66.7	-1.2	-0.9	33.3
Personnel expenses	-0.4	-7.6	-94.7	-0.1	-4.2	-97.6
Depreciation on intangible assets, plant and equipment	-0.2	-0.2	0.0	-0.1	-0.1	0.0
Expenses from Investment Property	-31.5	-26.8	17.5	-14.8	-15.1	-2.0
Other operating expenses	-23.3	-29.6	-21.3	-12.2	-21.5	-43.3
Profit/Loss from associates accounted for using the equity method	-6.0	0.0	<-100	-2.5	0.0	<-100
Income from share investments	0.1	-0.8	>100	0.1	-1.2	>100
Total operating expenses incl. profit/loss from associates and income from share investments	-63.3	-66.2	-4.4	-30.8	-43.0	-28.4
EBIT	-27.8	207.6	<-100	-47.3	91.0	<-100
Adjustments	0.7	-9.5	>100	0.3	-9.8	>100
EBIT adjusted	-27.1	198.1	<-100	-47.0	81.2	<-100

IVG Investment – Expiry of Leases

€ mn	2008	2009	2010	2011	2012 et seq	unlimited
Germany	5.2	17.8	31.7	28.1	129.9	21.9
London	0.0	1.4	0.8	1.0	13.4	0.0
Paris	0.5	0.3	0.8	0.5	28.8	0.0
Others	5.8	9.0	5.5	2.4	15.8	10.3
Total	11.6	28.5	38.8	31.9	187.9	32.2
Total in %	3.5	8.6	11.7	9.6	56.8	9.7

IVG Investment – Market Values of Properties Acquired since January 2008

Portfolio/Properties	Purchase price (net) in € mn	Acquisition costs in € mn	Market values 06/30/08 in € mn
Theodor-Stern-Kai 1	288.6	299.0	283.6
Großer Burstah3/Trostbrücke 2	103.9	107.6	110.1
Uhlandstraße 2	139.3	144.2	142.9
München-Unterföhring	226.5	234.5	225.3
BGU (München-Unterföhring)	117.2	121.4	125.3
Eduard-Schulte-Str. 1	18.8	19.5	21.9
Sendlinger-Tor-Platz 5	18.1	18.8	14.0
Total	912.4	945.0	923.1

IVG Funds – Income Statement H1 2008

€ mn	H1 2008	H1 2007	Δ in %	Q2 2008	Q2 2007	Δ in %
Revenues	54.9	61.8	-11.2	29.4	33.0	-12.2
Changes in inventories and own work capitalised	30.8	0.0	>100	22.2	0.0	>100
Unrealised changes in market value of Investment Property	0.0	3.8	<-100	0.0	3.8	<-100
Realised changes in market value of Investment Property	0.0	0.0	-	0.0	0.0	-
Other operating income	5.4	1.0	>100	2.9	0.1	>100
Total income	91.1	66.6	36.8	54.5	36.9	47.7
Material expenses	-31.3	-14.3	>100	-22.9	-6.8	>100
Personnel expenses	-6.0	-14.2	-57.7	-3.3	-7.2	-45.8
Depreciation on intangible assets, plant and equipment	-0.4	-0.7	-42.9	-0.2	-0.4	-50.0
Expenses from Investment Property	-0.3	-1.0	-70.0	0.3	-0.9	<-100
Other operating expenses	-36.0	-9.3	>100	-22.7	-4.6	>100
Profit/Loss from associates accounted for using the equity method	6.6	0.0	-	0.0	0.0	-
Income from share investments	0.5	1.6	-68.8	0.2	0.4	-50.0
Total operating expenses incl. profit/loss from associates and income from share investments	-66.9	-37.9	76.5	-48.6	-19.5	>100
EBIT	24.2	28.7	-15.7	5.9	17.4	-66.1
Adjustments	-17.0	-4.7	>100	-7.4	-6.1	21.3
EBIT adjusted	7.2	24.0	-70.0	-1.5	11.3	<-100

IVG Development – Income Statement H1 2008

€ mn	H1 2008	H1 2007	Δ in %	Q2 2008	Q2 2007	Δ in %
Revenues	49.4	25.1	96.8	7.5	22.9	-67.2
Changes in inventories and own work capitalised	112.0	31.0	>100	78.1	20.9	>100
Unrealised changes in market value of Investment Property	42.1	12.5	>100	-5.3	0.7	<-100
Realised changes in market value of Investment Property	2.3	57.5	-96.0	2.1	57.5	-96.3
Other operating income	24.4	1.0	>100	22.6	0.9	>100
Total income	230.2	127.1	81.1	105.0	102.9	2.0
Material expenses	-134.6	-44.9	>100	-77.7	-33.5	>100
Personnel expenses	-5.7	-3.3	72.7	-3.6	-2.0	80.0
Depreciation on intangible assets, plant and equipment	-0.5	-0.3	66.6	-0.2	-0.1	100.0
Expenses from Investment Property	-3.6	-0.4	>100	-3.4	0.6	<-100
Other operating expenses	-9.6	-12.3	-22.0	-6.3	-8.0	-21.3
Profit/Loss from associates accounted for using the equity method	0.7	4.5	-84.4	0.2	0.4	-50.0
Income from share investments	0.0	0.0	0.0	0.0	-0.1	-100
Total operating expenses incl. profit/loss from associates and income from share investments	-153.3	-56.7	>100	-91.0	-42.7	>100
EBIT	76.9	70.4	9.2	14.0	60.2	-76.7
Adjustments	15.9	0.3	>100	13.2	-4.8	>100
EBIT adjusted	92.8	70.7	31.3	27.2	55.4	-50.9

IVG Development – Cost to Complete

€ mn	2008 (Q3-Q4)	2009	2010	2011	2012	Total
Cost to complete with contractual commitments / IVG minority interest	332	570	166	50	1	1.119
Cost to complete total pipeline	361	789	299	166	8	1.623

IVG Caverns – Income Statement H1 2008

€ mn	H1 2008	H1 2007	Δ in %	Q2 2008	Q2 2007	Δ in %
Revenues	25.5	22.9	11.4	12.8	12.8	0.0
Changes in inventories and own work capitalised	0.0	0.0	0.0	0.0	0.0	0.0
Unrealised changes in market value of Investment Property	80.6	30.1	>100	77.7	30.1	>100
Realised changes in market value of Investment Property	0.0	0.0	0.0	0.0	0.0	0.0
Other operating income	1.2	0.0	>100	0.7	0.0	>100
Total income	107.3	53.0	>100	91.2	42.9	>100
Material expenses	-0.4	-0.2	100.0	-0.3	-0.1	>100
Personnel expenses	-2.2	-2.1	4.8	-1.2	-1.0	20.0
Depreciation on intangible assets, plant and equipment	-3.3	-0.4	>100	-2.9	-0.2	>100
Expenses from Investment Property	-1.5	-1.7	-11.8	-0.9	-0.9	0.0
Other operating expenses	-5.2	-3.4	52.9	-3.0	-2.2	36.4
Profit/Loss from associates accounted for using the equity method	0.0	0.0	0.0	0.0	0.0	0.0
Income from share investments	0.0	0.0	0.0	0.0	0.0	0.0
Total operating expenses incl. profit/loss from associates and income from share investments	-12.6	-7.8	61.5	-8.3	-4.4	88.6
EBIT	94.7	45.2	>100	82.9	38.5	>100
Adjustments	1.3	-1.5	<-100	0.8	-2.6	<-100
EBIT adjusted	96.0	43.7	>100	83.7	35.9	>100

From EBIT to EBIT adjusted

€ mn	IVG Investment	IVG Funds	IVG Development	IVG Caverns	Corporate Functions	Consolidation	Group
EBIT	-27.8	24.2	76.9	94.7	-17.9	0.1	150.2
Adjustments	0.7	-17.0	15.9	1.3	0.0	0.0	0.9
EBIT adjusted	-27.1	7.2	92.8	96.0	-17.9	0.1	151.1

- IVG Investment:** in addition results from properties recognised as finance lease
 → € 0.7 mn
- IVG Funds:** profit elimination of properties/shares held for equity placements
 (Luxembourg € 11.3 mn; Milan € 8.8 mn and shares € -3.1 mn)
 → € - 17.0 mn
- IVG Development:** in addition income from joint ventures earned from interest € 6.9 mn
 and tax advantages € 9 mn
 → € 15.9 mn
- IVG Caverns:** in addition results from caverns recognised as finance lease
 → € 1.3 mn

Other Operating Expenses

€ mn	H1 2008	H1 2007	Δ in %
Tax consultancy fees	0.8	1.5	-46.7
Legal consultancy fees	3.8	2.3	65.2
Audit fees	1.2	1.4	-14.3
Valuation and other consultancy fees	5.8	5.1	13.7
One-off items	8.1	4.7	72.3
Total Audit, legal and consultancy fees	19.7	15.0	31.3
Purchased external services	7.5	5.1	46.2
Rents, ground rents, leasing expenses, service costs and maintenance	6.6	6.4	3.1
Data processing	3.5	4.9	-28.6
Communication and marketing	3.3	5.4	-38.9
Levies, fees, banking charges, early redemption penalties and donations	3.2	5.7	-43.9
Travel expenses and ancillary staff costs	2.9	2.6	11.5
Insurance premiums	2.1	2.2	-4.5
One-off costs incl. deconsolidation loss	10.0	11.9	-16.0
Other operating expenses	8.2	11.3	-27.4
Total	67.0	70.5	-5.0

One-offs
€ 18.1mn

Financial earnings I

€ mn	H1 2008	H1 2007	Δ in %	Q2 2008	Q2 2007	Δ in %
Income from foreign currencies	43.0	5.7	>100	11.3	5.0	>100
Expenses from foreign currencies	-47.4	-5.4	>100	-7.0	0.0	<-100
Net foreign currency result	-4.4	0.3	<-100	4.3	5.0	-14.0
Interest income	17.0	20.4	-16.7	12.6	10.6	18.9
Recognised interest (AV)	2.8	3.0	-6.7	1.4	1.6	-12.5
Interest expense	-153.4	-82.2	86.6	-79.1	-41.1	92.5
Net interest expense	-133.6	-58.8	<-100	-65.1	-28.9	>100
Income from hedging transactions	71.1	5.8	>100	72.4	3.3	>100
Expenses from hedging transactions	-0.5	-0.2	>100	0.0	-0.2	-100
Net result from hedging transactions	70.6	5.6	>100	72.4	3.1	>100
Other financial expenses	-0.6	-3.6	-83.3	3.1	-5.2	<-100
Financial earnings	-68.0	-56.5	20.4	14.7	-26.0	<-100

Financial earnings II

- Interest expenses increased from € -82.2 mn to € -153.4 mn due to higher volume of financial liabilities based on portfolio expansion in the last 12 months
- Net result from hedging transactions increased from € 5.6 mn to € 70.6 mn year-on-year as a result of increased market values of derivatives, rising swap rates and ending of hedge accounting relationships
- 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

NAV (previous presentation)

€ mn	H1 2008 Total	Investment	Funds	Development	Caverns	Others
Properties	5,952	5,952				
Goodwill	459		459			
Discounted contribution margins	242			242		
Caverns	1,546				1,546	
Non-current assets	527	126	152	240	4	7
Current assets	1,589	125	677	657	23	107
Total assets	10,336	6,201	1,310	1,138	1,573	114
Total borrowings	7,132					
Net asset value	3,204					
Net asset value per share	27.62					

In previous periods IVG presented the NAV according to the above method:

- IVG Investment: For the NAV all properties are adjusted to their fair value (including transaction costs) and are reported under Properties
- IVG Funds: The company valuation for the institutional and private funds are reported under Goodwill; the obsolete positions on the balance sheet have been eliminated. The fair value adjustment is reflected in Non-current assets
- IVG Development: The discounted contribution margins are indicated in a separate position. The fair value adjustment is reflected in Non-current assets
- The independent opinion on the fair value of the caverns is reported under IVG Caverns

Derivation of NAV at divisional level I

€ mn	Balance sheet at 30.06.2008	NAV at 30.06.2008					
	Group	Group	IVG Investment	IVG Funds	IVG Development	IVG Caverns	Corporate functions
Intangible assets	256.0	256.0	3.5	249.6	0.4	2.5	-
Other property, plant and equipment	326.2	326.2	56.0	2.6	2.4	260.2	5.0
Investment property	6,317.3	6,317.3	5,614.2	-	167.8	535.3	-
Financial assets	279.6	279.7	77.2	158.0	39.0	3.5	2.0
Shares in associated companies accounted for under the equity method	57.6	57.5	24.1	12.4	21.0	-	-
Inventories	1,018.7	1,018.7	98.4	284.2	633.8	2.3	-
Receivables and other assets	279.2	279.0	107.5	19.5	16.7	46.4	88.8
Income tax receivables	18.4	18.4	-	-	-	-	18.4
Derivative financial instruments	80.5	-	-	-	-	-	-
Securities	5.2	5.2	1.1	4.1	-	-	-
Cash and cash equivalents	86.9	86.9	38.3	37.2	5.3	6.1	-
Non-current assets held für sale	392.7	392.7	31.2	361.5	-	-	-
Deferred tax assets	91.4	-	-	-	-	-	-
Non-recognised items	-	1,298.2	149.9	180.5	251.2	716.4	0.0
Total assets/asset value	9,209.7	10,335.8	6,201.4	1,309.6	1,137.6	1,572.8	114.2

Derivation of NAV at divisional level II

€ mn	Balance sheet at 30.06.2008	NAV at 30.06.2008					
		Group	IVG Investment	IVG Funds	IVG Development	IVG Caverns	Corporate functions
Total assets/asset value	9,209.7	10,335.8	6,201.4	1,309.6	1,137.6	1,572.8	114.2
	Balance sheet at 30.06.2008	NAV at 30.06.2008					
Debt							
Hybrid capital	EK	400.9					
Minority interests	EK	3.0					
Financial liabilities	5,919.2	5,919.2					
Derivative financial instruments	0.5	-					
Deferred tax liabilities	445.7	-					
Pension provisions	9.4	9.4					
Other provisions	154.7	154.7					
Trade payables/other liabilities	250.9	250.9					
Income tax liabilities	40.9	40.0					
Liabilities included in disposal groups	353.0	353.0					
Total debt	7,174.3	7,132.1					
Net Asset Value		3,203.8					
NAV per share in €		27.6					

Financial Calendar

- November 13, 2008 Interim Report as of September 30, 2008
- 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.

Should one or more of these risks or uncertainties materialise or should underlying assumptions prove incorrect, actual results may vary materially, either positively or negatively, from those described in the relevant forward-looking statement as expected, anticipated, intended, planned, believed, projected or estimated. IVG does not intend, or assume any obligation, to update or revise these forward-looking statements in light of developments which differ from those anticipated.

IVG Immobilien AG

Zanderstrasse 5-7

D-53177 Bonn

Dr Sabine Goettgens

Head of Investor Relations

phone: + 49 228 844 281

fax: + 49 228 844 372

e-mail: investor.relations@ivg.de

Internet: www.ivg.de

