

Annual Financial Report **2013**



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Declaration pursuant to section 82(4)(3) Austrian Stock Exchange Act (BÖRSEG)

„STATEMENT OF ALL LEGAL REPRESENTATIVES

We confirm to the best of our knowledge that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group as required by the applicable accounting standards and that the group management report gives a true and fair view of the development and performance of the business and the position of the group, together with a description of the principal risks and uncertainties the group faces. We confirm to the best of our

knowledge that the separate financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the parent company as required by the applicable accounting standards and that the management report gives a true and fair view of the development and performance of the business and the position of the company, together with a description of the principal risks and uncertainties the company faces.”

Vienna, 10 April 2014

The Management Board



Ernst Vejdovsky m.p.



Friedrich Wachernig, MBA m.p.

Management Report

Economic overview

The eurozone emerged from the recession at the beginning of the second half of 2013, but economic development has been rather subdued since then. While the sentiment indicators show that consumers and companies have become more confident, the moderate recovery has not yet carried over to economic indicators such as industrial production or retail sales. Therefore, the International Monetary Fund (IMF) still has not issued the “all clear” for Europe and sees the state of the European economies as fragile. Particularly the high unemployment in some member states of the European Union is cause for concern. At the same time, the institute warns of potential deflation. Nevertheless, the IMF has confirmed that Europe has completed the transition from recession to a recovery phase. The IMF expects growth rates of 1% for 2014 and 1.4% for 2015 in the eurozone. In addition, the outlook for the countries of Central and Southeastern Europe is better than it was a year ago based on the latest data. The European Bank for Reconstruction and Development (EBRD) projects GDP growth of 2.2% for the region in 2014. This positive development will also be fuelled by the moderate recovery in the eurozone. However, the economic convergence

process with Western Europe has started to falter. In the past, the region had a growth advantage of 3 percentage points per year over the eurozone, but the difference has now dropped to 1.5 percentage points. Monetary policy has made a major contribution to the recovery in the eurozone – in terms of both interest rate policy and liquidity. Thus, the central banks will presumably maintain their expansive monetary policies into 2015. The IMF has also advised the European Central Bank to consider additional support measures.

After stagnating in the first half of 2013, the Austrian economy gradually started to recover in the second half of the year. The economy is expected to start growing more robustly again in 2014: According to Oesterreichische Nationalbank (OeNB), Austria's economy will expand by around 1.6%. In 2015, growth is expected to improve to 1.9%. This growth will be driven by increased investment activity on the part of companies and an upswing in foreign trade. The Austrian Institute of Economic Research (WIFO) believes that private consumption will pick up again as well.

Real estate market overview

AUSTRIA AND GERMANY

In 2013, take-up on the Viennese office market amounted to 295,000 m², which is markedly less than the 345,000 m² in the year 2012. Overall, 153,000 m² of new space including general refurbishments came onto the market – a decrease of 53.2% against the previous year. Due to the low level of completions and the persistent demand, the vacancy rate remained stable at 6.6%. Although vacant office spaces are increasingly being converted into apartments or hotels, the extent is not yet enough to influence the vacancy rate.

Take-up on the Berlin office market was 470,000 m² in 2013 and therefore 15% below the previous year's figure. This is mainly attributable to the shift of letting activity towards smaller spaces. The number of transactions increased markedly when compared with 2012. The vacancy rate rose slightly over the year from 8.5% to 8.8%. The outlook for 2014 is good: Above average economic and job growth are expected to provide for a high demand and vacancy should remain stable or decline slightly due to the low number of speculative completions.

The Berlin residential market is still in a boom phase. The offer prices for freehold flats have increased by almost 50% during the last five years. Regarding rental prices, Berlin is also an exception among the major German cities. Rental prices are still increasing and will continue to do so because of the scarce

	Prime rents (EUR/m ² /month)		Prime gross yields (%)		Total leasing activity 2013 (m ²)	Vacancy rate (%)
	Office	Retail	Office	Retail	Office	Office
Berlin	22.50 ¹	320.00 ¹	4.75 ¹	4.40 ¹	470,000 ⁵	8.8 ⁵
Bratislava	16.00 ¹	65.00 ^{1*}	7.25 ¹	7.00 ^{1*}	92,000 ¹¹	14.8 ¹¹
Bucharest	18.00 ¹	57.50 ^{1*}	8.25 ¹	8.25 ^{1*}	300,000 ¹⁰	15.1 ¹⁰
Budapest	20.00 ¹	100.00 ^{1*}	7.50 ¹	7.00 ^{1*}	397,196 ⁴	18.4 ⁴
Hamburg	24.00 ¹	300.00 ¹	4.65 ¹	4.20 ¹	440,300 ⁷	7.8 ⁷
Prague	20.00 ¹	85.00 ^{1*}	6.25 ¹	6.25 ^{1*}	152,300 ⁸	13.2 ⁸
Sofia	12.50 ²	21.50 ^{3*}	9.50 ²	9.25 ^{3*}	108,300 ²	30.0 ²
Vienna	25.25 ¹	305.00 ¹	4.75 ¹	4.00 ¹	295,000 ⁶	6.6 ⁶
Zagreb	15.00 ¹	22.50 ^{1*}	8.30 ¹	8.25 ^{1*}	27,890 ⁹	17.0 ⁹

* Data for shopping centres, data for remainder of the locations is for high street retail.

¹ CBRE, Market View, EMEA Rents and Yields, Q4 2013

² Forton, Bulgarian Office Market, Q4 2013

³ Forton, Bulgarian Retail Market, Q4 2013

⁴ Budapest Research Forum, press release, Q4 2013

⁵ CBRE, Market View, Office Market Berlin, Q4 2013

⁶ CBRE, Market View, Office Market Vienna, Q4 2013

⁷ CBRE, Market View, Office Market Hamburg, Q4 2013

⁸ CBRE, Market View, Office Market Prague, Q4 2013

⁹ Jones Lang LaSalle, on.point, Zagreb City Report, Q4 2013

¹⁰ CBRE, Market View, Office Market Bucharest, Q4 2013

¹¹ CBRE, Market View, Office Market Bratislava, Q4 2013

supply. Construction activity finally gained momentum again in 2013, with 40% more new apartments having been approved by September than in the same period the year before.

Overnight stays increased by 3.7% to a total of 12.7 million on the Viennese hotel market in 2013. Despite this positive development, the hotel industry is suffering from the intense competition resulting from the many new hotels that have been opened over the past two years. Although all hotel categories benefited from the growth in overnight stays, occupancy fell to an average of 69%, compared with 70% in 2012. This can be attributed to the 6.3% increase in the number of beds compared with 2012. Overall, the number of beds increased by 3,450 last year. Roughly 75% of these beds were added in the four-star category alone, so this segment is most strongly exposed to the new

competition. This was compounded by the fact that relatively few conferences were held in 2013. These two factors significantly increased the pressure in the four- and five-star segment, forcing these hotels to offer drastic price discounts in order to be able to maintain their occupancy. According to Hotstats, the average room rates in the chain hotel segment dropped by 7.9% to EUR 131 in 2013. Overall, hotels suffered a decline in gross operating profit (GOP) of 17% per room. Because further openings of international hotel chains are planned for 2014, developments are expected to be similar again this year. However, it does not appear likely that the surplus of rooms will be absorbed through higher growth in overnight stays or that the real losses in room rates will be offset in the near future.

Sources: Austrian Institute of Economic Research (WIFO), Budapest Research Forum, CBRE, Cushman & Wakefield, Der Spiegel, Der Standard, Die Presse, Die Welt, Erste Bank, European Chain Hotels Market Review, EuroStat, Forecasting Center of the Kiel Institute for the World Economy, Forton, Handelsblatt, Hotstats.com by TRI Hospitality Consulting, IMX – The property index of ImmobilienScout24, Institute for Advanced Studies (IHS), International Monetary Fund, Jones Lang LaSalle, news.immowelt.de, OECD, Oesterreichische Nationalbank (OeNB), Vienna Tourist Board

CENTRAL EUROPE (CEE)

In 2013, total leasing activity on the Budapest office market increased by 13.2% to about 397,000 m². However, renewals accounted for the largest share. Nevertheless, annual take-up without renewals stood at 190,500 m² and therefore was 9% higher than in the previous year. With 534 m², the average transaction size was still rather small.

Compared with the previous quarter, the Bratislava office market recorded a 40% increase in total leasing activity to 26,700 m² in the fourth quarter of 2013. The vacancy rate stood at 14.8% at the end of the year. Planned new supply for 2014 amounts to approximately 41,000 m², which is 60% below the six-year average. Moreover, the share of renegotiations is expected to grow in 2014.

Budapest saw improvements in all of the key indicators for the hotel industry in 2013. In the chain hotel segment, occupancy increased by 1 percentage point to 71.4% and the average room rate advanced by 2.5% to EUR 87.40. The GOP per available room was able to grow by even 7.9%. The hotel market in Bratislava was once again dominated by a significant surplus in 2013. Due to the strong competition on the domestic market, the low occupancy is hardly allowing for gains in room rates. Prague enjoyed stable development on the hotel market, albeit at a low level.

SOUTHEASTERN EUROPE (SEE)

The office market in Sofia saw slight improvement in the fourth quarter of 2013. Take-up increased by 84.3% to 37,600 m² compared with the third quarter of 2013. On an annual basis, it rose

12.2% to 108,300 m². Due to this positive trend, the vacancy rate came down to just below 30%. As a result, rents in the top projects are starting to rise. Nevertheless, the vacancy rate still remains very high when compared with the rest of Europe. Completions only amounted to 34,000 m² for the whole of 2013.

With total leasing activity of close to 300,000 m² in 2013, the Bucharest office market recorded its highest ever volume of transactions. The dominant sector was IT and communications. Due to the increase in demand and the low volume of new stock, vacancy dropped from 15.4% to 15.1% in the fourth quarter. For 2014, 124,000 m² of space is expected to come onto the market in seven properties. Of this, 70% is being built on a speculative basis. Therefore, the vacancy rate is likely to increase during the first half of the year.

Three new shopping centres are scheduled to open in Sofia in 2014. This strong pipeline and the lack of consumer spending growth put pressure on prime rents, which saw another decrease of around 10% to EUR 21.5/m²/month in the fourth quarter of 2013. On the Bucharest retail market, competition increased when Promenada Mall opened in October 2013. Regarding the outlook for 2014, consumer spending is expected to increase and inflation is likely to fall closer to the central bank target.

Bucharest's hotel market has not yet returned to its pre-crisis level. The average room rate in 2013 was EUR 74, which is 39% lower than the level seen in 2008. Nevertheless, occupancy increased by 5.7% in year-on-year terms.

Group structure and strategy

BUSINESS ACTIVITIES AND CORPORATE STRUCTURE

S IMMO Group is an international real estate group headquartered in Vienna, Austria. S IMMO AG has been listed on the Vienna Stock Exchange since 1987. Its long-term strategic core shareholders are Erste Group and Vienna Insurance Group – two of the largest financial services providers in Central and Southeastern Europe – and their networks, experience and skills

provide additional support to S IMMO AG's development. In addition to its headquarters in Vienna, S IMMO Group also has offices in Berlin and Budapest, and during the year under review employed a total of 505 people (including hotel staff). In Germany, S IMMO Group also owns a property management company, Maior Domus. There are also numerous project and property holding companies in Central and Southeastern Europe that are part of the Group (see notes on pages 34–36).

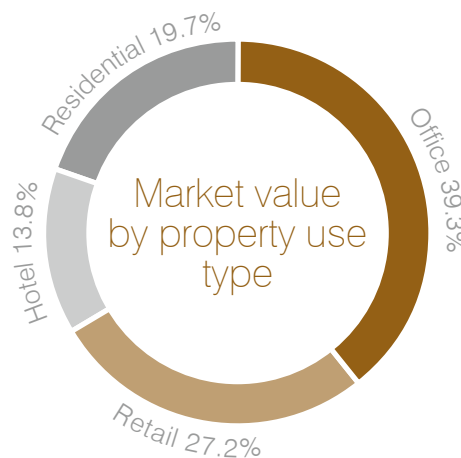
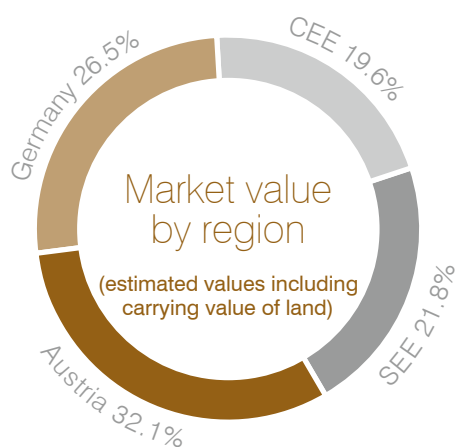
S IMMO Group

S IMMO AG (Vienna)			
S IMMO Germany GmbH (Berlin)	S IMMO Hungary Kft. (Budapest)	Maior Domus Hausverwaltungs GmbH (Berlin)	Various project and property holding companies

S IMMO Group focuses its activities on long-term income-producing property investment consisting of the development, acquisition, letting, operation, renovation and sale of properties in Austria, Germany and six countries in Central and South-eastern Europe. The Group's activities include: Property project development, the operation of hotels and shopping centres, the renovation and refurbishment of standing properties, and asset management. S IMMO is not engaged in research and development. All major management and control functions and the management of the Austrian, Czech, Slovakian, Romanian, Bulgarian and Croatian properties are performed by S IMMO AG in Vienna. The subsidiaries in Germany and Hungary are responsible for local asset management and letting activities.

PORTFOLIO STRUCTURE

As at 31 December 2013, S IMMO AG owned a total of 208 properties with a carrying value of EUR 1,756.6m and total usable space of some 1.3 million m². The properties are located in Austria, Germany, the Czech Republic, Slovakia, Hungary, Romania, Bulgaria and Croatia, all members of the EU. The main focus is on capital cities, since these have the greatest purchasing power. As at 31 December 2013, the largest share of the property portfolio by market value was contributed by Austria at 32.1% and Germany at 26.5%. Properties in SEE made up 21.8%, with 19.6% coming from CEE. S IMMO's portfolio also comprises different property use types: As at 31 December 2013, office buildings constituted 39.3%, retail properties 27.2%, residential property 19.7% and hotels 13.8%. The occupancy rate for the whole portfolio was 90.2% (2012: 92.0%). The overall rental yield was 7.0% (2012: 6.7%).



Overview of rental yields

in %	31 December 2013	31 December 2012
Germany	6.2	6.2
Austria	6.0	5.8
SEE	8.5	8.1
CEE	7.9	7.6
Total	7.0	6.7

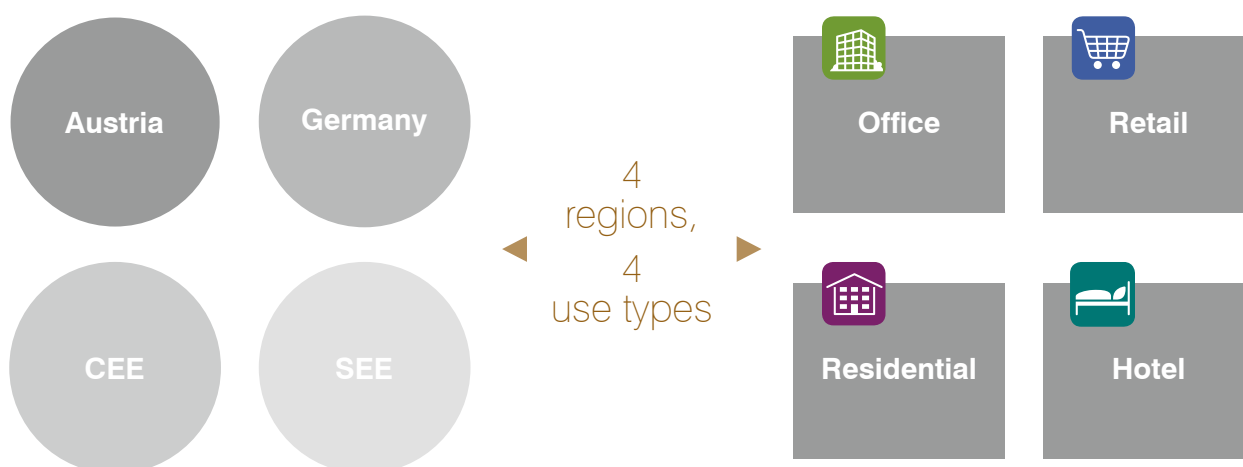
STRATEGY AND GOALS

S IMMO AG has been active in the market since 1987, and has posted profits in 25 out of 26 years. The basis of its activities is a balanced property portfolio. S IMMO currently manages and invests in properties in four geographic regions – Austria, Germany, Central and Southeastern Europe. The focus of investment is on properties in capital cities within the European Union. The property portfolio includes four distinct property use types (offices, residential property, retail property and hotels). This variety and flexibility make it possible to take advantage of the different property cycles in the four geographical segments and four use types, thus minimising potential risks and maximising opportunities. In its operating activities, the Group attaches great importance to top quality and high standards, both in

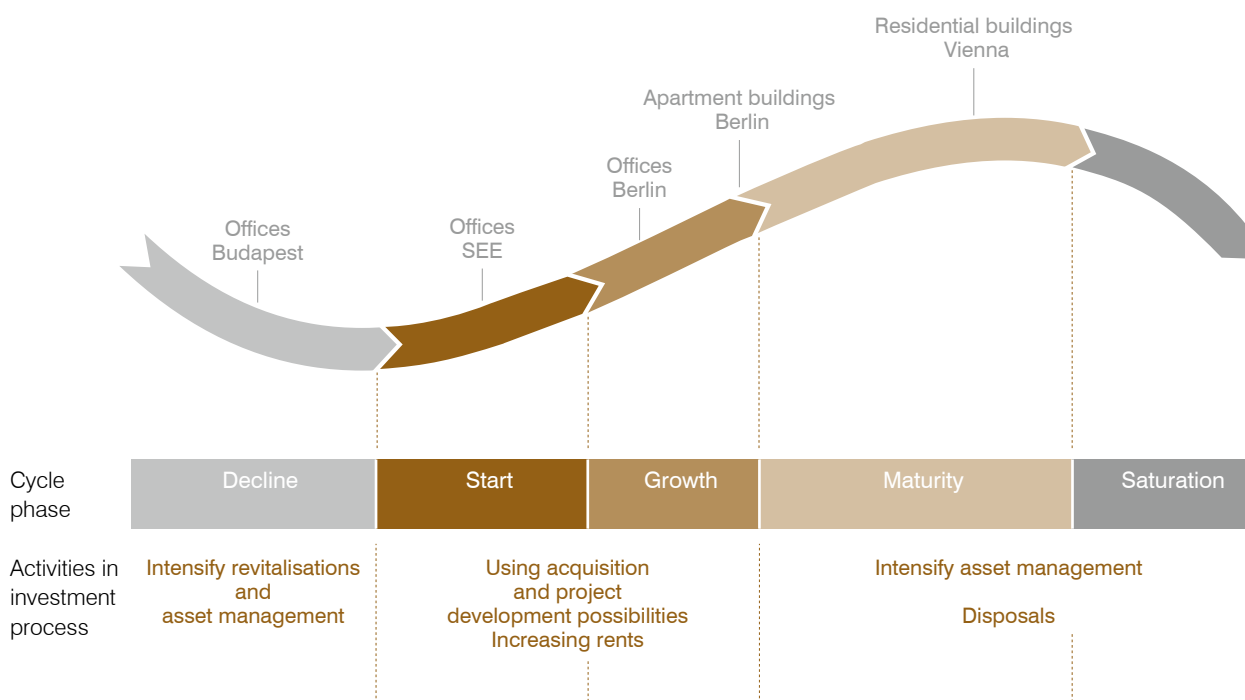
existing properties and also in development projects. To this end, S IMMO's properties are managed holistically and sustainably throughout their lives. Several of the Group's properties have been awarded green building certificates.

The goals of S IMMO AG's strategy are to increase the Group's long-term sustainable value so as to create continuing growth in shareholder value. The Group manages the capital provided by its shareholders conscientiously and responsibly, and uses predetermined benchmarks and processes to monitor its investments.

One of S IMMO's current objectives in the short and medium term is to exploit the opportunities in Berlin's residential property market: Freehold apartments will be constructed on four plots the Group already owns, and other sites are currently under assessment as prospective purchases. Another element of the strategy is to optimise the portfolio by realising capital gains and disposing of properties to the extent of around 5% of the portfolio. In Central and Southeastern Europe, the focus will remain on letting the two office buildings in Sofia and Bucharest. At close of press as at 10 April 2014, the occupancy rate for Sun Offices was around 94% and for Serdika Offices roughly 79%. Such renowned names as Shell and Converse were among the new tenants in 2013. Other promising tenancy negotiations are ongoing.



Investment cycle



In the capital markets, the repurchase programmes for the S IMMO Share and the S IMMO INVEST participating certificate will be continued, concentrating primarily on stepping up buybacks of the participating certificates. Another of the Group's medium-term goals is to position the S IMMO Share in the capital market as a sustainable dividend-paying share, so that its market price comes closer to its inner value.



S IMMO INVESTMENT STORY

investmentstory.simmoag.at/en

MANAGEMENT AND CONTROL

In the last financial year, the Management Board consisted of three members until 31 January 2013, and thereafter of two members. Their joint responsibilities are determined by statutory provisions, the articles of incorporation and the Group's internal rules and procedures. The Management Board is guided by the principles of responsible management, and its objective is to increase earnings performance and the value of the Group. Management and control is based on general business and property-related indicators. The Management Board works closely with the Supervisory Board, which consisted of eight members at year-end. The details of compliance with the Austrian Code of Corporate Governance are given on pages 73–76.

Business performance and results

After a very successful financial year in 2012, S IMMO continued the excellent trend in 2013. Consolidated net income for the year came to EUR 28.1m, up 7.6% on the previous year's EUR 26.1m. The resulting 12.9% increase in earnings per share to EUR 0.41 (2012: EUR 0.36) was also particularly encouraging. Administrative expenses were reduced once more, by 7.7%. The ratio of EBITDA to the property portfolio as at the end of the year was 5.7%, which represents a further demonstration of S IMMO AG's high efficiency when compared with the industry average.

Gross profit

Rental income in 2013 came to EUR 116.7m (2012: EUR 118.5m), with the decrease reflecting the property disposals that were realised as planned. Rental income by region was as follows: SEE contributed 29.1%, Austria 26.2%, Germany 25.6% and CEE 19.1%. Rental income by property use type showed retail property contributing 39.0%, followed by offices with 35.3%. Residential property accounted for 18.7% and hotels for 7.0%.

Income from hotel operations (Vienna Marriott and Budapest Marriott hotels) came to EUR 40.2m (2012: EUR 42.0m). Cost savings helped improve the gross profit from hotel operations by 6.0% to EUR 10.5m (2012: EUR 9.9m).

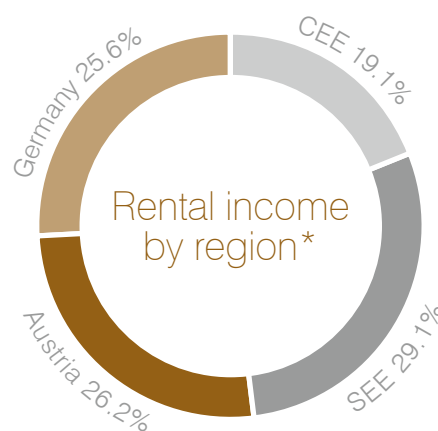
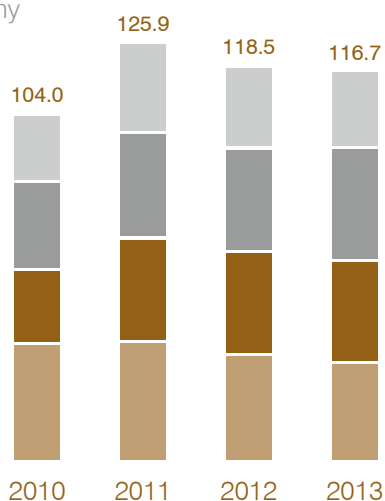
The total gross profit increased from EUR 104.4m in 2012 to EUR 109.6m in 2013. The 5.0% increase was attributable to the improvement in the gross profit from hotel operations together with a reduction of property-related costs, which in turn was the result of deliberate cost savings combined with the reduction of the size of the property portfolio. This overall gross profit represents an all-time high in the history of S IMMO AG.

Successful property sales

S IMMO's plan for 2013 was to dispose of properties to the extent of around 5% of the portfolio. A total of 12 properties were sold, with sales proceeds amounting to EUR 128.1m (2012: EUR 132.2m). This was significantly higher than the original target, and led to gains on property sales of EUR 6.4m (2012: EUR 10.8m).

Total rental income*

EUR m




* not including Vienna Marriott Hotel and Budapest Marriott Hotel

* not including Vienna Marriott Hotel and Budapest Marriott Hotel

The following shows the property disposals in detail.

Vienna

-  1010 Vienna, Neutorgasse 4 – 8 (two apartments)
-  1180 Vienna, Kreuzgasse 72 – 74 (residential property)
-  1070 Vienna, Schottenfeldgasse 29 (office property)

Berlin

-  10781 Berlin, Winterfeldtstrasse 56 (residential property)
- 12681 Berlin, Luise-Zietz-Strasse 101 – 105 (residential property)
- 10999 Berlin, Paul-Lincke-Ufer 4 (residential property)


Hamburg

-  20259 Hamburg, Eimsbüttler Strasse 86 – 92 (residential property)
- 22307 Hamburg, Aldenrathsweg 1 – 5 (residential property)
-  22525 Hamburg, Langenfelder Damm 75 – 79 (retail property)

Bremen

-  29195 Bremen, Hanseatenhof 4 (retail property)

Prague

-  11000 Prague, Narodni 41 (office building)

Administrative expenses were once again reduced – from EUR 16.3m in 2012 to EUR 15.1m in 2013. EBITDA increased by 2.0% to EUR 100.9m (2012: EUR 98.9m). The EBITDA margin was 52.1% (2012: 50.3%). As a percentage of the property portfolio, EBITDA was 5.7% as at the end of the year (2012: 5.3%).

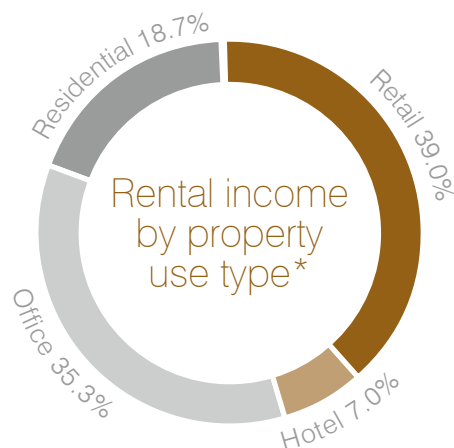
Property valuations

Market sentiment in Germany remained positive in 2013, and a major portion of the positive valuation results in Germany was attributable to revaluation gains in connection with property sales. While revaluation results in Germany and Austria were positive, impairment write-downs were necessary in Central and Southeastern Europe, above all on office properties in Budapest. However, the impact of the write-downs on the Group's results was limited, because Budapest office properties only make up about 4.5% of S IMMO's total property portfolio.

Revaluation results

EUR m	2013	2012
Germany	23.8	26.6
Austria	5.4	6.7
Central Europe	-17.6	-7.0
Southeastern Europe	-4.8	-9.5
Total	6.9	16.8

Total EBIT came to EUR 95.8m (2012: EUR 106.9m): The decrease reflected the reduced size of the property portfolio and the revaluation results. As expected, the negative effects on EBIT could only be partially offset by cost savings.



* not including Vienna Marriott Hotel and Budapest Marriott Hotel

Consolidated net income up again to EUR 28.1m

Financing result (excluding participating certificate results) for the financial year 2013 amounted to EUR -53.9m (2012: EUR -61.8m), including non-cash valuation losses on derivatives in the amount of EUR 2.3m (2012: EUR 8.0m). Financing costs were lower than in 2012, amongst other things as a result of the repayment of borrowings in connection with property sales.

The Group's consolidated net income for the financial year 2013 came in at a very satisfactory EUR 28.1m (2012: EUR 26.1m), an increase of 7.6%.

Funds from operations (FFO)

S IMMO has adapted the way it calculates FFO compared with last year and now reports two indicators, FFO I and FFO II, in order to provide a better picture of the effects of property disposals on its results. FFO I is calculated from the profit for the year as adjusted for non-cash items such as depreciation and amortisation, property valuations and valuation effects on hedging instruments and so forth. The participating certificate results are reflected by including the share of profits accruing over the year, rather than the annual distribution. The main difference between FFO I and the previous calculation of FFO is that it does not include gains on property disposals, which are now included in FFO II. FFO II differs from the old FFO in that it also includes valuation gains in connection with property disposals for the year under review and the previous year for properties sold in the year under review.

FFO as at 31 December

EUR m	2013	2012 ¹⁾	Change
FFO I	32.968	23.779	+38.6%
FFO II	46.667	35.559	+31.2%

¹⁾ Adjusted to reflect the new calculation method

Net operating income (NOI)

The reduction of property-related costs and the increased profit from hotel operations resulted in a further increase in NOI, which totalled EUR 103.4m for the year ended 31 December 2013 (2012: EUR 97.5m), an improvement of 6.0%.

NOI as at 31 December

	2013	2012	Change
NOI (EUR m)	103.4	97.5	+6.0%
NOI margin (%)	53.4	49.6	+3.8 percentage points

Cash flow

Success in the financial year 2013 was also reflected in a 7.6% increase in operating cash flow to EUR 99.3m (2012: EUR 92.3m). Cash flow from investing activities totalled EUR 107.2m (2012: EUR 113.1m), and from financing activities EUR -186.4m (2012: EUR -258.6m).

FINANCIAL POSITION

At the balance sheet date, S IMMO Group's cash and cash equivalents totalled EUR 49.9m (2012: EUR 57.1m).

Shareholders' equity

During 2013, equity (excluding minorities) increased from EUR 483.3m in 2012 to EUR 524.1m despite the dividend payment and the ongoing share repurchase programme. This is attributable to the excellent consolidated net income for the year and the gains on derivative financial instruments.

Financing

Stricter capital adequacy and liquidity requirements for banks could result in more restrictive lending policies and tighter lending limits, making refinancing more expensive. There were virtually no such effects on S IMMO in the financial year 2013: All planned refinancing and new borrowings were implemented successfully. Virtually all of S IMMO's financing is denominated in euros. About 90% of the long-term financial liabilities are subject to variable interest rates pegged to the Euribor and roughly 10% are subject to fixed interest rates. S IMMO hedges the risk of rising interest rates with swaps, caps and collars.

The property sales during the period under review led to an overall reduction of financial liabilities.

Composition of financial liabilities

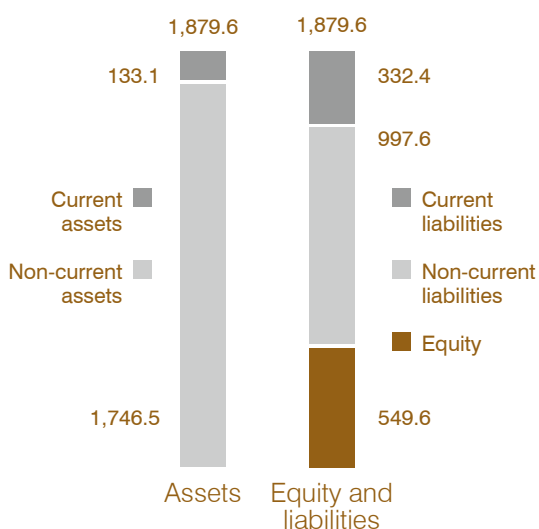
EUR m	2013	2012
Current financial liabilities	285.6	177.5
Non-current financial liabilities	754.9	977.1
Total financial liabilities	1,040.5	1,154.6

Details are shown in the Notes on page 66.

The loan to value ratio (debt excluding the valuation of derivatives in relation to the property portfolio) remained unchanged from 2012 to 2013 at 53%. Corresponding to the financial liabilities, the aggregate value of the property portfolio was EUR 1,756.6m.

Balance sheet structure 2013

EUR m



Maturities of financial liabilities

EUR m	2013	2012
Less than 1 year	285.6	177.5
1 to 5 years	366.0	476.2
More than 5 years	388.9	500.9

The Group also has outstanding participating capital (a hybrid of equity and debt) representing approximately 10.6% of the property portfolio. As at 31 December 2013, S IMMO's liabilities to banks were spread among 23 financial institutions. The average maturity of long-term bank loans was 7.0 years.

Net asset value (NAV)

In the financial year under review, S IMMO again improved both the book value per share and the EPRA NAV per share.

Book value and EPRA NAV per share as at 31 December

EUR	2013	2012 ¹⁾
Book value per share	7.83	7.18
EPRA NAV per share	9.76	9.35

¹⁾ Adjusted

EPRA NAV represents the value of equity adjusted for effects that do not have a long-term impact on the business activities of the Group, such as valuations of derivatives and deferred taxes. Derivatives being used as interest rate hedges will gradually expire over the coming years. These effects are already becoming apparent in the equity and the book value per share.

Staff and responsibility

With its properties, S IMMO helps to satisfy people's basic need for living and working space. As a result, the Company has a special responsibility towards society, which forms the basis for S IMMO's responsible conduct with regard to the economy, the environment and social issues. The foundation of S IMMO is also shaped by important aspects that have been compiled in the Company's mission statement. The Company's secret to success is a strong team that is conscious of its tradition but also looks to the future, that confidently makes decisions and takes responsibility for society and the environment in order to create sustainable values.

STAFF

The employees of S IMMO are not only the Company's most important capital when it comes to achieving long-term success, but also serve as the Company's link to external partners, shareholders, tenants and all other stakeholders. Because of the key functions its employees perform, S IMMO places great emphasis on ensuring their targeted professional and personal development. One area of focus here is on expanding employees' industry-specific knowledge through measures such as admittance into the Royal Institution of Chartered Surveyors (RICS) or the completion of master's degree programmes in the field of real estate. S IMMO's expenditures for employee training and education came to an average of roughly EUR 900 per employee in 2013.

Comprehensive work-life balance

A healthy work-life balance has a significant impact on employees' motivation, dedication and overall health. S IMMO is fully aware of its responsibility in this regard and offers a wide range of measures aimed at ensuring a pleasant working environment, including flexible working hours, medical care, meal vouchers and more.

Diversity as a resource

As an internationally active company, S IMMO AG has employees from many different countries. This wealth of languages and cultures offers the Company valuable resources. The corporate culture is characterised by lean and efficient structures that are based on interdepartmental collaboration and also offer room for individual development and advancement. The proximity to the Company's management allows for a policy of rapid, open communication.

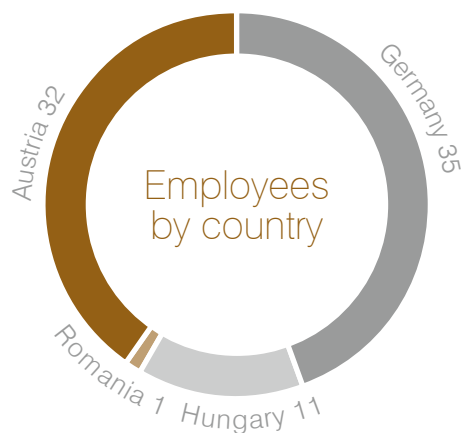
Corporate volunteering

For the first time, employees of S IMMO participated in two corporate volunteering projects organised by Caritas in 2013. In the first project, a group of volunteers from S IMMO cooked a meal for the residents of Haus Miriam, which offers single women in acute life crises a place to live for up to one and a half years. In the second project, S IMMO employees built a garden shed for the 260 residents of the St. Barbara nursing home.

Employee structure

During the period under review S IMMO employed 79 people in Austria, Germany, Hungary and Romania (505 including hotel staff).

Employee structure



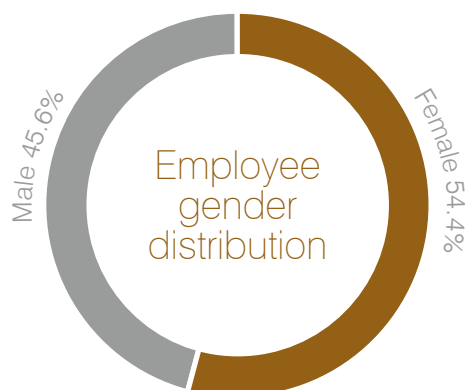
Total staff: 79

RESPONSIBILITY IN CORE BUSINESS

Corporate social responsibility also pertains to the core business of a company. Therefore, S IMMO meets the highest standards in both development projects and the energy-efficient and structural renovation of existing properties, thereby reducing operating costs as well as emissions and making a significant contribution to protecting the environment and enhancing the satisfaction of the tenants.

Green building certifications underscore this approach and the high quality standards of S IMMO. In 2013, another of the Company's properties, the Sun Plaza shopping centre in Bucharest, received BREEAM certification. This makes Sun Plaza the first certified shopping centre in Romania. The connected office building, Sun Offices, was already certified last year. The BRE Environmental Assessment Method (BREEAM) is the leading and most widely used voluntary certification method for properties. It covers a wide range of environmental and sustainability aspects. The method's high standards ensure optimal, sustainable design and serve as a measure of a building's environmental impact.

In addition, Serdika Offices, an office building in Sofia owned by S IMMO AG, received a Green Building Award at the eighth EuropaProperty SEE Real Estate Awards in mid-May 2013.



Share of female employees: 54.4% (43 women)

EcoBonus programme

As announced in the 2012 Annual Report, S IMMO's CSR activities in 2013 focused on the environment. As part of EcoBusinessPlan Vienna, the environmental service programme of the City of Vienna, S IMMO participated in the EcoBonus module. This consulting service is aimed at reducing operating expenses and at the same time protecting the environment in the areas of procurement, waste management, energy and climate. All of the collected data and developed measures were documented in a comprehensive report and then successfully presented to the advisory committee of EcoBusinessPlan Vienna in a subsequent audit. As a result, S IMMO AG received EcoBonus certification for its location at Friedrichstrasse 10 in Vienna's first district for a period of three years.

The goal for 2014 is to gradually implement the developed measures – such as the further reduction of energy costs – and to continue collecting the key data on a regular basis in order to allow the progress in the individual areas to be monitored and additional potential for optimisation to be identified.

SOCIAL RESPONSIBILITY

In the area of social responsibility, S IMMO supports organisations that offer a new home for people in need in line with the motto "providing shelter". The Company places particular emphasis on long-term collaborations in these activities.

In 2013, S IMMO once again supported student projects in order to encourage future professionals in the real estate industry. As part of the existing collaboration with Danube University Krems, the foreign studies module on portfolio optimisation was once again held at S IMMO Germany in Berlin for students of the real estate master's course. In addition, S IMMO awarded a scholarship for the short-term master's level course Green.Building.Solutions. This annual summer programme provides 30 students in the fields of architecture and civil engineering with extensive insight into the topic of sustainable construction.

Danube University Krems:
www.donau-uni.ac.at

Information about our CSR partners can be found at:

www.kunstsupermarkt.at
www.caritas.at
www.cs.or.at

Moreover, S IMMO supported the following social projects in 2013:

- In cooperation with Caritas:
 - Community centre in Esztergom, Hungary
 - Hope House and counselling centre in Alba Iulia, Romania
 - Day centre and mobile care in Pokrovan, Bulgaria
 - “Schenken mit Sinn” (“Giving with Sense”) Christmas campaign
- Vienna Kunstsupermarkt art sales project, Austria
- Caritas Socialis, Austria

Additional information about S IMMO's social projects is available at: <http://www.simmoag.at/en/csr>

OUTLOOK FOR 2014

S IMMO will continue its collaborations with Caritas, the Vienna Kunstsupermarkt and Caritas Socialis in 2014. With regard to the environment, the measures that were developed in the EcoBonus programme will be gradually implemented. In addition, the Company plans to participate in another corporate volunteering project in 2014.

Contact:

If you have any questions about our CSR activities, please contact the Corporate Communications team by telephone on +43 (0)50 100-27522 or by e-mail at media@simmoag.at.

Risk and opportunity management

As an international real estate company, S IMMO Group is confronted with a wide variety of risks and opportunities that influence both its operational business activities and its strategic corporate management. By identifying, analysing, monitoring and managing risks and opportunities continuously, the Group seeks to recognise negative developments and potentially profitable opportunities in good time, so that they can be taken into account in its decision-making processes.

S IMMO's business activity is based on long-term investment in real estate, including development, purchase, letting, operation and sale of properties in Austria, Germany and Central and Southeastern Europe. The Group's activities include:

- Real estate project development
- Operation of hotels and shopping centres
- Refurbishment and renovation of standing properties
- Asset management
- Property-related services

Its broadly diversified portfolio consists of residential, office, retail and hotel properties. By combining the operation and refurbishment of standing properties with development projects, S IMMO aims to reduce potential risks. S IMMO's operating activities focus on four different property use types in four regional segments. This diversification enables the Group to make optimal use of the different real estate cycles.

S IMMO's risk management comprises internal regulations and guidelines, regular reports at meetings with the Management Board, and standardised, group-wide control measures which serve to support the early identification, monitoring and control of risks. Major risk-related decisions are the responsibility of the Management Board, and investment projects above a certain value also require approval by the Supervisory Board. The Group's Internal Control System ensures that both management bodies are kept informed of all possible risks.

The various categories of risks described in this section were analysed and evaluated on an ongoing basis both retrospectively for the financial year 2013 and prospectively for 2014. For the most part, they are the same as they were a year ago.

Internal Control System

The Internal Control System (ICS) is used to monitor and control the following aspects of key business activities:

- the effectiveness and economic efficiency of operating activities,
- the reliability of financial reporting, and
- compliance with the applicable statutory provisions.

In conjunction with Internal Audit and compliance with stock exchange requirements, the ICS constitutes the Group's internal monitoring system. Core processes – in particular those relating to Group financial reporting – are set out in the internal processes database. This includes a risk management matrix in which the relevant processes, the potential individual risks and the pertinent control procedures are defined.

The major ICS features that are relevant to the accounting process are:

- Clear, written division of responsibilities between finance and accounting and other functions (such as treasury)
- Guidelines for the application of uniform accounting and valuation principles in the consolidated financial statements
- Assessment of risks that could lead to a material misstatement of transactions
- Appropriate control mechanisms built into the automated preparation of the consolidated financial statements
- Internal reporting to the Management and Supervisory Boards, including quarterly reports, segment and liquidity reports, and individual property reports when required
- Process-oriented control activities including a regular review of the correctness and completeness of accounting information and analysis of variances.

Internal Audit

The Group's Internal Audit function is responsible for commissioning and coordinating audits of core business processes at S IMMO AG and its subsidiaries. These audits monitor the effectiveness of the processes, existing risks and control weaknesses, and potential improvements in effectiveness and efficiency. They take place in cycles stretching over several years and are based on the annual operational audit plan and the strategic multi-year plan, which are approved by the Management Board. The audits are carried out exclusively by reputable external experts, and the results are submitted to the Management Board. The audit plan and the results of the audits are also regularly communicated to the Audit Committee of the Supervisory Board.

Risk management process



Risk overview

Group strategic risks	Real estate risks	Financial risks	Other risks
Business environment and industry risk Investment risk Capital market risk	Property portfolio risk Letting and rental default risk Property development risk Construction risk on development projects Property value risk	Liquidity risk Interest rate risk Financing risk Exchange rate risk	Tax risk Environmental risk Legal risk

INDIVIDUAL RISKS

Group strategic risks

S IMMO's business strategy entails strategic risks, which in turn can strongly influence the Group's strategy.

Business environment and industry risk

The economic climate in S IMMO's various markets influences the development of the local real estate industry. Since the economic situation is subject to constant change, it is often difficult to foresee accurately the risks that will arise. S IMMO currently sees the demand for office and retail space in Austria as stable or declining slightly. In Berlin, the Group is currently benefiting from the strong population influx and the high degree of individual mobility. This means that the German residential property market will continue to be attractive for S IMMO in 2014. Demand for office space in Germany is stable. The Group's hotel operations are also performing well. In the CEE region, the office property market in Budapest remains in a critical condition – office properties in the Hungarian capital make up roughly 4.5% of S IMMO's property portfolio. The Group has noted a recovery in Southeastern Europe, although Sofia is improving noticeably slower than Bucharest: For Romania's capital, the forecasts for the coming years are cautiously optimistic.

Investment risk

Investments, for example property purchases, offer opportunities but also entail risks. A major element of the Group's strategy in the selection of properties is therefore to recognise potential investment risks. In the preparatory phases of investment decisions, S IMMO Group attaches great importance to comprehensive internal and external analysis. The factors considered include the attractiveness of the location, local

infrastructure and the credit ratings of tenants. There are also predetermined investment volume thresholds, above which investments require approval by the Supervisory Board.

Capital market risk

The capital markets are of particular importance to S IMMO as sources of equity and loan capital. Unstable capital markets can restrict the Group's financing options. S IMMO Group works constantly to strengthen investors' trust in the S IMMO Share through transparent, reliable and prompt communication of information. It has published compliance guidelines to ensure adherence to capital market regulations, in particular with respect to the abuse of insider information, and it conducts ongoing reviews of potential capital market measures.

Real estate risks

Economically challenging times can lead to a decline in tenants' credit ratings, increases in outstanding rents, higher vacancy rates and loss of rental income.

Property portfolio risk

A balanced portfolio helps S IMMO manage property portfolio risks. The Group's properties are located in different geographical regions and have different property use types. The geographical focus is on Austria, Germany, CEE and SEE, with the Group concentrating on capital cities in the European Union. In the reporting period, these risks were not equally pronounced in all segments and property use types: Residential property in Germany, for example, performed positively, while the office property market in Budapest remained very difficult. The office markets in Bucharest and Sofia also continued to present challenges. Diversification within the portfolio enables risks in one particular market to be offset by positive developments in other markets.

Letting and rental default risk

Letting risks are closely linked with the general economic environment in S IMMO's various markets, which makes them difficult to predict with any degree of certainty. Present political and economic developments in Hungary, Romania and Bulgaria have resulted in riskier situations than in the Western EU member countries, for example. Letting risks (including relating to the extension of tenancy agreements) continue to pose a problem this year, as well, despite the generally positive economic forecasts for the European Union because of the very different political and economic situations in the various member countries. This applies particularly to office property in Budapest. It is not just the economic environment but also the competitive situation that affects lettings. New shopping centres are planned in Sofia, and in Bucharest a new shopping centre was opened in autumn of 2013, and three more are scheduled to enter the market in 2015 and 2016. We expect that the new market environment will affect existing tenants in S IMMO's shopping centres in the two capitals. There is the danger that existing tenants will not be able to meet their rental liabilities (rental default), and also the danger that existing tenancy agreements will not be renewed.

Property development risks

Property development involves risks of various kinds – construction cost overruns, completion delays, the search for suitable tenants as well as delays in receiving official permissions and approvals. S IMMO manages these risks on an ongoing basis using cost controlling, scheduling management, variance analysis and minimum pre-letting ratios. In the coming quarters, the Group will be concentrating on standing plots in Berlin, which will be used for freehold apartment projects. Our existing plots of development land in Central and Southeastern Europe are being prepared for potential building activities in the future. These preparations include obtaining zoning and building permits. Construction work will only begin when local conditions improve.

Construction risks on development projects

These include the risk of damage and defects in newly constructed properties. S IMMO uses industry standard construction contracts with guarantees and warranties to keep these within acceptable limits. To minimise risks in this area, detailed inspections are carried out before the end of the guarantee and warranty periods so that any defects can still be rectified at the contractor's expense. Another risk in construction projects is quality risk. S IMMO's approach to limiting such risks

is to select only experienced and reputable contractors, to establish clear plans and quality specifications, and to install appropriate controls.

Property valuation risk

Property valuation risk is the risk of possible declines in the value of the portfolio as a result of changed macroeconomic conditions (which are beyond the Group's control) and of circumstances affecting specific properties. S IMMO strives to identify possible risks in advance and to minimise any negative effects through optimal property and portfolio management. Market fluctuations can have an adverse effect not only on profit but also on equity, and consequently on the Share price and on the Group's credit rating. S IMMO's properties are shown in the financial statements at their fair value, and the properties are valued once a year by external experts. The principal sources of property valuation risks at present are the office properties in Budapest and the properties in Sofia and Bucharest.

Financial risks

For S IMMO Group, management of financial risks is mainly concerned with the effects of liquidity risks, changes in interest rates, financing risks and currency risks.

Liquidity risk

In order to ensure adequate liquidity, Group Financing works closely with Project Development, Asset Management and Acquisitions to coordinate the Group's cash flows. It monitors and regularly revises its projections to ensure that they are plausible. Increasingly, stricter capital adequacy and liquidity requirements for banks and their resulting more restrictive lending policies and tighter lending limits could result in difficulties in refinancing. Despite its mainly long-term loan agreements, S IMMO may be affected when it comes to loan extensions and refinancing (see also financing risks). These risks arise primarily when loan extension or refinancing agreements are delayed, or when the finance then available turns out to be less than expected.

Interest rate risk

External borrowings bear the risk of changing interest rates. At the moment, the European Central Bank is expected to leave the base rate at its current very low level. However, the possibility cannot be ruled out that banks will seek to widen their margins because of their difficult economic situation and the tighter capital adequacy and liquidity requirements introduced in Basel III. S IMMO Group reduces the interest rate risk to which it is exposed over the long term through interest rate hedging on

its variable rate loans. As at 31 December 2013, about 10% of loans were fixed rate and around 90% were variable rate loans – for the most part pegged to the three-month Euribor. S IMMO hedges its variable rate loans with derivatives (swaps, caps and collars), and as at the end of the financial year, all variable rate borrowings were hedged. The stress tests (see page 65–66 for details) show that S IMMO Group is exposed to approximately one sixth of the potential interest rate changes. This means that despite hedging with derivative financial instruments, the Group would be exposed to higher financing costs if interest rates were to rise.

Financing risk

The strains to which banks continue to be exposed and new negative developments in the sector could lead to more restrictive bank lending policies, making refinancing more difficult. A further widening of margins as well as reduction in lending limits is also conceivable. S IMMO Group reduces these financing risks by spreading its borrowing among different lenders (at the balance sheet date, 23 individual banks). All borrowings require approval by the Management Board, and above certain thresholds by the Supervisory Board as well. As at 31 December 2013, the non-current liabilities to banks had an average weighted residual maturity of around 7.0 years. This long-term borrowing is standard practice in the industry. Compliance with the contractual conditions of the loans is constantly monitored by S IMMO Group in close cooperation with the lending institutions. In the current economic climate, however, there is increasing risk of covenant violations (clauses in loan agreements that are based, for example, on the loan to value ratio). The Group ensures that the correct relationship is maintained between the amounts of loans and the market values of the properties (loan to value ratio). For the financial year under review, the overall loan to value ratio was 53%. The Group also had outstanding participating capital (a hybrid of equity and debt) representing approximately 10.6% of the property portfolio. Despite precise monitoring of financing instruments and the relevant parameters, the possibility of S IMMO being confronted with refinancing risks cannot be excluded should the economy and the financing environment take a turn for the worse.

Exchange rate risks

S IMMO Group's borrowings are almost entirely denominated in euros, and rental agreements are mainly linked to the euro. For this reason, exposure to direct cash-effective foreign exchange rate risks is minimal. However, short-term non-cash exchange rate changes do affect income and expenses. This can be the

case particularly with respect to the Budapest Marriott Hotel and the Eurocenter in Zagreb, depending on how the exchange rates of the Hungarian forint and the Croatian kuna develop against the euro. In financial year 2013, these effects resulted in a loss of EUR 0.8m, which is disclosed as part of the Group's financial results. An indirect medium-term exchange rate risk caused by changes in currency values cannot be excluded in certain affected markets.

Other risks

Tax risks

As an international real estate company, S IMMO is exposed to a multitude of varying, continually changing, national tax regimes. Changes in local taxation (such as property related taxes, sales taxes or income taxes) can lead to extraordinary tax burdens, and consequently constitute an earnings risk. By working with local experts at all times, S IMMO attempts to identify possible consequences early on so that they can be reflected in decision-making, and in order to ensure that adequate accounting provisions are made for all known risks in connection with tax audits and other fiscal procedures.

Environmental risk

Environmental risks can arise both with standing properties and with development projects. For example, changes in legislation can make it necessary to remove or replace certain building materials. There is also the possibility of hazardous materials needing to be removed from development land, which in turn can also lead to higher costs. S IMMO protects itself against these risks by carrying out detailed site analyses when acquiring or investing in property, and if necessary by obtaining guarantees. S IMMO also acts responsibly by insisting on high-quality building materials and construction methods, both with its standing properties and with development projects. In this regard, the Company has received a number of green building certificates for its buildings. In the coming months, for example, buildings in Hungary will be refurbished to meet environmental protection criteria.

Legal risk

Due to its business activities, S IMMO is exposed to a variety of legal risks, among other things from litigation. Current legal and arbitration proceedings relate primarily to disagreements arising out of S IMMO's operating activities, such as disagreements with tenants or construction companies. Provisions in accordance with IFRS requirements have been formed in the financial statements for all current legal disputes. Since the outcomes of

legal or arbitration proceedings can generally not be predicted, there is a risk that the expenses may exceed the amounts provided. Significant risks can also arise out of changes in the law, particularly since S IMMO's operations take place in a highly regulated environment.

OVERALL RISK SITUATION

Overall, there has been a modest economic recovery in the European Union over the past months. The forecasts for 2014 are encouraging, and justify cautious optimism. The individual countries of the EU are recovering at different rates, however, and especially Hungary, Romania and Bulgaria are exposed to higher levels of business risk compared with Western EU members due to their political and economic environment. For this

reason, S IMMO is exposed especially to greater industry, property portfolio, letting and rental default risks in these countries. S IMMO Group strives to reduce these risks with its balanced portfolio, which comprises properties of different use types. The properties in the various countries are also concentrated in the cities with high levels of purchasing power – the capitals – which also helps to reduce the risks somewhat. Appropriate provisions are formed in the financial statements for all identified risks.

Another major group of risks is associated with liquidity and financing. Stricter capital adequacy and liquidity requirements for banks could result in more restrictive lending policies and tighter lending limits, making refinancing more difficult to obtain. The possibility that banks may attempt to widen their margins also cannot be ruled out.

Outlook

SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

In the first quarter of 2014, S IMMO took advantage of the good sales opportunities in the German property market and sold three residential buildings in Berlin.

Moreover, a further 67,000 shares in the amount of EUR 356,000 and 21,603 participating certificates in the amount of EUR 1,684,000 were repurchased in the first quarter of 2014.

EXPECTED ECONOMIC CLIMATE

The majority of international economic experts agree that the eurozone entered into a recovery phase in the second half of 2013. Economic growth is expected to total 1% in 2014 and 1.5% in the following year. The forecasts for Central and South-eastern Europe are also optimistic. The region's gross domestic product is expected to expand by 2.2% this year. Although this is lower than the level seen in the years prior to the economic crisis, these estimates are promising. Germany and Austria – the two markets S IMMO will be focusing on this year – are projected to post economic growth of 1.7% and 1.6%, respectively. In 2015, economic growth is expected to be even higher, increasing by 2.0% in Germany and by 1.9% in Austria.

EXPECTED BUSINESS DEVELOPMENTS

S IMMO is feeling the impact of this moderate economic recovery in several countries of the European Union in its day-to-day operations. Berlin's residential property market is especially worth noting: The German capital still has significant demand for residential buildings. On the one hand, the Bertelsmann Foundation predicts a growth in Berlin's population from approximately 3.4 million as at 31 August 2013 to roughly 3.6 million by 2030. At the same time, the number of households will increase to approximately 2.1 million according to the Senate Department for Urban Development and Environment. Furthermore, the home ownership ratio is relatively low in Berlin, at roughly 15%. We plan to exploit this potential by starting the construction of freehold apartments in Berlin. Flats are currently being planned on four existing plots. In addition, we plan to sell properties to the extent of around 5% of the portfolio in 2014.

In contrast to the residential property market in Berlin, Budapest's office property market is the most critical market at the moment. S IMMO's office properties in Budapest currently account for roughly 4.5% of the Company's total portfolio. The political situation in the country is also having a negative impact on the real estate market. As a consequence, many investors are pulling out of the country, major companies are consolidating their locations and the demand for office space has declined. Despite

the extremely difficult market conditions, we were able to negotiate new lettings for spaces in Budapest on a smaller scale.

In Central and Southeastern Europe, we are still concentrating on letting out the two office buildings in Sofia and Bucharest. Already in the first quarter of 2014, letting successes were achieved in both properties: Existing lease contracts were extended for a total of over 1,000 m² in Bucharest, and new lease contracts were concluded for more than 1,200 m² in Sofia.

Despite property sales and the resulting moderate decline in rental income, we plan to achieve a better result in 2014 than in 2013. We intend to accomplish this by improving the financial result and further cutting costs as well as through other measures.

On the capital markets, we feel that a higher dividend for 2013 is justified based on the good results achieved in the reporting period. The Company paid out a dividend for the first time of

EUR 0.10 for the financial year 2011, and this was increased by 50% for the financial year 2012. We also plan to follow this trend of a gradual, long-term increase in the dividend in the coming years. A positioning on the capital market as a sustainable dividend-paying share is in line with our long-term strategy. In addition, the repurchase programmes for the S IMMO Share and the S IMMO INVEST participating certificate will continue. The buyback of participating certificates will be further intensified.

The S IMMO Share performed very well in 2013, posting a yield of 13.10% including the dividend. The Share also turned in a stable performance in the first quarter of 2014. This shows that we are on the right path and that Austrian and international investors are slowly starting to trust in real estate shares and in Central and Southeastern Europe again. With this in mind, we will continue all of our efforts to demonstrate the potential of the S IMMO Share to existing and future shareholders and thus to bring our share price closer to the book value.

Disclosures pursuant to section 243a para 1 Austrian Commercial Code (UGB)

Under section 243a para 1 Austrian Commercial Code (UGB), the following information must be disclosed.

1.) As at 31 December 2013, the issued share capital of S IMMO AG was EUR 243,143,569.90, divided into 66,917,179 no par value bearer shares. All shares have the same rights.

2.) S IMMO AG's articles of incorporation restrict the voting rights of each shareholder at the Annual General Meeting to a maximum of 15% of the issued share capital. For this purpose, shares held by companies that together constitute a group for the purposes of section 15 Austrian Stock Corporation Act (AktG) are to be aggregated, as are shares held by third parties for the account of the relevant shareholder or the account of a company forming part of a group with that shareholder. Holdings of shares by shareholders exercising their voting rights in concert in virtue of an agreement or as part of coordinated behaviour are also to be aggregated. The Management Board of S IMMO AG is not aware of any agreements applying to limitations of voting rights or the transfer of shares.

3.) The Company has been notified under section 91 para 1 Austrian Stock Exchange Act (BörseG) of the following holdings in excess of 10%:

On 20 April 2009, the Company was notified that s Versicherung AG, a company forming part of Vienna Insurance Group for the purposes of section 91 para 1 BörseG, had increased its interest in Sparkassen Immobilien AG (now S IMMO AG) to 7,000,000 shares, which was about 10.27% of the issued share capital at the time, and following the cancellation of treasury shares on 19 December 2013 constituted about 10.46% of the reduced share capital.

On 24 July 2012, the Company received notification from Erste Group Bank AG pursuant to section 91 para 1 BörseG that it had increased its interest in S IMMO AG, and that as at 20 July 2012 the 10% threshold specified under section 91 para 1 BörseG had been exceeded. Erste Group Bank AG's direct and indirect interest increased to 6,893,561 shares, which was about 10.12% of the issued share capital at the time, and following the cancellation of treasury shares on 19 December 2013 constituted about 10.30% of the reduced share capital.

On 24 September 2009, the Management Board received notification under section 91 para 1 BörseG from Tri-Star Capital Ventures Ltd., an international investment company, that it had increased its interest in Sparkassen Immobilien AG (now S IMMO AG) to about 11.15% of the issued share capital. On 05 December 2013 and 13 January 2014, notifications were received from Anadoria Investments Ltd., a 100% subsidiary of Tri-Star Capital Ventures Ltd., that as at 30 November 2013, it had purchased the 7,593,611 shares in S IMMO AG previously held by Tri-Star Capital Ventures Ltd., which was about 11.15% of the issued share capital at the time, and following the cancellation of treasury shares on 19 December 2013 constituted about 11.35% of the reduced share capital, and that as at 30 November 2013, Tri-Star Capital Ventures Ltd. no longer held any shares in S IMMO AG.

S IMMO AG clarifies that its knowledge of interests greater than 10% is based on notifications under section 91 para 1 BörseG, and that it therefore cannot guarantee the completeness or correctness of the above information. Notifications pursuant to sections 91 et seqq BörseG are only required on reaching, exceeding or falling below the relevant thresholds, so that the actual current extent of the interests may differ from those reported. For the sake of completeness, attention is also drawn to the fact that notification under section 91 para 1 BörseG was received from Erste Asset Management GmbH on 30 November 2011 that it and its subsidiaries RINGTURM Kapitalanlagegesellschaft m.b.H. and ERSTE-SPARINVEST Kapitalanlagegesellschaft m.b.H. pursue a joint voting policy, and that the voting rights of the managed funds are therefore reported in aggregate. The three companies therefore reported that as at 29 November 2011, they held 8,130,557 shares in aggregate, which was about 11.94% of the issued share capital at the time, and following the cancellation of treasury shares on 19 December 2013 constituted about 12.15% of the reduced share capital.

- 4.) There are no shares with special control rights.
- 5.) Employees who are shareholders exercise their voting rights at the Annual General Meeting directly, if appropriate.

6.) The Management Board consists of two, three or four members. The members of the Management Board are appointed by the Supervisory Board by a three-quarters majority of the votes cast. The Supervisory Board may at the same time appoint a member of the Management Board as Chairman and another member as Deputy Chairman. This resolution also requires a three-quarters majority of the votes cast. Appointment to the Management Board is open only to those under the age of 65 at the time of appointment.

The Supervisory Board consists of a maximum of 10 members elected by the Annual General Meeting.

Resolutions proposing increases in share capital are passed by a simple majority of the votes cast at the Annual General Meeting and by a simple majority of the shareholders voting on a resolution.

7.) a) In accordance with section 169 AktG and the resolution of the 23rd Annual General Meeting of 01 June 2012, the Management Board, with the approval of the Supervisory Board, is authorised for a period of five years dating from the registration of this change in the articles of incorporation, that is, until 19 October 2017, to increase the share capital of the Company by up to EUR 123,754,680.93 in one or more tranches by the issue of up to 34,059,359 ordinary bearer shares for a minimum issue price of 100% of the proportionate share of the issued capital. The issue may be for cash or for contributions in kind (not including contributions in kind made in exchange for the issue by the Company of participating certificates and entitlements of such certificates, or other entitlements). The Management Board with the agreement of the Supervisory Board is authorised to fix the issue price, the terms and conditions of the issue and all other details of the implementation of the capital increase (authorised capital). In the event of a capital increase for contributions in kind (not including contributions in kind made in exchange for the issue by the Company of participating certificates and entitlements of such certificates, or other entitlements), the Management Board is authorised with the approval of the Supervisory Board to fully or partially exclude shareholder subscription rights.

b) At the 23rd Annual General Meeting of 01 June 2012, the Management Board was authorised under the provisions of section 65 para 1 fig 8 AktG for a period of thirty months from the date of the passing of the resolution, that is, until 01 December 2014, to acquire shares in the Company up to the statutory maximum of 10% of the Company's share capital, and if appropriate to cancel them. With the approval of the Supervisory Board, the Management Board on several occasions decided to repurchase shares as authorised by resolution of the 23rd Annual General Meeting of 01 June 2012. Most recently, it decided on 17 December 2013 to repurchase up to a further 3% of the Company's shares in issue (before the cancellation of the treasury shares as at 19 December 2013). The Management Board was also authorised for a period of five years from the date of the passing of the resolution, that is, until 01 June 2017, with the approval of the Supervisory Board to dispose of own shares (treasury shares) in a manner other than through the stock exchange or through a public offer and under exclusion of shareholders' subscription rights.

c) In accordance with section 159 para 2 fig 1 AktG and the resolution of the 23rd Annual General Meeting of 01 June 2013, the authorised capital is conditionally increased by up to EUR 123,754,680.93 by the issue of up to 34,059,359 new ordinary bearer shares (conditional capital). The conditional capital increase will only be put into effect to the extent that the holders of the convertible bond issued on the basis of the resolution of the Annual General Meeting of 01 June 2012 exercise their rights of conversion or subscription. The issue price and the conversion and/or subscription ratios are to be calculated on the basis of the market price of the Company's shares in accordance with standard market practice. The issue price may not be less than the proportionate interest in the share capital. With the approval of the Supervisory Board, the Management Board is authorised to determine all other details of the implementation of the conditional capital increase (in particular, the issue price, the rights attached to the shares and the date of entitlement to dividends). The Supervisory Board is authorised to amend the articles of incorporation in connection with the issue of shares from conditional capital and when the period during which the use of such capital is authorised expires.

d) At the 23rd Annual General Meeting of 01 June 2012, in accordance with section 174 AktG, the Management Board was again authorised, within five years of the passing of the resolution, that is, until 01 June 2017, to issue for cash, in one or more tranches, convertible bonds carrying the right of conversion or subscription to up to 34,059,359 ordinary bearer shares in the Company representing a proportionate interest in the share capital of the Company of up to EUR 123,754,680.93. The Management Board was also authorised, with the approval of the Supervisory Board, to preclude the subscription rights of existing shareholders to these convertible bonds and to determine all other terms and conditions of the convertible bonds, including their issue price and the conversion procedures.

8.) There are no significant agreements to which the Company is party that would come into effect, be amended or come to an end following a change in control of the Company as the result of a takeover offer.

9.) There are no special compensation agreements between the Company and members of the Management and Supervisory Boards or the Company's employees that would take effect in the event of a public takeover offer.

Consolidated financial statements

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Consolidated statement of financial position

as at 31 December 2013

Assets EUR '000	NOTES	31 December 2013	31 December 2012 ¹⁾
NON-CURRENT ASSETS			
Investment properties			
Rental properties	3.1.1.	1,580,311	1,661,226
Properties under development and undeveloped land	3.1.1.	16,677	20,157
		1,596,988	1,681,383
Owner-operated properties	3.1.2.	120,017	128,202
Other plant and equipment	3.1.2.	7,447	7,034
Intangible assets	3.1.2.	139	165
Goodwill	3.1.3.	0	10
Interests in companies measured at equity	3.1.4.	7,393	9,382
Group interests		749	774
Deferred tax assets	3.1.14.	13,764	38,504
		1,746,497	1,865,454
CURRENT ASSETS			
Inventories	3.1.5.	1,328	4,150
Trade receivables	3.1.6.	12,115	10,560
Other accounts receivable	3.1.6.	21,576	5,507
Other assets	3.1.7.	8,709	7,958
Cash and cash equivalents	3.1.8.	49,873	57,076
		93,601	85,251
Properties held for sale	3.1.9.	39,550	62,700
		133,151	147,951
		1,879,648	2,013,405

¹⁾ Adjusted, see Notes 2.1.

Equity and liabilities

EUR '000

NOTES

31 December 2013

31 December 2012¹⁾

SHAREHOLDERS' EQUITY

Share capital	3.1.10.	243,126	244,705
Capital reserves	3.1.10.	72,535	73,005
Other reserves	3.1.10.	208,432	165,601
		524,093	483,311
Non-controlling interests	3.1.11.	25,531	26,323
		549,624	509,634

NON-CURRENT LIABILITIES

Subordinated participating certificate capital	3.1.12.	186,645	222,483
Financial liabilities	5.2.2.	754,957	977,114
Provisions	3.1.13.	2,962	7,501
Other liabilities		5	5,670
Deferred tax liabilities	3.1.14.	53,005	69,012
		997,574	1,281,780

CURRENT LIABILITIES

Financial liabilities	5.2.2.	285,551	177,497
Income tax liabilities		4,325	2,741
Provisions	3.1.13.	1,924	2,235
Trade payables	5.2.2.	4,860	6,807
Other liabilities		35,790	32,711
		332,450	221,991

1,879,648

2,013,405

¹⁾ Adjusted, see Notes 2.1.

Consolidated income statement

for the year ended 31 December 2013

EUR '000	NOTES	2013	2012 ¹⁾
Revenues			
Rental income	3.2.1.	116,707	118,535
Revenues from operating costs	3.2.1.	36,827	36,170
Revenues from hotel operations	3.2.1.	40,201	41,971
		193,735	196,676
Other operating income		6,186	6,860
Expenses directly attributable to properties	3.2.2.	-60,603	-67,037
Hotel operating expenses	3.2.2.	-29,747	-32,112
Gross profit		109,571	104,387
Income from property disposals	3.2.3.	128,071	132,230
Carrying value of property disposals	3.2.3.	-121,657	-121,390
Gains on property disposals	3.2.3.	6,414	10,840
Management expenses	3.2.4.	-15,078	-16,337
Earnings before interest, tax, depreciation and amortisation (EBITDA)		100,907	98,890
Depreciation and amortisation	3.2.5.	-11,992	-8,765
Results on property valuation	3.2.6.	6,879	16,756
Operating result (EBIT)		95,794	106,881
Financing costs	3.2.7.	-53,931	-63,419
Financing income	3.2.7.	1,573	1,150
Results from companies measured at equity	3.2.7.	-1,543	466
Participating certificates result	3.1.12.	-9,286	-12,809
Net income before tax (EBT)		32,607	32,269
Taxes on income	3.1.14.	-4,553	-6,188
Consolidated net income		28,054	26,081
of which attributable to shareholders in parent company		27,309	24,355
of which attributable to non-controlling interests		745	1,726
Earnings per share			
undiluted = diluted	3.2.8.	0.41	0.36

¹⁾ Adjusted, see Notes 2.1.

Consolidated statement of comprehensive income

for the year ended 31 December 2013

EUR '000	NOTES	2013	2012 ¹⁾
Consolidated net income		28,054	26,081
Change in value of cash flow hedges	5.1.3.	30,814	-20,653
Income taxes on cash flow hedges		-7,068	3,962
Reclassification of derivative valuation effects through net income	5.1.3.	2,461	6,019
Foreign exchange rate differences	3.1.10.	375	2,472
Other comprehensive income for the period (realised through profit or loss)		26,582	-8,200
Remeasurement of post-employment benefit obligations		-6	113
Income taxes on remeasurement of post-employment benefit obligations		1	-28
Other comprehensive income for the period (not realised through profit or loss)		-5	85
Total comprehensive income		54,631	17,966
of which attributable to shareholders in parent company		52,923	18,083
of which attributable to non-controlling interests		1,708	-117

¹⁾ Adjusted, see Notes 2.1.

Consolidated cash flow statement

for the year ended 31 December 2013

EUR '000	NOTES	2013	2012 ¹⁾
Net income before tax (EBT)		32,607	32,269
Gains/losses on property valuation	3.2.6.	-6,879	-16,756
Depreciation and amortisation	3.2.5.	11,992	8,765
Gains/losses on property sales	3.2.3.	-6,414	-10,840
Cash flow from sale of inventories	3.2.3.	5,608	5,185
Taxes on income paid	3.1.14.	-796	-943
Participating certificates result	3.1.12.	9,286	12,809
Financing result	3.2.7.	53,901	61,803
Operating cash flow		99,305	92,292
Changes in net current assets			
Receivables and other assets		-17,528	8,715
Provisions and other non-current liabilities		-16,647	-4,729
Current liabilities		7,001	-8,980
Cash flow from operating activities		72,131	87,298
Cash flow from investing activities			
Investments in property portfolio		-7,598	-11,970
Investments in tangible and intangible assets		-49	-70
Investments in equipment and machinery		-2,743	-2,143
Investments in financial assets		-1,868	-940
Disposals of financial assets		2,341	0
Net cash flow from initial consolidations		-5,990	0
Disposals of properties and property holding companies		122,463	127,045
Interest received and other financial income	3.2.7.	613	1,217
Cash flow from investing activities		107,169	113,139

EUR '000	NOTES	2013	2012 ¹⁾
Consolidated cash flow statement (cont.)			
Cash flow from financing activities			
Purchase of own participating certificates	3.1.12.	-36,169	-9,538
Purchase of own shares	3.1.10.	-2,049	-2,048
Cash flows from increases/decreases in non-controlling interests		-2,489	-2,648
Increases in financing		62,190	75,500
Decreases in financing		-138,859	-249,796
Dividend payment	3.1.10.	-10,092	-6,767
Distribution to participating certificates	3.1.12.	-9,045	-11,186
Interest paid		-49,919	-52,138
Cash flow from financing activities		-186,432	-258,621
Cash and cash equivalents at 01 January			
		57,076	115,260
Changes in Group's scope of consolidation		-71	0
Net change in cash and cash equivalents		-7,132	-58,184
Cash and cash equivalents at 31 December²⁾		49,873	57,076

¹⁾ Adjusted, see Notes 2.1.

²⁾ The effects of foreign exchange translation differences on cash and cash equivalents are not material and are therefore not disclosed separately.

Changes in consolidated equity

EUR '000	Share capital	Capital reserves	Foreign currency translation reserves	Hedge accounting reserves	Other reserves	Sub-total S IMMO share-holders	Non-controlling interests	Total
At 01 January 2013	244,705	73,005	-19,568	-64,456	249,625	483,311	26,323	509,634
Consolidated net income	0	0	0	0	27,309	27,309	745	28,054
Remeasurement of post-employment benefit obligations	0	0	0	0	-5	-5	0	-5
Other comprehensive income	0	0	375	25,244	0	25,619	963	26,582
Repurchase of own shares	-1,579	-470	0	0	0	-2,049	0	-2,049
Disposals	0	0	0	0	0	0	-2,500	-2,500
Distribution for 2012	0	0	0	0	-10,092	-10,092	0	-10,092
At 31 December 2013	243,126	72,535	-19,193	-39,212	266,837	524,093	25,531	549,624
At 01 January 2012	246,341	73,416	-22,040	-55,627	231,952	474,042	29,088	503,130
Consolidated net income ¹⁾	0	0	0	0	24,355	24,355	1,726	26,081
Remeasurement of post-employment benefit obligations ¹⁾	0	0	0	0	85	85	0	85
Other comprehensive income	0	0	2,472	-8,829	0	-6,357	-1,843	-8,200
Repurchase of own shares	-1,637	-411	0	0	0	-2,048	0	-2,048
Disposals	0	0	0	0	0	0	-2,648	-2,648
Distribution for 2011	0	0	0	0	-6,767	-6,767	0	-6,767
At 31 December 2012	244,705	73,005	-19,568	-64,456	249,625	483,311	26,323	509,634

¹⁾ Adjusted, see Notes 2.1.

Notes to the consolidated financial statements

for the year ended 31 December 2013

1. THE GROUP

S IMMO Group (S IMMO AG and its subsidiaries) is an international real estate group. The ultimate parent company of the Group, S IMMO AG, has its registered office and headquarters at Friedrichstrasse 10, 1010 Vienna, Austria. The Company has been listed on the Vienna Stock Exchange since 1992, since 2007 in the Prime Market Segment. It has subsidiaries in Austria, Germany, the Czech Republic, Slovakia, Hungary, Croatia, Romania, Bulgaria and Denmark. As at 31 December 2013, S IMMO Group owned properties in all the above countries except Denmark. The Company's principal business is the acquisition, letting and sale of properties in different regions and market segments in order to achieve a balanced investment portfolio. Another business activity is the development and construction of properties in cooperation with project development partners.

2. ACCOUNTING AND VALUATION POLICIES

2.1. Accounting policies

The consolidated financial statements comply with the International Financial Reporting Standards (IFRS), including the interpretations of the IFRS Interpretations Committee, the application of which was mandatory in the European Union at the balance sheet date.

The accounting policies of all companies included in consolidation are based on the uniform accounting regulations of S IMMO Group. The financial year for all companies ends on 31 December.

The comparative figures for 2012 have been adjusted to reflect the reclassification of certain items in the financial statements for 2013. Adjustments to the comparative figures were also necessary as a result of the first-time application of the revised IAS 19. Since the first-time application of the revised standard has no material effect on the consolidated financial statements, under IAS 1.40A the Group has decided to dispense with the preparation of a third balance sheet.

The consolidated financial statements are presented rounded to the nearest 1,000 euro (EUR '000 or kEUR). The totals of rounded amounts and the percentages may be affected by rounding differences caused by the use of computer software.

2.2. Consolidation group and basis of consolidation

The consolidated financial statements include all the companies (subsidiaries) over which the parent company has a controlling influence through full consolidation. A controlling interest exists where the parent company is in a position directly or indirectly to determine the financial and business policies of the subsidiary and to benefit from its activities. A subsidiary is consolidated from the time when the controlling influence is acquired, and deconsolidated when that influence ceases to exist.

Companies over whose business and financial policies the parent company can directly or indirectly exercise a significant influence (as a rule, through a direct or indirect interest of from 20% to 50% in the share capital) and jointly controlled companies are included in the consolidated financial statements at equity. The acquisition method is applied for initial consolidation, which means that the identifiable assets (mainly properties) and liabilities of the companies acquired, and the non-controlling interests in them, are recognised at fair value.

As a general rule, S IMMO Group recognises non-controlling interests as the proportionate share of identifiable net assets of the subsidiary. Goodwill is measured as the difference between the aggregate of the fair value of the consideration given together with the amount recognised for non-controlling interests and the fair value of the identifiable assets and liabilities (net assets) of the company acquired. The amount in excess of net assets is generally recognised as an addition to the value of the properties. If the amount is negative, after a further critical review of the recognition and measurement of the assets and liabilities acquired, it is recognised in profit or loss.

The acquisition date is the date on which control of the new acquisition is acquired. Costs incurred by S IMMO Group in the course of acquisition, such as fees for due diligence reviews, valuations and other consulting services are recognised as expenses of the period in which they are incurred.

Interests in companies included at equity are initially recognised at cost of acquisition. For associated companies and jointly controlled companies included at equity, differences on consolidation are calculated in the same way as for fully consolidated companies. The goodwill arising on the acquisition of a company included at equity is part of the book value and is not subject to scheduled depreciation. As part of the investment in the company included at equity, the goodwill is reviewed for impairment. S IMMO AG's interest in the profit or loss of an at equity consolidated company after the date of acquisition is included in the consolidated income statement. The proportionate share of changes in equity not forming part of profit or loss is included directly in consolidated equity. The cumulative share of such changes increases or reduces the book value of the interest. If S IMMO AG's attributable share of the accumulated losses of a company consolidated at equity exceeds the book value of the interest, excess shares of losses are not recognised, except to the extent that they give rise to obligations. In the event of distributions, the book value of the interest is reduced by the proportionate amount. Intercompany profits and losses between S IMMO AG and at equity consolidated companies are eliminated on consolidation.

Transactions with non-controlling interests not resulting in loss of control are treated in the same way as transactions with the Group's shareholders. Any difference between the consideration given and the relevant share of the book value of the net assets of the subsidiary arising from the acquisition of a non-controlling interest is recognised in equity. Gains and losses on the disposal of non-controlling interests are also recognised in equity.

Apart from S IMMO AG, the consolidated financial statements include 65 (2012: 66) companies (property holding and intermediary holding companies), which are fully consolidated and directly or indirectly owned by S IMMO AG, and 6 (2012: 4) companies included at equity.

In the second quarter, SIAG Property II GmbH, Berlin, was included in consolidation in S IMMO AG's consolidated financial statements for the first time. This represents the acquisition of a property and is not a business combination in the meaning of IFRS 3. In the fourth quarter, SIAG HOLDING LIMITED, Nicosia, was merged into SO Immobilienbeteiligungs GmbH, Vienna, and Areal CZ spol s.r.o., Prague, was merged into Tigala Estates s.r.o., Prague, which had not previously been included in consolidation and was subsequently sold.

Company	Location	Country	Nominal capital	%	Currency	Consolidation type
CEE Immobilien GmbH	Vienna	A	35,000	100	EUR	full
CEE PROPERTY-INVEST Immobilien GmbH	Vienna	A	48,000,000	100	EUR	full
CEE CZ Immobilien GmbH	Vienna	A	35,000	100	EUR	full
German Property Invest Immobilien GmbH	Vienna	A	35,000	100	EUR	full
Hotel DUNA Beteiligungs Gesellschaft m.b.H.	Vienna	A	145,346	100	EUR	full
AKIM Beteiligungen GmbH	Vienna	A	35,000	100	EUR	full
SO Immobilienbeteiligungs GmbH	Vienna	A	35,000	100	EUR	full
CEE Beteiligungen GmbH	Vienna	A	35,000	100	EUR	full
E.V.I. Immobilienbeteiligungs GmbH	Vienna	A	35,000	100	EUR	full
SIAG Berlin Wohnimmobilien GmbH	Vienna	A	3,982,500	99.74	EUR	full
E.I.A. eins Immobilieninvestitionsgesellschaft m.b.H.	Vienna	A	36,336	100	EUR	full
PCC-Hotelerrichtungs- und Betriebsgesellschaft m.b.H. & Co. KG	Vienna	A	8,299,238	70	EUR	full
PCC-Hotelerrichtungs- und Betriebsgesellschaft m.b.H.	Vienna	A	36,336	100	EUR	full
Neutorgasse 2–8 Projektverwertungs GmbH	Vienna	A	35,000	100	EUR	full

Company	Location	Country	Nominal capital	%	Currency	Consolidation type
H.S.E. Immobilienbeteiligungs GmbH	Vienna	A	35,000	100	EUR	full
A.D.I. Immobilien Beteiligungs GmbH	Vienna	A	35,000	100	EUR	full
QBC Management und Beteiligungen GmbH & Co KG (former: ISP Immobilienentwicklungs- und Verwertungsgesellschaft m.b.H.)	Vienna	A	35,000	35	EUR	equity
QBC Immobilien GmbH	Vienna	A	60,000	35	EUR	equity
QBC Management und Beteiligungen GmbH	Vienna	A	35,000	35	EUR	equity
BGM-IMMORENT Aktiengesellschaft & Co KG	Vienna	A	4,360,370	20.83	EUR	equity
Viertel Zwei Hoch GmbH & Co KG	Vienna	A	100,000	100	EUR	full
Viertel Zwei Plus GmbH & Co KG	Vienna	A	100,000	100	EUR	full
Viertel Zwei Hotel GmbH & Co KG	Vienna	A	100,000	100	EUR	full
S IMMO Property Invest GmbH	Vienna	A	35,000	100	EUR	full
Hansa Immobilien EOOD	Sofia	BG	10,175,300	77	BGN	full
CEE Property Bulgaria EOOD	Sofia	BG	17,622,470	100	BGN	full
Washington Project EOOD	Sofia	BG	20,000	50	BGN	equity
ELTIMA PROPERTY COMPANY s.r.o.	Prague	CZ	100,000	100	CZK	full
REGA Property Invest s.r.o.	Prague	CZ	200,000	100	CZK	full
TOLLESON a.s.	Prague	CZ	200,000	100	CZK	full
Lützwow-Center GmbH	Berlin	D	25,000	100	EUR	full
Ikaruspark GmbH	Berlin	D	25,000	100	EUR	full
S IMMO Germany GmbH	Berlin	D	25,000	100	EUR	full
S Immo Geschäftsimmobilien GmbH	Berlin	D	25,000	100	EUR	full
S Immo Wohnimmobilien GmbH	Berlin	D	25,000	100	EUR	full
Markt Carree Halle Immobilien GmbH	Berlin	D	25,000	100	EUR	full
Tölz Immobilien GmbH	Berlin	D	25,000	100	EUR	full
Einkaufs-Center Sofia G.m.b.H. & Co KG	Hamburg	D	87,000,000	65	EUR	full
SIAG Deutschland Beteiligungs-Verwaltungs GmbH	Berlin	D	25,000	100	EUR	full
SIAG Deutschland Beteiligungs GmbH & Co. KG	Berlin	D	100,000	99.74	EUR	full
SIAG Leipzig Wohnimmobilien GmbH	Berlin	D	750,000	99.74	EUR	full
Maior Domus Hausverwaltung GmbH	Berlin	D	25,000	100	EUR	full
SIAG Property I GmbH	Berlin	D	25,000	100	EUR	full
SIAG Property II GmbH	Berlin	D	25,000	100	EUR	full
H.W.I. I ApS	Århus	DK	939,000	100	EUR	full
H.W.I. IV ApS	Århus	DK	134,000	100	EUR	full
GERMAN PROPERTY INVESTMENT I APS (GPI I APS)	Århus	DK	17,000	99.71	EUR	full
GERMAN PROPERTY INVESTMENT II APS (GPI II APS)	Århus	DK	60,000	99.71	EUR	full
GERMAN PROPERTY INVESTMENT III APS (GPI III APS)	Århus	DK	17,000	99.71	EUR	full
Bank-garázs Ingatlanfejlesztési és Vagyonghasznosító Kft.	Budapest	H	500,000	100	HUF	full
CEE Property-Invest Ingatlan Kft.	Budapest	H	100,000,000	100	HUF	full

Company	Location	Country	Nominal capital	%	Currency	Consolidation type
Maros utca Építési és Ingatlanhasznosítási Kft.	Budapest	H	500,000	100	HUF	full
Buda Kereskedelmi Központ Kft.	Budapest	H	3,000,000	100	HUF	full
Duna Szálloda Zrt.	Budapest	H	5,000,000	100	HUF	full
S IMMO Hungary Kft	Budapest	H	98,600,000	100	HUF	full
Szegedi út Ingatlankezelő Kft.	Budapest	H	500,000	100	HUF	full
Nagymező utcai Projektfejlesztési Kft.	Budapest	H	462,590,000	100	HUF	full
CEE Property-Invest Hungary 2003 Ingatlan Kft.	Budapest	H	3,000,000	100	HUF	full
SC CEE PROPERTY INVEST ROMANIA SRL	Bucharest	RO	1,000	100	RON	full
SC Societate Dezvoltare Comercial Sudului (SDCS) S.R.L.	Bucharest	RO	245,756,390	100	RON	full
SC VICTORIEI BUSINESS PLAZZA S.R.L.	Bucharest	RO	18,852,144	100	RON	full
SC DUAL CONSTRUCT INVEST S.R.L.	Bucharest	RO	2,000	94	RON	full
SC ROTER INVESTITII IMOBILIARE S.R.L.	Bucharest	RO	4,472,020	100	RON	full
CII Central Investments Imobiliare S.R.L.	Bucharest	RO	1,816,000	47	RON	equity
GALVÁNIHO Business Centrum, s.r.o.	Bratislava	SK	6,639	100	EUR	full
GALVÁNIHO 2 s.r.o.	Bratislava	SK	6,639	100	EUR	full
IPD - International Property Development, s.r.o.	Bratislava	SK	33,194	100	EUR	full
SIAG Fachmarktzentren, s.r.o.	Bratislava	SK	6,639	100	EUR	full
SIAG Hotel Bratislava, s.r.o.	Bratislava	SK	6,639	100	EUR	full
GALVÁNIHO 4 s.r.o.	Bratislava	SK	33,195	100	EUR	full
Eurocenter d.o.o.	Zagreb	HR	20,000	100	HRK	full

2.3. Reporting currency and currency translation

The Group's reporting currency is the euro. The functional currency of individual Group companies is determined by the economic environment in which they operate. Because circumstances have changed the functional currency for most Group companies has been changed in the previous year from the local currency to the euro with effect from the start of the fourth quarter of 2012, in accordance with IAS 21.

For those Group companies for which the local currency remains the functional currency, functional currencies are translated into the reporting currency in accordance with IAS 21, as follows:

- Assets and liabilities at closing rate
- Income and expenses at the average rate for the period
- All resulting exchange differences are recognised in the foreign currency translation reserve under equity.

Foreign currencies have been translated using the following exchange rates:

	Czech Republic CZK	Hungary HUF	Bulgaria BGN	Romania RON	Croatia HRK
Closing rate 31 December 2013	27.427	297.040	1.956	4.471	7.627
Average rate 2013	25.960	297.500	1.956	4.417	7.577
Closing rate 31 December 2012	25.151	292.300	1.956	4.445	7.558
Average rate 2012	25.219	285.546	1.956	4.494	7.533

Group companies recognise business transactions in other foreign currencies at the exchange rate ruling on the date of the transaction.

2.4. Newly applicable accounting regulations

2.4.1. New Standards and Interpretations

The following new or amended Standards and Interpretations were applied for the first time in 2013.

■ Amendment of IAS 1, Presentation of Financial Statements. The changes affect the presentation of other comprehensive income. The principal change is that companies must in future divide other comprehensive income items into those that will not subsequently be reclassified and those that will be reclassified. The changes do not deal with the elements of other comprehensive income. The change is reflected in the present financial statements.

■ IAS 19, Employee Benefits, was amended in June 2011. Because of these changes the 'corridor method' was abolished, and financial expense is to be calculated on a net interest basis. Employee benefits are presented in these financial statements in accordance with the amended provisions of IAS 19. Given the limited extent and importance of employee benefits in these statements, this resulted in no material changes.

■ Amendment of IFRS 7, Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities. This amendment contains new disclosures, in order to make comparisons of IFRS and US GAAP financial statements easier. To the extent necessary, the corresponding information is disclosed in these financial statements.

■ IFRS 13, Fair Value Measurement, has as its aim the improvement of consistency in fair value measurement and reduction in complexity. It defines how fair value is defined, describes how it is measured, and lists the disclosures required. The provisions do not extend the application of fair value, but bring the definitions and requirements for IFRS and US GAAP into line, and explain how fair value is to be applied where its use is required or permitted under other standards. The first-time application of IFRS 13 led to no material changes in the measurement of assets and liabilities. Additional disclosures have, however, been included in the Notes.

■ Annual Improvements 2011: IFRS 1, "First-time Adoption of IFRS", IAS 1, "Presentation of Financial Statements", IAS 16, "Property, Plant and Equipment", IAS 32, "Financial Instruments: Presentation", IAS 34 "Interim Financial Reporting". Various amendments were made to these standards; These have no material effects for the Group.

2.4.2. New Standards not yet mandatorily applicable at balance sheet date

There are various new and amended Standards and Interpretations to be applied for financial years beginning after 01 January 2013. These have not been applied in the present financial statements.

■ IFRS 9, Financial Instruments deals with the classification, recognition and measurement of financial assets and financial liabilities. IFRS 9 was published in November 2009 and October 2010. The Standard replaces the sections of IFRS 39, Financial Instruments, that deal with the classification and measurement of financial instruments. Under IFRS 9, financial assets are to be divided into two measurement categories: Those measured at fair value, and those measured at amortised cost. The classification is made at the time of initial recognition, and depends on how the group manages its financial instruments, and on the contractually agreed cash flows associated with the respective

financial instruments. For financial liabilities, most of the provisions of IAS 39 have been retained. The main change is that where fair value measurement is applied to own credit risk, the resulting changes in valuation are recognised in other comprehensive income instead of in profit or loss, except where this would result in inappropriate presentation. The Group will apply IFRS 9 at the latest in the financial year beginning on 01 January 2018. The Group will monitor further IFRS 9 developments as they are published by the IASB.

■ IFRS 10, Consolidated Financial Statements, is based on the existing principles. The core of IFRS 10 is the introduction of a uniform consolidation model for all entities, based on the concept of the control of subsidiaries by the parent company. The Standard also contains guidelines that provide help – especially in difficult cases – in determining whether a controlling interest exists. Application of the Standard is mandatory as of 01 January 2014. The potential impact of IFRS 10 on S IMMO AG's consolidated financial statements is not of material importance.

■ IFRS 11, Joint Arrangements, focuses on the rights and obligations of the partners, rather than merely on legal form. There are two types of joint arrangement: Joint operations and joint ventures. Joint operations are joint arrangements where the parties directly have rights to the assets and obligations for the liabilities. The parties recognise their shares of assets and liabilities, and income and expense. Joint ventures give the parties rights to the net assets of the arrangements, and are accounted for on an equity basis. Entities are no longer permitted to use proportionate consolidation for their share of a joint venture. Application of the Standard is mandatory as of 01 January 2014. The potential effects of IFRS 11 on future consolidated financial statements are not of material significance.

■ IFRS 12, Disclosure of Interests in Other Entities, brings together the revised disclosure requirements for IAS 27 and IFRS 10, IAS 31 and IFRS 11, and IAS 28 in a single Standard. Application of the Standard is mandatory as of 01 January 2014: There will be effects on disclosures in the Notes.

■ Amendments to IFRS 10, 11 and 12, Transition Guidance. Certain reliefs are provided, to restrict the adjusted comparative information requiring to be disclosed to the comparative period immediately preceding initial application, and to eliminate the requirement to disclose comparative information for unconsolidated structured entities when applying IFRS 12 for the first time.

■ Amendments to IFRS 10, 11, 12 and IAS 27, Consolidation Exemption for Investment Companies. This amendment means that investment fund companies and similar companies do not consolidate their portfolio entities in their IFRS financial statements, but rather include their share of the entities as financial instruments. These instruments are then classified as at fair value through profit or loss (IAS 39) or as at fair value (IFRS 9), and measured at fair value through profit or loss. Investment companies must satisfy certain criteria in order to benefit from the exemption. Amendments were also made to IFRS 12 to change the disclosure requirements for such companies. Application of the Standard is mandatory as of 01 January 2014. Given the present structure of the Group, the change will have no effect on S IMMO AG's future consolidated financial statements.

■ IAS 27, Separate Financial Statements, sets out the requirements for the remaining separate financial statements, after the regulations that are governing control were included in IFRS 10. Application of the Standard is mandatory as of 01 January 2014.

■ IAS 28, Investments in Associates and Joint Ventures, contains the provisions applicable to these two types of entities which, following the publication of IFRS 11, are to be measured at equity. Application of the Standard is mandatory as of 01 January 2014 and will have no material effects on future consolidated financial statements.

■ Change in IAS 32, Financial Instruments: Presentation – off-setting. The change clarifies various regulations that are governing the offsetting of financial assets and financial liabilities in the statement of financial position. Application of the Standard is mandatory as of 01 January 2014. The changes will have no material effects on future consolidated financial statements.

■ Change in IAS 36, Impairment of Assets: Recoverable Amounts Disclosures for Non-Financial Assets. Certain disclosure requirements with respect to the recoverable amounts for cash-generating units hitherto required under IAS 36 are abolished, since they are now covered by IFRS 13. Application of the Standard is mandatory as of 01 January 2014. S IMMO AG expects that the effects on future consolidated financial statements will not be material.

■ Change in IAS 39, Financial Instruments recognition and measurement. The change relates to the novation of derivatives: If specific conditions are met, a derivative continues to be designated as a hedging instrument despite novation. Application of the Standard is mandatory as of 01 January 2014. There are currently no such novations to be taken into account. In future the corresponding effects will be reflected in the consolidated financial statements.

■ IFRIC 21, Levies, deals with the timing of the recognition of provisions for levies under IAS 37 where the amount or the timing of payment is uncertain, and with the accounting treatment of the corresponding liabilities when the amount and timing is known. Income taxes in the meaning of IAS 12 are excluded. Application of the Interpretation can result in a different timing of the recognition of an obligation to pay a levy, namely, where the obligation only arises when certain circumstances obtain at a particular time. Application of the Standard is mandatory as of 01 January 2014 and will have no material effects on future consolidated financial statements.

2.5. Changes in accounting and valuation policies

Apart from the change in the new standards described in the Notes 2.4.1, there were no changes in the financial year 2013 in accounting and valuation policies or in the presentation of the financial statements, with the exception of the adjustments described in Note 2.1.

2.6. Accounting and valuation policies

2.6.1. Investment properties

It is industry practise to measure investment properties using the fair value model, under the option available in IAS 40. Investment properties are properties leased or rented out for the purpose of generating income or held for capital appreciation, together with undeveloped land. Properties acquired for disposal, used by the Group or sold after development are not within the scope of IAS 40.

The application of the fair value model means that rental properties and undeveloped land are measured at fair value at the balance sheet date. The resulting changes in carrying values before revaluation are recognised as a profit or loss under revaluations.

Properties are recognised as assets of the company in question, in the relevant functional currency.

The diversity of the properties to which the fair value model is applied necessitates a careful choice of appropriate valuation models and different parameters for each individual property, so that factors such as location, use type, market environment, building quality, etc., are taken into account.

Where construction finance can be directly associated with qualifying properties, the borrowing costs during the period of construction are capitalised as part of acquisition and construction cost.

2.6.2. Inventories

Properties held for sale in the ordinary course of business are not subject to IAS 40, but are to be treated as inventories under IAS 2. Properties held for sale are recognised at cost of acquisition or construction and subsequently measured at the lower of cost or net realisable value. The net realisable value is the estimated proceeds of sale less the estimated costs of completion and the estimated selling costs. The net realisable value is calculated afresh in every subsequent period. The costs of acquisition or construction include not only the direct costs of acquisition but also incidental and other costs incurred to bring the properties into their condition at balance sheet date.

2.6.3. Owner-operated properties, other plant and equipment

Owner-operated properties consist of hotels operated by S IMMO Group. The business of these hotels includes the rental of rooms and catering activities. These hotels are for the most part operated under management agreements, and consequently the risks associated with occupancy rates are borne by S IMMO Group. Hotels of this kind are outside the scope of IAS 40 (investment properties) and are therefore to be treated as tangible non-current assets under IAS 16.

Under IAS 16, owner-operated properties (including owner-managed hotels) and other non-current tangible assets are valued using the cost model. The properties are recognised on initial capitalisation at costs of acquisition or construction and in subsequent years written down to reflect scheduled depreciation and any impairment losses.

Where construction finance can be directly associated with these properties, the borrowing costs of qualifying properties during the period of construction are capitalised as part of acquisition and construction cost.

Depreciation is calculated on a straight-line basis over the expected useful lives of the assets, as follows:

	Expected useful lives (years)	
	from	to
Owner-operated hotels – Buildings	30	30
Other plant and equipment / machinery	3	10

2.6.4. Goodwill

The goodwill disclosed in the balance sheet in the previous year is the result of applying the acquisition method in accounting for the acquisition of companies. In accordance with IAS 36, the value of goodwill is based on the value of the company at the time of acquisition less accumulated amortisation. For interests in associated companies, goodwill is included in the carrying amounts of the investments.

2.6.5. Intangible assets

Intangible assets for the purpose of IAS 38 are identifiable non-monetary assets without physical substance. To qualify for recognition, an intangible asset must be identifiable and be under the control of the entity. It must be probable that future economic benefits from the assets will flow to the entity and its cost must be capable of being measured reliably.

Intangible assets with a limited useful life are subject to scheduled amortisation, calculated on the basis of the following useful lives:

	Expected useful lives (years)	
	from	to
Software	3	6

As required under IAS 36, the carrying values are also reviewed for impairment.

Intangible assets acquired for consideration are recognised at acquisition cost less scheduled straight-line amortisation and provision for any impairment losses.

S IMMO Group has not capitalised any internally generated intangible assets.

2.6.6. Financial instruments

2.6.6.1. Primary financial instruments

In accordance with IAS 39, S IMMO Group as a general rule classifies its financial instruments as follows:

- Financial assets and liabilities measurable at fair value through profit and loss
- Loans and receivables
- Financial assets held to maturity
- Available-for-sale financial assets
- Financial liabilities at amortised cost

Classification is based on the purpose for which the individual instrument is acquired and takes place at the time of acquisition.

S IMMO Group as a general rule classifies financial instruments into the following categories:

- Interests in companies valued at equity
- Group interests
- Trade receivables
- Other accounts receivable
- Cash and cash equivalents
- Subordinated participating certificate capital
- Non-current financial liabilities
- Other non-current liabilities
- Current financial liabilities
- Trade payables
- Other current liabilities

The category *financial instruments and liabilities measurable at fair value through profit and loss* includes financial instruments held for trading purposes, financial instruments classified as such at the time of acquisition and all derivative financial instruments except those serving as hedges.

The assets classified under *loans and receivables* are financial instruments with fixed or determinable payment flows not traded in an active market. They include in particular trade receivables and other financial assets. Where their remaining maturities are less than 12 months they are disclosed under current assets, and otherwise under non-current assets.

Financial assets with fixed or determinable payment flows traded in an active market are disclosed under *financial assets held to maturity*. At the balance sheet date, S IMMO Group held no such instruments.

Available-for-sale financial assets comprise all financial assets not included in any other of the above categories or deliberately classified as *available-for-sale*. These financial instruments are disclosed as non-current assets unless it is Management's intention to dispose of them within the next 12 months.

The category *financial liabilities at amortised cost* comprises trade and other financial liabilities.

Additions to and disposals of financial instruments are recognised as of the applicable settlement dates. Financial assets in all categories are measured at fair value at the time of acquisition and – with the exception of those recognised *at fair value through profit and loss* – including transaction costs.

Where no fair value for financial instruments can reliably be established, they are disclosed at acquisition costs net of any impairment. Other liabilities-side financial instruments are measured at amortised cost.

The fair value of stock market listed financial instruments is their market price at the balance sheet date. For financial assets for which there is no active market the fair value is calculated with the aid of valuation models. This can involve the derivation of fair value from current transactions in similar financial instruments or from present values of future payment streams (*discounted cash flow models*), or the use of mathematical models.

2.6.6.2. Derivatives

S IMMO Group uses derivative financial instruments – interest rate caps, collars and swaps – to reduce the risks attendant on interest rate increases. These are measured at fair value. To a limited extent corresponding discounts on CVAs and DVAs have been taken into account in the valuation of derivatives. The fair value measurement of derivatives is based on estimates made by external experts.

S IMMO Group's objects include the acquisition and development of property for rental or subsequent sale with the aim of generating positive net cash flows. Business activities are financed out of equity, and also by long-term borrowings in the form of mortgage loans and other financial liabilities. The bulk of the external financing consists of variable rate borrowings, with interest rates linked to 3-month, 6-month or 12-month Euribor as base rate.

S IMMO Group's fundamental risk management strategy is to hedge interest rate risk (i.e., the variability of the base rate) using offsetting hedges, in order to ensure fixed payment streams and to make property project forecasts more reliable. The purpose of cash flow hedging at S IMMO Group is to reduce the risk on existing variable rate loans, future reinvested funds and transactions expected to be very probable in the future (forecast transactions) by using offsetting derivatives. Cash flow hedging arrangements are used for this purpose.

Hedged risk

The interest rate risk hedged is a market interest rate, the Euribor, which is an identifiable component of the interest rate risk on interest-bearing financial liabilities that can be separately assessed.

Hedging instruments

S IMMO Group uses as hedging instruments only derivatives that, because they move in the opposite direction to the underlying transactions, convert the potential changes in cash flows, in particular from increases in interest rates into fixed payments streams. The hedging instruments used are interest rate derivatives such as interest rate swaps, caps and collars. The effective part of the change in fair value of these derivatives is recognised not through profit and loss but under other comprehensive income, the ineffective portion is recognised through profit and loss as part of the financing results. For the non-linear interest rate options used as hedges, only the intrinsic value is designated as a hedge. The time value, as ineffective, is recognised in the income statement as part of financing costs. For the collars, care is taken to ensure that there is no net short position.

The changes in the valuation of cash flow hedges recognised under equity are transferred to the income statement in the period in which the hedged underlying transaction affects profit and loss or when the requirements for recognition as a cash flow hedge are no longer met. In the financial year 2013, according to the regulations of IAS 39 derivative valuation effects of kEUR 2,461 (2012: kEUR 6,019) were reclassified from the equity in the income statement.

So that the requirements for recognition as a cash flow hedge are met, at the time of the derivative transaction S IMMO Group documents the hedging relationship between the hedging instrument and the underlying transaction and the underlying hedging strategy. The effectiveness of the hedge is regularly assessed using both a priori and a posteriori tests.

2.6.7. Impairment of assets

2.6.7.1. Non-financial assets

For properties used by the owner (at present these are hotels) and for other tangible assets and intangible assets, where there is evidence of impairment the recoverable amount is ascertained, in accordance with IAS 36. The recoverable amount is the higher of the fair value less costs to sell (net realisable value) and the value in use.

The fair value is the amount that would be obtained by the sale of the asset in an arm's length transaction between knowledgeable, willing and independent parties.

The value in use is the present value of the estimated future payment flows that can be expected from the continued use of an asset and its disposal at the end of its useful life.

If the recoverable amount is less than the carrying value of the asset, there is an impairment writedown to the recoverable amount through profit and loss.

The impairment test for hotels is a two-stage process. The carrying value is first compared with the independent assessment of the hotel's fair value. If the carrying value exceeds the fair value, the question is then whether the value in use differs substantially from the fair value. If this is not the case, then the carrying value is written down to correspond to the fair value.

If the impairment subsequently disappears, the impairment loss is reversed through profit and loss, up to the lower of the new recoverable amount or the depreciated original cost of acquisition or construction. The Group had no such reversals of impairment losses in 2013 or the previous year.

2.6.7.2. Financial instruments

S IMMO Group reviews for all its financial assets, with the exception of those measured at fair value through profit and loss, at every balance sheet date for any objective indications that any asset or group of assets may have suffered impairment.

For debt instruments of all kinds except those measured at fair value through profit and loss, an impairment is recognised if as a result of one or more events taking place after the initial recognition of the asset there is objective evidence that S IMMO Group will no longer be in a position to collect the payments relating to the asset. The amount of the impairment is calculated as the difference between the carrying value of the financial asset and the present value of the future cash flows, calculated using the original rate of interest on the asset. A subsequent disappearance of the factors causing the impairment and a recovery in value entails a reversal of the impairment loss.

Trade receivables

Where there are objective indications that individual receivables cannot be recovered in full, provisions are raised for the amounts expected to be irrecoverable. S IMMO Group makes general provisions for doubtful individual debts on the basis of experience, generally applying the following principles:

- Receivables overdue by more than 3 months: 50% or 90% provision
- Receivables overdue by more than 1 year: 100% provision

The outstanding balances are constantly monitored by the responsible asset managers, so that appropriate measures can be taken in good time.

2.6.8. Other assets

Other assets are measured at cost less any impairment losses, which are recognised through profit and loss.

2.6.9. Cash and cash equivalents

Cash and cash equivalents comprise cash and sight deposits together with bank deposits with a maturity of up to three months at the time of the original deposit.

2.6.10. Properties held for disposal

Property held for sale is not considered to be investment property within the scope of IAS 40 but is treated as held for sale if the corresponding carrying value will be realised by sale and not by continuing use. This means that the corresponding long-term assets and disposal groups in their present condition are available for immediate sale and that a sale is very likely. For property to be considered as held for disposal, the sale must be concluded within a year of the property being so classified.

In accordance with IFRS 5, property held for sale is as a general rule measured at the lower of carrying value and net realisable value.

IFRS 5 provides for an exception with respect to the measurement of properties held as financial investments: they are measured at market value. The special disclosure requirements under IFRS 5 are however applicable, so that properties held for sale must be shown under current assets.

It is intended to dispose of four properties held in Germany. The carrying value of these at 31 December 2013 amounted to kEUR 39,550 (2012: kEUR 62,700).

2.6.11. Other provisions

Other provisions are made where S IMMO Group has legal or constructive obligations to other parties arising from past events, where it is probable that the obligation will lead to an outflow of resources and where the amount of the obligation can be estimated reliably.

Provisions are made in the amounts representing the best possible estimates of the expense of meeting the obligations. Where the present value of the provision calculated using a market rate of interest differs materially from the nominal value, the present value is recognised.

Appropriate provisions have been made for unresolved legal disputes and other legal proceedings.

A provision is made for onerous contracts (provision for project and transaction risks) when the expected revenues from a contract are exceeded by the unavoidable costs of meeting the obligations under the contract. The amount of the provision is the lower of the cost of withdrawing from the contract and the net cost of completing it. Before separate provision for an onerous contract is made, impairments on assets connected with the contract are recognised.

2.6.12. Taxes

The individual companies in the Group raise provisions both for current tax liabilities and for deferred taxes.

In accordance with IAS 12, deferred taxes are recognised on all temporary differences between the carrying value of an asset or liability in the consolidated financial statements and the carrying value for tax purposes in the individual accounts of the Group's subsidiaries. Deferred tax liabilities on the property portfolio have been provided for in full, and even if under appropriate conditions – for example, in the case of a share deal – it would be possible that disposals would be treated as not liable to taxes on income. Countervailing deferred tax assets on loss carry-forwards are recognised to the extent that Management considers they will be realisable. Deferred tax assets on loss carry-forwards are as a general rule recognised up to the amounts of deferred tax liabilities. Beyond that limit, deferred taxes are recognised on the basis of tax planning with a planning horizon of up to eight years. Deferred taxes are calculated using the applicable tax rates at the balance sheet date, or where changes in tax law have already been adopted, at the rates applicable in future.

Deferred tax assets and deferred tax liabilities within an individual company are only netted off where the company in question has a legally enforceable right to set tax assets and liabilities against each other, and where the deferred taxes relate to taxes on income assessable by the same tax authority on the same company or where there is a right of set off within a tax group, as in Austria.

2.6.13. Leasing

The determination as to whether an agreement constitutes or contains a lease is based on the economic substance of the agreement at the inception – whether fulfilment of the agreement depends on the use of a given asset and whether the agreement confers a right of use in the asset. Under IAS 17, allocation of the lease to lessor or lessee depends on where the risks and rewards of ownership lie.

A lease is classified as a finance lease if substantially all the risks and rewards of ownership associated with the property are transferred to the lessee. For finance leases, assets and liabilities are initially recognised at the lower of fair value and the present value of the minimum lease payments. The asset is depreciated on a straight line basis over the expected useful life or the term of the agreement, if shorter. The minimum lease payments are divided between financing costs and capital repayments. Financing costs are spread over the lifetime of the lease so as to achieve a constant rate of interest on the outstanding capital balances.

With operating leases, economic ownership remains with the lessor, and the lease payments are as a general rule divided proportionately over the term of the lease and recognised as expense.

2.6.14. Revenues

2.6.14.1. Rental income

Rental income is recognised evenly over the term of the rental agreement. One-time payments and waivers of rent are spread over the lifetime of rental agreements (according to SIC 15).

2.6.14.2. Revenues from hotel operations

Revenues from hotel operations consist largely of room rental income and catering income. Income is recognised in proportion to the services rendered at balance sheet date.

2.6.14.3. Income and costs from financial instruments

Income from financial instruments includes interest, dividends and capital gains from the investment of funds and from investments in financial assets, together with reversals of impairment losses. Dividends are recognised at the time the resolutions authorising the dividend distribution are passed.

Financial expenses include interest and similar expenses on external borrowings, incidental costs, losses on disposal of financial assets, impairment losses, current hedging results and exchange rate gains and losses on the translation of euro denominated property values from euro into the local currency (if the local currency differs from the euro) and on the valuation of monetary assets and liabilities at individual company level.

Interest is accrued using the effective interest rate method.

The valuation of derivatives reflects gains and losses on the disposal or revaluation of interest caps, collars and swaps, which have not been recognised in equity and are shown in the income statement as part of the financial results.

Where applicable, short-term exchange gains or losses on the valuation of financial instruments are disclosed here.

2.6.15 Estimation and assumption uncertainties

The preparation of consolidated financial statements in accordance with IFRS requires estimates and assumptions by Management about future developments. These can have a material influence on the recognition and measurement of assets and liabilities, on information about other obligations at the balance sheet date and on disclosure of income and expenses during the financial year.

In the following assumptions there is a not inconsiderable risk that they may result in a material adjustment of assets and liabilities in the next financial year:

■ The calculation of the fair value of properties held as financial investments has been based on expert valuations by internationally recognised valuers such as CBRE, Colliers International, EHL and Dr. Heinz Muhr. The valuations have been prepared in compliance with International Valuation Standards. The values of these properties depend to a significant extent on present estimates of future rental trends and vacancy levels, and on interest rates used for discounting purposes. Properties held as financial assets had a carrying value of kEUR 1,596,988 (31.12.2012: kEUR 1,681,383).

The following tables show the sensitivity of the fair value of rented properties held as financial investments to changes in sustainable rental yields and interest rates:

Change in sustainable rent

EUR '000	-10%	Starting value	+10%
Austria	464,413	518,891	573,237
Germany	381,970	425,355	468,324
Central Europe	253,937	279,265	305,156
Southeastern Europe	318,322	356,800	397,277
	1,418,642	1,580,311	1,743,994

Change in interest rate

EUR '000	-10%	Starting value	+10%
Austria	559,643	518,891	482,452
Germany	482,324	425,355	380,257
Central Europe	308,711	279,265	254,688
Southeastern Europe	400,008	356,800	327,827
	1,750,686	1,580,311	1,445,224

■ Estimates of the long-term value of tangible and intangible assets are based on assumptions about the future. The calculation of recoverable amounts for the purpose of impairment tests is based on several assumptions, for example, about future net cash flows and discount rates. The carrying value of intangible assets amounted to kEUR 139 (31.12.2012: kEUR 165), that of other non-current assets to kEUR 7,447 (31.12.2012: kEUR 7,034). Owner-operated properties had a carrying value of kEUR 120,017 (31.12.2012: kEUR 128,202).

■ In estimating the value of financial instruments (in particular, derivatives) for which no active market exists, alternative valuation methods based on investment mathematics are employed. The parameters on which estimates of fair value are based depend in part on assumptions about the future. The carrying values of financial instruments are detailed in note 5.1.

■ The recognition of deferred tax assets for tax loss carryforwards is based on the assumption that taxable income earned in the future will be sufficient to enable existing loss carryforwards to be utilised. Deferred tax assets for tax loss carryforwards of kEUR 40,217 (31.12.2012: kEUR 22,690) have been recognised.

■ The actuarial computation of entitlements to pension and severance benefits and long-service bonuses requires assumptions about various parameters. The following tables show the sensitivity of the assumptions:

Change in interest rate

in TEUR	-0.50%	Starting value	+0.50%
Pensions	1,187	1,093	1,009
Severance payments	485	468	461
Long-service bonuses	371	354	338

Change in value

in TEUR	-0.20%	Starting value	+0.20%
Pensionen	1,083	1,093	1,105
Severance payments	462	468	474
Long-service bonuses	348	354	360

■ Obligations arising from sureties, guarantees and similar liabilities not included in the consolidated statement of financial position are regularly reviewed to ensure that they do not require to be so recognised and included.

Estimates and underlying assumptions are subject to ongoing review. Actual outcomes may differ from the assumptions and estimates made if developments in the business environment turn out differently to expectations. Changes are reflected in profit or loss as soon as the altered circumstances become known, and the assumptions are adjusted accordingly.

3. NOTES ON THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION AND CONSOLIDATED INCOME STATEMENT

3.1. Statement of financial position

3.1.1. Properties held as financial investments

EUR '000	Rental properties	Properties under development and undeveloped land
As at 01 January 2012	1,716,899	55,480
Additions	6,544	1,977
Disposals	-55,957	0
Changes in fair value (realised through profit or loss)	23,940	-4,800
Hierarchy reclassifications	0	0
Reclassifications as properties held for sales	-30,200	-32,500
As at 31 December 2012	1,661,226	20,157
whereof pledged as security	1,586,424	0
Additions	11,767	1,188
Disposals	-64,459	0
Changes in fair value (realised through profit or loss)	11,327	-4,668
Hierarchy reclassifications	0	0
Reclassifications as properties held for sales	-39,550	0
As at 31 December 2013	1,580,311	16,677
whereof pledged as security	1,567,942	0

Additions by country were as follows:

Rental properties

EUR '000	31 December 2013	31 December 2012
Austria	359	1,246
Germany	7,452	2,900
Central Europe	3,045	2,277
Southeastern Europe	911	121
	11,767	6,544

Properties under development and undeveloped land

EUR '000	31 December 2013	31 December 2012
Austria	0	0
Germany	0	0
Central Europe	247	617
Southeastern Europe	941	1,360
	1,188	1,977

Made up of:

Rental properties

EUR '000	31 December 2013	31 December 2012
Austria	518,891	529,391
Germany	425,355	473,482
Central Europe	279,265	302,438
Southeastern Europe	356,800	355,915
	1,580,311	1,661,226

Measurement of the fair value of rental properties totalling KEUR 1,580,311 in financial year 2013 was based on hierarchy level 3 inputs.

Properties under development and undeveloped land

EUR '000	31 December 2013	31 December 2012
Austria	0	0
Germany	0	0
Central Europe	6,006	5,639
Southeastern Europe	10,671	14,518
	16,677	20,157

Measurement of the fair value of development projects and undeveloped land totalling kEUR 16,677 in financial year 2013 was based on hierarchy level 3 inputs.

In the financial year 2013, borrowing costs totalling kEUR 595 (2012: kEUR 531) were capitalised. These amounts related to properties still under construction and to properties completed during 2013 for the period prior to their completion.

Measurement of fair value

The following valuation methods were used in calculating hierarchy level 3 fair values:

The net income approach uses the following factors for the valuation: adjusted sustainable rent, total operating costs, remaining useful life, capitalisation rate, land value.

The discounted cash flow method works with the following inputs: net rental income, discount rate, capitalisation rate, incidental acquisition costs.

The investment method calculates the fair value on the basis of the current rental, capitalisation rate and estimated rental value.

Measurement of fair value on the basis of unobservable inputs (hierarchy level 3)

Different valuation methods were used in the various segments. In Austria, the fair value of kEUR 518,891 was in the majority of cases calculated using the net income approach, while in Germany, the fair value of kEUR 425,355 was calculated using the DCF method. In Central Europe, the DCF method, the net income approach, the investment method and the residual value method were used to calculate the fair value of kEUR 285,271. In Southeastern Europe, the fair value of kEUR 367,471 was calculated using the DCF method, the investment method, the sales comparison approach and the residual value method. For the net income approach, the inputs were: average remaining useful life of 39.9 years, and average capitalisation rate of 4.87%. The DCF method uses an average discount rate of 6.49% and an average capitalisation rate of 5.91%. The investment method uses inputs such as the average capitalisation rate of 9.15%.

A reduction in the expected annual rental leads to a reduction in the fair value, as does an increase in discount and capitalisation rates. There are interdependencies between the rates, because these are partly based on market values.

The expert valuations are carried out once a year by independent, professional experts for the purpose of preparing the annual financial statements as at 31 December. The professional experts are provided with the necessary information, such as current rentals, by the Company's asset management. The market assumptions and valuation methods used in preparing the expert valuations are agreed with the Group's appointed professional experts.

3.1.2. Owner-operated properties, other plant and equipment and intangible assets

Changes in the acquisition costs of owner-operated hotels, other plant and equipment and intangible assets were as follows:

EUR '000	Owner-operated hotels	Other plant and equipment	Intangible assets	Total
Acquisition costs as at 01 January 2012	172,511	15,307	538	188,356
Additions	381	1,762	70	2,213
Disposals	0	0	-5	-5
As at 31 December 2012	172,892	17,069	603	190,564
Currency translation	0	-156	-28	-184
Additions	1,640	2,743	49	4,432
Disposals	-210	-104	-7	-321
As at 31 December 2013	174,322	19,552	617	194,491

The development in the accumulated depreciation and amortisation of owner-operated hotels, other plant and equipment and intangible assets was as follows:

EUR '000	Owner-operated hotels	Other plant and equipment	Intangible assets	Total
Accumulated depreciation and amortisation as at 01 January 2012	38,190	7,835	373	46,398
Depreciation and amortisation	6,500	2,200	65	8,765
Disposals	0	0	0	0
As at 31 December 2012	44,690	10,035	438	55,163
Currency translation	0	-129	-27	-156
Depreciation and amortisation	9,615	2,298	69	11,982
Disposals	0	-99	-2	-101
As at 31 December 2013	54,305	12,105	478	66,888
Carrying value as at 01 January 2012	134,321	7,472	165	141,958
Carrying value as at 31 December 2012	128,202	7,034	165	135,401
Carrying value as at 31 December 2013	120,017	7,447	139	127,603

In the financial year 2013, a total of kEUR 3,074 (2012: kEUR 0) on impairment losses on owner-occupied properties were necessary.

3.1.3. Goodwill

In the financial year 2013, provision for impairment for a balance of goodwill of kEUR 10 was made.

3.1.4. Interests in companies included at equity

As at 31 December 2013, the companies included at equity had long-term assets of kEUR 89,189 (of which joint ventures: kEUR 2,905), short-term assets of kEUR 3,747 (of which joint ventures: kEUR 6), long-term debts of kEUR 65,360 (of which joint ventures: kEUR 4,013) and short-term debts of kEUR 6,413 (of which joint ventures: kEUR 28). The Group interest in net assets was kEUR 6,798. The revenues of the companies included at equity were kEUR 5,168 (of which joint ventures: kEUR 0), while the net profit for the period was kEUR 1,257 (of which joint ventures: kEUR -10). The Group share of the profit for the period was kEUR 219. Impairments of kEUR 1,762 were recognised. In the financial year 2013 there were no unrecognised losses from companies included at equity.

3.1.5. Inventories

Inventories consist mainly of freehold apartments in Austria and are measured at cost.

3.1.6. Trade receivables and other accounts receivable

Trade receivables include rents receivable from tenants less any specific provisions required. These consist mainly of provisions against receivables in Southeastern Europe of kEUR 12,762 (2012: kEUR 11,516) and in Germany of kEUR 1,019 (2012: kEUR 1,899). As in 2012, there were no other impairments for default risks needing to be recognised.

3.1.6.1. Changes in provisions

Provisions from trade receivables were made up as follows:

EUR '000	2013	2012
As at 01 January	14,986	15,128
Usage	-213	-1,143
Release	-4,321	-2,599
Additions	4,081	3,600
As at 31 December	14,533	14,986

3.1.6.2. Receivables – due dates

EUR '000	2013		2012	
	Trade receivables	Other accounts receivable	Trade receivables	Other accounts receivable ¹⁾
Not yet due	9,687	20,927	5,841	3,640
Less than 3 months overdue	1,747	361	3,068	324
3 to 12 months overdue	610	91	1,615	481
More than 1 year overdue	71	197	36	1,062
Total	12,115	21,576	10,560	5,507

¹⁾ Adjusted

3.1.6.3. Other financial assets

EUR '000	31 December 2013	31 December 2012 ¹⁾
Receivables from property disposals	16,000	0
Property management agents clearing accounts	2,200	1,268
Deposits	1,219	0
Present value of rental guarantee	554	831
Accrued interest and interest rate caps and collars	35	30
Other assets	1,568	3,378
	21,576	5,507

¹⁾Adjusted

3.1.7. Other assets

The other assets of kEUR 8,709 (31 December 2012: kEUR 7,958) consisted mainly of prepaid expenses, tax receivables and prepayments.

3.1.8. Cash and cash equivalents

EUR '000	31 December 2013	31 December 2012
Bank balances	49,667	56,853
Cash in hand	206	223
	49,873	57,076

3.1.9. Properties held for sale

EUR '000	Austria	Germany	Total
As at 01 January 2012	16,250	46,550	62,800
Reclassifications	33,000	29,700	62,700
Disposals	-16,250	-46,550	-62,800
As at 31 December 2012	33,000	29,700	62,700
Reclassifications	0	39,550	39,550
Disposals	-33,000	-29,700	-62,700
As at 31 December 2013	0	39,550	39,550

The amount of kEUR 39,550 relates to one retail property and three residential properties in Berlin, Germany.

3.1.10. Shareholders' equity

The nominal capital of the Group's parent company amounted to kEUR 243,144 (2012: kEUR 247,509) and is fully paid up. In the financial year 2013, a total of 1,201,539 shares were cancelled.

On 27 June 2013, the share repurchase programme set into effect in June 2012 ended. On 09 July 2013, a further share repurchase programme was set up and ended on 18 December 2013. In December 2013, an additional share repurchase programme was approved, which will expire on 30 November 2014 at the latest. In the financial year 2013, 434,548 shares were repurchased at a total price of kEUR 2,049 and in the financial year 2012, this amounted to 450,441 shares at a total price of kEUR 2,048.

The Management Board is authorised to increase the share capital of the Company by up to kEUR 123,755 by issuing new ordinary bearer shares (authorised capital). The issue may be for cash or for contributions in kind.

Details of share capital

EUR '000	31 December 2013	31 December 2012 ¹⁾
Total share capital	243,144	247,509
Treasury shares (nominal)	-18	-2,804
	243,126	244,705

¹⁾ Adjusted

Changes in number of shares

	31 December 2013	31 December 2012
Number of shares		
Number of shares as at 01 January	67,346,727	67,797,168
Repurchase of own shares	-434,548	-450,441
Issue of new shares	0	0
Treasury shares sold	0	0
Issued share capital at 31 December	66,912,179	67,346,727

The shares are listed in the Prime Market Segment of the Vienna Stock Exchange.

The nominal share capital is divided into 66,917,179 ordinary fully paid up bearer shares of no par value.

The bearer shares confer on the shareholders the usual rights provided for under the Austrian Stock Corporation Act (AktG). These include the right of a dividend payment approved by the Annual General Meeting and the right to vote at the Annual General Meeting.

The capital reserves of kEUR 72,535 (31.12.2012: kEUR 73,005) are restricted reserves in the meaning of section 229(5) Austrian Commercial Code (UGB).

The other reserves of kEUR 266,837 (31.12.2012: kEUR 249,625) shown in the statement of changes in consolidated equity consist in the main of released capital reserves together with accumulated retained results. The foreign currency reserve of kEUR -19,193 (31.12.2012: kEUR -19,568) is made up of the currency translation differences in accordance with IAS 21. The hedge accounting reserve of kEUR -39,212 (31.12.2012: kEUR -64,456) comprises the valuation differences on cash flow hedges recognised under equity.

Additional information on capital management

S IMMO Group manages its capital with the aim of maximising its returns by optimising the relationship between equity and debt. At the same time, care is taken to ensure that all Group companies can operate on a going concern basis.

The Group's capital consists of bank and financial liabilities, equity provided by the shareholders in the parent company and subordinated participating certificates, described in more detail in note 3.1.12. There are no provisions in the articles of incorporation concerning capital structure.

The shareholders' equity consists of the shares in issue, capital and other reserves and the consolidated net profit, as shown in the statement of Changes in Consolidated Equity.

The capital structure is under constant review, and the costs of capital and the risks attaching to each type of capital are taken into account. The Group will continue to optimise the capital structure, by issuing and repaying debt and as appropriate issuing and repurchasing shares.

The Group's overall strategy is essentially the same as in 2012.

3.1.11. Non-controlling interests

The minority interests of kEUR 25,531 (31.12.2012: kEUR 26,323) relate principally to Einkaufscenter Sofia G.m.b.H. & Co KG (35% interest).

3.1.12. Subordinated participating certificates

The terms of the agreement for S IMMO INVEST participating certificates were changed retroactively with effect from 01 January 2007 and the S IMMO INVEST Participating Certificates Fund was dissolved (resolution of the meeting of the holders of the participating certificates of 11 June 2007 and resolution of the Annual General Meeting of 12 June 2007).

Under the amended agreement, the holders of the participating certificates receive an annual income entitlement (interest) calculated as follows:

$$\frac{\text{(Participating certificate capital + profit brought forward)}}{\text{Consolidated EBIT}} \times \text{Average property portfolio (not including development projects)}$$

To the extent that the interest under the terms of the Participating Certificates Agreement is not paid out, it is added to the profit carried forward into the next year.

For the financial year 2013, the profit for the year was kEUR 9,211 (2012: kEUR 12,018).

As at 31 December 2013 there were 2,307,747 participating certificates in issue. The total entitlements of participating certificate holders as of that date were EUR 80.88 (2012: EUR 80.20) per certificate, made up as follows:

EUR '000	Participating certificate capital	Profit brought forward	Profit for the period	Share of undisclosed reserves on property portfolio	Total
Participating certificates capital – 01 January 2013	201,584			2,433	204,017
Profit brought forward 01 January 2013		6,449			6,449
Income entitlements of participating certificate holders from 2012			12,018		12,018
Distribution – 17 May 2013			-9,045		-9,045
Change in profit brought forward pursuant to Clause 5(6), Participating Certificates Agreement		2,973	-2,973		0
Repurchase and retirement of 466,215 participating certificates	-33,880	-1,790		-409	-36,078
Income entitlements of participating certificate holders			9,211		9,211
Allocation of undisclosed reserves on property portfolio				75	75
Participating certificates capital as at 31 December 2013	167,704	7,632	9,211	2,099	186,645
Per participating certificate (EUR)	72.67	3.31	3.99	0.91	80.88

Previous year:

EUR '000	Participating certificate capital	Profit brought forward	Profit for the period	Share of undisclosed reserves on property portfolio	Total
Participating certificate capital – 01 January 2012	211,137			1,720	212,857
Profit brought forward 01 January 2012		7,345			7,345
Income entitlements of participating certificate holders from 2011			10,595		10,595
Distribution – 18 May 2012			-11,186		-11,186
Change in profit brought forward pursuant to Clause 5(6), Participating Certificates Agreement		-591	591		0
Repurchase and retirement of 131,464 participating certificates	-9,553	-306		-78	-9,937
Income entitlements of participating certificate holders			12,018		12,018
Allocation of undisclosed reserves on property portfolio				791	791
Participating certificates capital as at 31 December 2012	201,584	6,449	12,018	2,433	222,483
Per participating certificate (EUR)	72.67	2.32	4.33	0.88	80.20

The participating certificates mature on 31 December 2029. With effect from 31 December 2017, both the holders and the Company may annually give notice of redemption of the participating certificates in whole or in part.

3.1.13. Provisions

The non-current provisions developed as follows:

EUR '000	01 January 2013 ¹⁾	Released	Utilised	Increased	31 December 2013
Project and transaction risks	5,500	-90	-4,410	405	1,405
Employee provisions	1,357	0	-52	141	1,446
Other provisions	644	0	-583	50	111
	7,501	-90	-5,045	596	2,962

¹⁾ Adjusted

The provision for project and transaction risks relates to risks in respect of projects currently being carried out.

The provisions for employees as at 31 December 2013 include provisions for pension entitlements of kEUR 624, provisions for severance benefits of kEUR 468 and provisions for long-service entitlements of kEUR 354.

The present values of pension, severance and long-service entitlements were as follows:

EUR '000	Pensions	Severance payments	Long-service bonuses
Present value as at 01 January 2012	836	571	298
Current service costs	108	75	30
Payments	0	-11	-10
Remeasurement of post-employment benefit obligations	71	-180	-4
Present value as at 31 December 2012	1,015	455	314
Plan assets as at 31 December 2012	427	0	0
Provisions as at 31 December 2012	588	455	314
Present value as at 01 January 2013	1,015	455	314
Current service costs	39	19	60
Interest expense	36	13	9
Payments	0	-25	-27
Remeasurement of post-employment benefit obligations	3	6	-2
Present value as at 31 December 2013	1,093	468	354
Plan assets as at 31 December 2013	469	0	0
Provision as at 31 December 2013	624	468	354

The obligation to form a provision for severance benefits is based on labour law. For persons employed before 01 January 2003, S IMMO Group is obliged under the statutory provisions to make a one-time severance payment to any employee whose employment is terminated by the employer or who reaches the age of retirement while employed. The benefit entitlements are dependent on the number of years of service and the level of remuneration at the time the entitlement arises, and amount to between two and 12 months' salary.

The pension obligations shown at balance sheet date relate to current staff. Payments for Group employees are made to an external pension fund. The plan assets resulting from these contributions amounted to kEUR 469 as at 31 December 2013 (2012: kEUR 427).

The duration for the obligations as at 31 December 2013 was 13.23 years.

The current provisions evolved in the financial year 2013 as follows:

EUR '000	01 January 2013 ¹⁾	Released	Utilised	Increased	31 December 2013
Project and transaction risks	1,500	-700	0	690	1,490
Other provisions	735	0	-604	303	434
	2,235	-700	-604	993	1,924

¹⁾ Adjusted

The provisions for project and transaction risks are largely in connection with existing projects in Southeastern Europe.

Other provisions include the provisions for unconsumed vacation.

3.1.14. Taxes on income

3.1.14.1. Current and deferred taxes on income

Tax expense was made up as follows:

EUR '000	2013	2012 ¹⁾
Current taxes	-3,298	-2,974
Deferred taxes	-1,255	-3,214
	-4,553	-6,188

¹⁾ Adjusted

Taxes on income comprise income tax on the taxable income of the individual companies included in consolidation for the financial year, adjustments to prior years' tax, and changes in deferred taxes.

The reconciliation of income tax at the standard rate to the income tax disclosed in the financial statements is as follows:

EUR '000	01 – 12/2013	01 – 12/2012
Profit before taxes	32,607	32,269
Income tax expense at the standard Austrian tax rate of 25%	-8,152	-8,068
Effects of differing foreign tax rates	1,608	1,678
Reductions relating to tax neutral income	5,600	5,870
Increases relating to non-deductible expenses	-3,609	-5,668
Tax expense as disclosed	-4,553	-6,188
Effective tax rate	13.96%	19.18%

3.1.14.2. Deferred taxes

In accordance with IAS 12, the provision for deferred taxation is calculated using the balance sheet liability method: For all temporary differences between the values for balance sheet purposes in the IFRS consolidated statement of financial position and the current values for tax purposes for the individual companies, deferred tax must be provided. Temporary differences can be either:

- *taxable temporary differences*, which will result in taxable amounts in the calculation of taxable income or tax loss in future periods, when the carrying value of the asset is realised or the liability is settled, or
- *deductible temporary differences*, which will result in tax deductible amounts in the calculation of taxable income or tax loss in future, when the carrying value of the asset is realised or the liability is settled.

As a general principle, a deferred tax asset or liability must be recognised for all taxable temporary differences. There are exceptions for the recognition of goodwill in an initial consolidation or the initial recognition of an asset or liability in a business transaction which is not a business combination and which at the time of the transaction, does not affect the profit or loss either under IFRS or for tax purposes.

Temporary differences between values in the IFRS consolidated statement of financial position and the corresponding values for tax purposes had the following effects on deferred taxes as shown in the consolidated statement of financial position.

EUR '000	2013		2012 ¹⁾	
	Assets	Liabilities	Assets	Liabilities
Properties held as financial investments	10,920	-103,637	1,710	-76,316
Financial instruments	14,578	0	21,737	-43
Other items	1,599	-2,917	1,037	-1,323
Tax loss carryforwards	40,217	0	22,690	0
	67,314	-106,555	47,174	-77,682
Netting	-53,550	53,550	-8,670	8,670
Deferred tax assets (+) / liabilities (-)	13,764	-53,005	38,504	-69,012

¹⁾ Adjusted

Of these totals, deferred tax assets of kEUR 12,135 (2012: kEUR 19,778) and deferred tax liabilities of kEUR 27 (2012: kEUR 28) were recognised not through profit and loss but under other comprehensive income. No deferred tax assets have been recognised for tax loss carryforwards totalling kEUR 74,819 (31.12.2012: kEUR 130,113).

3.1.14.3. Measurement

Deferred taxes are calculated on the basis of the tax rates in force or expected to apply in the relevant countries at the time of realisation. Changes in tax legislation in force or approved at the balance sheet date are taken into account. The tax rates used in calculating deferred taxes were as follows:

	Tax rate for 2013	Tax rate for 2014
Austria	25.00%	25.00%
Germany	29.40% ¹⁾	15.83% or 30.80% ¹⁾
Czech Republic	19.00%	19.00%
Slovakia	23.00%	22.00%
Hungary	19.00% ²⁾	19.00% ²⁾
Croatia	20.00%	20.00%
Romania	16.00%	16.00%
Bulgaria	10.00%	10.00%

¹⁾ The tax rate in Germany can vary, depending on whether the company is liable to business tax or not.

²⁾ The tax rate in Hungary is progressive: Up to a taxable amount of HUF 500,000,000, the tax rate is 10%, thereafter 19%.

3.2. Income statement

3.2.1. Rental income

EUR '000	2013	2012
Office	41,143	40,855
Residential	21,801	26,699
Retail	45,512	42,870
Hotels	8,251	8,111
	116,707	118,535

3.2.2. Operating costs and expenses from properties and hotel operations

These expenses are expenses in connection with non-current property assets.

EUR '000	2013	2012
Operating costs	-40,870	-42,643
Repairs and maintenance	-12,071	-11,696
Write-offs of and provisions on trade receivables	-2,018	-4,097
Commissions	-2,388	-3,738
Other	-3,256	-4,863
	-60,603	-67,037

Expenses of kEUR 166 were attributable to properties not yet generating income (2012: kEUR 156).

The expenses of hotel operations are largely made up of expenses for food, beverages, catering supplies, hotel rooms, licences and management fees, maintenance, operating costs, commissions, personnel expenses and advertising.

3.2.3. Gains on property disposals

EUR '000	2013	2012
Disposal proceeds		
Investment properties	59,473	62,483
Properties held for sale	62,990	64,562
Inventories	5,608	5,185
	128,071	132,230
Carrying value of property disposals		
Investment properties	-55,976	-55,957
Properties held for sale	-62,700	-62,800
Inventories	-2,981	-2,633
	-121,657	-121,390
Gains on property disposals		
Investment properties	3,497	6,526
Properties held for sale	290	1,762
Inventories	2,627	2,552
	6,414	10,840

3.2.4. Management expenses

Management expenses are expenses not directly attributable to properties; they were made up as follows:

EUR '000	2013	2012 ¹⁾
Personnel expenses	-6,541	-6,462
Legal, audit, valuation and consultancy costs	-2,773	-3,412
Management fees and administration expenses	-1,542	-1,620
Advertising and promotional expenses	-1,115	-1,191
Other taxes and charges	-821	-905
Other	-2,286	-2,747
	-15,078	-16,337

¹⁾ Adjusted

Fees for the Group's auditors for 2013 totalled kEUR 169 (2012: kEUR 239). Of this, kEUR 146 (2012: kEUR 163) was for auditing services; in 2013 the expenses for the audit of the consolidated financial statements were kEUR 48, and for other auditing services kEUR 98. Other fees consisted of kEUR 23 (2012: kEUR 0) for other consulting services and kEUR 0 (2012: kEUR 76) for tax consulting.

The average number of employees in 2013 was 505 (2012: 521), including hotel staff. Personnel expenses for the hotels are disclosed under hotel operations.

The personnel expenses disclosed here are salaries of the Group's employees other than the hotel staff. The amount also includes performance related bonuses paid to certain employees under individual agreements.

Defined contribution plans

As required by law, S IMMO Group pays 1.53% of the relevant monthly salaries into an employees' severance pay and pension fund for all employees who joined the Group after 31 December 2002. Personnel expenses included contributions of kEUR 48 (2012: kEUR 47) paid into the fund. For other defined contribution plans kEUR 80 (2012: kEUR 85) were recognised in profit or loss.

3.2.5. Depreciation and amortisation

This item comprises scheduled and unscheduled depreciation and amortisation on owner-operated properties, other plant and equipment, and intangible assets as well as impairment and amortisation on goodwill and was made up as follows:

EUR '000	2013	2012
Owner-operated properties	-9,615	-6,500
Other plant and equipment	-2,298	-2,200
Intangible assets	-69	-65
Goodwill	-10	0
	-11,992	-8,765

3.2.6. Gains/losses on property valuation

Gains and losses on revaluation include all increases and decreases in value on properties held as financial investments, and were made up as follows:

EUR '000	2013	2012
Changes in fair value		
Increases	52,028	61,302
Decreases	-45,149	-42,161
Other	0	-2,385
	6,879	16,756

In the previous year, other operating income from property valuations consisted of the change in provisions for project and transaction risks and building cost settlements.

Gains and losses on revaluation by region were as follows:

EUR '000	2013	2012
Austria	5,446	6,665
Germany	23,821	26,560
Central Europe	-17,560	-6,994
Southeastern Europe	-4,828	-9,475
	6,879	16,756

3.2.7. Financing result

EUR '000	2013	2012
Bank interest expenses (incl. settled derivatives)	-49,919	-52,138
Derivative valuation effects through net income	-2,321	-7,807
Exchange differences	-838	-1,977
Other financing and interest expense	-853	-1,497
Bank interest income	347	624
Income from investments	101	127
Results from companies measured at equity	-1,543	466
Other financing and interest income	1,125	399
	-53,901	-61,803

3.2.8. Earnings per share

The earnings per share ratio compares the consolidated net profit with the average number of shares in circulation during the year.

		2013	2012 ¹⁾
Equity share of consolidated net profit	EUR '000	27,309	24,355
Average number of shares in circulation	Units	67,178,863	67,582,321
Undiluted earnings	EUR	0.41	0.36
Diluted earnings	EUR	0.41	0.36

¹⁾ Adjusted

Diluted and undiluted earnings per share are the same, since there are no potentially dilutive financial instruments in issue.

4. OPERATING SEGMENTS

An operating segment is defined as having the following characteristics:

- It engages in business activities in which it may earn revenue and incur expenses.
- Its operating results are reported regularly to the enterprise's chief operating decision maker, who uses the information to allocate resources to it and to review its performance.
- Separate financial information is available for the segment.

For S IMMO Group, therefore, segmentation is on the basis of regions. The four regions selected are as follows.

Austria: This operating segment includes all the Group's Austrian subsidiaries.

Germany: This operating segment includes the German subsidiaries and also the subsidiaries in Denmark, which are property ownership companies holding properties in Germany.

Central Europe: This operating segment comprises the subsidiaries in Slovakia, the Czech Republic and Hungary.

Southeastern Europe: This operating segment includes the subsidiaries in Bulgaria, Croatia and Romania.

The segment reporting is based on the internal reporting system for management purposes.

Each segment is operationally independent of the others, since each must take the local market and business environment into account. The Group's CFO has been nominated as the chief operating decision maker with responsibility for segment operations. He is responsible for allocation of resources to the individual segments and for reviewing their performance. Quarterly management reports are prepared for each operating segment and submitted to the CFO.

EUR '000	Austria	
	2013	2012 ¹⁾
Rental income	30,632	31,062
Revenues from operating costs	8,189	7,298
Revenues from hotel operations	23,467	24,671
Total revenues	62,288	63,031
Other operating income	1,762	3,781
Property operating expenses	-12,004	-13,394
Hotel operating expenses	-18,030	-19,713
Gross profit	34,016	33,705
Gains on property disposals	4,057	6,105
Management expenses	-8,781	-9,877
EBITDA	29,292	29,933
Depreciation and amortisation	-4,234	-3,196
Results from property valuation	5,446	6,665
EBIT	30,504	33,402
Non-current assets as at 31 December	576,835	626,758
Non-current liabilities (incl. participating certificates in Austria) as at 31 December	488,025	663,236

¹⁾ Adjusted

In preparing and presenting the segment information, the same disclosing, accounting and valuation policies are applied as for the consolidated financial statements.

Major customers

Because of the large number of customers, no single customer is responsible for more than 10% of S IMMO Group's total revenues.

Germany		Central Europe		Southeastern Europe		Total	
2013	2012 ¹⁾	2013	2012	2013	2012 ¹⁾	2013	2012 ¹⁾
29,880	32,260	22,233	24,019	33,962	31,194	116,707	118,535
9,782	10,512	6,886	7,216	11,970	11,144	36,827	36,170
0	0	16,734	17,300	0	0	40,201	41,971
39,662	42,772	45,853	48,535	45,932	42,338	193,735	196,676
2,739	2,279	321	459	1,364	341	6,186	6,860
-23,439	-22,545	-7,869	-8,487	-17,291	-22,611	-60,603	-67,037
0	0	-11,717	-12,399	0	0	-29,747	-32,112
18,962	22,506	26,588	28,108	30,005	20,068	109,571	104,387
1,941	4,735	416	0	0	0	6,414	10,840
-3,358	-4,153	-1,247	-1,417	-1,692	-890	-15,078	-16,337
17,545	23,088	25,757	26,691	28,313	19,178	100,907	98,890
-123	-234	-6,134	-4,235	-1,501	-1,100	-11,992	-8,765
23,821	26,560	-17,560	-6,994	-4,828	-9,475	6,879	16,756
41,243	49,414	2,063	15,462	21,984	8,603	95,794	106,881
427,388	475,052	353,704	373,831	388,570	389,813	1,746,497	1,865,454
199,886	264,003	182,757	203,332	126,906	151,209	997,574	1,281,780

5. OTHER INFORMATION

5.1. Financial instruments

5.1.1. Categories

S IMMO Group classifies its financial instruments as follows:

31 December 2013 Carrying values EUR '000	Derivatives	Available for sale	Held to maturity	Loans and receivables	Other	Financial liabilities at amortised cost	Total
ASSETS							
Group interests		749					749
Trade receivables				12,115			12,115
Other financial assets	35			19,930	1,611		21,576
TOTAL ASSETS	35	749	0	32,045	1,611	0	34,440
EQUITY AND LIABILITIES							
Non-current liabilities							
Subordinated participating certificate capital						186,645	186,645
Financial liabilities	62,748					692,209	754,957
Current liabilities							
Financial liabilities	2,750					282,801	285,551
Trade payables						4,860	4,860
TOTAL EQUITY AND LIABILITIES	65,498	0	0	0	0	1,166,515	1,232,013

31 December 2012							Financial liabilities at amortised cost	Total
Carrying values EUR '000	Derivatives	Available for sale	Held to maturity	Loans and receivables	Other			
ASSETS								
Group interests		774						774
Trade receivables				10,560				10,560
Other financial assets	30			2,862	2,615			5,507 ¹⁾
TOTAL ASSETS	30	774	0	13,422	2,615		0	16,841
EQUITY AND LIABILITIES								
Non-current liabilities								
Subordinated participating certificate capital							222,483	222,483
Financial liabilities	97,021						880,093	977,114 ¹⁾
Current liabilities								
Financial liabilities							177,497	177,497 ¹⁾
Trade payables							6,807	6,807
TOTAL EQUITY AND LIABILITIES	97,021	0	0	0	0		1,286,880	1,383,901

¹⁾ Adjusted

For the most part the carrying values are measured at fair value. The non-current and current financial liabilities contain fixed interest loans amounting to kEUR 87,487 (2012: kEUR 73,947).

5.1.2. Hierarchy of fair values determination

The following analysis classifies financial instruments measured at fair value on the basis of the method of valuation, for which purpose a hierarchy of three levels is used:

Level 1:	Quoted prices for similar assets or liabilities listed on an active market (without adjustment)
Level 2:	Market inputs for assets or liabilities that are observable either directly (e.g., prices) or indirectly (e.g., derived from prices) other than Level 1 inputs
Level 3:	Inputs for assets or liabilities not based on observable market data

31 December 2013

EUR '000	Level 1	Level 2	Level 3	Total
Other financial assets				
Derivatives	0	35	0	35
Financial liabilities				
Derivatives	0	-65,498	0	-65,498

31 December 2012

EUR '000	Level 1	Level 2	Level 3	Total
Other financial assets				
Derivatives	0	30	0	30
Financial liabilities				
Derivatives	0	-97,021	0	-97,021

5.1.3. Derivatives

S IMMO Group's derivative financial instruments are measured at fair value. Derivatives disclosed under other receivables

amounted to kEUR 35 (2012: kEUR 30) and derivatives disclosed under current and non-current financial liabilities totalled kEUR 65,498 (2012: kEUR 97,021).

EUR '000	31.12.2013				31.12.2012			
	Nominal	Positive fair value	Negative fair value	Maturity	Nominal	Positive fair value	Negative fair value	Maturity
Swaps	0	0	0	less than 1 year	0	0	0	less than 1 year
	336,400	0	-38,233	1 to 5 years	275,000	0	-48,485	1 to 5 years
	117,900	0	-14,776	more than 5 years	182,470	0	-27,777	more than 5 years
Caps	42,591	0	0	less than 1 year	0	0	0	less than 1 year
	111,450	35	-2,117	1 to 5 years	276,439	30	0	1 to 5 years
	0	0	0	more than 5 years	108,650	0	-2,804	more than 5 years
Collars	100,000	0	-2,750	less than 1 year	0	0	0	less than 1 year
	100,000	0	-7,622	1 to 5 years	200,000	0	-17,956	1 to 5 years
Total	808,341	35	-65,498		1,042,559	30	-97,021	

In the financial year 2013, a revenue of kEUR 30,814 (2012: expense of kEUR 20,563) was recognised under equity not effecting profit and loss, and a revenue of kEUR 715 (2012: revenue kEUR 188) was recognised in the income statement of the financial results.

A total of kEUR 2,461 (2012: kEUR 6,019) was reclassified from equity affecting profit and loss.

5.2. Risk management

5.2.1. Exchange and interest rate risk

Since S IMMO Group's rental contracts are mostly linked to the euro and almost all of its loans are denominated in euro, the exchange rate risk is considered to be low.

At 31 December 2013, around 90% of the Group's borrowings consisted of variable rate loans and roughly 10% were fixed rate loans. The variable rate loans are protected with hedging instruments such as caps, collars and swaps.

The stress test (based on the position as at 31 December 2013) shows that increases in the base rate (Euribor) have only an effect of roughly one sixth on the Group's financing costs. For example, a 100 BP increase in Euribor increases financing costs by only 16 BP.

Stress test as at 31 December 2013

Stress test (parallel shift in interest curve)	3-month Euribor	Cost of funding	Differential cost of funding	Interest sensitivity
Interest shift + 400 BP	4.29%	5.77%	66 BP	16%
Interest shift + 300 BP	3.29%	5.62%	51 BP	17%
Interest shift + 200 BP	2.29%	5.44%	33 BP	16%
Interest shift + 100 BP	1.29%	5.27%	16 BP	16%
Interest shift + 50 BP	0.79%	5.19%	8 BP	16%

Stress test as at 31 December 2012

Stress test (parallel shift in interest curve)	3-month Euribor	Cost of funding	Differential cost of funding	Interest sensitivity
Interest shift + 400 BP	4.19%	5.68%	111 BP	28%
Interest shift + 300 BP	3.19%	5.45%	88 BP	29%
Interest shift + 200 BP	2.19%	5.17%	60 BP	30%
Interest shift + 100 BP	1.19%	4.87%	30 BP	30%
Interest shift + 50 BP	0.69%	4.72%	15 BP	30%

5.2.2. Liquidity and lender risks

S IMMO Group manages liquidity and lender risks actively. As part of managing and monitoring liquidity, all maturities are subject to continual review, and if required appropriate adjustments are made as part of the rolling budget process. In order to minimise liquidity risks, the Group ensures that a balanced relationship is maintained between the amounts of loans and the market values of the individual properties. In past years the loan to value ratio was around 60% or less. To keep lender risks to a minimum, S IMMO Group works with a total of 23 different, well-known financial institutions in Austria and Germany.

Percentage of bank liabilities

Erste Group	38%
Other Austrian banks	42%
Insurance companies	15%
German banks	5%

Maturity analysis of financial liabilities

31 December 2013

EUR '000	Subordinated participating certificate capital	Financial liabilities	Trade payables
Remaining maturity less than 1 year	0	285,551	4,860
Remaining maturity between 1 and 5 years	0	366,015	0
Remaining maturity over 5 years	186,645	388,942	0
	186,645	1,040,508	4,860

31 December 2012

EUR '000	Subordinated participating certificate capital	Financial liabilities	Trade payables
Remaining maturity less than 1 year	0	177,497	6,807
Remaining maturity between 1 and 5 years	0	476,172	0
Remaining maturity over 5 years	222,483	500,942	0
	222,483	1,154,611	6,807

5.2.3. Borrower risks

The amounts disclosed as assets represent the maximum default risk since there are no significant netting agreements.

Default risks on receivables from tenants and purchasers of properties are – to the extent recognised – the subject of provisions, the basis of which is explained in note 2.6.7.2.

5.3. Rental agreements

The tenancy agreements concluded by S IMMO Group are classified as operating leasing under IFRS. These tenancy agreements are as a rule protected by linking the rents to the euro and to international indices.

Total future minimum leasing payments (nominal value) from operating leasing agreements are as follows:

EUR '000	2013	2012
Following year	85,970	88,618
Following 2–5 years	237,238	255,509
More than 5 years	200,297	243,704
	523,505	587,831

The planned changes to accounting for lease relations according to IFRS are expected to have an insignificant effect on the consolidated financial statement of S IMMO, because this proposed standard on property, which is accounted for at fair value according to IAS 40, will probably not be applicable.

5.4. Leasing – Group as lessee

The total of future minimum lease payments from operating leaseings are as follows:

EUR '000	2013	2012
Following year	472	333
Following 2–5 years	1,882	1,502
More than 5 years	12,420	8,467
	14,774	10,302

5.5. Pending litigation

In S IMMO Group there were a number of open legal disputes at balance sheet date, however the amounts involved were not significant and even in total the amount was not material in Management's estimation.

5.6. Related party disclosures

For S IMMO Group related parties are as follows:

- S IMMO Group's managing bodies
- Erste Group
- Vienna Insurance Group
- Arealis Liegenschaftsmanagement GmbH
- associated companies and joint venture companies

Erste Group and Vienna Insurance Group are S IMMO AG's strategic core shareholders. Arealis Liegenschaftsmanagement GmbH is a subsidiary of Erste Group and Vienna Insurance Group.

S IMMO Group's managing bodies were as follows:

Management Board of S IMMO AG

Ernst Vejdovszky, Vienna
 Friedrich Wachernig, MBA, Vienna
 Holger Schmidtmayr, MRICS, Vienna (until 31 January 2013)

Supervisory Board of S IMMO AG

Martin Simhandl, Vienna (Chairman)
 Ralf Zeitlberger, Vienna (since 12 June 2013 first deputy chairman)
 Franz Kerber, Graz (second deputy chairman)
 Andrea Besenhofer, Vienna (since 12 June 2013)
 Christian Hager, Krems
 Erwin Hammerbacher, Vienna
 Michael Matlin, MBA, New York
 Wilhelm Rasinger, Vienna
 Gerald Antonitsch, Vienna (until 12 June 2013)

In 2013, the remuneration received by members of the Management Board totalled kEUR 1,007 (2012: kEUR 1,121). This included expenses for pensions of kEUR 90 (2012: kEUR 201), contributions to the employee severance pay and pensions fund of kEUR 14 (2012: kEUR 14). Members of the Supervisory Board received remuneration amounting to kEUR 105 (2012: kEUR 107). Members of subsidiaries' supervisory boards received no remuneration. Neither members of the

Management Board nor Supervisory Board members received either loans or advances, and no guarantees have been given on their behalf.

Erste Group provides S IMMO Group mainly with administrative, commission and financial services, while Vienna Insurance Group mostly provides financial and insurance services.

There were the following receivables and payables with Erste Group and Vienna Insurance Group at the end of the year:

EUR '000	31 December 2013	31 December 2012
Other receivables	2,107	1,123
Bank balances	20,256	34,159
Receivables	22,363	35,283

Bank balances consist mainly of current accounts balances at interest rates from 0.2%.

EUR '000	31 December 2013	31 December 2012
Non-current bank and financial liabilities	458,172	468,172
Current bank and financial liabilities	60,286	45,632
Trade payables	13	88
Other liabilities	536	236
Liabilities	519,007	514,128

The financial liabilities and liabilities to banks were at interest rates of between 1.14% and 6.6% and for the most part with residual maturities of more than 5 years.

From 01 January 2012 until 31 December 2012 and from 01 January 2013 until 31 December 2013 there were the following material expenses and income in connection with Erste Group and Vienna Insurance Group:

EUR '000	2013	2012
Commissions	66	50
Management fees	1,359	881
Bank loan interest and other interest and bank charges	33,008	24,887
Other expenses	1,786	1,749
Expenses	36,219	27,566

EUR '000	2013	2012
Rent and service charges	732	372
Bank interest	139	161
Other interest income	46	85
Income	917	618

Under an agreement dated 14 January 2003 Erste Group Immorent AG has given S IMMO Group a rental guarantee for the property at Gasgasse 1–7, 1150 Vienna. The fee charged for this guarantee was kEUR 3,000.

Property management for the majority of the Austrian properties is provided by Arealis Liegenschaftsmanagement GmbH, Vienna, in which Erste Group and Vienna Insurance Group each have a 50% interest.

A provision for liability risks was made in the amount of kEUR 1,405 (2012: kEUR 1,000) for a company measured at equity.

5.7. Significant events after balance sheet date

In the first quarter of 2014, a further 67,000 shares at a price of kEUR 356 as well as 21,603 participating certificates at a price of kEUR 1,684 were repurchased.

Moreover, three residential properties in Berlin were sold and committed.

Vienna, 10 April 2014

Management Board

Ernst Vejdovszky m.p.

Auditor's Report

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the accompanying consolidated financial statements of S IMMO AG, Wien, for the fiscal year from 01 January 2013 to 31 December 2013. These consolidated financial statements comprise the consolidated balance sheet as of 31 December 2013, the separate consolidated income statement, the consolidated statement of comprehensive income, the consolidated cash flow statement and the consolidated statement of changes in equity for the fiscal year ended 31 December 2013, and the notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements and for the Accounting System

The Company's management is responsible for the group accounting system and for the preparation and fair presentation of the consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU, and the additional requirements under Section 245a UGB. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility and Description of Type and Scope of the Audit

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with laws and regulations applicable in Austria and Austrian Standards on Auditing as well as in accordance with International Standards on Auditing (ISA) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC). Those standards require that we comply with professional guidelines and that we plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our audit opinion.

Opinion

Our audit did not give rise to any objections. In our opinion, which is based on the results of our audit, the consolidated financial statements comply with legal requirements and give a true and fair view of the financial position of the Group as of 31 December 2013 and of its financial performance and its cash flows for the fiscal year from 01 January 2013 to 31 December 2013 in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU.

Comments on the Management Report for the Group

Pursuant to statutory provisions, the management report for the Group is to be audited as to whether it is consistent with the consolidated financial statements and as to whether the other disclosures are not misleading with respect to the Company's position. The auditor's report also has to contain a statement as to whether the management report for the Group is consistent with the consolidated financial statements and whether the disclosures pursuant to Section 243a UGB (Austrian Commercial Code) are appropriate and whether the disclosures pursuant to Section 243a (2) UGB (Austrian Commercial Code) are appropriate.

In our opinion, the management report for the Group is consistent with the consolidated financial statements. The disclosures pursuant to Section 243a UGB (Austrian Commercial Code) are appropriate.

Vienna, 10 April 2014

PwC Wirtschaftsprüfung GmbH
Wirtschaftsprüfungs- und
Steuerberatungsgesellschaft

Peter Pessenlehner m.p.
Austrian Certified Public Accountant

Dear Shareholders,

In the second half of 2013, the eurozone staged a modest economic recovery, which had a positive effect on S IMMO AG's operating activities. Overall, the Group substantially improved its results for the financial year 2013 as compared with the previous year. In the capital markets, 2013 was also a successful year for S IMMO AG: The price of the S IMMO Share improved by 9.98% – and even by 13.10% when adjusted for the dividend, which at EUR 0.15 per share was 50% higher than in 2012.

The Supervisory Board, both as a whole and through its committees, advised and assisted the Company and the Management Board in all the Group's undertakings during the financial year 2013. In the meetings of the Supervisory Board and its committees, we discharged our duties under the law, the Company's articles of incorporation and the Group's internal rules and procedures, advised the Management Board particularly on strategic issues and supervised its activities.

During the period under review, one Annual General Meeting took place. There were five meetings of the Supervisory Board in 2013, at which the average attendance of Supervisory Board members was 77.5%. Only one member was unable to be personally present at more than half of the meetings.

At the five meetings, the Supervisory and Management Boards of S IMMO AG discussed the Group's economic situation, its risk management, its strategic direction and its business development. The Management Board reported in detail at the meetings on the Group's affairs and finances and on strategic issues.

S IMMO AG has subscribed to the Austrian Code of Corporate Governance since 2007. The voluntary obligations contained in the Code go beyond the statutory requirements applicable to public limited companies and are designed to ensure even greater transparency in reporting. In 2013, the Supervisory Board carried out a self-evaluation to review the effectiveness of its work and, in particular, its organisation and working procedures. Overall, the results were favourable.

The Supervisory Board has formed three committees: the Management Board Committee, the Audit Committee and the Working Committee. The duties and composition of the committees are detailed in the corporate governance part of this



Martin Simhandl

report (pages 73–76). At the Supervisory Board and committee meetings, no agenda items were discussed without the participation of Management Board members. In addition to the meetings, there were two circular resolutions approved in writing.

The Working Committee held one meeting to consider and to decide property disposals and acquisitions during the year. The Audit Committee met twice in the financial year 2013. Its agenda covered the accounting process and group auditing activities, the internal control and risk management systems, the audit system and the compliance report. There was also one meeting of the Management Board Committee during the year.

In preparation for the Supervisory Board's nomination of auditors for the Company's individual and consolidated annual financial statements for the financial year 2013, the Audit Committee reviewed the documentation submitted by PwC Wirtschaftsprüfung GmbH evidencing their right to practise as auditors. A written report confirmed that there were neither grounds for exclusion nor any circumstances that could give rise to concerns about conflicts of interest. A schedule of the total remuneration paid to PwC Wirtschaftsprüfung GmbH by S IMMO AG, itemised by categories of services, was requested and inspected. It was also confirmed that PwC complies with the legally required quality assurance measures for maintaining audit quality. The Audit Committee reported to the Supervisory

Board on the outcomes of its reviews and its findings in these matters. As a consequence the Supervisory Board proposed to the Annual General Meeting the appointment of PwC Wirtschaftsprüfung GmbH as auditors of the Company's individual and consolidated annual financial statements for the financial year 2013.

The individual annual financial statements for 2013 together with the audit report submitted by PwC Wirtschaftsprüfung GmbH, the auditors of the Company's individual and consolidated annual reports as well as the management report and the corporate governance report were inspected and reviewed by the Audit Committee. In the course of this review, the Management Board's proposal for the distribution of profits was discussed and approved. The Audit Committee also reviewed the consolidated annual financial statements for 2013 prepared in accordance with the International Financial Reporting Standards (IFRS) together with the Group management report. On the basis of its review and discussions, the Audit Committee recommended to the Supervisory Board the acceptance of the Company's individual annual financial statements and their adoption in accordance with section 96 para 4 Austrian Stock Corporation Act (AktG), and the acceptance of the Group's consolidated financial statements.

The Supervisory Board discussed in detail and reviewed the individual annual financial statements for 2013, including the management and corporate governance reports, the consolidated financial statements prepared in accordance with the International Financial Reporting Standards (IFRS) together with the consolidated management report and the distribution of profits proposed by the Management Board.

The Audit Committee and the Supervisory Board also reviewed and discussed with PwC Wirtschaftsprüfung GmbH the audit reports submitted by PwC Wirtschaftsprüfung GmbH on the individual annual financial statements for the year ended 31 December 2013 together with the management report, and the annual consolidated financial statements for the year ended 31 December 2013 together with the management report. There were no objections raised by PwC Wirtschaftsprüfung GmbH in the course of their audit of the annual financial statements and the management reports of the Company and the Group for the year ended 31 December 2013. PwC Wirtschaftsprüfung GmbH has confirmed that the individual annual financial statements comply with the statutory requirements and give a true and fair view of the assets and finances of S IMMO AG as at 31 December 2013 and of its earnings for the year ended on that

date, and are in accordance with generally accepted Austrian accounting principles. The management report is consistent with the individual annual financial statements as at 31 December 2013. PwC Wirtschaftsprüfung GmbH has further confirmed that the consolidated annual financial statements for 2013 comply with the statutory requirements and give a true and fair view of the assets and finances of the Group as at 31 December 2013 and of its earnings and cash flows for the year ended on that date, and are in accordance with the IFRS. The Group management report is consistent with the consolidated financial statements as at 31 December 2013. The requirements under section 243a Austrian Commercial Code (UGB) have been complied with.

The review by the Audit Committee and Supervisory Board gave no grounds for objection. The Supervisory Board declared that it had nothing to add to the audit reports by the auditors. The Supervisory Board therefore resolved to accept without objection the individual annual financial statements and management report prepared by the Management Board, and the consolidated annual financial statements and Group management report prepared in accordance with IFRS. The Supervisory Board also resolved to accept the Management Board's proposal for the distribution of profits. In accordance with section 96 para 4 AktG, the individual annual financial statements for 2013 were therefore adopted.

The Supervisory Board will propose to the Annual General Meeting that the Management Board's proposal for the distribution of profits be adopted, and that the Management and Supervisory Boards be discharged from liability.

And finally on behalf of the Supervisory Board, I would like to thank the Management Board and staff of S IMMO AG for their daily hard work and dedication during the past year, and to wish them continuing success in 2014.

Vienna, April 2014

The Supervisory Board



Martin Simhandl
Chairman

Corporate Governance Report

The Austrian Code of Corporate Governance contains rules for the management and control of an enterprise and constitutes the basis of responsible management in the Group this year as in past years. In 2013, S IMMO AG again complied with the requirements of the Code.

CLEAR COMMITMENT TO THE AUSTRIAN CODE OF CORPORATE GOVERNANCE

The fundamental principles underlying good corporate governance are an integral part of what S IMMO AG stands for. From its beginnings in 1987, the main principles of S IMMO AG's business strategy have been sustainability and transparency. The Management and Supervisory Boards work closely and effectively together to achieve these goals.

The Group's corporate communications and investor relations activities are based on openness and transparency.

Information about corporate governance:

www.simmoag.at/en/cgk

www.corporate-governance.at

TRANSPARENT COMMUNICATION AND REPORTING

The provision of transparent, prompt information to its shareholders, analysts and other interested parties – while observing the provisions of company law and stock exchange regulations – is a cornerstone of S IMMO AG's corporate strategy. Important business events and information relevant to the Company's performance are published immediately in the form of ad hoc and press releases. Additionally, all important announcements, annual and interim reports as well as presentations are published immediately on S IMMO AG's website.

In the interests of transparent and comparable reporting, S IMMO AG's consolidated financial statements are prepared in accordance with the mandatory International Financial Reporting Standards (IFRS) and the interpretations of the International Financial Reporting Interpretations Committee (formerly IFRIC).

COMPLIANCE STATEMENT

Since 2007, S IMMO AG has been expressly committed to complying with the provisions and recommendations of the Austrian Code of Corporate Governance (ÖCGK) in its most recent version. The Code is available on the website of the Austrian Working Group for Corporate Governance.

The key elements of corporate governance at S IMMO AG are described on pages 73–76. Additional information is contained in the Supervisory Board's report on pages 71–72. To avoid repetition, some aspects are discussed in other parts of the Annual Report, to which reference is then made elsewhere.

Updated information on corporate governance is posted on S IMMO AG's website on a regular basis: www.simmoag.at/en/cgk

The rules of the Austrian Code of Corporate Governance are as follows:

1. L Rules (legal requirements): L Rules are based on mandatory statutory requirements.
2. C Rules (comply or explain): C Rules should be complied with. According to the Code, any non-compliance must be explained and justified.
3. R Rules (recommendations): R Rules are recommendations. Non-compliance need neither be disclosed nor justified.

S IMMO AG complies with all the L Rules fully and without exception.

With reference to L Rule 60, S IMMO AG is expressly committed to the advancement of women in management positions. Around 54.4% of the staff are women, and in senior management positions 26.7% of the managers are women. S IMMO AG has taken specific measures to ensure that the advancement of women will be given greater emphasis in filling senior managerial positions in future. Women are now represented on the Supervisory Board: On 12 June 2013, Andrea Besenhofer was appointed as a member. Given the existing long-term appointments, specific measures to appoint women to the Management Board are not under consideration at the moment. With the Group's best interests in mind, the emphasis when making appointments to the Boards has been on the maximum possible degree of professional skill and international experience. Considerations such as gender are only taken into account as a secondary factor. Where appropriate, however, when men and women are equally qualified and experienced, S IMMO AG will give preference to women.

S IMMO AG complies with almost all the C Rules, with the exceptions explained below.

C Rule 2: "Shares are to be construed in accordance with the principle of one share – one vote."

The only exception is under section 13 para 3 of the articles of incorporation, which restricts the maximum percentage of voting rights per shareholder in the Annual General Meeting to 15% of the issued share capital. For more information, see page 22.

Moreover, S IMMO AG is a member of the European Public Real Estate Association (EPRA), and follows their guidelines and standards.

COMPOSITION, ACTIVITIES AND PROCEDURES OF THE MANAGEMENT AND SUPERVISORY BOARDS

The Management and Supervisory Boards are fully aware of their responsibility for ensuring long-term sustainable value creation and the continuing success of the Group. The intensive, ongoing dialogue between the two Boards is the basis of efficient and competent management.

In the last financial year, the Management Board consisted of three members until 31 January 2013, and thereafter of two members. The members of the Management Board keep each other informed of all important business events and developments at all times and discuss the progress of business in regular Management Board meetings. There is an ongoing exchange of information with the managers responsible for the various departments. The Management Board also provides the Supervisory Board with information about all material aspects of the progress of business and all strategic considerations. Collaboration between the two Boards is governed by the

Austrian Stock Corporation Act (AktG), the Company's articles of incorporation as well as the rules and procedures established by the Supervisory Board.

As at 31 December 2013, the Supervisory Board consisted of eight members.

The Supervisory Board reviews the management of the Company's affairs. In its meetings, the Supervisory Board monitors the management of the business as well as the finances, strategy, performance and risk management of the Company.

The Supervisory Board is responsible for decision-making as provided by legal statutes, the Company's articles of incorporation as well as its internal rules and procedures. The Supervisory Board has formed committees, which are listed below. During the financial year 2013, there were five Supervisory Board meetings. On average, 77.5% of the Supervisory Board members attended the meetings. Only one member was unable to be personally present at more than half of the meetings.

European Public Real Estate Association (EPRA):
www.epra.com

C Rule 39, fifth sentence: "The majority of the committee members shall meet the criteria for independence under C Rule 53."

Supervisory Board committees are restricted to a very limited number of members. Compliance with the Rule could, in the Company's view, conflict with the rights of the Supervisory Board to divide up its work effectively and efficiently in the context of its self-organisation. Since the Supervisory Board as a whole is in compliance with C Rule 53 and the Supervisory Board remains at liberty to deal with committee matters in full meetings of the Board, the Company considers that the above provision in C Rule 39 (fifth sentence) is inappropriate.

C Rule 41: "The supervisory board shall appoint a nominations committee."

S IMMO AG has no Nominations Committee. Appointments to vacant positions on the Management Board and succession planning are discussed by the full Supervisory Board.

C Rule 45: "Members of the supervisory board may not exercise managing body functions in other companies that are in competition with the company."

Certain members of the Supervisory Board of S IMMO AG also serve on the boards of similar companies or perform executive functions in Erste Group Bank AG or Vienna Insurance Group companies. All members of the Supervisory Board are obliged to disclose any conflicts of interest

arising from their activities as members of the Supervisory Board without delay. In any event, the Company considers the extensive knowledge of the industry and the networks of certain Supervisory Board members to be an advantage from which it can benefit.

C Rule 49: "The company shall disclose in its annual report details of the objects and remuneration of contracts and agreements requiring approval under L Rule 48. Summary disclosure of agreements of similar kinds is permissible."

The Company may enter into contractual relationships with individual members of the Supervisory Board, or with businesses in which Supervisory Board members have an interest or exercise a management body function. To the extent that such contractual agreements require the approval of the Supervisory Board under section 95 Austrian Stock Corporation Act (AktG) and L Rule 48, approval has been sought and obtained. The details of such contracts and agreements are not disclosed for reasons of competition. All such contracts and agreements are concluded at normal market conditions.

C Rule 57: "Supervisory board members serving on the management board of a listed company may not hold more than four positions on supervisory boards (position of chairperson counts double) of stock corporations not belonging to the group."

In light of the personal and professional competence of the Supervisory Board members in question, a deviation in this instance is accepted.

SUPERVISORY BOARD COMMITTEES

Audit Committee

The functions of the Audit Committee include monitoring the accounting and reporting process and the work of the auditors, monitoring the effectiveness of the Internal Control System and the risk management system, and monitoring the process of auditing the Group's financial statements. The Audit Committee consists of the following members: Martin Simhandl (Chairman), Erwin Hammerbacher, Wilhelm Rasinger, Ralf Zeitlberger and Franz Kerber. Franz Kerber became a member of the Audit Committee on 12 June 2013, replacing Gerald Antonitsch. In virtue of their experience and specialist knowledge of finance and accounting, Martin Simhandl and Ralf Zeitlberger are the Committee's financial experts. The Audit Committee met twice during the year under review.

Management Board Committee (Remuneration Committee)

The Management Board Committee is responsible for negotiating, concluding and amending the contracts of Management Board members. The Committee consists of the following members: Martin Simhandl (Chairman), Franz Kerber and Ralf Zeitlberger. Ralf Zeitlberger became a member of the Management Board Committee on 12 June 2013, replacing Gerald Antonitsch. The Management Board Committee met once during the year under review.

Working Committee

The Working Committee has been given authority by the Supervisory Board to approve certain transactions up to a specified maximum value, where due to lack of time or other organisational constraints seeking the approval of the full Supervisory Board would be impractical. This applies in the case of the purchase or sale of properties up to a certain risk level as defined in the Supervisory Board's rules and procedures. The members of the Working Committee are Ralf Zeitlberger (Chairman), Andrea Besenhofer, Erwin Hammerbacher and Franz Kerber. Ralf Zeitlberger became Chairman of the Working Committee on 12 June 2013, replacing Gerald Antonitsch. Andrea Besenhofer became a member of the Working Committee on 12 June 2013. The Working Committee met once during the year under review.

STATEMENT OF INDEPENDENCE

S IMMO AG's Supervisory Board has established the following criteria for the independence of its members as required under C Rule 53 of the Austrian Code of Corporate Governance:

- A Supervisory Board member should not in the preceding five years have been a member of the Management Board or an executive officer of S IMMO AG or one of its subsidiaries.
- A Supervisory Board member should not maintain, or in the preceding year have maintained, a business relationship of material importance to that Supervisory Board member with S IMMO AG or one of its subsidiaries. This applies also to business relationships with enterprises in which the Supervisory Board member has a material interest. The approval of individual transactions by the Supervisory Board in accordance with L Rule 48 does not automatically mean that a person is not independent.
- A Supervisory Board member should not in the preceding three years have served as statutory auditor of S IMMO AG, or have had an interest in, or been an employee of the auditing firm.
- A Supervisory Board member should not be a member of the management board of another company where a member of the Management Board of S IMMO AG is a member of that company's supervisory board.
- A Supervisory Board member should not be a close family member (direct descendant, spouse, lifetime partner, parent, uncle, aunt, sibling, nephew, niece) of a member of the Management Board or of persons in any of the positions described above.

For the financial year 2013, the following members of the Supervisory Board, who together constitute the majority of the Supervisory Board, were independent in the meaning of C Rule 53 of the Code of Corporate Governance. Three members were also independent for the purposes of C Rule 54.

Andrea Besenhofer (in the meaning of C Rules 53)
 Franz Kerber (in the meaning of C Rules 53 and 54)
 Christian Hager (in the meaning of C Rules 53 and 54)
 Erwin Hammerbacher (in the meaning of C Rule 53)
 Michael Matlin (in the meaning of C Rule 53)
 Wilhelm Rasinger (in the meaning of C Rules 53 and 54)
 Ralf Zeitlberger (in the meaning of C Rules 53)

DIRECTORS' DEALINGS

Under section 48d para 4 Austrian Stock Exchange Act (BörseG), S IMMO AG is required to report all share purchases and sales by members of management bodies or persons in close relationships with them. In the financial year 2013, Ernst Vejdovszky, Chairman of the Management Board, and Wilhelm Rasinger, member of the Supervisory Board, each reported the acquisition of 3,000 shares. In accordance with the requirements

of the Code, dealings by members of the Management and Supervisory Boards (directors' dealings) are disclosed on S IMMO AG's website (www.simmoag.at/en) under Investor Relations/Corporate Governance/Directors' Dealings.

D&O INSURANCE

Pursuant to a resolution of the Annual General Meeting 2009, a directors and officers liability insurance policy has been in force since 01 September 2009. Under this policy, claims by the Company, the shareholders or third parties against members of managing bodies or executive officers of the Company for damages arising from breaches of the duty of care are insured. The costs of the insurance are borne by the Company.

REMUNERATION OF THE SUPERVISORY BOARD

Members of the Supervisory Board received total remuneration (including attendance fees) amounting to EUR 104,533 (2012: EUR 106,500).

Total Supervisory Board remuneration 2013

Simhandl	EUR	18,500
Zeitlberger	EUR	13,657
Kerber	EUR	14,500
Besenhofer	EUR	4,973
Hager	EUR	11,000
Hammerbacher	EUR	12,500
Matlin	EUR	10,000
Rasinger	EUR	12,500
Antonitsch	EUR	6,903
Total	EUR	104,533

Supervisory Board members received neither loans nor advances, and no guarantees have been given on their behalf.

REMUNERATION OF THE MANAGEMENT BOARD

During the financial year 2013, the total remuneration of the Management Board amounted to EUR 978,718¹⁾ (2012: EUR 999,045¹⁾). Profit participation is dependent on the achievement of quantitative and qualitative targets, such as consolidated earnings, cash flow and the volume of property sales. Remuneration consists of fixed and of variable components. Depending on the extent to which the targets are achieved, the variable component constitutes around 75% of the fixed remuneration, if

targets are fully achieved. In particularly successful financial years, the variable component may total up to roughly 100%. Other remuneration includes, among other things, contributions to pension funds of EUR 54,333 (2012: EUR 74,400) and contributions to the employees severance pay and pension fund of EUR 14,242 (2012: EUR 14,300). The company pension plan for Ernst Vejdovszky is a defined benefit plan in the amount of 40% of the fixed remuneration after 35 years of service. For this purpose, the pension accrual was increased by EUR 36,052 (2012: EUR 126,000). The company pension plans for Friedrich Wachernig and Holger Schmidtmayr are and were, respectively, defined contribution plans. S IMMO AG has no stock option scheme at present, and no individual severance entitlements for Management Board members.

Total Management Board remuneration 2013¹⁾

in EUR			
Remuneration	Vejdovszky	Wachernig	Schmidtmayr
Fixed	209,067	181,302	16,430
Variable	162,230	143,443	189,301
Other	35,630	27,804	13,511
Total	406,927	352,549	219,242

AUDITORS

At the 24th Annual General Meeting on 12 June 2013, PwC Wirtschaftsprüfung GmbH was appointed as statutory auditors for the financial year 2013. The auditors assist the Supervisory Board in assessing whether appropriate accounting policies have been applied, and whether the accounts and financial statements conform with the applicable statutory regulations and are reasonable and reliable. The auditors must immediately report to the Supervisory Board on any deficiencies revealed by the audit. This also applies to any discrepancies in the compliance statement made by the Supervisory and Management Boards in connection with the Austrian Code of Corporate Governance.



Ernst Vejdovszky



Friedrich Wachernig

¹⁾ Without provisions

Einzelabschluss

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Lagebericht für das Geschäftsjahr 2013

Geschäftstätigkeit der S IMMO AG

Die S IMMO AG ist eine international tätige Immobilieninvestment- und entwicklungsgesellschaft mit Sitz in Wien und Notiz an der Wiener Börse. Sie ist als Konzernleitgesellschaft der S IMMO-Gruppe direkt bzw. über Tochterunternehmen indirekt in den Segmenten Österreich, Deutschland, Zentral- und Südosteuropa tätig. In ihrem Portfolio hält die Gesellschaft unmittelbar bzw. mittelbar über Tochterunternehmen Büro-, Geschäfts- und Wohnflächen sowie Hotels. Das Unternehmen verfolgt das Ziel, den Unternehmenswert im Sinne seiner Aktionäre durch langfristige, ertragreiche Immobilieninvestments bzw. Immobilienprojektentwicklungen nachhaltig zu steigern. Unter dieser Prämisse entwickelt es das Portfolio beständig weiter und optimiert es durch aktives Asset Management.

Zweigniederlassungen

Der Firmensitz der S IMMO AG ist in Wien. Es bestehen keine Zweigniederlassungen.

Forschung und Entwicklung

Die S IMMO AG betreibt keine Forschung und Entwicklung

Geschäftsverlauf

Die Umsatzerlöse sind im Geschäftsjahr trotz des Verkaufs von 2 Immobilien mit TEUR 21.694 (2012: TEUR 22.499) nur geringfügig gesunken. Die sonstigen betrieblichen Erträge sind mit TEUR 22.790 (2012: TEUR 13.144) insbesondere aufgrund von gestiegenen Erträgen aus Immobilienveräußerungen deutlich gestiegen.

Die sonstigen betrieblichen Aufwendungen sind von TEUR 8.354 auf TEUR 5.676 gesunken.

Das Finanzergebnis beträgt TEUR -7.574 (2012: TEUR 23.865), was im Wesentlichen auf die geringeren Beteiligungserträge im Geschäftsjahr 2013 in Höhe von TEUR 3.182 (2012: TEUR 36.103) zurückzuführen ist.

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Die Bilanzsumme ist von TEUR 975.657 auf TEUR 866.363 zum Bilanzstichtag 31.12.2013 gesunken. Das Grundkapital beträgt nach der Einziehung von eigenen Aktien im Berichtsjahr zum Stichtag 31.12.2013 TEUR 243.144 (2012: TEUR 247.509). Das Eigenkapital hat sich zum Bilanzstichtag von TEUR 366.358 auf TEUR 365.566 vermindert. Die Eigenkapitalquote betrug zum 31.12.2013 42% (31.12.2012: 38%).

Die Verbindlichkeiten gegenüber Kreditinstituten haben sich im laufenden Geschäftsjahr von TEUR 175.644 auf TEUR 151.944 weiter reduziert. Davon haben TEUR 63.385 (2012: TEUR 69.015) eine Restlaufzeit von bis zu einem Jahr.

Auf dem Kapitalmarkt wurden nach wie vor durch das Genussschein- bzw. Aktienrückkaufprogramm wichtige Akzente gesetzt, die auch im Jahr 2014 fortgesetzt werden. Auf Grund der Differenz zwischen dem inneren Wert unserer Aktie und dem aktuellen Kurs sehen wir den Rückkauf der Aktien als gutes Investment. Durch den Erwerb der Genussscheine setzen wir einen wichtigen Schritt zur weiteren Vereinfachung der Kapitalstruktur.

Immobilienportfolio in Österreich – wesentliche Ereignisse 2013

In Österreich konnte die S IMMO AG ihr bestehendes Portfolio weiter optimieren. So konnten im Geschäftsjahr 2013 folgende Objekte mit Gewinn veräußert werden: Kreuzgasse 72-74 und Schottenfeldgasse 29 (alle in Wien).

Voraussichtliche Entwicklung

Aktuell liegt der Fokus auf der Ertragssteigerung des Portfolios und dem Abbau von Verbindlichkeiten; zur Erreichung dieser Ziele werden konzernweit mittelfristig verstärkte Verkaufsanstrengungen unternommen werden.

Grundsätzlich prüft die S IMMO AG auch kontinuierlich Ankaufsmöglichkeiten, die das Portfolio sinnvoll ergänzen. Im vergangenen Jahr gab es keine passenden Angebote, die den Preisvorstellungen und Investitionskriterien der Gesellschaft entsprochen hätten.

Für das Geschäftsjahr 2014 erwartet die S IMMO AG eine weitere positive Entwicklung.

Risikomanagement

Als Konzernmuttergesellschaft eines internationalen Immobilienkonzerns ist die S IMMO AG mit einer Vielzahl von Risiken und Chancen konfrontiert, die sowohl auf die operative Geschäftstätigkeit als auch die strategische Unternehmensführung Einfluss haben können. Durch die Identifizierung, Analyse, Steuerung und Überwachung der Risiken und Chancen versucht die Gesellschaft, negative Entwicklungen und potenzielle Erfolgsfaktoren rechtzeitig zu erkennen und diese in den Entscheidungsprozessen zu berücksichtigen.

Im breit gestreuten Konzern-Portfolio befinden sich Wohn-, Büro-, Geschäftsflächen und Hotels. Mit der Kombination aus Betrieb und Revitalisierung von Bestandsimmobilien und der Entwicklung von Immobilienprojekten versucht die S IMMO AG, mögliche Risiken zu reduzieren. Die S IMMO ist in vier unterschiedlichen Nutzungsarten operativ tätig und konzentriert sich dabei auf vier regionale Segmente. Diese Streuung ermöglicht es dem Unternehmen, Immobilienzyklen strategisch und bestmöglich zu nutzen.

Das Risikomanagement umfasst neben internen Regelungen und Richtlinien laufende Berichte im Rahmen von regelmäßigen Jours fixes an den Vorstand sowie Kontrollmaßnahmen, die im Unternehmen etabliert sind und der Früherkennung, Steuerung sowie Überwachung von Risiken dienen. Der Vorstand trifft die wesentlichen risikorelevanten Entscheidungen. Investitionsvorhaben unterliegen ab einer bestimmten Wertgrenze zusätzlich der Genehmigung durch den Aufsichtsrat. Beide Organe werden über Risiken sowie über das Interne Kontrollsystem regelmäßig informiert.

Die in diesem Abschnitt dargestellten Risikogruppen wurden sowohl rückblickend für das Geschäftsjahr 2013 als auch im Hinblick auf die Geschäftstätigkeit 2014 laufend analysiert und bewertet. Im Wesentlichen sind die Risiken im Vergleich zum Vorjahr unverändert geblieben.

Internes Kontrollsystem

Für wesentliche Geschäftsprozesse besteht ein Internes Kontrollsystem (IKS), das gemeinsam mit der internen Revision und der (börsenrechtlichen) Compliance das interne Überwachungssystem der Gesellschaft bildet. Wesentliche konzernweite Kernprozesse sind in der internen Prozessdatenbank erfasst. Diese beinhaltet eine Risiko-Kontroll-Matrix, in der die Abläufe, die potenziellen Einzelrisiken und die zugeordneten Kontrollschritte definiert sind.

Interne Revision

Die Interne Revision der S IMMO AG beauftragt und koordiniert Prüfungen wesentlicher Geschäftsprozesse der Konzernmuttergesellschaft bzw. ihrer lokalen Tochtergesellschaften hinsichtlich ihrer Funktionsfähigkeit, bestehender Risiken und Kontrollschwächen sowie möglicher Effizienzverbesserungspotenziale. Grundlage für die in mehrjährigen Zyklen stattfindenden Revisionsprüfungen bildet der vom Vorstand genehmigte operative Jahresrevisionsplan bzw. der strategische Mehrjahresplan. Die Durchführung der Revisionsprüfungen erfolgt ausschließlich durch renommierte, externe Experten. Die Ergebnisse der Prüfungen werden an den Vorstand berichtet. Darüber hinaus wird der Prüfungsausschuss des Aufsichtsrats regelmäßig über den Revisionsplan sowie die Ergebnisse der durchgeführten Revision informiert.

Risikoübersicht

Unternehmensstrategische Risiken	Immobilienpezifische Risiken	Finanzielle Risiken	Sonstige Risiken
Umfeld- und Branchenrisiko Investitionsrisiko Kapitalmarktrisiko	Immobilienportfoliorisiko Vermietungsrisiko Immobilienentwicklungsrisiko Bautechnisches Risiko bei Neubauprojekten Immobilienwertänderungsrisiko	Liquiditätsrisiko Zinsänderungsrisiko Finanzierungsrisiko Fremdwährungsrisiko	Steuerliche Risiken Umweltrisiko Rechtsrisiko

Erläuterung der Einzelrisiken

Unternehmensstrategische Risiken

Strategische Risiken sind sehr eng mit der Geschäftsstrategie der S IMMO AG verbunden und können diese auch gegebenenfalls stark beeinflussen.

Umfeld- und Branchenrisiko

Umfeld- und Branchenrisiken ergeben sich aus den wirtschaftlichen Gegebenheiten in den einzelnen Märkten der S IMMO, die in der Folge Einfluss auf die Entwicklung der Immobilienbranche in der jeweiligen Region haben. Da sich das wirtschaftliche Umfeld laufend ändert, sind die sich daraus ergebenden Risiken teilweise nur schwer prognostizierbar. Aus aktueller Sicht schätzt das Unternehmen die Nachfrage am österreichischen Büro- und Einzelhandelsmarkt konstant bis rückläufig ein. In Berlin profitiert die Gesellschaft derzeit von einem starken Zuzug und hoher Mobilität. Das macht den deutschen Wohnimmobilienmarkt auch im Jahr 2014 für die S IMMO attraktiv. Die Nachfrage nach deutschen Büroflächen ist stabil. Ebenfalls positiv entwickelt sich das Hotelgeschäft des Unternehmens. Innerhalb der Region CEE bleibt der Büroimmobilienmarkt in Budapest kritisch, welcher ca. 5 % des Immobilienbestands der S IMMO ausmacht. Eine Erholung spürt das Unternehmen in Südosteuropa, wobei diese in Sofia deutlich langsamer stattfindet als in Bukarest. Für die rumänische Hauptstadt sind die Prognosen für die kommenden Jahre vorsichtig zuversichtlich.

Investitionsrisiko

Investitionen, beispielsweise Immobilienzukäufe, bieten einerseits Chancen, sind aber ebenso mit Risiken verbunden. Daher zielt ein wesentlicher Bestandteil der Unternehmensstrategie darauf ab, bei der Auswahl von Immobilien potenzielle Investitionsrisiken zu erkennen. Vor diesem Hintergrund setzt die S IMMO-Gruppe im Vorfeld einer Investitionsentscheidung auf umfassende interne und externe Analysen. Dabei werden zum Beispiel Faktoren wie Attraktivität des Standorts, Infrastruktur und Bonität der Mieter herangezogen. Darüber hinaus sind klare Limits festgelegt, ab welchem Investitionsvolumen eine Genehmigung des Aufsichtsrats erforderlich ist.

Kapitalmarktrisiko

Der Kapitalmarkt ist für die S IMMO bezüglich der Aufnahme von Eigen- bzw. Fremdkapital von großer Wichtigkeit. Instabile Kapitalmärkte können die Finanzierungsmöglichkeiten des Unternehmens beeinträchtigen. Das Unternehmen arbeitet stetig daran, das Vertrauen der Anleger in die S IMMO-Aktie durch transparente und verlässliche Informationen und zeitnahe Kommunikation zu stärken. Zur Sicherstellung der Kapitalmarkt-Compliance, insbesondere der Verhinderung von Missbrauch von Insiderinformationen, verfügt die S IMMO-Gruppe über eine

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Compliance-Richtlinie. Darüber hinaus prüft die S IMMO immer wieder mögliche Kapitalmarktmaßnahmen.

Immobilienpezifische Risiken

Wirtschaftlich herausfordernde Zeiten können zu Bonitätsverschlechterungen von Mietern, erhöhten Mietrückständen, steigenden Leerstandsdaten und Mietausfällen führen.

Mit einem ausgewogenen Portfolio-Mix begegnet die S IMMO dem Immobilienportfoliorisiko. Die Immobilien des Unternehmens befinden sich in verschiedenen Regionen und bestehen aus Objekten unterschiedlicher Nutzungsarten. Geographisch liegt der Schwerpunkt auf den Regionen Österreich, Deutschland, CEE und SEE. Dabei konzentriert sich das Unternehmen auf Hauptstädte in der Europäischen Union. Das Immobilienportfoliorisiko war im Berichtsjahr nicht in allen Regionen und Nutzungsarten gleichermaßen ausgeprägt: Der Wohnimmobilienmarkt in Deutschland etwa entwickelte sich positiv, während der Büromarkt in Budapest weiterhin sehr schwierig ist. Auch die Büromärkte in Bukarest und Sofia sind nach wie vor herausfordernd. Durch die Streuung innerhalb des Portfolios können Risiken eines Marktes durch positive Entwicklungen in einem anderen Markt abgefedert werden.

Vermietungsrisiko und Mietausfallsrisiko

Das Vermietungsrisiko ist stark mit der allgemeinen wirtschaftlichen Lage in den einzelnen Märkten verknüpft und damit auch mit entsprechenden Planungsunsicherheiten behaftet. So weist zum Beispiel derzeit die politische und wirtschaftliche Entwicklung in Ungarn, Rumänien und Bulgarien ein höheres Risiko im Vergleich zu den westlichen EU-Mitgliedsstaaten auf. Der Fokus auf langfristige Mietverträge wirkte sich im vergangenen Geschäftsjahr positiv auf den Vermietungsgrad aus, der konzernweit per 31.12.2013 auf 90,2 % betrug. Auch im laufenden Jahr bleibt trotz allgemein positiver Wirtschaftsprognosen für die Europäische Union auf Grund der unterschiedlichen politischen und wirtschaftlichen Entwicklung der einzelnen Mitgliedsländer ein Vermietungsrisiko (auch bei Vertragsverlängerungen) bestehen. Das betrifft insbesondere die Bürogebäude in Budapest. Nicht nur die wirtschaftlichen Rahmenbedingungen haben eine Auswirkung auf die Vermietung, sondern auch die Konkurrenzsituation. So sind in Sofia neue Einkaufszentren geplant, auch in Bukarest eröffnete im Herbst 2013 ein Shoppingcenter und drei weitere sollen in den Jahren 2015/2016 auf den Markt kommen. Wir gehen davon aus, dass diese neue Marktsituation auch Auswirkungen auf die Bestandsmieter in den beiden

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Einkaufszentren der S IMMO vor Ort haben wird. Zum einen birgt es die Gefahr, dass bestehende Mieter ihren Mietverbindlichkeiten nicht mehr nachkommen (Mietausfallsrisiko), zum anderen dass die bestehenden Verträge nicht verlängert werden.

Immobilienentwicklungsrisiko

Im Bereich von Immobilienentwicklungen können Risiken im Zusammenhang mit Baukostenüberschreitungen, Errichtungsdauer, dem Finden von geeigneten Mietern oder Verzögerungen bei der Erlangung von behördlichen Genehmigungen entstehen. Diesem Risiko begegnet die S IMMO mit regelmäßigen Kosten- und Terminkontrollen, Abweichungsanalysen oder Mindest-Vorvermietungsquoten. In den kommenden Quartalen konzentriert sich das Unternehmen auf Bestandsgrundstücke in Berlin, auf denen Eigentumswohnungsprojekte entstehen sollen. Bei den bestehenden Entwicklungsgrundstücken in Zentral- und Südosteuropa werden derzeit Vorbereitungen für einen möglichen Bau in der Zukunft getroffen. So werden unter anderem Flächenwidmungen und Baugenehmigungen eingeholt. Mit dem jeweiligen Bau in dieser Region wird erst begonnen, sobald bessere Voraussetzungen vorliegen.

Bautechnisches Risiko bei Neubauprojekten

Darunter versteht man einerseits das Risiko auftretender Schäden an neu errichteten Objekten, welche die S IMMO durch branchenübliche Bauverträge, Gewährleistungsfristen und –garantien eingrenzt. Um Risiken in diesem Bereich in Grenzen zu halten, werden eingehende Prüfungen vor Ablauf der Gewährleistungsfristen veranlasst, um mögliche Schäden noch auf Kosten der Bauunternehmen zu sanieren. Andererseits besteht bei eigenen Bauprojekten das Risiko des Qualitätsmangels. Hier versucht die S IMMO durch die Auswahl erfahrener und renommierter Bauunternehmen, durch klare Planung und Qualitätsvorgaben sowie durch begleitende Kontrollen Risiken in Grenzen zu halten.

Immobilienwertänderungsrisiko

Das Immobilienbewertungsrisiko beschreibt das Risiko von negativen Wertschwankungen des Immobilienportfolios, die sich auf Grund von geänderten makroökonomischen Gegebenheiten – außerhalb des Einflussbereichs des Unternehmens – und immobilien-spezifischen Faktoren ergeben können. Die S IMMO versucht, mögliche Risiken vorausschauend zu erkennen und etwaige negative Effekte durch eine gute Immobilienbewirtschaftung und Portfoliosteuerung zu minimieren. Kommt es zu Marktwertänderungen, können diese in weiterer Folge das

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Eigenkapital und somit auch den Börsenkurs und die Kreditwürdigkeit der Gesellschaft negativ beeinflussen.

Finanzielle Risiken

Die Steuerung von finanziellen Risiken beinhaltet für die S IMMO Gruppe vor allem den Umgang mit Liquiditäts-, Zinsänderungs-, Finanzierungs- und Währungsrisiken.

Liquiditätsrisiko

Zur Sicherstellung der Liquidität werden die Zahlungsströme des Unternehmens von der Finanzierungsabteilung auf Basis einer laufenden Liquiditätsplanung in Zusammenarbeit mit den Bereichen Projektentwicklung, Asset Management und Akquisition koordiniert, auf Plausibilität geprüft und laufend angepasst. Auf Grund verschärfter Eigenkapital- und Liquiditätsvorschriften für Banken und in der Folge restriktiverer Kreditvergabe sowie reduzierter Beleihungshöhen kann es zu Schwierigkeiten bei Refinanzierungen kommen. Die S IMMO kann davon trotz überwiegend langfristig abgeschlossener Kreditverträge hauptsächlich bei Kreditverlängerungen und Refinanzierungen betroffen sein (siehe auch Finanzierungsrisiko). Das Risiko kann primär auftreten, wenn es bei Kreditverlängerungen oder Refinanzierungen zu Verzögerungen kommt oder diese in einer geringeren Höhe als erwartet erfolgen.

Zinsänderungsrisiko

Bei Fremdfinanzierungen besteht das Risiko sich ändernder Zinsniveaus. Derzeit wird allerdings erwartet, dass die Europäische Zentralbank den Leitzins vorerst weiterhin auf sehr niedrigem Niveau belässt. Dennoch kann nicht ausgeschlossen werden, dass Banken auf Grund ihrer wirtschaftlichen Situation sowie der erhöhten Eigenkapital- und Liquiditätsvorschriften durch Basel III ihre Margen anheben. Das Zinsänderungsrisiko reduziert die S IMMO-Gruppe langfristig durch Zinsabsicherungen ihrer variabel verzinsten Kredite. Zur Absicherung variabel verzinsten Kredite verwendet die S IMMO AG derivative Finanzinstrumente (Swaps und Collars). Per Jahresende waren die gesamten variabel verzinsten Verbindlichkeiten gegenüber Kreditinstituten abgesichert.

Finanzierungsrisiko

Die nach wie vor angespannte Situation bzw. weitere negative Entwicklungen des Bankensektors können zu einer noch restriktiveren Kreditvergabepolitik von Banken führen und

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somit die Refinanzierung erschweren. Auch eine weitere Anhebung der Margen sowie Reduzierung der Beleihungshöhen ist denkbar. Dieses Finanzierungsrisiko versucht die S IMMO-Gruppe durch Streuung ihrer Kreditgeber (zum Bilanzstichtag 23 Einzelbanken) zu begrenzen. Eine Kontrolle der Kreditaufnahmen erfolgt durch Genehmigungen nach gestaffelten Beträgen durch den Vorstand und den Aufsichtsrat. Per 31.12.2013 hatten die langfristigen Bankverbindlichkeiten eine durchschnittlich gewichtete Restlaufzeit von mehr als 7,0 Jahren. Die Langfristigkeit der Finanzierung entspricht der branchenüblichen Praxis. Die Einhaltung der Vertragsbedingungen wird von der S IMMO-Gruppe – in engem Kontakt mit kreditvergebenden Finanzinstituten – laufend überwacht. Im aktuellen Wirtschaftsumfeld steigt allerdings das Risiko von Covenant-Verletzungen (Klauseln in Kreditverträgen, die sich beispielsweise auf die Loan-to-Value-Ratio beziehen). Die Gesellschaft legt großen Wert auf ein ausgewogenes Verhältnis zwischen Kreditbetrag und Verkehrswert der Objekte (Loan-to-Value-Ratio). Im Berichtsjahr lag die konzernweite Loan-to-Value-Ratio bei 53 %. Darüber hinaus verfügt das Unternehmen über Genussrechtskapital (ein Hybridinstrument zwischen Eigen- und Fremdkapital), welches etwa 10,6 % des Immobilienvermögens darstellt. Trotz genauen Monitorings der Finanzierungsinstrumente und der relevanten Parameter kann bei entsprechend negativer Entwicklung der Konjunktur und des Finanzierungsumfelds nicht ausgeschlossen werden, dass die S IMMO mit Risiken im Bereich der Refinanzierung konfrontiert werden könnte.

Fremdwährungsrisiko

Kreditfinanzierungen der S IMMO AG sind ausschließlich in Euro denominiert und die Mietverträge sind ausschließlich an den Euro gebunden. Daher besteht kein unmittelbares Fremdwährungsrisiko.

Sonstige Risiken

Steuerliche Risiken

Als international tätiger Immobilienkonzern ist die S IMMO-Gruppe mit einer Vielzahl von unterschiedlichen, laufenden Änderungen unterworfenen nationalen Steuersystemen konfrontiert. Änderungen der lokalen steuerlichen Rahmenbedingungen (z.B. bei den immobilienbezogenen Steuern, Umsatz- bzw. Ertragssteuern) können zu außergewöhnlichen Steuerbelastungen führen und stellen damit stets ein Ertragsrisiko dar. Die S IMMO versucht, allfällige Konsequenzen durch die kontinuierliche Zusammenarbeit mit lokalen Experten

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frühzeitig zu erkennen, bei der Entscheidungsfindung zu berücksichtigen sowie für (aus Betriebsprüfungen bzw. steuerlichen Verfahren) bekannte Risiken ausreichende bilanzielle Vorsorgen zu treffen.

Umweltrisiko

Umweltrisiken können sowohl im Zusammenhang mit Bestandsimmobilien als auch mit Entwicklungsprojekten auftreten. Beispielsweise können geänderte Gesetze das Entfernen oder den Austausch von Materialien notwendig machen. Ebenso kann die Entsorgung gefährlicher Substanzen auf einem Entwicklungsgrundstück erforderlich sein. Das wiederum kann zusätzliche Kosten verursachen. Die S IMMO versucht dieses Risiko dadurch zu senken, dass bei Akquisitionen und Investitionen genaue Standortanalysen durchgeführt und gegebenenfalls Garantierklärungen eingeholt werden. Weiters agiert die S IMMO verantwortungsvoll sowohl bei Bestandsimmobilien als auch bei Entwicklungsprojekten, indem auf qualitativ hochwertige Materialien und Bauweisen geachtet wird. In diesem Zusammenhang erhielten bereits mehrere Gebäude der S IMMO AG Green-Building-Zertifikate. In den kommenden Monaten werden beispielweise Gebäude in Ungarn unter ökologischen Aspekten revitalisiert.

Rechtsrisiko

Die S IMMO ist auf Grund ihrer Geschäftstätigkeit einer Vielzahl von rechtlichen Risiken ausgesetzt. Diese resultieren unter anderem aus Rechtsstreitigkeiten. Die derzeit laufenden Gerichts- und Schiedsverfahren betreffen im Wesentlichen Streitigkeiten aus dem operativen Geschäft der S IMMO (zum Beispiel Streitigkeiten mit Mietern oder Baufirmen). Für die laufenden Rechtsstreitigkeiten wurden im gemäß UGB erforderlichen Ausmaß Rückstellungen gebildet. Da der Ausgang (schieds-)gerichtlicher oder behördlicher Verfahren in der Regel unvorhersehbar ist, können daher über die dotierten Rückstellungen hinausgehende Aufwendungen entstehen. Signifikante Risiken können sich auch aus Veränderungen der Rechtslage ergeben, zumal die S IMMO in einem stark regulierten Umfeld tätig ist.

Gesamtaussage zur Risikosituation

Zusammenfassend kann gesagt werden, dass es in den vergangenen Monaten in der Europäischen Union zu einer leichten Verbesserung der Konjunktur gekommen ist. Auch die Prognosen für 2014 sind zuversichtlich und lassen vorsichtigen Optimismus zu. Dennoch

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erholen sich die einzelnen EU-Mitgliedsländer mit unterschiedlichen Geschwindigkeiten, weshalb vor allem Ungarn, Rumänien und Bulgarien auf Grund ihrer politischen Situation und wirtschaftlichen Entwicklung ein höheres wirtschaftliches Risiko im Vergleich zu den westlichen EU-Ländern aufweisen. Daher ist die S IMMO in diesen Ländern vor allem mit einem erhöhten Branchen-, Immobilienportfolio-, Vermietungs- und Mietausfallsrisiko konfrontiert. Das Unternehmen versucht diese Risiken durch sein ausgewogenes Portfolio, das aus Immobilien mit unterschiedlichen Nutzungsarten besteht, zu senken. Darüber hinaus befinden sich die Immobilien in unterschiedlichen Ländern mit Fokus auf die kaufkraftstarken Hauptstädte, sodass auch diese Faktoren die genannten Risiken etwas reduzieren. Außerdem wird für bekannte Risiken ausreichende bilanzielle Vorsorge getroffen.

Eine weitere Risikogruppe betrifft die Liquidität und die Finanzierung. Strengere Eigenkapital- und Liquiditätsvorschriften für Banken können wegen einer restriktiven Kreditvergabe oder reduzierter Beleihungshöhen eine Refinanzierung erschweren. Auch eine Erhöhung der Bankmargen kann nicht ausgeschlossen werden.

Finanzielle und nicht-finanzielle Leistungsindikatoren

Strategisches Ziel ist die nachhaltige Steigerung des Unternehmenswertes. Zentrale finanzielle Leistungsindikatoren (Kennzahlen) sind dabei für den Gesamtkonzern u.a. der NAV pro Aktie, die Loan to Value (LTV) Ratio sowie Kennzahlen wie der FFO (Funds from Operations) und die Eigenkapitalquote.

Für die S IMMO AG wurden folgende finanzielle Leistungsindikatoren identifiziert:

		2013	2012
Eigenkapitalquote	%	42	38
Betriebsergebnis	TEUR	21.528	9.269

Diese Finanzkennzahlen werden zur Steuerung des operativen Geschäfts durch mehrere nicht finanzielle Leistungsindikatoren (Leerstandsrate, Portfoliostreuung, Standortqualität) ergänzt.

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Der Netto-Geldfluss aus laufender Geschäftstätigkeit beträgt für 2013 TEUR 9.987. Der Cashflow aus der Investitionstätigkeit beträgt TEUR 108.732, der Cashflow aus der Finanzierungstätigkeit beträgt TEUR -123.259.

Gesamt kommt es in der zahlungswirksamen Veränderung des Finanzmittelbestandes zu einer Verminderung um TEUR 4.540 (2012 Verminderung um TEUR 58.000, womit der Finanzmittelbestand am Ende der Periode TEUR 49 (2012 TEUR 4.589) beträgt.

Die Geldflussrechnung wurde auf Basis des Fachgutachtens KFS/BW 2 des Fachsenates für Betriebswirtschaft und Organisation der Kammer der Wirtschaftstreuhänder erstellt.

Informationen gemäß § 243a Abs. 1 Unternehmensgesetzbuch (UGB)

Gemäß § 243a Abs. 1 Unternehmensgesetzbuch (UGB) sind die folgenden Informationen anzugeben:

1.) Das Grundkapital der S IMMO AG beträgt zum Bilanzstichtag 31.12.2013 EUR 243.143.569,90 und ist in 66.917.179 auf Inhaber lautende Stückaktien zerlegt. Es bestehen keine unterschiedlichen Aktiegattungen.

2.) Die Satzung der S IMMO AG beschränkt das Stimmrecht jedes Aktionärs in der Hauptversammlung ist mit 15 % der ausgegebenen Aktien (Höchststimmrecht). Hierbei sind die Aktien von Unternehmen, die miteinander einen Konzern im Sinne des § 15 Aktiengesetz (AktG) bilden, zusammenzurechnen, ebenso die Aktien, die von Dritten für Rechnung des betreffenden Aktionärs oder eines mit ihm konzernmäßig verbundenen Unternehmens gehalten werden. Zusammenzurechnen sind weiters Aktienbestände von Aktionären, die bei der Ausübung der Stimmrechte auf Grund eines Vertrags oder auf Grund abgestimmten Verhaltens gemeinsam vorgehen. Dem Vorstand der S IMMO AG sind keine Vereinbarungen über Beschränkungen, die Stimmrechte oder die Übertragung von Aktien betreffen, bekannt.

3.) Der Gesellschaft wurden folgende Beteiligungen über 10 % an ihr gemäß § 91 Abs 1 Börsegesetz (BörseG) gemeldet:

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Am 20.04.2009 meldete die s Versicherung AG, ein Konzernunternehmen der Vienna Insurance Group gemäß § 91 Abs. 1 BörseG, dass sie ihre Beteiligung an der Sparkassen Immobilien AG (nunmehr S IMMO AG) auf 7.000.000 Stückaktien, was ca. 10,27 % des damaligen Grundkapitals bzw. ca. 10,46 % des derzeitigen, im Zuge der Einziehung eigener Aktien zum 19.12.2013 herabgesetzten, Grundkapitals entspricht, erhöht habe.

Am 24.07.2012 meldete die Erste Group Bank AG gemäß § 91 Abs. 1 BörseG, dass sie ihre Beteiligung an der S IMMO AG erhöht habe und am 20.07.2012 die im § 91 Abs. 1 BörseG vorgesehene Anteilsschwelle von 10% der Stimmrechte überschritten habe; der Anteil der nunmehr von der Erste Group Bank AG (unmittelbar und mittelbar) gehaltenen Stimmrechte an der S IMMO AG erhöhte sich auf 6.893.561 Stückaktien, was ca. 10,12 % des damaligen Grundkapitals und ca. 10,30 % des derzeitigen, im Zuge der Einziehung eigener Aktien zum 19.12.2013 herabgesetzten, Grundkapitals entspricht.

Am 24.09.2009 erhielt der Vorstand der S IMMO AG von der Tri-Star Capital Ventures Ltd., einer internationalen Investmentgesellschaft, eine Mitteilung gemäß § 91 Abs. 1 BörseG, wonach das Unternehmen die Beteiligung an der Sparkassen Immobilien AG (nunmehr S IMMO AG) auf ca. 11,15% des stimmberechtigten Grundkapitals aufgestockt habe; mit Meldungen vom 05.12.2013 bzw. 13.01.2014 informierte Anadoria Investments Ltd., eine 100%-Tochter der Tri-Star Capital Ventures Ltd., dass sie die ursprünglich von Tri-Star Capital Ventures Ltd. gehaltenen 7.593.611 Stückaktien der S IMMO AG, was ca. 11,15 % des damaligen Grundkapitals und ca. 11,35 % des derzeitigen, im Zuge der Einziehung eigener Aktien zum 19.12.2013 herabgesetzten, Grundkapitals entspricht mit Wirkung zum 30.11.2013 erworben habe und Tri-Star Capital Ventures Ltd. keine Aktien mehr an der S IMMO AG hält.

Die S IMMO AG weist klarstellend darauf hin, dass sie aufgrund von Meldungen gemäß § 91 Abs 1 BörseG vom Entstehen von Beteiligungen über 10 % erfährt und daher unter anderem die Vollständigkeit obiger Aufzählung nicht garantieren kann. Darüber hinaus haben Meldungen gemäß §§ 91 ff BörseG nur beim Erreichen, Über- oder Unterschreiten der darin festgesetzten Schwellenwerten zu erfolgen, weshalb das tatsächliche (aktuelle) Beteiligungsausmaß von den gemeldeten Zahlen durchaus abweichen kann. Der Vollständigkeit halber wird darauf hingewiesen, dass die Erste Asset Management GmbH am 30.11.2011 gemäß § 91 Abs. 1 BörseG meldete, dass sie gemeinsam mit ihren Tochtergesellschaften RINGTURM Kapitalanlagegesellschaft m.b.H. und ERSTE-SPARINVEST Kapitalanlagegesellschaft m.b.H. eine gemeinsame Stimmrechtspolitik verfolge und daher Stimmrechtsmitteilungen der

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verwalteten Fondsbestände kumuliert erfolgen. Dementsprechend meldeten die drei genannten Gesellschaften, dass sie per 29.11.2011 insgesamt 8.130.557 Stimmrechte an der S IMMO AG hielten, was ca. 11,94 % des damaligen Grundkapitals und ca. 12,15 % des derzeitigen, im Zuge der Einziehung eigener Aktien zum 19.12.2013 herabgesetzten, Grundkapitals entspricht.

4.) Es bestehen keine Aktien mit besonderen Kontrollrechten.

5.) Arbeitnehmer, die im Besitz von Aktien sind, üben bei der Hauptversammlung ihr Stimmrecht gegebenenfalls unmittelbar aus.

6.) Der Vorstand besteht aus zwei, drei oder vier Mitgliedern. Die Mitglieder des Vorstandes werden vom Aufsichtsrat mit Drei-Viertel-Mehrheit der abgegebenen Stimmen bestellt. Der Aufsichtsrat kann dabei auch ein Mitglied des Vorstandes zum Vorsitzenden und eines zum Stellvertreter des Vorsitzenden bestimmen. Auch dieser Beschluss bedarf einer Drei-Viertel-Mehrheit der abgegebenen Stimmen. Eine Bestellung zum Vorstand ist letztmalig vor Erreichen des 65. Lebensjahres möglich.

Der Aufsichtsrat besteht aus höchstens zehn von der Hauptversammlung gewählten Mitgliedern.

Beschlüsse über ordentliche Kapitalerhöhungen beschließt die Hauptversammlung mit einfacher Mehrheit der abgegebenen Stimmen und mit einfacher Mehrheit des bei der Beschlussfassung vertretenen Grundkapitals.

7.) a) Der Vorstand ist mit Beschluss der 23. ordentlichen Hauptversammlung vom 01.06.2012 für fünf Jahre nach Eintragung dieser Satzungsänderung, somit bis 19.10.2017, ermächtigt, gemäß § 169 AktG mit Zustimmung des Aufsichtsrates, das Grundkapital der Gesellschaft um bis zu EUR 123.754.680,93 durch Ausgabe von bis zu 34.059.359 Stück auf Inhaber lautende Stammaktien zum Mindestausgabekurs von 100 % des anteiligen Betrages jeder Aktie am Grundkapital gegen Bar- oder Sacheinlagen (ausgenommen Sacheinlage gegen von der Gesellschaft ausgegebene Genussscheine und Forderungen aus diesen Genussscheinen oder sonstige Forderungen) in einer oder mehreren Tranchen zu erhöhen und den Ausgabekurs, die Ausgabebedingungen und die weiteren Einzelheiten der Durchführung der Kapitalerhöhung im Einvernehmen mit dem Aufsichtsrat festzusetzen (genehmigtes Kapital); im Falle einer Kapitalerhöhung gegen Sacheinlage (ausgenommen Sacheinlage gegen von der Gesellschaft ausgegebene Genussscheine und Forderungen aus diesen Genussscheinen oder sonstige

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Forderungen) ist der Vorstand ermächtigt, mit Zustimmung des Aufsichtsrats das Bezugsrecht der Aktionäre ganz oder teilweise auszuschließen.

b) In der 23. ordentlichen Hauptversammlung vom 01.06.2012 wurde dem Vorstand die Ermächtigung erteilt, nach den Bestimmungen des § 65 Abs. 1 Z 8 AktG für die Dauer von 30 Monaten ab dem Datum der Beschlussfassung, somit bis 01.12.2014, eigene Aktien im gesetzlich zulässigen Höchstausmaß bis zu 10 % des Grundkapitals der Gesellschaft zu erwerben und gegebenenfalls einzuziehen. Der Vorstand der S IMMO AG hat mit Zustimmung des Aufsichtsrats mehrmals, zuletzt am 17.12.2013, beschlossen, von dieser Ermächtigung Gebrauch zu machen und im Rahmen eines Aktienrückkaufprogramms bis zu weitere 3% des – vor der Einziehung eigener Aktien zum 19.12.2013 bemessenen – Grundkapitals zurückzukaufen. Der Vorstand wurde auch ermächtigt, für die Dauer von fünf Jahren ab Beschlussfassung, somit bis 01.06.2017, mit Zustimmung des Aufsichtsrats für die Veräußerung der eigenen Aktien auch eine andere Art als über die Börse oder durch ein öffentliches Angebot unter Ausschluss des Bezugsrechts der Aktionäre zu beschließen.

c) Das Grundkapital wird mit Beschluss der 23. ordentlichen Hauptversammlung vom 01.06.2012 gemäß § 159 Abs. 2 Z 1 AktG um bis zu EUR 123.754.680,93 durch Ausgabe von bis zu 34.059.359 Stück neuen auf Inhaber lautende Stammaktien bedingt erhöht (bedingtes Kapital). Die bedingte Kapitalerhöhung wird nur insoweit durchgeführt, als Inhaber von auf der Grundlage des Hauptversammlungsbeschlusses vom 01.06.2012 ausgegebenen Wandelschuldverschreibungen von dem ihnen eingeräumten Umtausch- und/oder Bezugsrecht Gebrauch machen. Der Ausgabebetrag und das Umtausch- und/oder Bezugsverhältnis sind unter Berücksichtigung marktüblicher Berechnungsmethoden sowie des Kurses der Aktien der Gesellschaft zu ermitteln (Grundlagen der Berechnung des Ausgabebetrags); der Ausgabebetrag darf nicht unter dem anteiligen Betrag des Grundkapitals liegen. Der Vorstand ist ermächtigt, mit Zustimmung des Aufsichtsrats die weiteren Einzelheiten der Durchführung der bedingten Kapitalerhöhung (insbesondere Ausgabebetrag, Inhalt der Aktienrechte, Zeitpunkt der Dividendenberechtigung) festzulegen. Der Aufsichtsrat ist ermächtigt, Änderungen der Satzung, die sich durch die Ausgabe von Aktien aus dem bedingten Kapital oder auf Grund des Ablaufs der Frist zur Ausnutzung des bedingten Kapitals ergeben, zu beschließen.

d) In der 23. ordentlichen Hauptversammlung vom 01.06.2012 wurde der Vorstand gemäß § 174 AktG neuerlich ermächtigt, innerhalb von fünf Jahren ab Beschlussfassung, somit bis 01.06.2017, mit Zustimmung des Aufsichtsrats Wandelschuldverschreibungen, mit denen ein

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Umtausch- oder Bezugsrecht auf bis zu 34.059.359 Stück auf Inhaber lautende Stammaktien der Gesellschaft mit einem anteiligen Betrag am Grundkapital von bis zu EUR 123.754.680,93 verbunden ist, in einer oder mehreren Tranchen, auch verbunden mit einer Ermächtigung des Vorstands, mit Zustimmung des Aufsichtsrats das Bezugsrecht der Aktionäre für die Wandelschuldverschreibungen auszuschließen, gegen Barwerte auszugeben und alle weiteren Bedingungen der Wandelschuldverschreibungen, die Ausgabe und das Umtauschverfahren festzusetzen.

8.) Es gibt keine bedeutenden Vereinbarungen, an denen die Gesellschaft beteiligt ist und die bei einem Kontrollwechsel in der Gesellschaft infolge eines Übernahmeangebots wirksam werden, sich ändern oder enden.

9.) Es bestehen keine Entschädigungsvereinbarungen zwischen der Gesellschaft und ihren Vorstands- und Aufsichtsratsmitgliedern oder Arbeitnehmern für den Fall eines öffentlichen Übernahmeangebots.

Ereignisse nach dem Bilanzstichtag

Im ersten Quartal 2014 wurden weitere 67.000 Aktien zu einem Preis von rd. TEUR 356 sowie 21.603 Genussscheine zu einem Preis von rd. TEUR 1.684 zurückgekauft.

Darüber hinaus gab es keine weiteren wesentlichen Ereignisse nach dem Bilanzstichtag.

Wien, am 10. April 2014

Der Vorstand:

Mag. Ernst Vejdovszky e.h.

Mag. Friedrich Wachernig, MBA e.h.

Gewinn- und Verlustrechnung
für das Geschäftsjahr vom
1. Jänner 2013 bis 31. Dezember 2013

	2013		2012	
	EUR	EUR	TEUR	TEUR
1. Umsatzerlöse	21.694.094,52	21.694.094,52		22.499
2. <u>Sonstige betriebliche Erträge</u>				
a) Erträge aus dem Abgang vom und der Zuschreibung zum Anlagevermögen mit Aus- nahme der Finanzanlagen	21.804.430,79		8.285	
b) Erträge aus der Auflösung von Rückstellungen	105.448,71		2.791	
c) Übrige	879.758,85	22.789.638,35	2.068	13.144
3. <u>Aufwendungen sonstige</u>				
<u>bezogene Herstellleistungen</u>	-6.835.685,20	-6.835.685,20		-7.334
4. <u>Personalaufwand</u>				
a) Gehälter	-3.346.195,10		-3.039	
b) Aufwendungen für Abfertigungen und Leistungen an betriebliche Mitarbeitervorsorgekassen	-57.687,58		-47	
c) Aufwendungen für Altersversorgung	-145.766,23		-242	
d) Aufwendungen für gesetzlich vorgeschrie- bene Sozialabgaben sowie vom Entgelt ab- hängige Abgaben und Pflichtbeiträge	-671.252,12		-647	
e) Sonstige Sozialaufwendungen	-37.065,39	-4.257.966,42	-29	-4.003
5. <u>Abschreibungen</u>				
a) auf immaterielle Gegenstände des Anlage- vermögens und Sachanlagen	-6.186.562,27	-6.186.562,27		-6.682
6. <u>Sonstige betriebliche Aufwendungen</u>				
a) Steuern, soweit sie nicht unter Z 18 fallen	-124.172,88		-476	
b) Übrige	-5.551.547,13	-5.675.720,01	-7.879	-8.354
7. <u>Zwischensumme aus Z 1 bis 6</u>		<u>21.527.798,97</u>		<u>9.269</u>
8. <u>Erträge aus Beteiligungen</u>				
<i>davon aus verbundenen Unternehmen EUR 2.548.474,51, i.Vj.: TEUR 35.510</i>	3.182.151,55	3.182.151,55		36.103
9. <u>Erträge aus Ausleihungen des Finanzanlagevermögens</u>				
<i>davon aus verbundenen Unternehmen EUR 7.102.046,30, i.Vj.: TEUR 7.396</i>	7.102.046,30	7.102.046,30		7.396
10. <u>Sonstige Zinsen und ähnliche Erträge</u>				
<i>davon aus verbundenen Unternehmen EUR 7.067.514,21, i.Vj.: TEUR 6.924</i>	7.477.106,09	7.477.106,09		7.553
11. <u>Erträge aus dem Abgang von und der Zuschreibung zu Finanzanlagen</u>	14.911.597,90	14.911.597,90		21.888
12. <u>Aufwendungen aus Finanzanlagen</u>	-16.870.796,33	-16.870.796,33		-1.000
a) Abschreibungen: EUR 16.870.796,33, i.Vj.: TEUR 1.000				
b) Aufwendungen aus verbundenen Unternehmen EUR 15.942.616,05, i.Vj.: TEUR 1.000				
13. <u>Zinsen und ähnliche Aufwendungen</u>	-14.090.425,22	-14.090.425,22		-35.266
<i>davon betreffend verbundene Unternehmen EUR 1.148.693,02, i.Vj.: TEUR 2.020</i>				
14. <u>Ergebniszuweisung Genussscheine</u>	-9.210.776,00	-9.210.776,00		-12.018
15. <u>Zuweisung anteilige stille Reserven im Immobilienvermögen für die Genussscheine</u>	-75.000,00	-75.000,00		-791
16. <u>Zwischensumme aus Z 8 bis 15</u>		<u>-7.574.095,71</u>		<u>23.865</u>
17. <u>Ergebnis der gewöhnlichen Geschäftstätigkeit</u>		<u>13.953.703,26</u>		<u>33.135</u>
18. <u>Steuern vom Einkommen und vom Ertrag</u>	545.760,72	545.760,72		2.720
davon Ertrag aus Steuerumlage EUR 727.161,57, i.Vj.: TEUR 3.195				
19. <u>Jahresüberschuss</u>		14.499.463,98		35.855
20. Auflösung unverteuerter Rücklagen	203.078,16	203.078,16		203
21. Zuweisung zu Gewinnrücklagen	-2.050.679,60	-2.050.679,60		-4.796
22. Gewinnvortrag aus dem Vorjahr	23.407.831,55	23.407.831,55		2.238
23. Bilanzgewinn		36.059.694,09		33.500

Anhang zum Jahresabschluss 31.12.2013

I. Bilanzierungs- und Bewertungsmethoden

Der Jahresabschluss zum 31. Dezember 2013 wurde unter Beachtung der Grundsätze ordnungsmäßiger Buchführung und der Generalnorm, ein möglichst getreues Bild der Vermögens-, Finanz- und Ertragslage des Unternehmens zu vermitteln, erstellt. Die Bilanzierung, die Bewertung und der Ausweis der einzelnen Posten des Jahresabschlusses wurden nach den allgemeinen Bestimmungen der §§ 196 bis 211 UGB unter Berücksichtigung der Sondervorschriften für Kapitalgesellschaften der §§ 221 bis 235 UGB vorgenommen. Der Jahresabschluss der S IMMO AG wurde nach den Vorschriften des Unternehmensgesetzbuches in der geltenden Fassung erstellt.

Bei der Aufstellung des Jahresabschlusses wurden die Grundsätze der Vollständigkeit und der ordnungsmäßigen Bilanzierung eingehalten. Bei der Bewertung wurde von der Fortführung des Unternehmens ausgegangen.

Bei Vermögensgegenständen und Schulden wurde der Grundsatz der Einzelbewertung angewendet. Dem Realisationsprinzip wurde Rechnung getragen, indem insbesondere nur die am Abschlussstichtag verwirklichten Gewinne ausgewiesen wurden. Alle erkennbaren Risiken und drohenden Verluste, die im Geschäftsjahr oder in einem der früheren Geschäftsjahre entstanden sind, wurden berücksichtigt.

Aus Gründen der Klarheit und Übersichtlichkeit wurde die Kontenzurechnung zu einzelnen Posten in der Bilanz und in der Gewinn- und Verlustrechnung geändert. Dementsprechend wurde auch das Vorjahr angepasst.

1. Anlagevermögen

1.1 Immaterielles Anlagevermögen

Erworbene immaterielle Vermögensgegenstände werden zu Anschaffungskosten bewertet, vermindert um planmäßige Abschreibungen entsprechend der Nutzungsdauer. Die planmäßigen Abschreibungen werden linear angenommen. Als Nutzungsdauer wird ein Zeitraum von 4 Jahren zugrunde gelegt. Die Abschreibung des Firmenwertes erfolgt auf die Geschäftsjahre, in denen er voraussichtlich genutzt wird.

1.2 Sachanlagevermögen

Das Sachanlagevermögen wurde zu Anschaffungs- und Herstellungskosten abzüglich Investitionszuschüssen und bisher aufgelaufenen und im Berichtsjahr planmäßig fortgeführten Abschreibungen bewertet. Zur Ermittlung der Abschreibungssätze wird generell die lineare Abschreibungsmethode gewählt. Der Rahmen der Nutzungsdauer beträgt für die einzelnen Anlagengruppen:

Gebäude: 33 bis 50 Jahre
Hardware: 4 Jahre
Betriebs- und Geschäftsausstattung: 5 bis 10 Jahre

Im Geschäftsjahr 2013 wurden keine außerplanmäßigen Abschreibungen vorgenommen.

Geringwertige Vermögensgegenstände (Wirtschaftsgüter gemäß § 13 EStG 1988) werden im Jahr der Anschaffung sofort voll abgeschrieben. Bilanziell wurde diese Abschreibung gemäß § 226 Abs 3 UGB als Abgang dargestellt.

2. Umlaufvermögen

2.1 Forderungen und sonstige Vermögensgegenstände

Die Forderungen wurden zum Nennwert bzw. Barwert bewertet. Bei der Bewertung von Forderungen wurden erkennbare Risiken durch individuelle Abwertungen berücksichtigt.

Soweit erforderlich, wurde die späte Fälligkeit durch Abzinsung berücksichtigt.

Die Bewertung der Guthaben bei Kreditinstituten erfolgte mit dem Nennwert.

2.2 Rechnungsabgrenzungsposten

Die aktiven und passiven Rechnungsabgrenzungsposten wurden mit dem Nennwert bewertet.

3. Rückstellungen

3.1. Abfertigungsrückstellungen

Die Rückstellungen für Abfertigungen wurden nach versicherungsmathematischen Methoden mit einem Rechnungszinssatz von 3,3% auf Basis eines Pensionsantrittsalters von 63,0 Jahren für Männer und 60,0 Jahren für Frauen ermittelt.

	2013	2012
Zinssatz	3,3%	3%
Gehalts/Lohnsteigerung	2,5	2,5
Fluktationsabschläge	Pauschal 7 %	7 %
Pensionsalter	Männer 63/Frauen 60	Männer 63/Frauen 60

3.2 Pensionsrückstellungen

Die Berechnung der Pensionsrückstellungen erfolgte nach anerkannten Regeln der Versicherungsmathematik und unter Beachtung der Vorschriften gemäß der International Financial Reporting Standards.

	2013	2012
Zinssatz	3,3 %	3,6 %
Gehalts/Lohnsteigerung	3,0 %	3,0 %
Pensionsalter	65 Jahre	65 Jahre

3.3 Sonstige Rückstellungen

Die Steuer- und sonstigen Rückstellungen berücksichtigen unter Beachtung des Imparitäts- und Höchstwertprinzips alle erkennbaren Risiken und ungewissen Verbindlichkeiten in Höhe jenes Betrages, der nach vernünftiger unternehmerischer Beurteilung hierfür notwendig ist.

4. Verbindlichkeiten

Die Verbindlichkeiten sind mit dem Rückzahlungsbetrag unter Bedachtnahme auf den Grundsatz der Vorsicht bewertet.

II. Allgemeine Erläuterungen zur Bilanz und Gewinn- und Verlustrechnung

Die Erstellung der Bilanz sowie der Gewinn- und Verlustrechnung wurde den gesetzlichen Vorschriften entsprechend vorgenommen.

III. Erläuterungen der Konzernverhältnisse

Die S IMMO AG, Wien, stellt einen Konzernabschluss gemäß § 245a UGB in Übereinstimmung mit den vom International Accounting Standards Board (IASB) formulierten Standards (IFRS und IAS) und Interpretationen (IFRIC und SIC), wie sie in der Europäischen Union (EU) anzuwenden sind, auf. Der Konzernabschluss ist beim Handelsgericht Wien hinterlegt.

IV. Erläuterungen zur Gruppenbesteuerung

Die Gesellschaft ist Gruppenträger einer steuerlichen Unternehmensgruppe gemäß § 9 Abs. 1 KStG.

Zwischen Gruppenträger und Gruppenmitgliedern besteht ein Vertrag zur Regelung des Steuerausgleichs. Die Ermittlung des Steuerausgleichs erfolgt demnach nach der Belastungsmethode: weist ein inländisches Gruppenmitglied ein positives steuerliches Ergebnis aus, dann ist eine positive Steuerumlage in Höhe von 25% an den Gruppenträger zu entrichten. Im Falle eines negativen steuerlichen Ergebnisses erhält das inländische Gruppenmitglied keine sofortige Zahlung, vielmehr werden die negativen Ergebnisse als interner Verlustvortrag des jeweiligen Gruppenmitgliedes in Evidenz gehalten, welcher mit zukünftigen positiven Ergebnissen verrechnet werden kann.

V. Erläuterungen zur Bilanz

AKTIVA

1. Anlagevermögen

Die Entwicklung der einzelnen Posten des Anlagevermögens und die Aufgliederung der Jahresabschreibung nach einzelnen Posten sind aus dem Anlagenspiegel (Beilage zum Anhang) ersichtlich.

1.1 Finanzanlagen

Angabe gem. § 238 Z 2 UGB für Beteiligungen ab 20%

	Anteil in %	Stichtag	Währung	Eigenkapital per 31.12.	Ergebnis des Geschäftsjahres
CEE PROPERTY-INVEST Immobilien GmbH	100	31.12.2013	T€	208.089	-13.024
German Property Invest Immobilien GmbH	100	31.12.2013	T€	63.856	5.000
A.D.I. Immobilien Beteiligungs GmbH	100	31.12.2013	T€	11.285	7

Typisch stille Beteiligung an der PCC-Hotelerrichtungs- und Betriebsgesellschaft m.b.H. & Co KG:

Einlage €3.633.641,71 zuzüglich Verschmelzungsmehrwert €369.528,03

Sämtliche Gesellschaften haben ihren Sitz in Wien.

Die Finanzanlagen sind zu Anschaffungskosten abzüglich außerplanmäßiger Abschreibungen unter Beachtung des gemilderten Niederstwertprinzips bewertet. Im Geschäftsjahr wurden Ausleihungen an verbundene Unternehmen i.Hv. T€ 8.943 und Anteile an verbundenen Unternehmen i.Hv. T€ 7.000 sowie Beteiligungen i.Hv. T€ 928 außerplanmäßig abgeschrieben.

Ausleihungen an verbundene Unternehmen

Diese betreffen Darlehen an zahlreiche Konzernunternehmen.

Ausleihungen an verbundene Unternehmen mit einer Restlaufzeit unter 1 Jahr betragen EUR T€130.466.

Beteiligungen

Hierunter werden die Kommanditbeteiligung an der BGM – IMMORANT Aktiengesellschaft & Co KG und die Beteiligung an der ERSTE Immobilien Kapitalanlagegesellschaft m.b.H. ausgewiesen.

2. Umlaufvermögen

2.1 Forderungen und sonstige Vermögensgegenstände

Die Fälligkeiten der Forderungen stellen sich folgendermaßen dar:

		Restlaufzeit		
		Summe	bis 1 Jahr	über 1 Jahr
		T€	T€	T€
Forderungen aus Lieferungen und Leistungen	2013	116	116	0
	VJ	689	689	0
Forderungen gegenüber verbundenen Unternehmen	2013	3.208	3.208	0
	VJ	55.474	55.474	0
Forderungen gegenüber Unternehmen, mit denen ein Beteiligungsverhältnis besteht	2013	361	361	0
	VJ	2.154	2.154	0
sonstige Forderungen und Vermögensgegenstände	2013	18.350	18.350	0
	VJ	1.828	1.822	6

2.1.1 Forderungen aus Lieferungen und Leistungen

Die Forderungen aus Lieferungen und Leistungen beinhalten Mieten und Betriebskostenforderungen. Einzelwertberichtigungen in Höhe von T€ 429 (i.Vj. T€ 324) sind bereits abgezogen.

2.1.2 Forderungen gegenüber verbundenen Unternehmen

Die Forderungen gegenüber verbundenen Unternehmen betreffen Zinsen für eine stille Beteiligung und Forderungen an zahlreiche Konzerngesellschaften aus Steuerumlagen sowie eine Dividendenforderung.

2.1.3 Sonstige Forderungen und Vermögensgegenstände

Die sonstigen Forderungen beinhalten mit T€ 51 (i.Vj. T€ 119) Forderungen aus Annuitätenzuschüssen, mit T€ 469 (i.Vj. T€ 427) angespartes Pensionskassenkapital, mit T€ 1.317 (i.Vj. T€ 980) die Betriebskostenverrechnung und mit T€ 16.000 (i.Vj. T€ 0) die Kaufpreisforderung für den Verkauf einer Liegenschaft (Schottenfeldgasse) und mit T€ 513 sonstige Forderungen.

2.1.4 Wertpapiere und Anteile des Umlaufvermögens

Die Gesellschaft hält zum Bilanzstichtag 5.000 Stück eigene Aktien. Dies entspricht rund 0,0075 % des Grundkapitals bzw. einem anteiligen Betrag am Grundkapital von EUR 18.167,50. Diese Aktien wurden im Geschäftsjahr 2013 im Rahmen des aktuellen, seit 27.12.2013 laufenden, Aktienrückkaufprogramms erworben. Weiters hält die Gesellschaft zum Bilanzstichtag 5.347 Stück eigene Genussscheine.

3. Rechnungsabgrenzungsposten

Die Rechnungsabgrenzungsposten gliedern sich wie folgt:

	2013 T€	2012 T€
Garantieprovisionen	554	831
Zinsoptionsprämien	168	991
Sonstiges	91	54
Gesamt	813	1.876

4. Derivative Finanzinstrumente

Derivate werden grundsätzlich zur Reduzierung des Zinsänderungsrisikos eingesetzt. Zinsänderungsrisiken ergeben sich vor allem aufgrund bestehender variabel verzinslicher Finanzierungsverbindlichkeiten. Grundsätzlich wird versucht, die Sicherungsinstrumente auf die Laufzeit der abzusichernden Zahlungsströme aus den Finanzierungsverbindlichkeiten abzuschließen; für den Fall, dass Sicherungsinstrumente beispielsweise nicht für die gesamte Laufzeit der Finanzierungsverbindlichkeiten verfügbar sind, kommen auch rollierende Sicherungsstrategien zum Einsatz.

Die Gesellschaft hatte zum Bilanzstichtag Swap-, und Collar-Verträge abgeschlossen:

	Volumen in T€	Marktwert in T€
Swaps	325.000	-43.180
Collars	200.000	-10.372
Summe	525.000	-53.552

Für Swaps und Collars mit zum Bilanzstichtag negativen Marktwerten besteht eine Rückstellung für drohende Verluste in Höhe von T€ 36.719 (im Hinblick auf die AFRAC- Stellungnahme zu „Die unternehmensrechtliche Bilanzierung von Derivaten und Sicherungsinstrumenten“ vom September 2010). Für Derivate mit negativen Marktwerten in Höhe von T€ 19.806 wurde keine Rückstellung für drohende Verluste gebildet, da aufgrund bestehender Vereinbarungen mit verbundenen Unternehmen mit an Sicherheit grenzender Wahrscheinlichkeit und nachweislich von einem gegenläufigen, erfolgswirksamen Cash Flow aus mit den Derivaten unmittelbar kausal verknüpften Geschäften ausgegangen werden kann.

PASSIVA

5. Eigenkapital

Das Grundkapital wird mit T€ 243.144 ausgewiesen und zerfällt in 66.917.179 Stück auf Inhaber lautende Stückaktien. Die Aktien notieren an der Wiener Börse. Im Berichtsraum 2013 wurden insgesamt 1.201.539 Aktien eingezogen.

5.1 Kapitalrücklagen

Die Kapitalrücklagen setzen sich wie folgt zusammen:

	T€
<u>Gebundene</u>	
Agio	77.944
	77.944
<u>nicht gebundene</u>	0
	77.944

Der Vorstand ist ermächtigt, bis zum 1. Juni 2017 mit Zustimmung des Aufsichtsrats Wandelschuldverschreibungen, mit denen ein Umtausch- und/oder Bezugsrecht auf bis zu 34.059.359 Stück auf Inhaber lautende Stammaktien der Gesellschaft mit einem anteiligen Betrag am Grundkapital von bis zu TEUR 123.755 verbunden ist, mit oder ohne Bezugsrechtsausschluss auszugeben. Das Grundkapital ist gem. § 159 Abs. 2 Z 1 AktG um bis zu TEUR 123.755 durch Ausgabe von bis zu 34.059.359 Stück auf Inhaber lautende Stammaktien bedingt erhöht.

5.2 Gewinnrücklagen

Hier werden die Rücklage für eigene Anteile und eine freie Rücklage ausgewiesen.

6. Unversteuerte Rücklagen

6.1 Sonstige unversteuerte Rücklagen

Die Bewertungsreserve gemäß § 12 EStG zeigt folgende Entwicklung:

	Stand am 1.1.2013 T€	Dotierung T€	Auflösung T€	Stand am 31.12.2013 T€
Sachanlagen	8.559	0	203	8.356

7. Rückstellungen

7.1 Rückstellung für Abfertigungen

	1.1. T€	Verbrauch T€	Auflösung T€	Dotierung T€	31.12.13 T€
Rückstellung für Abfertigungen	99	0	0	10	108

7.2 Rückstellung für Pensionen

	1.1. T€	Verbrauch T€	Auflösung T€	Dotierung T€	31.12.13 T€
Rückstellung für Pensionen	1.015	0	0	78	1.093

7.3 Steuerrückstellungen

	1.1. T€	Verbrauch T€	Auflösung T€	Dotierung/Übernahme T€	31.12.13 T€
Eintragungsgebühren	82	0	0	0	82
Ausländische Ertragsteuern	351	0	0	219	570
Gesamt	433	0	0	219	652

7.4 Sonstige Rückstellungen

Im Geschäftsjahr 2013 haben sich die sonstigen Rückstellungen wie folgt entwickelt:

	1.1. T€	Verbrauch/ Aufwands- verrechnung T€	Auflösung T€	Dotierung T€	31.12.13 T€
Rechts-, Prüfungs-, Beratungs-, Schätz-, Veröffentlichungskosten	645	376	105	442	606
Instandhaltung	435	435	0	334	334
Personalkosten	381	267	0	300	414
Vermietungsgarantie	78	14	0	0	64
Regress aus Garantien	1.000	0	0	405	1.405
Drohverluste aus Derivate	49.833	13.114	0	0	36.719
Diverse	263	13	0	100	350
Gesamt	52.635	14.219	105	1.581	39.892

8. Verbindlichkeiten

8.1. Genussscheinkapital

Die Genussscheinbedingungen für die obligationenähnlichen Genussscheine s IMMO INVEST wurden rückwirkend ab 1. Jänner 2007 geändert und der s-IMMO-INVEST-Genussscheinfonds aufgelöst (Beschluss der Versammlung der Genussscheininhaber vom 11. Juni 2007 und Beschluss der Hauptversammlung vom 12. Juni 2007).

Die Genussscheininhaber erhalten nach den geänderten Genussscheinbedingungen einen jährlichen Ergebnisanspruch (Zinsen), welcher sich wie folgt errechnet:

$$\text{(Genussscheinkapital + Ergebnisvortrag) * } \frac{\text{Konzern EBIT}}{\text{durchschnittliches Immobilienvermögen abzgl. Entwicklungsgrundstücke}}$$

Soweit der Ergebnisanspruch entsprechend den Genussscheinbedingungen nicht ausbezahlt wird, wird dieser dem Ergebnisvortrag des nächsten Jahres zugeschlagen.

Für den Zeitraum Jänner bis Dezember 2013 ergibt sich ein Ergebnisanspruch von T€ 9.211 (i.Vj. T€ 12.018)

8.2 Verbindlichkeiten

Die Aufgliederung der Verbindlichkeiten gemäß § 225 Abs 6 und § 237 Z 1a und b UGB stellt sich folgendermaßen dar:

		Restlaufzeit			
		Summe	bis 1 Jahr	über 1 Jahr	über 5 Jahre
		T€	T€	T€	T€
Verbindlichkeiten gegenüber Kreditinstituten	2013	151.944	63.385	16.720	71.839
	VJ	175.644	69.015	52.060	54.569
Verbindlichkeiten aus Lieferungen und Leistungen	2013	288	288	0	0
	VJ	1.563	1.563	0	0
Verbindlichkeiten gegenüber verbundenen Unternehmen	2013	85.513	56.490	18.865	10.158
	VJ	103.728	103.728	0	0
Sonstige Verbindlichkeiten	2013	25.074	4.862	12.092	8.120
	VJ	37.839	5.907	17.755	14.177
Baukosten- bzw. Finanzierungsbeiträge gem. § 69 WWFSG 1989	2013	0	0	0	0
	VJ	4.081	0	0	4.081

8.2.1. Verbindlichkeiten gegenüber Kreditinstituten

Vom Gesamtbetrag der Verbindlichkeiten gegenüber Kreditinstituten sind T€ 86.906 (Vorjahr T€ 104.150) dinglich gesichert (Grundpfandrecht).

8.2.2 Verbindlichkeiten gegenüber verbundenen Unternehmen

Die Verbindlichkeiten gegenüber verbundenen Unternehmen betreffen im Wesentlichen Barvorlagen von mehreren Konzerngesellschaften. Hinsichtlich der Fristigkeiten verweisen wir auf Punkt 8.2.

8.3 Sonstige Verbindlichkeiten

Die sonstigen Verbindlichkeiten enthalten mit T€ 23.037 (i.Vj.: T€ 34.129) Finanzverbindlichkeiten aus Sale-und-Lease-back-Verträgen, mit T€ 1.049 (i.Vj.: T€ 958) Kautionen, mit T€ 262 (i.Vj.: T€ 452) Verbindlichkeiten aus Steuern, mit T€ 214 (i.Vj.: T€ 88) Verbindlichkeiten aus sozialer Sicherheit, mit T€ 0 (i.Vj.: T€ 1.589) Investitionszuschüsse aus öffentlichen Mitteln und mit T€ 512 (i.Vj.: T€ 623) sonstige Verbindlichkeiten.

8.4 Baukosten- bzw. Finanzierungsbeiträge gem. § 69 WWFSG 1989

Im Zuge des Verkaufs der Liegenschaft „Kreuzgasse“ ist die Verpflichtung zur Rückerstattung des Baukosten- und Finanzierungsbeitrages auf die kaufende Partei übergegangen.

9. Rechnungsabgrenzungsposten

Unter dieser Position werden im Wesentlichen die Erlöse aus dem Verkauf eines Mietrechtes ausgewiesen.

VI. Erläuterungen zur Gewinn- und Verlustrechnung

1. Umsatzerlöse

Die Umsatzerlöse setzen sich wie folgt zusammen:

	2013 T€	2012 T€
Erlöse aus Vermietung	17.022	18.252
Betriebskostenverrechnung	4.664	4.202
Sonstige Mieten	8	45
Gesamt	21.694	22.499

2. Sonstige betriebliche Erträge

	2013 T€	2012 T€
Erträge aus dem Abgang vom Anlagevermögen	21.804	8.285
Erträge aus der Auflösung von Rückstellungen	105	2.791
Anteilige Auflösung der Wohnbauförderung	0	199
Erlöse aus der Verwaltungstätigkeit und Beratung für ausländische Töchtergesellschaften	49	103
Erträge aus Schadenersatzleistungen	140	132
Verschmelzungsgewinn K.J. Ejendomme	0	931
Diverse	692	703
Gesamt	22.790	13.144

3. Aufwendungen für sonstige bezogene Herstellungsleistungen

	2013 T€	2012 T€
Betriebskosten und laufende öffentliche Abgaben gemäß § 21 Abs 1 und 2 MRG	5.184	5.192
Instandhaltungsaufwendungen	1.652	2.142
Gesamt	6.836	7.334

4. Personalaufwand

Die Gesellschaft beschäftigte im Jahresdurchschnitt 2 Vorstandsmitglieder, 30 Angestellte und keine Arbeiter. (Im Vorjahr 3 Vorstandsmitglieder, 31 Angestellte und keine Arbeiter.)

Die Bezüge der Vorstandsmitglieder betragen insgesamt T€ 1.007 (i.Vj.: T€ 1.121). Davon entfallen auf Aufwendungen für Altersversorgung T€ 90 (i.Vj.: T€ 201) und auf Beiträge zur Mitarbeitervorsorgekasse T€ 14 (i.Vj.: T€ 14).

5. Abschreibungen

Hierunter werden planmäßige Abschreibungen auf immaterielle Vermögensgegenstände und Sachanlagen (abzüglich der aliquoten Auflösung des Investitionszuschusses) von T€ 6.187 (i.Vj. T€ 6.681) ausgewiesen.

6. Sonstige betriebliche Aufwendungen

a) Steuern, soweit sie nicht unter Z 18 fallen

Die Steuern betreffen im Wesentlichen nicht abzugsfähige Vorsteuern sowie Kredit- und Pfandrechtsgebühren.

b) Übrige

	2013 T€	2012 T€
Verwaltungskosten	3.134	3.808
Verkaufs- und Vertriebskosten	1.389	2.349
Garantieprovisionen	231	231
Vergütungen an Aufsichtsratsmitglieder	105	107
Aufwendungen für Forderungsausfälle und Dotierung von Wertberichtigungen zu Forderungen	109	165
Wertanpassungsaufwand für erhaltene Baukosten- und Finanzierungsbeiträge gemäß § 69 Wr. WWFSG 1989	24	89
Regress aus Garantien	428	1.000
Diverse	132	130
Gesamt	5.552	7.879

Vergütungen inkl. Sitzungsgelder der Aufsichtsratsmitglieder:

Dr. Martin SIMHANDL, EUR 18.500

Dipl.Ing. Dr. Gerald ANTONITSCH, EUR 6.903

Mag. Franz KERBER, EUR 14.500

Christian HAGER, EUR 11.000

Mag. Erwin HAMMERBACHER, EUR 12.500

Michael MATLIN, MBA, EUR 10.000

Mag. Dr. Wilhelm RASINGER, EUR 12.500

Dr. Ralf ZEITLBERGER, EUR 13.657

Mag. Andrea Besenhofer, EUR 4.973

Bezüglich der Angabe gemäß § 237 Z 14 UGB verweisen wir auf den Konzernabschluss zum 31.12.2013, welcher beim Firmenbuch des Handelsgerichts Wien hinterlegt ist.

7. Erträge aus Beteiligungen

Hierunter werden Ausschüttungen aus Anteilen an verbundenen Unternehmen (T€ 2.548, i.Vj.: T€ 35.510) und aus Beteiligungen (T€ 634, i.Vj.: T€ 593) ausgewiesen.

8. Erträge aus Ausleihungen des Finanzanlagevermögens

Hierunter gelangen im Wesentlichen die Zinserträge von Ausleihungen an verbundene Unternehmen zum Ausweis.

9. Sonstige Zinsen und ähnliche Erträge

Die sonstigen Zinsen und ähnlichen Erträge resultieren mit T€ 7.068 (i.Vj. T€ 5.520) aus weiterverrechneten Finanzierungskosten an diverse Konzerngesellschaften mit T€ 83 (i.Vj. T€ 230) aus Bankzinsen, mit T€ 326 (i.Vj. T€ 399) aus dem Ertrag aus dem Rückkauf und Einzug von Genussscheinen und T€ 0 (i.Vj. T€ 1.404) betreffen sonstige Zinsen und ähnliche Erträge.

10. Erträge aus der Zuschreibung zu Finanzanlagen

Hierunter wird die Auflösung einer Wertberichtigung auf eine Ausleihung an einem verbundenen Unternehmen i.Hv. T€ 14.912 (i.Vj. T€ 21.888) ausgewiesen.

11. Aufwendungen aus Finanzanlagen

Hierunter wird die Wertberichtigung auf Anteile an verbundenen Unternehmen i.Hv. T€ 7.000 (i.Vj.: T€ 0) und Beteiligungen i.Hv. T€ 928 (i.Vj.: T€ 0) sowie die Wertberichtigung auf Ausleihungen an verbundenen Unternehmen i.Hv. T€ 8.943 (i.Vj.: T€ 1.000) ausgewiesen.

12. Zinsen und ähnliche Aufwendungen

Der Zinsenaufwand resultiert mit T€ 25.659 (i.Vj.: T€ 22.264) aus Bankzinsen und Derivat-zinsen, mit T€ 1.149 (i.Vj.: T€ 2.020) aus Barvorlagen, mit T€ 0 (i.Vj.: T€ 9.711) aus der Dotierung einer Rückstellung für Drohverluste aus Derivaten, mit T€ -13.114 (i.Vj.: T€ 0) aus der Aufwandsverrechnung (Verbrauch) einer Rückstellung für Drohverluste aus Derivaten und mit T€ 396 (i.Vj.: T€ 1.271) aus sonstigen Zinsen.

13. Ergebnisanspruch der Genussscheininhaber

Als Ergebnisanspruch der Genussscheininhaber werden für das Jahr 2013 T€ 9.211 (i.Vj. T€ 12.018) ausgewiesen.

14. Zuweisung anteilige stille Reserven im Immobilienvermögen für die Genussscheine

Gemäß § 6 Abs 4 der Genussscheinbedingungen haben die Genussscheininhaber bei Laufzeitende, bei Kündigung und im Falle der Auflösung Anspruch auf einen Anteil an den in der

Konzernbilanz (nach IFRS) nicht bilanzierten stillen Reserven. Zum 31. Dezember 2013 errechnete sich dieser Anteil mit T€ 2.099 (i.Vj. T€ 2.433).

15. Steuern vom Einkommen

Dieser Posten beinhaltet mit T€ 21 (i.Vj.: T€ 18) den Körperschaftsteuer-Aufwand (Mindest-KöSt für Gruppenträger und Gruppenmitglieder der Unternehmensgruppe nach § 9 KStG für das Jahr 2013). Weiters gelangen Erträge aus Steuerumlagen von zur Unternehmensgruppe gehörenden Gruppenmitgliedern in Höhe von T€ 727 (i.Vj.: T€ 3.195), mit T€ 219 (i.Vj.: T€ 457) ausländischer Ertragsteueraufwand und mit T€ 59 (i.Vj.: 0) eine Steuergutschrift aus Vorperioden zum Ausweis.

Vom Wahlrecht, aktive latente Steuern auf temporäre Differenzen gem. § 198 Abs.10 UGB anzusetzen, wurde kein Gebrauch gemacht. Der gem. § 198 Abs. 10 ansetzbare Wert beträgt T€ 15.031 (i.Vj.: T€ 22.223).

Unterlassene Zuschreibungen gem. § 208 Abs. 2 UGB

Im Berichtsjahr wurden Zuschreibungen an Anteile an verbundenen Unternehmen in Höhe von T€ 40.043 (i.Vj. T€ 27.711) unterlassen.

Haftungsverhältnisse

Unter dieser Position gelangen Verpflichtungen aus abgegebenen Bürgschaften und Garantien (T€ 314.490, i.Vj.: T€ 245.300) sowie Patronatserklärungen T€ 228.069, (i.Vj.: T€ 227.382) für Konzerngesellschaften zum Ausweis.

Sonstige finanzielle Verpflichtungen

Die Gesellschaft hat zu Gunsten einiger Konzerngesellschaften Patronatserklärungen abgegeben, mit denen sie sich verpflichtet hat, diese Gesellschaften stets so mit finanziellen Mitteln auszustatten, dass diese jederzeit in der Lage sind, alle Zahlungsverpflichtungen zeitgerecht erfüllen zu können.

VII. Sonstige Angaben

Die Organe der Gesellschaft setzten sich wie folgt zusammen:

Aufsichtsrat :

Dr. Martin SIMHANDL, Wien (Vorsitzender)

Dr. Ralf ZEITLBERGER, Wien (seit 12.06.2013, 1. stellvertretender Vorsitzender)

Mag. Franz KERBER, Graz (2. stellvertretender Vorsitzender)

Mag. Andrea BESENHOFER, Wien (seit 12.06.2013)

Christian HAGER, Krems

Mag. Erwin HAMMERBACHER, Wien

Michael MATLIN, MBA, New York

Mag. Dr. Wilhelm RASINGER, Wien

Dipl.Ing. Dr. Gerald ANTONITSCH, Wien (bis 12.06.2013)

Vorstand:

Mag. Ernst VEJDOVSZKY

Mag. Friedrich WACHERNIG, MBA

MMag. Holger SCHMIDTMAYR (bis 31.01.2013)

Die Mitglieder des Vorstandes und des Aufsichtsrates erhielten weder Kredite noch Vorschüsse, es bestehen auch keine zugunsten dieser Personen eingegangenen Haftungsverhältnisse.

Wien, am 10. April 2014

Der Vorstand:

Mag. Ernst VEJDOVSZKY e.h.

Mag. Friedrich WACHERNIG, MBA e.h.

ANLAGENSPIEGEL GEMÄSS § 226 (1) UGB PER 31. DEZEMBER 2013

	Anschaffungs- bzw. Herstellungskosten			Abschreibungen kumuliert (-)	Buchwert 31.12.2013	Vorjahr	Abschreibungen des Geschäfts- jahres	Zuschreibungen des Geschäfts- jahres	
	Stand 01.01.2013	Zugänge	Abgänge						Stand 31.12.2013
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	
I. Immaterielle Vermögensgegenstände									
1. Ähnliche Rechte	151.099,44	1.426,90	-	152.526,34	109.306,75	43.219,59	65.983,03	24.190,34	-
2. Geschäfts(Firmen)wert	1.764.039,40	-	-	1.764.039,40	1.587.635,46	176.403,94	352.807,88	176.403,94	-
3. Geleistete Anzahlungen	-	-	-	-	-	-	-	-	-
	1.915.138,84	1.426,90	-	1.916.565,74	1.696.942,21	219.623,53	418.790,91	200.594,28	-
II. Sachanlagen									
1. Grundstücke, grundstückgleiche Rechte, einschließlich der Bauten auf fremden Grund									
Grundwert (Unbebaut)	1.007.000,00	-	-	1.007.000,00	-	1.007.000,00	1.007.000,00	-	-
Grundwert (bebaut)	60.186.654,82	-	5.544.031,22	54.642.623,60	1.804.085,14	52.838.538,46	58.382.569,68	-	-
Gebäudewert	224.416.320,03	190.748,09	30.492.970,60	194.114.097,52	67.277.419,88	126.836.677,64	154.845.339,79	6.020.893,87	-
Investitionszuschuss aus öffentlichen Mitteln	4.686.173,43	-	-	4.686.173,43	1.148.580,30	3.537.593,13	3.630.835,40	93.242,27	-
	280.923.801,42	190.748,09	36.037.001,82	245.077.547,69	67.932.924,72	177.144.622,97	210.604.074,07	5.927.651,60	-
2. andere Anlagen, Betriebs- und Geschäftsausstattung*)									
eigene	374.392,82	59.829,67	52.688,51	381.533,98	217.670,14	163.863,84	157.162,09	50.055,00	-
vermietete Mobilien	96.900,98	29.703,85	-	126.604,83	99.871,36	26.733,47	5.291,01	8.261,39	-
	471.293,80	89.533,52	52.688,51	508.138,81	317.541,50	190.597,31	162.453,10	58.316,39	-
3. geleistete Anzahlungen und Anlagen in Bau	13.565,30	38.516,62	-	52.081,92	-	52.081,92	13.565,30	-	-
	281.408.660,52	318.798,23	36.089.690,33	245.637.768,42	68.250.466,22	177.387.302,20	210.780.092,47	5.985.967,99	-
III. Finanzanlagen									
1. Anteile an verbundenen Unternehmen	393.354.632,38	1.867.751,78	-	395.222.384,16	71.100.800,14	324.121.584,02	329.253.832,24	7.000.000,00	-
2. Ausleihungen an verbundene Unternehmen	368.747.794,51	146.825.944,44	166.316.054,66	349.257.684,29	9.942.616,05	339.315.068,24	362.310.389,50	8.942.616,05	14.911.597,90
3. Beteiligungen	2.906.417,60	-	-	2.906.417,60	928.180,28	1.978.237,32	2.906.417,60	928.180,28	-
	765.008.844,49	148.693.696,22	166.316.054,66	747.386.486,05	81.971.596,47	665.414.889,58	694.470.639,34	16.870.796,33	14.911.597,90
Summe	1.048.332.643,85	149.013.921,35	202.405.744,99	994.940.820,21	151.919.004,90	843.021.815,31	905.669.522,72	23.057.358,60	14.911.597,90
*) davon geringwertige Vermögensgegenstände		3.635,67	3.635,67					3.635,67	

Bestätigungsvermerk

Bericht zum Jahresabschluss

Wir haben den beigefügten Jahresabschluss der S IMMO AG, Wien, für das Geschäftsjahr vom 1. Jänner bis 31. Dezember 2013 unter Einbeziehung der Buchführung geprüft. Dieser Jahresabschluss umfasst die Bilanz zum 31. Dezember 2013, die Gewinn- und Verlustrechnung für das am 31. Dezember 2013 endende Geschäftsjahr sowie den Anhang.

Verantwortung der gesetzlichen Vertreter für den Jahresabschluss und für die Buchführung

Die gesetzlichen Vertreter der Gesellschaft sind für die Buchführung sowie für die Aufstellung eines Jahresabschlusses verantwortlich, der ein möglichst getreues Bild der Vermögens-, Finanz- und Ertragslage der Gesellschaft in Übereinstimmung mit den österreichischen unternehmensrechtlichen Vorschriften vermittelt. Diese Verantwortung beinhaltet: Gestaltung, Umsetzung und Aufrechterhaltung eines internen Kontrollsystems, soweit dieses für die Aufstellung des Jahresabschlusses und die Vermittlung eines möglichst getreuen Bildes der Vermögens-, Finanz- und Ertragslage der Gesellschaft von Bedeutung ist, damit dieser frei von wesentlichen Fehldarstellungen ist, sei es auf Grund von beabsichtigten oder unbeabsichtigten Fehlern; die Auswahl und Anwendung geeigneter Bilanzierungs- und Bewertungsmethoden; die Vornahme von Schätzungen, die unter Berücksichtigung der gegebenen Rahmenbedingungen angemessen erscheinen.

Verantwortung des Abschlussprüfers und Beschreibung von Art und Umfang der gesetzlichen Abschlussprüfung

Unsere Verantwortung besteht in der Abgabe eines Prüfungsurteils zu diesem Jahresabschluss auf der Grundlage unserer Prüfung. Wir haben unsere Prüfung unter Beachtung der in Österreich geltenden gesetzlichen Vorschriften und Grundsätze ordnungsgemäßer Abschlussprüfung durchgeführt. Diese Grundsätze erfordern, dass wir die Standesregeln einhalten und die Prüfung so planen und durchführen, dass wir uns mit hinreichender Sicherheit ein Urteil darüber bilden können, ob der Jahresabschluss frei von wesentlichen Fehldarstellungen ist.

Eine Prüfung beinhaltet die Durchführung von Prüfungshandlungen zur Erlangung von Prüfungsnachweisen hinsichtlich der Beträge und sonstigen Angaben im Jahresabschluss. Die Auswahl der Prüfungshandlungen liegt im pflichtgemäßen Ermessen des Abschlussprüfers unter Berücksichtigung seiner Einschätzung des Risikos eines Auftretens wesentlicher Fehldarstellungen, sei es auf Grund von beabsichtigten oder unbeabsichtigten Fehlern. Bei der Vornahme dieser Risikoeinschätzung berücksichtigt der Abschlussprüfer das interne Kontrollsystem, soweit es für die Aufstellung des Jahresabschlusses und die Vermittlung eines möglichst getreuen Bildes der Vermögens-, Finanz- und Ertragslage der Gesellschaft von Bedeutung ist, um unter Berücksichtigung der Rahmenbedingungen geeignete Prüfungshandlungen festzulegen, nicht jedoch um ein Prüfungsurteil über die Wirksamkeit der internen Kontrollen der Gesellschaft abzugeben. Die Prüfung umfasst ferner die Beurteilung der Angemessenheit der angewandten Bilanzierungs- und Bewertungsmethoden und der von den gesetzlichen Vertretern vorgenommenen wesentlichen Schätzungen sowie eine Würdigung der Gesamtaussage des Jahresabschlusses.

Wir sind der Auffassung, dass wir ausreichende und geeignete Prüfungsnachweise erlangt haben, sodass unsere Prüfung eine hinreichend sichere Grundlage für unser Prüfungsurteil darstellt.

Prüfungsurteil

Unsere Prüfung hat zu keinen Einwendungen geführt. Auf Grund der bei der Prüfung gewonnenen Erkenntnisse entspricht der Jahresabschluss nach unserer Beurteilung den gesetzlichen Vorschriften und vermittelt ein möglichst getreues Bild der Vermögens- und Finanzlage der Gesellschaft zum 31. Dezember 2013 sowie der Ertragslage der Gesellschaft für das Geschäftsjahr vom 1. Jänner bis zum 31. Dezember 2013 in Übereinstimmung mit den österreichischen Grundsätzen ordnungsmäßiger Buchführung.

Aussagen zum Lagebericht

Der Lagebericht ist auf Grund der gesetzlichen Vorschriften darauf zu prüfen, ob er mit dem Jahresabschluss in Einklang steht und ob die sonstigen Angaben im Lagebericht nicht eine falsche Vorstellung von der Lage der Gesellschaft erwecken. Der Bestätigungsvermerk hat auch eine Aussage darüber zu enthalten, ob der Lagebericht mit dem Jahresabschluss in Einklang steht und ob die Angaben nach § 243a UGB zutreffen.

Der Lagebericht steht nach unserer Beurteilung in Einklang mit dem Jahresabschluss. Die Angaben gemäß § 243a UGB sind zutreffend.

Wien, den 10. April 2014

PwC Wirtschaftsprüfung GmbH
Wirtschaftsprüfungs- und
Steuerberatungsgesellschaft

gez.:

Mag. Peter Pessenlehner
Wirtschaftsprüfer

Eine von den gesetzlichen Vorschriften abweichende Offenlegung, Veröffentlichung und Vervielfältigung im Sinne des § 281 Abs. 2 UGB in einer von der bestätigten Fassung abweichenden Form unter Beifügung unseres Bestätigungsvermerks ist nicht zulässig. Im Fall des bloßen Hinweises auf unsere Prüfung bedarf dies unserer vorherigen schriftlichen Zustimmung.