

Sparkassen Immobilien AG

An Investment for Life



Interim report for the nine months
ended 30 September 2006

Dear shareholders and investors,

Our strength is continuity: we have been concentrating on top-notch properties for over 20 years, and have always produced the highest quality earnings. Our present results – for the first three quarters of 2006 – are in line with this long-term tradition: once again, we have achieved significant increases and new records in all major indicators. Revenues and rental income rose by 61% and 65% respectively, while operating profit (EBIT) climbed by more than 35%.

Stable Austrian property market, CEE markets still the major growth driver

In these past nine months, the office property market in Vienna has continued stable: constant demand, very stable prices and vacancy rates declining slightly. Booming demand in CEE is currently concentrated in cities such as Bucharest, Sofia and Kiev, where significantly higher yields on office, commercial and hotel space can be achieved. The pressure of demand, however, is now more quickly leading to falling yields, showing that the markets are approaching western European levels, and resulting in rising property values.

Property portfolio reaches EUR 914m

In the three quarters just ended, Sparkassen Immobilien AG has invested heavily, so as to drive dynamic growth forward even more rapidly: more than EUR 211m has been invested into new properties and projects with a lettable space of 135,800 m² during the period. The investment emphasis was principally on Germany and Romania. In the third quarter the development project Sun Plaza, the biggest shopping centre in Romania as well as a plot of land attributed to the latest acquisitions. At the end of the period, on 30 September 2006, the market value (excl. projects in process) had reached EUR 914m, an increase of 53%. The total lettable space for all properties amounted to 802,709 m², an increase of 64% over the preceding year. The average occupancy rate for the Group was 93%, a level achieved by few other property companies. We have managed our existing properties and our recent purchases most successfully, achieving net rental yields of 6.4% in Austria, 7.4% in Germany and an average of 8.2% in the Czech Republic, Slovakia, Hungary and Romania. Here, too, our results are higher than the market average.

New records set for revenues and earnings

As in the past, Sparkassen Immobilien AG has succeeded in establishing new records for all major revenue and earnings indicators. Revenues rose to EUR 51m, an increase of 61% on the comparable period last year. At the same time rental income grew by 65%, to EUR 42m, compared with EUR 25m in the same period in 2005. This satisfactory development is attributable to systematic expansion of the property portfolio, together with rising levels of rents in Germany and Central and Eastern Europe. Period-on-period operating profit (EBIT) increased by 35% to

EUR 21m, so that after only three quarters of 2006 the results for the whole of financial 2005 had already been surpassed. The principle factor has been the higher rental income. Profit before taxes (EBT) even climbed by 48% to EUR 12m. The increase in quoted prices meant that total market capitalisation rose to EUR 988m, an increase of 23% over the first three quarters.

IPD confirmation: Sparkassen Immobilien AG leading Austrian portfolio manager

Our long-term approach to property management means that we achieve higher yields than the market average. This is confirmed by the recent Austrian property index prepared by Investment Property Databank Ltd (IPD), the leading international supplier of property indices and benchmarks. The index shows that Sparkassen Immobilien AG in 2005 achieved a return of 8.4%, once again clearly outperforming the index's 5.9%, and making it this time the indisputable front-runner! The total return of 8.4% consists of rental income plus capital growth. The survey covers 13 businesses, including two large, stock-exchange-listed property companies running portfolios in Austria – a total of 810 properties with a total value of EUR 6.5 bn. A separate index for Central and Eastern Europe is in the planning phase.

Publication of results of revaluation of CEE portfolio by CB Richard Ellis on 15 November

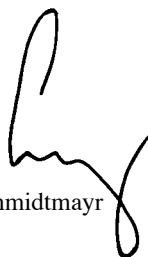
Sparkassen Immobilien AG will publish a stock exchange announcement with the results of the revaluation of the CEE portfolio by CB Richard Ellis on 15 November.

Prospects for 2006

On the basis of the results for the first three quarters, we expect 2006 to be another record year, significantly better than 2005. As the result of our ambitious growth strategy, we expect rates of growth for revenues and earnings for the whole year to very similar to those achieved in the first nine months. Before the end of the year, we shall be making some acquisitions in Austria and preparing purchases in Germany, Bukarest and Sofia on which the contracts will be signed at the beginning of next year. This puts us well on the way to our published growth target – a property portfolio of EUR 3 bn by the year 2010.

We are happy to respond to any queries and requests you may have – either on the telephone or via e-mail.

Your Management Board team



Holger Schmidmayr



Ernst Vejdovsky

Consolidated balance sheet as at 30 September 2006

EUR '000	30.09.2006	30.09.2005	Change
ASSETS			
A. Non-current assets			
I. Intangible assets	45	36	
II. Property, plant and equipment	916,808	544,739	+68%
III. Financials assets	6,038	6,006	
IV. Non-current receivables	5,158	671	
	928,049	551,452	+68%
B. Current assets			
I. Receivables and other assets	45,201	35,506	
II. Securities and investments	23,939	45,279	
III. Cash and cash equivalents	123,272	8,934	
	192,412	89,719	
C. Accrued and deferred assets			
	691	417	
	1,121,152	641,588	+75%
EQUITY AND LIABILITIES			
A. Equity			
	517,128	229,323	+126%
B. Minority interests			
	32,800	1,588	
C. Non-current liabilities			
1. Participation certificates	274,940	281,579	
2. Non-current liabilities to banks	189,960	69,726	+172%
3. Provisions	11,503	9,116	
4. Other liabilities	23,820	21,078	
	500,223	381,499	
D. Current liabilities			
	65,881	27,265	
E. Accrued and deferred liabilities			
	5,120	1,912	
	1,121,152	641,588	+75%

Consolidated income statement for the nine months ended 30 September 2006

EUR '000	01.01.-30.09.2006	01.01.-30.09.2005	Change
Revenues	50,746	31,437	+61%
thereof rental income	41,586	25,175	+65%
Other operating income	4,195	4,233	
Income from the sale of property	1,222	2,108	
Total operating income	56,163	37,778	+49%
Depreciation and amortisation	-15,971	-9,968	
Other operating expenses	-19,588	-12,559	
Operating profit / EBIT	20,604	15,251	+35%
Financial expenses	-8,605	-7,129	
Profit for the period before taxes (EBT)	11,999	8,122	+48%
Taxes on income	-2,455	-1,805	
Net profit for the period before minorities	9,544	6,317	+51%
Consolidated net profit	8,925	5,722	+56%
Minority interests	619	595	

Consolidated segment reporting as at 30 September 2006

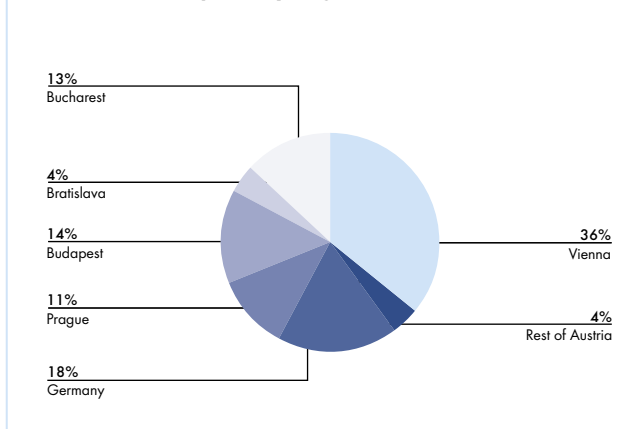
	Austria	%	Hungary	%	Czech Republic	%	Germany	%
EUR '000								
Revenues	28,153	+54	7,899	+4	5,143	+19	6,901	
Operating profit (EBIT)	9,287	+98	5,274	-2	2,072	-54*	2,993	
EUR '000								
Revenues	2,650	+126	0		0			
Operating profit (EBIT)	1,082	+78	-102		-2			

*2005 including gains on the sale of properties

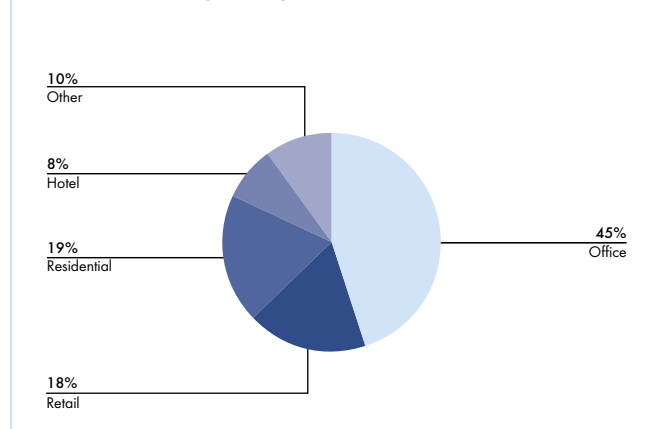
Summarised consolidated cash flow statement for the nine months ended 30 September 2006

EUR '000	01.01.-30.09.2006	01.01.-30.09.2005	Change
Profit before taxes	11,999	8,122	
Depreciation and amortisation	15,971	9,968	
Income from the sale of property	-1,222	-2,108	
Taxes paid	-186	-79	
Net interest payable	8,605	7,129	
Consolidated cash flow	35,167	23,032	+53%

Total lettable space by region*



Total lettable space by sector*



*As at 30 September 2006

Financial calendar:

Report for third quarter 2006: November, 6th 2006
Annual report for financial 2006: April, 3rd 2006

s IMMOBILIEN AG products

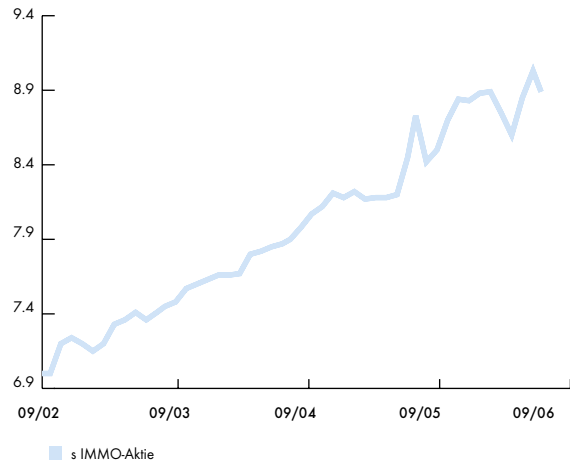
s Immobilien AG has two attractive property investments to offer:

- s IMMO Aktie – the accumulation share
- s IMMO INVEST – the distributing participation certificate

s Immobilien AG takes care to ensure that the two products are kept legally distinct: the assets and associated income of the two groups of investors are accounted for separately.

s IMMO Aktie

s IMMO Aktie – performance June 2002 to September 2006 in EUR



Stock exchange information

ISIN code	AT000 065225 0
Income	accumulation
Reuters	SIAG.VI

Performance data as at 30 September 2006

Initial listing	28 June 2002
Market price as at 30 September 2006	8.89
One-year performance	1.8%
Three-year performance (p.a.)	6.1%
Since initial listing (p.a.)	5.4%

s IMMO Aktie – key figures

Market price 30 September 2006	8.89
Number of shares in issue	68,118,718
Market capitalisation (EUR m)	605,6
Cash flow per share (EUR)	0,31
Price/cashflow ratio	22

s IMMO Aktie – property information

Number of properties	54
Total lettable space in m ²	529,815
Property portfolio (NAV) in EUR m (excl. developments)	535

s IMMO Aktie – assets, liabilities and equity

EUR '000

Properties/non-current assets	580,714
Receivables	144,009
Securities	17,596
Cash and cash equivalents	90,793
Accrued and deferred assets	531
Total assets	833,643
Liabilities to banks	106,986
Provisions	6,259
Grants/tenants' financing	21,052
Current liabilities	157,065
Total liabilities	291,362
Equity	542,280

	30.09.2006	30.09.2005	
Market price	8.89	8.73	
Number of shares in issue	68,118,718	33,412,479	
Market capitalisation (EUR m)	605,6	219,7	
Cash flow per share (EUR)	0,31	0,34	
Price/cashflow ratio	22	19	
Number of properties	54	39	
Total lettable space in m ²	529,815	265,000	
Property portfolio (NAV) in EUR m (excl. developments)	535	327	
	30.09.2006	30.09.2005	Change
Properties/non-current assets	580,714	293,861	+98%
Receivables	144,009	36,105	
Securities	17,596	6,086	
Cash and cash equivalents	90,793	4,419	
Accrued and deferred assets	531	258	
Total assets	833,643	340,730	+145%
Liabilities to banks	106,986	35,932	+198%
Provisions	6,259	3,932	
Grants/tenants' financing	21,052	19,742	
Current liabilities	157,065	47,848	
Total liabilities	291,362	107,454	+171%
Equity	542,280	233,776	+132%

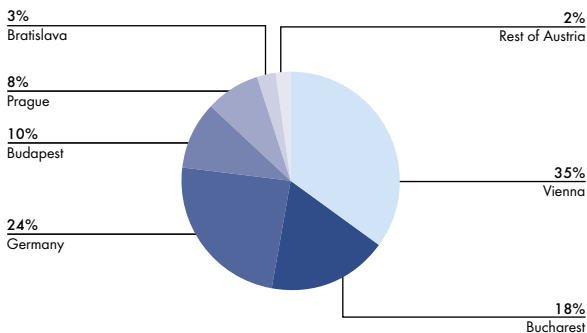
s IMMO Aktie – earnings

EUR '000

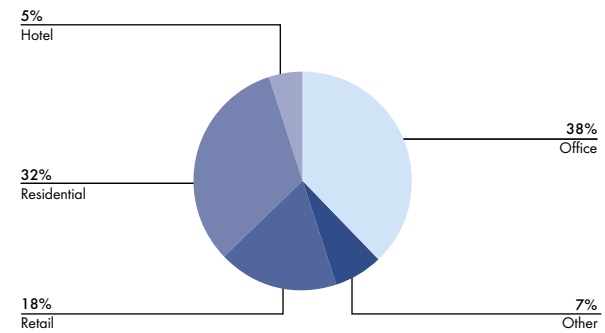
Revenues	
thereof rental income	
Operating profit (EBIT)	
Profit before taxes (EBT)	
Profit after taxes (EAT)	
Consolidated net profit	

	30.09.2006	30.09.2005	Change
Revenues	27,726	18,189	+52%
thereof rental income	22,464	14,527	+55%
Operating profit (EBIT)	11,124	9,051	+23%
Profit before taxes (EBT)	10,753	7,434	+45%
Profit after taxes (EAT)	9,234	6,080	+52%
Consolidated net profit	8,925	5,722	+56%

Total lettable space by region* (incl. developments)



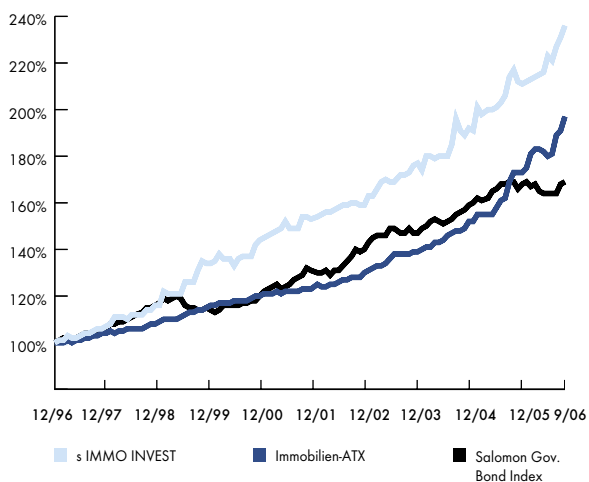
Total lettable space by sector*



*As at 30 September 2006

s IMMO INVEST

s IMMO INVEST: performance compared to IATX and Sal. Austrian Gov. Bond Index in %



Performance incl. annual distributions

In recent years the s IMMO INVEST participation certificate has significantly outperformed the benchmark index, the IATX.

Stock exchange information

ISIN code	AT000 079573 7/AT000 063069 0
Income	Annual distribution
Legal form	Participation certificates) (section 174 AktG)
Reuters	SIM1g.VI

Performance data

Initial listing 29 December 1996

Market price 30 September 2006	101.6	95.0
One-year performance	8.7%	2.0%
Three-year performance (p.a.)	11.0%	
Since initial listing (p.a.)	9.3%	8.7%

s IMMO INVEST – key figures

Market price 30 September 2006

Number of certificates in issue

Market capitalisation (EUR m)

Cash flow per certificate (weighted)

Price/cash flow ratio

30.09.2006

30.09.2005

101.60

97.75

3,883,398

3,883,398

382.4

379.6

3.7

3.2

20

23

s IMMO INVEST – participation certificate – property information

Number of properties

Total lettable space in m²

Property portfolio (NAV) in EUR m (excl. developments)

30.09.2006

30.09.2005

40

32

272,895

225,000

380

271

s IMMO INVEST (participating capital) – assets

Book value (EUR '000)

Properties/non-current assets

Receivables

Securities

Cash and cash equivalents

Accrued and deferred assets

Total assets

Minority interests

Liabilities to banks

Provisions

Other liabilities

Current liabilities

Total liabilities

30.09.2006

30.09.2005

Change

360,822

260,748

+38%

129,141

58,574

6,343

39,193

32,479

4,514

160

159

528,945

363,162

+46%

10,808

794

82,974

33,793

+146%

5,244

5,183

2,768

1,337

152,211

40,476

243,197

80,789

Participating capital

274,940

281,579

s IMMO INVEST (participating capital) – earnings

EUR '000

Revenues

 thereof rental income

Operating profit (EBIT)

Profit before taxes (EBT)

Profit after taxes (EAT)

30.09.2006

30.09.2005

Change

23,094

13,249

+74%

19,122

10,647

+80%

9,478

6,201

+53%

7,891

5,987

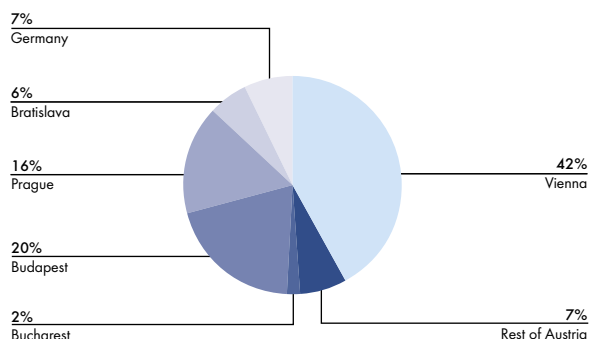
+32%

6,955

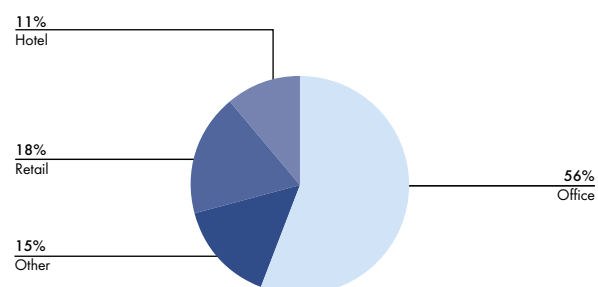
5,536

+26%

Total lettable space by region* (incl. developments)



Total lettable space by sector*



*As at 30 September 2006

Sparkassen Immobilien Aktiengesellschaft
Windmühlgasse 22-24, A-1060 Vienna
Telefon +43 (0)50100-27550
Telefax +43 (0)50100-27559
Investor Relations:
Andreas Feuerstein, andreas.feuerstein@immorent.at
Franz Zaccaria, franz.zaccaria@immorent.at

www.sparkassenimmobilienag.at