First Half of 2012

Clear improvement in sales and EBITDA

- **Revenues from hotel operations up by 9 per cent, consolidated sales by 14 per cent**
- **EBITDA 18 per cent higher, and result for the period positive again**
- **Sale of the 50-per cent share of the InterContinental hotel in Warsaw to close soon**
- **Strategic focus on existing properties and core brands**

Vienna, 30 August 2012 – The first half of 2012 was dominated by positive impulses in the hotel segment for Warimpex Finanz- und Beteiligungs AG. Revenues from hotel operations in the first six months of the current year were considerably stronger than in 2011, improving by 9 per cent from EUR 27.0 million to EUR 29.3 million. Occupancy rates and room prices rose across the entire portfolio.

The good development in Warimpex's core countries is due in part to higher sales revenues in Ekaterinburg and Prague. Performance on the remaining markets was largely in line with the targets, and positive growth rates were achieved on average. The European football championships had a pleasing effect on the hotels in Poland. The average room rate at the InterContinental hotel in Warsaw even rose by more than 150 per cent in June. Only the five-star hotels in Prague are still performing weakly.

Including the proportionate results of the joint ventures, revenues from hotel operations improved by a substantial 11 per cent from EUR 48.3 million in the first half of 2011 to EUR 53.5 million. Overall, the number of rooms rose by 3 per cent to 3,467 due to the opening of the Crowne Plaza hotel in St. Petersburg at the end of 2011, which offset the sale of Sobieski Hotel in Warsaw. The net operating profit improved by 27 per cent to EUR 14.6 million. This significantly higher NOP margin can above all be attributed to improved occupancy levels and higher room rates.

Financial result

Thanks to the overall good performance of the fully consolidated hotels, the cash flow from operating activities grew from EUR 2.2 million to EUR 5.5 million. EBITDA, one of the most important performance indicators for real estate companies because it is not distorted by industry-specific valuation methods, improved from EUR 4.1 million in the first half of 2011 to EUR 4.8 million. Due to lower profit contributions from property sales and lower non-cash reversals of impairments, the operating result (EBIT) fell from EUR 5.7 million to EUR 2.9 million. The profit for the period came to EUR 0.6 million. The equity ratio improved by 2 percentage points in annual comparison to 19 per cent. Including undisclosed reserves, the equity ratio is 32 per cent.

Transaction market

Alongside the recovery on the hotel market, it seems that the real estate transaction market in CEE also has the worst behind it. Sales at acceptable prices are again possible and probable now. Warimpex is currently working on a number of sales, and expects to dispose of at least one property in the near future. A head of terms agreement for the intended sale of the 50 per cent share in the InterContinental hotel in Warsaw was already signed in April. The transaction is expected to close this year.

Development projects on schedule

All development projects are proceeding according to plan: The Le Palais office building in Warsaw is scheduled to be completed and opened at the end of 2012. Warimpex's first project in Austria, the conversion of Palais Hansen on Vienna's Ring boulevard into an exquisite hotel and residential property together with Wiener Städtische Versicherung and Strauss & Partner, is also proceeding well, and the grand opening is currently slated for the spring of 2013.

Focus on existing properties and core brands

Given the current volatile market conditions, Warimpex is placing its focus on strengthening its foundation and on its existing properties. To this end, Warimpex will concentrate on its successful core brands, angelo and andel's, and step up the sale of office buildings and holiday resorts.

The numbers for the first half of 2012 at a glance

Key figures in EUR '000	1–6/2012	Change	1–6/2011*	4–6/2012	+/-	4–6/2011*
Revenues from the Hotels & Resorts segment	29,338	9%	27,031	17,100	2%	16,696
Revenues from the Development & Asset Management segment	3,920	82%	2,154	2,308	116%	1,069
Total revenues	33,259	14%	29,185	19,408	9%	17,765
Gains from the sale of project companies	329	-78%	1,521	10	-	-
EBITDA	4,785	18%	4,062	3,854	9%	3,540
EBIT	2,884	-49%	5,699	4,396	-27%	6,029
Profit for the period	604	-	-3,157	346	-	-150
Net cash flow from operating activities	5,514	151%	2,197	4,429	69%	2,615
Earnings/loss per share in EUR	0.01	-	-0.06	0.00	-	-0.01
Number of hotels	21	0	21			
Number of rooms (adjusted for proportionate share of ownership)	3,467	100	3,367			
Number of office and commercial properties	5	0	5			

	30/06/2012	Change	31/12/2011			
Gross asset value (GAV) in millions of euros	612.0	1%	605.2			
Triple net asset value (NNNAV) in millions of euros	175.3	2%	172.6			
NNNAV per share in EUR	3.2	-	3.2			

* Retrospective adjustment after the change to the equity method on 31 December 2011