

A	 	PREFACE AND REPORTS
B	 	MANAGEMENT REPORT OF THE COMPANY AND THE GROUP
C	 	CONSOLIDATED FINANCIAL STATEMENTS AND NOTES AS AT DECEMBER 31, 2007
D	 	FURTHER INFORMATION

D I	126	Three-Year-Financial-Summary
	129	Supervisory Board
	130	Managing Board
	131	Glossary
	133	Financial Calendar

THREE-YEAR OVERVIEW OF THE CONSOLIDATED BALANCE SHEET IN ACCORDANCE WITH IFRS

ASSETS

	2007	2006	2005
	EUR'000	EUR'000	EUR'000
A. NON-CURRENT ASSETS			
Software	196	237	234
Investment property	711,558	0	1,700
Investment property under construction	20,205	0	0
Equipment	2,087	1,472	1,271
Securities	0	0	247
Investments in joint ventures	5,067	0	0
Participations	2,043	1	0
Long-term financial derivatives	8,704	0	0
Long-term tax assets	375	361	0
Deferred tax assets	0	1,470	1,560
Total non-current assets	750,235	3,541	5,012
B. CURRENT ASSETS			
Inventories	793,395	228,403	189,516
Short-term financial derivatives	4,546	827	0
Short-term tax assets	3,144	0	0
Current receivables and other current assets	37,859	58,684	16,395
Bank balances and cash	54,013	83,211	16,477
Total current assets	892,957	371,125	222,388
TOTAL ASSETS	1,643,192	374,666	227,400

EQUITY AND LIABILITIES

	2007	2006	2005
A. EQUITY	EUR'000	EUR'000	EUR'000
Share capital	52,130	47,400	5,050
Capital reserves	215,862	118,398	573
Retained earnings			
- legal reserves	505	505	505
Valuation results from cash flow hedges	2,941	475	0
Consolidated net profit	65,167	24,946	35,976
Total equity	336,605	191,724	42,104
B. LIABILITIES			
NON-CURRENT LIABILITIES			
Long-term bank loans	0	0	2,858
Deferred tax liabilities	9,914	0	0
Long-term financial derivatives	1,142	946	1,541
Retirement benefit obligations	369	306	285
Total non-current liabilities	11,425	1,252	4,684
CURRENT LIABILITIES			
Short-term bank loans	1,261,997	125,494	149,298
Short-term financial derivatives	235	0	0
Other provisions	594	535	521
Current liabilities	32,171	44,489	23,560
Tax liabilities	165	10,810	6,295
Other current liabilities	0	362	938
Total current liabilities	1,295,162	181,690	180,612
TOTAL EQUITY AND LIABILITIES	1,643,192	374,666	227,400

CONSOLIDATED PROFIT AND LOSS ACCOUNT IN ACCORDANCE WITH IFRS Three-year Overview

	2007	2006	2005
	EUR'000	EUR'000	EUR'000
1. Revenues	193,253	237,611	99,508
2. Changes in inventories	666,705	44,114	35,823
3. Other operating income	1,905	3,357	2,791
4. Total operating performance	861,863	285,082	138,122
5. Cost of materials	-778,775	-201,777	-85,815
6. Staff costs	-19,908	-14,882	-12,359
7. Amortization of software and depreciation on equipment	-771	-593	-603
8. Results from fair value adjustments to investment property	69,477	150	-300
9. Other operating expenses	-20,543	-16,706	-13,547
10. Earnings from companies accounted for using the equity method	-298	0	0
11. Finance income	20,371	2,645	829
12. Finance cost	-68,246	-6,719	-6,263
13. Profit before income taxes	63,170	47,200	20,064
14. Income tax	-15,129	-14,800	-3,432
15. Net profit	48,041	32,400	16,632
16. Profit carried forward	17,126	0	19,349
17. Allocation to retained earnings			
a) legal reserves	0	0	-5
b) other retained earnings	0	-7,454	0
18. Consolidated net profit	65,167	24,946	35,976

SUPERVISORY BOARD

Dr. Theodor Seitz

Chairman

Member of the Supervisory Board since 2002 and chairman since 2003

Tax consultant, lawyer, Augsburg

Notification of seats on other supervisory boards as per sec. 285 (10) of the German Commercial Code

- ▶ Supervisory board chairman of CDH AG, Augsburg
- ▶ Supervisory board chairman of R&B Wirtschaftsprüfungsgesellschaft, Augsburg

Harald Boberg

1st Deputy Chairman

Member of the Supervisory Board since 2003

Representative of Bankhaus Lampe KG, (Bielefeld), Hamburg

Notification of seats on other supervisory boards as per sec. 285 (10) of the German Commercial Code

- ▶ Supervisory board member of HanseMerkur Lebensversicherung AG, Hamburg

Manfred J. Gottschaller

2nd Deputy Chairman

Member of the Supervisory Board since 2003

Director of Bayerische Handelsbank AG i. R., Munich

Notification of seats on other supervisory boards as per sec. 285 (10) of the German Commercial Code

- ▶ None

MANAGING BOARD**Wolfgang Egger**

Chief Executive Officer

First appointed on: August 21, 2002

Appointed until: April 30, 2012

Responsibilities:

Communications, corporate strategy, human resources, marketing

Notification of seats on other supervisory boards as per sec. 285 (10) of the German Commercial Code

▶ None

Dr. Georg Erdmann (until December 31, 2007)

Chief Financial Officer

First appointed on: October 1, 2006

Responsibilities:

Accounting/tax, controlling, investor relations, IT, risk management

Notification of seats on other supervisory boards as per sec. 285 (10) of the German Commercial Code

▶ None

Arwed Fischer (since March 1, 2008)

Chief Financial Officer

First appointed on: March 1, 2008

Appointed until: February 28, 2011

Responsibilities:

Accounting/tax, controlling, investor relations, IT, risk management

Notification of seats on other supervisory boards as per sec. 285 (10) of the German Commercial Code

▶ None

Alfred Hoschek

Chief Investment Officer

First appointed on: August 21, 2002

Appointed until: April 30, 2012

Responsibilities:

Financing, investments

Notification of seats on other supervisory boards as per sec. 285 (10) of the German Commercial Code

▶ None

Klaus Schmitt

Chief Operating Officer

First appointed on: January 1, 2006

Appointed until: December 31, 2010

Responsibilities:

Board affairs, legal department, management of the operational business lines Investments and Services

Notification of seats on other supervisory boards as per sec. 285 (10) of the German Commercial Code

▶ None

PATRIZIA STOCK MARKET GLOSSARY

- BaFin** The Federal Financial Supervisory Authority (BaFin) combines the business areas of the former federal supervisory offices for banking (bank supervision), for insurance (insurance supervision) as well as for securities trading (securities supervision/asset management) and continues to manage these. Amongst other things, BaFin shall supervise the correct and proper implementation of securities trading. In particular, it is responsible for protection against prohibited insider dealing.
- Capital Stock** The capital which is stipulated in the joint stock company's Articles of Association. The Articles of Association also stipulate that the capital stock is to be divided up into x number of shares. The company issues shares which equate to the total of its capital stock.
- Cash flow** An indicator which is used in particular in Anglo-Saxon countries for the purposes of shares or company analyses. It means the receipt of liquid assets within a specific accounting period and is basically made up of the addition of net income, depreciation, changes to long-term provisions, taxes on income and earnings. Conclusions can be drawn regarding the company's financing potential from the amount of cash flow and its identifiable trend during the course of the year. In terms of a share (Cash flow : Number of shares) or in terms of the share price (Share price : Cash flow per share), one obtains important indicators which, within the framework of the shares analysis, allows the comparison with a company in the same line of business at national and international level.
- Corporate Governance** An instrument which is required by professional financial analysts and investors when performing modern company analysis. It can also redress current deficits in the traditional valuation processes particularly in respect of growth values. Competences, communications and control by the decision-making committees for companies quoted on the stock exchange are viewed and inspected. These supposed soft facts are of crucial importance when evaluating a company with increasingly non-material production processes.
- DAX** The German Share Index (DAX) reflects the value trend of the 30 most important German shares. In addition to the market prices, the dividend payments are also included here. DAX began at the end of 1987 with a value of 1,000.
- DIMAX** DIMAX is the German Real Estate Share Index which was first established by the Ellwanger & Geiger Bank in 1995. At present, the shares of 76 listed German companies are registered, all of which generate more than 75 % of their income from the real estate business.
- Dividend** Each shareholder is entitled to a share in the annual profit of his company which is paid out. This will correspond to the amount of his shareholding. This part of the profit is called a dividend.
- EBIT** Earnings before interests and taxes. A figure which provides in concrete terms information on the company's success and its income situation. By leaving out of account taxes, net interest income and extraordinary income when considering the annual surplus, EBIT allows you to have a comparable statement on the actual earning power of the company, regardless of the equity ratio.
- EBITDA** Earnings before interests, taxes, depreciation and amortization. A figure which provides in concrete terms information on the company's success and its income situation. With EBITDA, depreciation and amortization are also left out of account when considering the annual surplus. This takes into account the fact that companies which have a propensity to invest will show – as a result of high depreciation which reduces profit – a profit which is smaller than companies which have less of a propensity to invest.
- EPRA** European Public Real Estate Association. Based in Amsterdam, the EPRA is an organization that represents the interests of the major European property management companies and supports the development and market presence of European public property companies. The well-known international index named after it, the EPRA index, tracks the performance of the largest European and North American listed property companies.
- EPS** Earnings per share

GEX The German Entrepreneurial Index. This is the index of small and medium-sized enterprises on the Deutsche Börse. The index contains all “owner-dominated” companies listed on the Prime Standard segment of the Frankfurt Stock Exchange who have gone public within the past ten years. “Owner-dominated” means a company where managing board members, members of the supervisory board or their families hold between 25 % and 75 % of voting rights.

IFRS International Financial Reporting Standards (IFRS) is a world-wide accepted guideline for group accounting.

Individual Share Certificate The individual share certificate does not show a par value. Its share in the capital stock depends solely on the number of shares issued. All individual share certificates embody the same share in the company.

Issue Issue of securities by means of a public offer; usually happens as a result of a group of financial institutions acting as mediators (issuing syndicate).

Listing Listing/quoting a share on a stock exchange.

MDAX Mid cap Index. The MDAX reflects the value trend of the 50 largest joint stock companies quoted on the stock exchange which follow on to the 30 DAX companies. In addition to dividend payments, subscription rights proceeds are also included in the calculation of the index which started in 1987 with a position of 1,000 points.

Par Value A specific amount in Euro is printed on par value shares i.e. the par value. It shows what share the shareholder holds in the capital stock and thus in the total assets of his joint stock company. The smallest par value of a share is, in accordance with the Companies' Act, 1 Euro. All higher par values are made out as a multiple of 1 Euro. This is distinct from the market price.

Registered Share A share which is made out in the name of the shareholder. Contrary to the bearer share, when issuing registered shares the company is obliged to keep a shares register. The shareholders' names and addresses are listed in this register. With regard to the company, a person is only deemed to be a shareholder if s/he is recorded in the register.

Share Buy Back A process whereby a joint stock company buys its own shares and thus allows capital to flow back to the shareholders. No rights are conceded to the company from these shares (voting right, dividend entitlement, subscription right etc.).

Share index Share indexes group together the price or value trend of several shares. The shares included are weighted per index according to certain criteria. Price indexes (for example FAZ [Frankfurter Allgemeine Zeitung] share index) take into account only the price trend of the shares. Performance indexes (for example DAX) also take into account dividends and subscription rights in the event of capital increases. Performance indexes therefore cover the whole of the value trend of the shares contained in the index.

Share Option Plans Joint stock companies set up option plans in order to grant employees and in particular executive personnel a remuneration which is dependent upon the share price instead of other bonuses. In the event of management decisions, this shall in particular contribute to a shareholder value orientation.

Subscription Right The right of the shareholder to buy new („young“) shares from his company in the event of a capital increase. The shareholders can waive their right to subscribe and they can sell the subscription rights to the stock exchange.

XETRA The term XETRA stands for the electronic stock exchange trading system of Deutsche Börse AG (Exchange Electronic Trading System).

FINANCIAL CALENDAR

Date	Events
April 2, 2008	Financial Statement of fiscal year 2007
April 2, 2008	Press Conference on Financial Statement 2007
May 7, 2008	Quarterly Report – 1 st Quarter 2008
June 3, 2008	Annual General Meeting
August 12, 2008	Quarterly Report – 2 nd Quarter 2008
October 20 and 21, 2008	Real Estate Share Initiative
November 11, 2008	Quarterly Report – 3 rd Quarter 2008

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