

ECO Business-Immobilien AG: successful trend in Q1 2007

Vienna, 22 May 2007. ECO Business-Immobilien AG, listed in the Prime Market of the Vienna Stock Exchange, continued its successful corporate development in the first quarter of 2007. Record figures were posted for all sales and earnings ratios. EBIT was increased 257% to EUR 11.79 million. As of the reporting date, property assets totalled EUR 698 million. The current acquisition pipeline of over EUR 800 million will allow the Company to continue its growth.

New records for sales and earnings ratios

With the expansion of the real estate portfolio, new records were achieved for all sales and earnings ratios in the reporting quarter. Against the first quarter of 2006, rental income increased by 85% to EUR 11.52 million. EBIT thus rose to EUR 11.79 million, a year-on-year increase of 257%. In addition to higher rental income as a result of increased rentable space, disposable gains from real estate sales in the trading portfolio of EUR 2.29 million (Q1/2006: EUR 0.0 million) and revaluation gains contributed to the strong earnings surge. The revaluation gains for IFRS valuation totalled EUR 2.41 million (Q1/2006: EUR 0.0 million) or 0.35% of total real estate assets. Quarterly earnings per share improved from EUR 0.11 in the previous-year period to the current figure of EUR 0.23.

Within a year, real estate assets increased from approximately EUR 390 million at the end of the first quarter of 2006 to approximately EUR 698 million. In the first quarter of 2007, trading activities resulted in real estate worth EUR 15.3 million being sold at a profit.

Expansion of real estate portfolio planned

The market for business real estate continues to offer ECO major opportunities, which the Company intends to leverage, not just in its core markets of Austria and Germany, but also in the CEE countries. ECO currently has an acquisition pipeline exceeding EUR 800 million, something which will be systematically implemented over the next 12-18 months. A large position is to be developed, especially in the CEE area. Here ECO will proceed on a very selective basis, only investing in properties which either increase overall Company income on a sustained basis or which can be sold on at a profit from the trading portfolio.

With an equity ratio of 42%, ECO has a good basis for growth activities. To finance all acquisitions, today's Annual General Meeting is also to vote to approve a capital increase of up to 20 million new shares.

Business segments

As part of its expansion strategy, ECO has clearly detailed the segmentation of its business areas in line with the business characteristics of the individual segments and markets and thus the risk-return profile into the "Hold Portfolio", "Trading

Portfolio” and “CEE Portfolio”. The Hold Portfolio is the core business focusing on collateral and assets, covering the home markets of Austria and Germany. The trading activities which make a decisive contribution to optimising the portfolio and profits are posted to the Trading Portfolio business segment. The Eastern European growth markets are in the CEE Portfolio where the acquisition pipeline already has a total volume exceeding EUR 550 million; here investments are made via the ECO Eastern Europe Real Estate AG subsidiary.

The development of the Company in the opening months of 2007 combined with the attractive acquisition pipeline leads the Board of Management to anticipate the ongoing positive development of ECO in financial 2007.

Company data (EUR thousand)

	1-3/2007	1-3/2006	1-12/2006
Revenues	11,522	6,236	38,803
Changes in fair value of investment property	2,410	0	6,068
Gain on disposal of non-current assets	2,292	0	9,819
Operating profit (EBIT)	11,785	3,307	38,280
Profit before tax (EBT)	7,417	2,235	24,739
Profit for the year	5,694	1,658	18,191
Profit for the year (after minorities)	5,625	1,541	17,900
Earnings per share (EUR)	0.23	0.11	0.99
Average number of shares	25,000,000	13,465,625	17,997,115

Rounding differences could arise as a result of the presentation in EUR thousand.

Property data

	2007-03-31	2006-03-31	2006-12-31
Number of objects ¹⁾	118	60	126
Total rentable space (sqm) ²⁾	457,643	314,585	463,431
Garage spaces	2,334	1,553	2,339
Property portfolio (EUR `000) ³⁾	697,532	388,656	697,223

¹⁾ incl. Trading Portfolio

²⁾ For garage spaces a conversion factor of 20 sqm / per space has been used

³⁾ incl. Construction in Progress

ABBREVIATED CONSOLIDATED INCOME STATEMENT
based on International Financial Reporting Standards

1 January - 31 March 2007
 (all amounts in EUR '000)

	Anhang	1-3/2007	1-3/2006	1-12/2006
1. Revenues				
a) Rental income		9.543	5.213	32.129
b) Owner's operating costs charged on		1.979	1.023	6.674
	1	<u>11.522</u>	<u>6.236</u>	<u>38.803</u>
2. Changes in fair value of investment property	2	2.410	0	6.068
3. Other operating income				
a) Gain on disposal of non-current assets		2.292	0	9.819
b) Miscellaneous		241	60	1.581
	3	<u>2.534</u>	<u>60</u>	<u>11.400</u>
4. Owner's operating costs	4	(2.930)	(1.479)	(9.720)
5. Depreciation and amortisation		(6)	(7)	(27)
6. Other operating expenses	5	<u>(1.744)</u>	<u>(1.504)</u>	<u>(8.244)</u>
7. Earnings before interest and taxes		11.785	3.307	38.280
8. Finance revenue		735	522	1.716
9. Finance costs		(5.103)	(1.593)	(15.257)
10. Financial results	6	(4.368)	(1.072)	(13.541)
11. Profit before tax		7.417	2.235	24.739
12. Income tax expenses		(161)	(67)	(5.387)
13. Deferred tax expenses		(1.661)	(511)	(1.161)
	7	<u>(1.823)</u>	<u>(577)</u>	<u>(6.548)</u>
14. Profit for the year		5.594	1.658	18.191
Thereof attributable to				
Equity holders of the parent		5.625	1.541	17.900
Minority interest		(31)	117	291
		<u>5.594</u>	<u>1.658</u>	<u>18.191</u>
Earnings per share	8	0,23	0,11	0,99
Weighted average number of shares		25.000.000	13.465.625	17.997.115

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AD HOC DISCLOSURE

22 May 2007

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