ESTAVIS

REAL ESTATE PERFORMANCE

Interim Report
First nine months 2011/12

1 July 2011 – 31 March 2012

Overview Key Financial Data

ESTAVIS AG	3rd quarter 11/12 1 Jan. 2012 – 31 March 2012	3rd quarter 10/11 1 Jan. 2011 – 31 March 2011	9 months 11/12 1 July 2011 – 31 March 2012	9 months 10/11 1 July 2010 – 31 March 2011
Revenues and earnings	**TEUR**	**TEUR**	**TEUR**	**TEUR**
Revenues	13,333	14,051	40,493	43,949
Total operating performance	12,970	15,594	39,083	44,449
EBIT	1,432	1,660	3,980	4,285
Pre-tax profit	338	500	935	1,095
Net profit	69	268	492	676

ESTAVIS AG	31 March 2012	30 June 2011
Structure of assets and capital	**TEUR**	**TEUR**
Non-current assets	54,561	55,730
Current assets	107,246	90,627
Equity	61,190	60,699
Equity ratio	37.8 %	41.5 %
Total assets/equity and liabilities	161,807	146,357

ESTAVIS AG

Share	
Stock exchange segment	Prime Standard
ISIN	DE000A0KFKB3
German Securities Code Number (WKN)	A0KFKB
Number of shares on 31 March 2012	14,319,352
Free float (information according to last notification from investors)	47.3 %
Share price high (1 July 2011 – 31 March 2012*)	2.50 EUR
Share price low (1 July 2011 – 31 March 2012*)	1.68 EUR
Closing price on 30 March 2012*	2.15 EUR
Market capitalisation on 31 March 2012*	EUR 30.8 million

* Closing prices in Xetra trading

Content

Letter to the Shareholders

Dear Shareholders,
Ladies and Gentlemen,

Seizing the opportunity of this interim report of ESTAVIS AG on the first nine months of the 2011/12 financial year, we will give you a first account of the new Management Board appointments. Changes on the senior executive level of a company will often raise legitimate questions regarding the company's future strategy, and its relation of continuity to change. We should like to seize the occasion to say quite frankly that ESTAVIS will see both. Under the leadership of Florian Lanz, who will remain closely affiliated with ESTAVIS, our company reoriented itself in a difficult situation, and developed economically attractive business areas. This has included, most prominently, the acquisition of Accentro GmbH roughly a year ago, and the associated fast-paced expansion of our housing privatisation business. It is a business that benefits more than others from today's brisk demand for tangible fixed assets, and specifically for real estate, among institutional and private investors.

Focus on housing privatisation and portfolio build-up

With a view to the increasing significance of housing privatisation for the business of ESTAVIS, making corresponding and lasting adjustments on the Board level was a perfectly sensible thing to do. We did so by appointing Jacopo Mingazzini to the Management Board in March 2012. The appointment of Andreas Lewandowski to the Board in May helped to set another strategic accent: ESTAVIS AG will give greater weight to the build-up and management of proprietary real estate holdings than it used to. Andreas Lewandowski will commit his comprehensive experiences in this field to the compilation of a large high-yield portfolio of residential real estate.

The decision to build up a proprietary portfolio as an essential part of our core business in addition to housing privatisation is explained by several reasons. On the corporate level, it makes sense to supplement the ESTAVIS business model with a component that will generate steady earnings, and will do so long-term, above all. Experience shows that the ownership and professional management of a large real estate portfolio is an excellent way of doing just that. The approach will focus on portfolios that ensure a positive cash-flow from the start.

Moreover, there are sound arguments on the market level, too, for intensifying the build-up of proprietary property holdings at this of all times. While the demand trend on the investment market makes it reasonable to expect that the price level will keep rising in the future, it is still possible at this time to invest at attractive cost prices. Also, we are still looking at a very favourable interest environment. In short, the combination of affordable cost prices and historically low interest rates should by all means be exploited.

Stable financial situation

Overall, we realised a slightly lower consolidated net profit of EUR 0.5 million during the first nine months of our ongoing financial year than we did in the prior-year period (EUR 0.7 million). Earnings before interest and taxes (EBIT) amounted to EUR 4.0 million (prior-year period: EUR 4.3 million). Revenues totalled EUR 40.5 million, down from EUR 43.9 million after the first nine month of the previous year. At 9.8 %, our EBIT margin has more or less remained unchanged year on year. The net assets and financial position of the ESTAVIS Group has remained stable, and the slight softening of the equity ratio to 37.8 % is explained by the fact that the total assets grew faster in connection with real estate acquisitions during the reporting period than the equity did.

Outlook for the 2012/13 financial year

The turnover pipeline is well stocked, and this far beyond the end of the ongoing financial year. We are quite confident that we created sound preconditions for exploiting the current market development by placing our strategic focus on two areas, one being housing privatisation, the other the creation of a proprietary high-yield property portfolio.

Andreas Lewandowski	Jacopo Mingazzini
Member of the	Member of the
Management Board	Management Board

The ESTAVIS Share

ESTAVIS shares are listed on the Regulated Market of the Frankfurt Stock Exchange, and meet the transparency requirements of the Prime Standard.

ESTAVIS' share price performance

The sovereign debt crisis in some Eurozone member states, and the threat of a serious slowdown of the economy or of an actual recession that is increasingly discussed by economists, stirred up a profound sense of unease, and triggered sometimes substantial markdowns on the stock markets during the second half of 2011. ESTAVIS stock was not spared the effect of the trend, and suffered successive markdowns through mid-January 2012. During the weeks thereafter, however, the stock rallied and made substantial gains, being quoted upward of EUR 2.00 throughout the months of February and March.

On 30 March 2012, the last stock market trading day during the reporting period, the closing rate for ESTAVIS shares in Xetra trading of the Frankfurt Stock Exchange stood at EUR 2.15, down from a share price of EUR 2.50 at the start of the financial year on 1 July 2011. The market capitalisation of ESTAVIS AG equalled approximately EUR 30.77 million as of 30 March 2012. The ESTAVIS share price showed its highest value at EUR 2.50 at the beginning of the reporting period on 1 July 2011, and bottomed out at EUR 1.68 on 13 December 2011 (Xetra closing rate in each case). The daily trading volume was 26,995 shares on average during the reporting period.

The corporate performance of ESTAVIS AG is continuously monitored by the analysts of several institutes. The latest analyst reports have ventured the following estimates for ESTAVIS shares:

- WestLB, recommendation: "Add", target price EUR 2.10
- Warburg Research, recommendation: "Hold", target price EUR 2.30
- Close Brothers Seydler Research AG, recommendation: "Buy", target price EUR 2.50

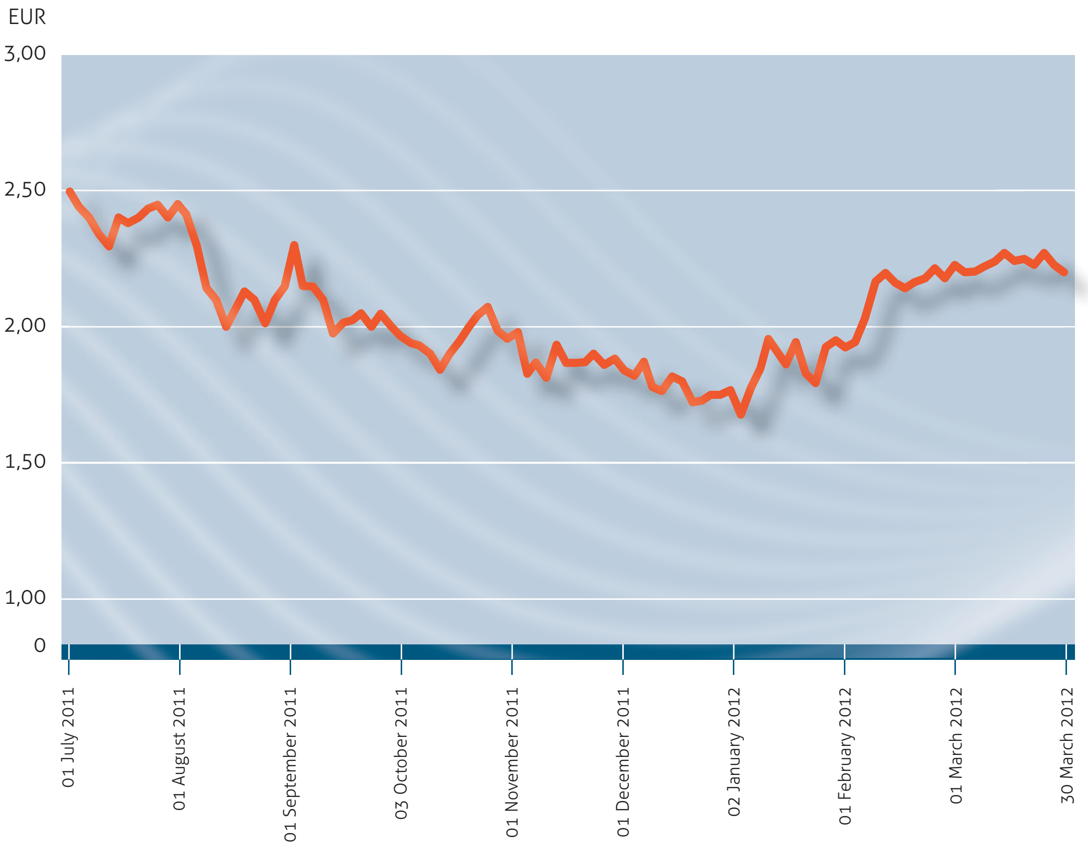
Annual conference of the Real Estate Share Initiative and Small & Mid Cap Conference

As in years past, ESTAVIS AG attended the 2011 specialist conference hosted by the Real Estate Share Initiative (IIA), a non-profit organisation of which ESTAVIS AG is a member. In addition to its agenda of expert talks, panel discussions and workshops, the IIA conference presents the perfect opportunity as a public event to meet with real estate companies, analysts, investors, service providers and journalists from inside and outside Germany. It is organised by IIA in close cooperation with the European Public Real Estate Association (EPRA) and the German Property Federation (Zentraler Immobilien Ausschuss, ZIA).

The 11th IIA Specialist Conference convened in Frankfurt am Main on 19 October 2011. Florian Lanz, at the time CEO of ESTAVIS AG, seized the opportunity to brief attendees on the company's business model and business performance, and to profile ongoing real estate projects, in a corporate presentation and several one-to-one meetings during the event.

On 1 February 2012, Mr. Lanz attended the Small & Mid Cap Conference that was organised by Close Brothers Seydler Bank AG, and took place in the Chamber of Industry and Commerce in Frankfurt am Main. It was yet another opportunity for the company to present itself, and to conduct a number of one-to-one meetings.

ESTAVIS share price development from 1 July 2011 to 31 March 2012



ESTAVIS shares at a glance

ESTAVIS AG

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Interim Management Report

1 Business and Conditions

1.1 Economic environment and business performance

During the first nine months of the 2011/12 financial year, mounting evidence suggested an imminent slowdown of the global economy. This was explained, above all, by the sovereign debt crisis in Greece and by the debates revolving around the financial situation in other Eurozone member states, such as Italy, but also by the high sovereign debt in the United States and the unease it inspired on financial markets. In September 2011, the Kiel Institute for the World Economy (IfW) reached the conclusion that Germany is moving through the early stages of a slow economic cycle, citing the slow economic situation of the trading partners of Germany's strongly export-driven economy as essential influencing factors.

Notwithstanding the fact that Germany's gross domestic product (GDP) reported a growth by 3.0 % for 2011 as a whole, the German economy presented itself in a less favourable state during the 2011/12 winter semester than it had in previous months, which must be blamed on the development of foreign demand and the fact that domestic companies and private households, too, cut back on spending. All things considered, 2012 is expected to see a lower GDP growth than 2011. That being said, the DIW German Institute for Economic Research assumes that the pace of Germany's economic growth will quicken again as 2012 progresses. This assessment is backed, inter alia, by the fact that the sentiment in the German economy brightened again in recent months.

The labour market in Germany continued to develop briskly despite the slowing economic growth. For the first time ever, the number of 41 million gainfully employed persons was exceeded in 2011, while the number of jobless dropped by around 446,000 down to 2.5 million. This translates into an unemployment rate of 5.7 %, which is relatively low even by international standards. Among the European countries, for instance, only Austria, Luxembourg, and the Netherlands are on record with lower unemployment rates. Unemployment in Germany continued to decline, adjusted for seasonal variation, during the first three months of 2012.

The development on the real estate markets was not impaired by a deteriorating economic outlook. Rather, 2011 saw a considerable increase in transaction volumes and, in many places, in rent rates, too. The trend continued beyond the end of 2011 into 2012. According to information provided by the estate agency and consulting firm BNP Paribas Real Estate, the transaction volume on Germany's residential investment market during the first quarter of 2012 was at 3.64 billion Euros more than four times as high as that of the same quarter the previous year.

Especially Berlin's residential real estate markets, which accounts for a large share of the business activities of ESTAVIS AG, saw lively demand on the buyer side in recent months. The persistent lending restrictions and the banks' mounting requirements for the credit worthiness of private property buyers continue to have a certain limiting effect for the business development in the real estate sector. Market experts estimate that the financing environment is likely to remain difficult, or indeed to deteriorate further in some respects.

The business performance of ESTAVIS Group during the reporting period was primarily defined by the sound sales performance of the big listed-building projects in Berlin, as well as the apartment-retailing business and global sales. In the first quarter 2012, ESTAVIS moreover acquired an ensemble of ten residential buildings with altogether 214 apartments in Berlin's Prenzlauer Berg district from the portfolio of a foreign investment fund. The apartments are to be retailed by Accentro GmbH, a subsidiary of ESTAVIS AG.

In March 2012, the Supervisory Board of ESTAVIS AG appointed Jacopo Mingazzini, the founder and managing director of Accentro GmbH, which ESTAVIS acquired in 2011, as new Member of the Board. After the end of the reporting period, Florian Lanz asked the Supervisory Board to release him out of his role as Chairman of the Board of the company as of 18 April 2012, though he will maintain close relations with the company in an advisory role. As of 3 May 2012, the Supervisory Board appointed Andreas Lewandowski, most recently the Head of Transactions for TAG Group, as Member of the Board. His sphere of ownership includes the expansion of the company's real estate portfolio, whereas Jacopo Mingazzini will remain in charge of the areas retail trade and privatisations.

1.2 Earnings situation

The revenues of ESTAVIS Group during the first nine months of the 2011/12 financial year added up to EUR 40.5 million, down from EUR 43.9 million during the prior-year period. This decline is particularly to blame on the fact that the sales growth in the retailing segment was more than offset by the considerably lower revenues from other activities.

Broken down for financial reporting purposes, revenues for continued operations were attributable to the company's following business segments:

- Retail trading EUR 35.1 million (prior-year period: EUR 34.8 million)
- Other activities EUR 5.4 million (prior-year period: EUR 9.1 million)

The posted revenues in the retail trading segment include, among other items, the revenues from the global sale of several objects in the amount of EUR 9.2 million.

The other operating income, which amounted to EUR 4.8 million during the same period last year, dropped to EUR 3.4 million.

The gross margin for continued operations (revenues plus changes in inventories minus cost of materials/revenues) amounted to 30.3 % (previous year: 32.0 %).

The total operating performance declined from EUR 44.4 million to EUR 39.1 million during the first nine months of the financial year.

Staff costs during the reporting period added up to EUR 2.4 million (prior-year period: EUR 2.0 million). The year-on-year increase must be seen in the context of the acquisition of Accentro GmbH in the intervening months. While the number of staff on the Group's payroll went down to 37 as of 31 March 2012, staff costs will not be reduced by a corresponding amount except in subsequent accounting periods due to the compensations paid.

At EUR 9.5 million, the other operating expenses substantially undercut the figure of the same period last year (EUR 13.8 million), which is essentially explained by lower sales costs.

Earnings before interest and taxes (EBIT) amounted to EUR 4.0 million (previous year: EUR 4.3 million). The EBIT margin (EBIT/revenue) amounted to 9.8 % during the first nine months of the financial year, and thus slightly over the level of the prior-year period (9.75 %). The decline in earnings is explained, in addition to the low sales revenues, by the fact that the earnings of the prior-year period were defined by income from the reversal of provisions for rental guarantees and pending construction obligations, as well as from the appreciation of investment property, whereas no such earnings accrued during the reporting period or else did so to a lesser extent.

The financial result for the reporting period equalled EUR –3.0 million, and thus slightly exceeded the prior-year figure of EUR –3.2 million.

With income taxes in the amount of EUR 0.4 million taken into account, the consolidated net profit equalled EUR 0.5 million (prior-year period: EUR 0.7 million). This translates into EUR 0.03 in earnings per share (previous year: EUR 0.07).

1.3 Financial and assets position

The total assets of the ESTAVIS Group as of 31 March 2012 increased by EUR 15.5 million or 10.6 % to EUR 161.8 million (30 June 2011: EUR 146.4 million).

Essential changes concerned primarily the inventories (EUR +7.6 million) and cash and cash equivalents (EUR –2.6 million), as well as the trade receivables (EUR +5.4 million) and other receivables (EUR +6.1 million).

Financial liabilities, which mainly relate to liabilities to banks, increased by a total of EUR 4.7 million to EUR 66.7 million (30 June 2011: EUR 62.0 million).

At EUR 61.2 million, company equity was slightly higher by the reporting date of 31 March 2012 than it was at the reporting date of the previous financial year, 30 June 2011 (EUR 60.7 million).

Since the total assets increased faster than the company equity during the reporting period, the equity quota of ESTAVIS Group dropped from 41.5 % as of 30 June 2011 down to 37.8 % as of 31 March 2012.

Inversely, gearing (debt/total capital) increased from 58.5 % at the reporting date of the previous financial year to 62.2 %. The ratio of cash and cash equivalents to total assets equalled 0.6 % at the end of the reporting period (30 June 2011: 2.5 %). The cash ratio of ESTAVIS Group (cash and cash equivalents/current liabilities) came to 1.3 % as of 31 March 2012 (30 June 2011: 5.0 %).

The net cash from operating activities added up to EUR –2.1 million during the reporting period, compared to EUR –1.8 million in the prior-year period.

Net cash used in financing activities amounted to EUR 0.7 million in the reporting period (previous year: EUR 0.0 million).

During the first nine mounths of the 2011/12 financial year, the cash flow from financing activities amounted to EUR –1.3 million (previous year: EUR 0.0 million).

2 Risk Report

The ESTAVIS Group has implemented a risk management system that is designed for several purposes, including allowing the early recognition and appropriate communication of significant risk factors arising from its business activities that could be of relevance to its earnings situation or continued existence. The risk management system allows action to be taken against potentially adverse developments and events in a timely manner, and facilitates, where required, the implementation of countermeasures before any significant damage is incurred.

There have been no significant revisions to the risks for ESTAVIS Group in the period under review compared with the Risk Report in the Group Management Report for the previous financial year. Accordingly, reference should be made to the information contained therein.

3 Forecast Report

In the months to come, ESTAVIS AG will continue to pursue the ongoing projects involving listed buildings, along with its apartment retailing activities. With the acquisition of another ten residential buildings totalling 214 apartments in Berlin's Prenzlauer Berg district in February 2012, the Group developed additional revenue potential that the retailing of these apartments implies.

Another focus of ESTAVIS' future activities – in addition to its privatisation business – will be the build-up of a proprietary high-yield real estate portfolio. The Board believes that this strategic prioritisation will provide an essential basis for a positive development of earnings during the next two financial years and beyond.

In the ongoing financial year, the Board expects to achieve the forecast sales and result targets by compensating variances from budget with additional new activities.

Consolidated Balance Sheet

ESTAVIS AG

Assets	31 March 2012 TEUR	30 June 2011 TEUR
Non-current assets		
Goodwill	17,776	17,776
Other intangible assets	88	95
Property, plant and equipment	328	388
Investment property	32,077	32,547
Investments in associates	122	122
Other non-current financial assets	1,631	1,665
Deferred income tax receivables	2,540	3,137
Total	**54,561**	**55,730**
Current assets		
Inventories	69,242	61,642
Trade receivables	11,634	6,209
Other receivables	24,728	18,662
Current income tax receivables	675	516
Cash and cash equivalents	968	3,598
Total	**107,246**	**90,627**
Total assets	**161,807**	**146,357**

Consolidated Balance Sheet

ESTAVIS AG	31 March 2012	30 June 2011
Equity	TEUR	TEUR
Issued capital	14,319	14,319
Capital reserves	48,198	48,198
IAS 39 reserve	0	1
Retained earnings	–1,327	–1,819
Total equity	**61,190**	**60,699**
Liabilities		
Non-current liabilities		
Provisions	65	74
Financial liabilities	24,120	11,607
Deferred income tax liabilities	2,132	2,370
Total non-current liabilities	**26,318**	**14,050**
Current liabilities		
Provisions	2,031	2,520
Financial liabilities	42,545	50,357
Advance payments received	12,736	3,741
Current income tax liabilities	2,066	2,250
Trade payables	10,979	8,628
Other liabilities	3,943	4,112
Total current liabilities	**74,299**	**71,608**
Total equity and liabilities	**161,807**	**146,357**

Consolidated Income Statement

ESTAVIS AG	3rd quarter 11/12 1 Jan. 2012 – 31 March 2012	3rd quarter 10/11 1 Jan. 2011 – 31 March 2011	9 months 11/12 1 July 2011 – 31 March 2012	9 months 10/11 1 July 2010 – 31 March 2011
	TEUR	TEUR	TEUR	TEUR
Revenues	13,333	14,051	40,493	43,949
Change in value of investment property	0	1,345	240	1,345
Other operating income	1,569	1,839	3,445	4,765
Changes in inventories	–1,932	–1,640	–5,094	–5,610
Total operating performance	**12,970**	**15,594**	**39,083**	**44,449**
Cost of materials	8,194	8,723	23,115	24,279
Staff costs	750	635	2,379	1,994
Depreciation and amortisation	34	17	100	76
Other operating expenses	2,561	4,559	9,508	13,814
Operating result	**1,432**	**1,660**	**3,980**	**4,286**
Net income from associates	**0**	**0**	**0**	**–1**
Interest income	70	7	154	61
Interest expenses	1,164	1,166	3,200	3,251
Financial result	**–1,094**	**–1,159**	**–3,045**	**–3,190**
Net profit before income taxes	**338**	**500**	**935**	**1,095**
Income taxes	270	232	443	419
Net profit	**69**	**268**	**492**	**676**
attributable to shareholders of the parent company	69	268	492	676
attributable to non-controlling interests	–	0	–	0
Earnings per share (EUR)	**0.00**	**0.03**	**0.03**	**0.07**

Consolidated Statement of Comprehensive Income

ESTAVIS AG	3rd quarter 11/12 1 Jan. 2012 – 31 March 2012	3rd quarter 10/11 1 Jan. 2011 – 31 March 2011	9 months 11/12 1 July 2011 – 31 March 2012	9 months 10/11 1 July 2010 – 31 March 2011
	TEUR	TEUR	TEUR	TEUR
Net profit	**69**	**268**	**492**	**676**
Available-for-sale financial assets	0	0	–1	0
Changes in fair value	0	0	–1	0
Reclassification recognised in profit or loss	0	0	0	0
Income taxes	0	0	0	0
Income directly recognized in equity	**0**	**0**	**–1**	**0**
Total comprehensive income	**69**	**268**	**491**	**676**
attributable to shareholders of the parent company	69	268	491	676
attributable to minority interests	–	0	–	0

Consolidated Cash Flow Statement

ESTAVIS AG		9 months 11/12 1 July 2011 – 31 March 2012	9 months 10/11 1 July 2010 – 31 March 2011
		TEUR	TEUR
Net profit		492	676
+	Depreciation/amortisation of non-current assets	100	76
+/–	Increase/decrease in provisions	–497	–1,758
+/–	Change in value of investment property	–240	–1,345
+/–	Other non-cash expenses/income	1	11
–/+	Gains/losses from the disposal of non-current assets	0	3
–/+	Increase/decrease in inventories, trade receivables and other assets that are not attributable to investing or financing activities	–18,663	14,669
+/–	Increase/decrease in trade payables and other liabilities that are not attributable to investing or financing activities	16,747	–14,160
=	**Cash flow from current operating activities**	**–2,059**	**–1,828**
+	Payments received from the disposal of property, plant and equipment	0	89
+	Payments received for the disposal of investment property	1,000	0
+	Payments received for the disposal of financial assets	43	33
–	Payments for investments in intangible assets	–11	–14
–	Payments for investments in property, plant and equipment	–23	–45
–	Payments for investments in property	–290	0
–	Payments for investments in non-current financial assets	0	–48
=	**Cash flow from investing activities**	**720**	**14**
–	Repayment of bonds and financial loans	–1,291	–6
=	**Cash flow from financing activities**	**–1,291**	**–6**
	Net change in cash and cash equivalents	–2,630	–1,820
+	Cash and cash equivalents at the beginning of the period	3,598	4,065
=	**Cash and cash equivalents at the end of the period**	**968**	**2,245**

Consolidated Statement of Changes in Equity

for the period from 1 July 2011 to 31 March 2012

ESTAVIS AG	Issued capital	Capital reserves	IAS 39 reserve	Retained earnings	Total
	TEUR	TEUR	TEUR	TEUR	TEUR
As of 1 July 2011	**14,319**	**48,198**	**1**	**–1,819**	**60,699**
Total comprehensive income	–	–	–1	492	491
As of 31 March 2012	**14,319**	**48,198**	**0**	**–1,327**	**61,190**

Consolidated Statement of Changes in Equity

for the period from 1 July 2010 to 31 March 2011

ESTAVIS AG	Issued capital	Capital reserves	IAS 39 reserve	Retained earnings	Equity attrib-utable to the shareholders of the parent company	Minority interests	Total
	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR
As of 1 July 2010	**9,546**	**45,249**	**–**	**–2,525**	**52,270**	**0**	**52,270**
Total comprehensive income	–	–	0	676	676	0	676
Costs of raising equity	0	–140		0	–140		–140
As of 31 March 2011	**9,546**	**45,109**	**0**	**–1,849**	**52,806**	**0**	**52,807**

Selected Disclosures on Condensed Consolidated Interim Financial Statements

1 Basic Information

ESTAVIS AG and its subsidiaries trade in property. Its activities centre on the acquisition, optimisation/modernisation and sale of residential properties, particularly in the higher-end price segments of the property market. Moreover, the Group is to a lesser extent active as property portfolio holder.

The company is based in Berlin, Germany. The company's shares are listed on the Frankfurt Stock Exchange for trading on the Regulated Market (Prime Standard).

On 31 March 2012, ESTAVIS AG acted as operating holding company for numerous special purpose entities.

These condensed consolidated interim financial statements were approved for publication by the company's Management Board in May 2012. The condensed consolidated interim financial statements were not checked by an auditor or subjected to review.

2 Significant Accounting Policies

The condensed consolidated interim financial statements for the third quarter of the 2011/12 financial year, which ended on 31 March 2012, were prepared in accordance with the provisions of IAS 34 "Interim Financial Reporting" as adopted by the EU by way of ordinance. The condensed consolidated interim financial statements should be read in conjunction with the most recent consolidated financial statement of ESTAVIS AG for the year ended 30 June 2011.

With the following exceptions, the accounting policies applied in the condensed interim consolidated financial statements are the same as those applied in the preparation of the most recent consolidated financial statements for the year ended 30 June 2011.

The current financial year is the first year in which the application of the following standards has become mandatory:

Standard/Interpretation	
IAS 24	Amendment: Related Party Disclosures
IFRIC 14	Amendment: Voluntary Prepaid Contributions under a Minimum Funding Requirement
Various	IFRS Improvements 2010

This did not result in any changes to the financial reporting for the ESTAVIS AG consolidated financial statements. No regulations were applied early.

All amounts posted in the balance sheet, income statement, consolidated statement of comprehensive income, statement of changes in equity and cash flow statement, as well as in the notes and tabular overviews, are quoted in thousands of euro (TEUR), unless otherwise noted. Both individual and total figures represent the value with the smallest rounding difference. Small differences can therefore occur between the sum of the individual values represented and the reported totals.

3 Consolidated Group

As of 31 March 2012, the condensed consolidated interim financial statements of ESTAVIS AG included 42 subsidiaries and one associate. The status quo of the consolidated group as of 30 June 2011 remained unchanged during the first semester of the ongoing financial year. During the third quarter, 2 property management companies expired by accruing to another property management company owned by the Group. An inactive property management company was acquired.

4 Supplementary Notes to the Individual Items of the Interim Financial Statements

4.1 Segment informations

Quarter on quarter, the segment results for the third quarter of the 2011/12 financial year present themselves as shown below:

	Retail trading		Other activities		Group	
	2011/12	2010/11	2011/12	2010/11	2011/12	2010/11
	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR
Revenues (external)	11,018	8,575	2,315	5,476	13,333	14,051
Revenues (internal)	–	–	–	–	–	–
Segment result	**159**	**–1,327**	**1,273**	**2,987**	**1,432**	**1,660**
Unallocated					–	–
Operating result					1,432	1,660
Net income from investments carried at equity	–	–	0	0	0	0
Financial result					–1,094	–1,159
Net profit before income taxes					338	500

Year on year, the segment results for the first 9 months of the 2011/12 financial year present themselves as shown below:

	Retail trading		Other activities		Group	
	2011/12	2010/11	2011/12	2010/11	2011/12	2010/11
	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR
Revenues (external)	35,109	34,820	5,384	9,129	40,493	43,949
Revenues (internal)	–	–	–	–	–	–
Segment result	**1,454**	**–883**	**2,526**	**5,169**	**3,980**	**4,286**
Unallocated					–	–
Operating result					3,980	4,286
Net income from investments carried at equity	–	–	0	–1	0	–1
Financial result					–3,045	–3,190
Net profit before income taxes					935	1,095

4.2 Income from changes in the value of investment properties and other income

During the third quarter, revenues in the Other activities segment included an item in the amount of TEUR 690 (previous year: TEUR 505) for certain liabilities having become barred by the statute of limitations. During the previous year, the Other activities segment also included revenues from the reversal of provisions for rental guarantees and pending construction obligations in the amount of TEUR 537, as well as from reversals of write-downs of investment property in the amount of TEUR 1,345. The actual change in value in investment properties during the second quarter in the amount of TEUR 240 was realised through the sale of an asset. The income is allocated to the Other activities segment. During the first quarter of the previous year, provisions for disputed claims from rental guarantees in the amount of TEUR 804 were reversed. The income is allocated to the Other activities segment.

4.3 Related party transactions

During the concluded financial year, Mr. Florian Lanz, CEO of ESTAVIS AG (until 17 April 2012), and Mr. Eric Mozanowski, member of the Management Board of ESTAVIS AG (until 31 December 2011), assumed guarantees amounting to TEUR 3,500 each for various loans granted to ESTAVIS Group. Remuneration of 5 % p. a. was agreed for each of them. Repayment of the loans guaranteed caused this guarantee to decline to TEUR 2,000 each by the end of the reporting period. During the third quarter, another guarantee for a new loan of ESTAVIS Group was granted in an amount of TEUR 1,000 subject to the same conditions.

One of the Group's member companies still had a liability to Mr. Florian Lanz in the amount of TEUR 138 by the balance sheet date. It results from a profit-sharing amount to which a sales partner was entitled in connection with a major project, but which that sales partner sold in parts to Mr. Lanz.

Mr. Eric Mozanowski acquired four apartments from several member companies at a price of TEUR 389.

Above and beyond this, there were no significant new related party transactions, nor were any of the related party transactions reported in the notes to the consolidated financial statements for the 2010/11 financial year changed or derecognised.

4.4 Employees

The ESTAVIS Group employed 37 staff by the end of the quarter. During the same quarter last year, there was a workforce of 46. On average, 48 employees were on the Group's payroll during the past financial year.

Financial Calendar

2012

27 September 2012	Annual Report 2011/12
19 November 2012	Quarterly report – 1st quarter 2012/13

All dates are provisional. Please check our website www.estavis.de for confirmation.

Forward-looking Statements

This interim report contains specific forward-looking statements. A forward-looking statement is any statement that does not relate to historical facts and events. This applies, in particular, to statements relating to future financial earning capacity, plans and expectations with respect to the business and management of ESTAVIS, growth, profitability and the general economic and regulatory conditions and other factors to which ESTAVIS is exposed.

Forward-looking statements are based on current estimates and assumptions made by the company to the best of its knowledge. Such forward-looking statements are based on assumptions and are subject to risks, uncertainties and other factors that may cause the actual results including the net asset, financial and earnings situation of ESTAVIS to differ materially from or disappoint expectations expressed or implied by these statements. The operating activities of ESTAVIS are subject to a number of risks and uncertainties that may also cause a forward-looking statement, estimate or prediction to become inaccurate.

Credits

ESTAVIS
REAL ESTATE PERFORMANCE

ESTAVIS AG
Uhlandstr. 165
10719 Berlin
Germany
Phone: +49 (0)30 887 181 - 0
Telefax: +49 (0)30 887 181 - 11
E-Mail: mail@estavis.de
Home: www.estavis.de

Management Board

Andreas Lewandowski, Jacopo Mingazzini

Chairman of the Supervisory Board

Dr. Karl-Josef Stöhr, Berlin

Contact

ESTAVIS AG
Investor & Public Relations
Phone: +49 (0)30 887 181 - 799
Telefax: +49 (0)30 887 181 - 779
E-Mail: ir@estavis.de

Concept and editing

Goldmund Kommunikation, Berlin
www.goldmund-kommunikation.de

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Power-DesignThing GmbH
www.derthing.de

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