alstria Q2 2012

Half-Year Financial Report
as per June 30, 2012

alstria
First German REIT

KEY FIGURES H1 2012

Corporate Responsibility Prime
rated by oekom research

alstria's business model is based on a solid foundation.
Take a look at the key figures shown in the table below:

in EUR k	Jan. 1 - Jun. 30, 2012	Jan. 1 - Jun. 30, 2011	Change (%)
Revenues and earnings			
Revenues	49,249	43,687	12.7
Net rental income	44,298	39,948	10.9
Consolidated profit for the period	21,712	18,813	15.4
FFO	20,759	16,561	25.3
Profit/loss per share (in EUR)	0.28	0.28	0.0
FFO per share (in EUR)	0.26	0.23	13.0
EPRA[1] earnings per share (in EUR)	0.28	0.23	21.7

	Jun. 30, 2012	Dec. 31, 2011	Change (%)
Balance sheet			
Investment property	1,628,710	1,528,589	6.5
Total assets	1,733,351	1,686,637	2.8
Equity	810,537	768,195	5.5
Liabilities	922,814	918,442	0.5
NAV/share (in EUR)	10.27	10.71	–4.1
G-REIT key figures			
G-REIT equity ratio	48.8%	48.7%	0.1pp
Revenues incl. other income from investment properties	100%	100%	0.0pp
EPRA[1] key figures			
Diluted EPRA NAV per share (in EUR)	10.76	11.32	–4.9
EPRA NNNAV per share (in EUR)	10.27	10.71	–4.1
EPRA net initial yield	5.7%	5.8%	–0.1pp
EPRA topped-up net initial yield	5.7%	5.8%	–0.1pp
EPRA vacancy rate	8.6%	6.5%	2.1pp

[1] Please refer to EPRA Best Practices Recommendations, www.epra.com.

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MANAGEMENT LETTER

Olivier Elamine
CEO

Alexander Dexne
CFO

LADIES AND GENTLEMEN, DEAR SHAREHOLDERS, BUSINESS PARTNERS AND TENANTS,

The second quarter of 2012 developed according to plan. Our acquisition strategy is paying off and the FFO per share improved by 13% to EUR 0.26 in the first half of 2012. The acquisitions of the recent months increased our revenue base, improved our profitability and immediately created earnings accretion for our shareholders. The latest transaction was closed in May 2012, thus only contributing partially to the half-year FFO and offering further potential for improvement. The lease-up of the vacancy that was acquired within the new assets will only add to the accretion.

Our real estate operations performed in line with expectations. As per publishing date of this report, 12,600 sqm of new leases were signed and leases for 32,600 sqm were extended this year. Although there is tough competition for tenants, we are still seeing a strong demand for office space. Offering the right asset at a competitive price is what drives success in the leasing market. Against that background we feel that alstria is in a good position to capture new tenants and benefit from today's liquid leasing markets. In order to be even more reactive in that respect and to be even closer to our assets, we have opened our first office in the city of Düsseldorf as of July 1, 2012.

Based on solid fundamentals the operating performance of the Company remained strong. Our revenues in the first half of 2012 were up by 12.7% to EUR 49.2 m and our FFO increased even more strongly by 25.3% to EUR 20.8 m. The disproportionate increase in our FFO is a result of our top-line growth and economies of scale, as our operating costs were flat compared to last year.

We therefore confirm our forecast for 2012 with a rental income increasing by 10% to EUR 100 m and our FFO growing by 15% to at least EUR 40 m.

Unlike the leasing market, the investment environment remains subdue, with core products being oversold, and pricing on the rest of the market still adjusting to reality. In the first half of 2012 we sold two assets for a total volume of EUR 8.4 m, and an average premium of 5% compared to the valuation as of December 31, 2011. While we still have around EUR 50 m of firepower and we are continuously scouting the market for new opportunities, we are under no time pressure to invest.

Kind regards

Olivier Elamine **Alexander Dexne**

ALSTRIA'S SHARE

SHARE PRICE DEVELOPMENT

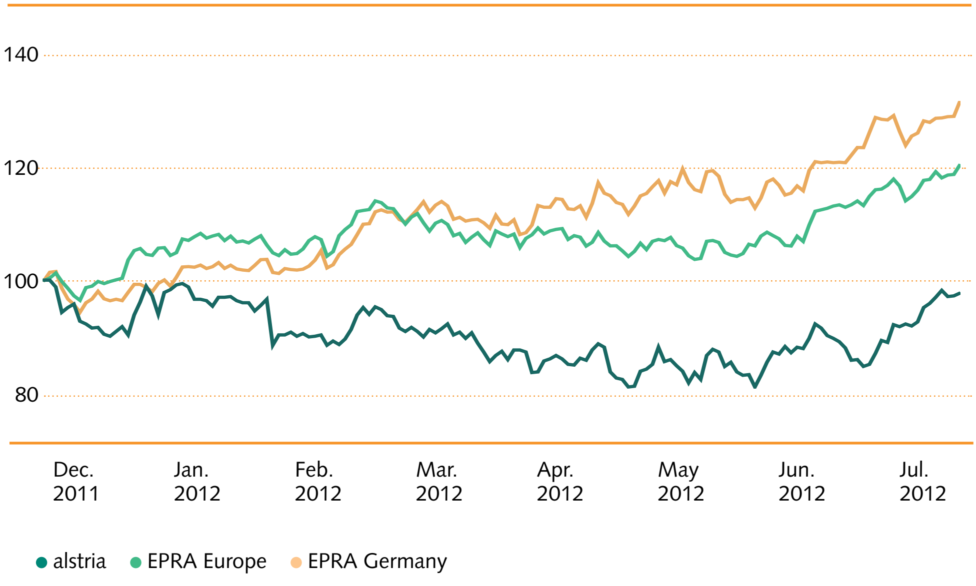
In the first half of 2012, the European debt crisis continued to impact the development of the stock markets. Whilst in the first quarter of the year positive economic data led to a positive performance of the German stock market, the second quarter repeatedly was dominated by concerns on the unresolved sovereign debt crisis in Europe. As per end of June 2012 the German DAX stood at 6,416 points and recorded under severe fluctuations an increase of 9% in the first six months of the year.

The alstria share underperformed the market in the first half of 2012. After the price of the alstria shares closed the financial year 2011 at EUR 9.20, the share price at the end of the first half of 2012 was EUR 8.35. In the course of the first six months 2012 the share price fluctuated between EUR 7.64 and EUR 9.20. The share price movements also reflected the dividend payment on April 25, 2012, which resulted in a corresponding markdown of the share price.

The Annual General Meeting of alstria office REIT AG held on April 24, 2012 resolved to grant a dividend entitlement of EUR 0.44 per share for the financial year 2011. As also the newly issued shares from the executed capital are entitled for dividend payments the total dividend amounted to EUR 34,705 k.

Share price development

June 30, 2012 – EUR 8.35



KEY SHARE DATA

		Jun. 30, 2012	Dec. 31, 2011
Number of shares	in thousand	78,933	71,704
thereof outstanding	*in thousand*	*78,933*	*71,704*
Closing price[1]	in EUR	8.35	9.20
Market capitalisation	in EUR k	659,091	659,677
Free float	in percent	80%	77%

		H1 2012	H1 2011
Average daily trading volume (all exchange and OTC)[2]	in EUR k	2,049	n.a.
thereof XETRA	*in EUR k*	*820*	*653*
Share price: high[1]	in EUR	9.20	11.18
Share price: low[1]	in EUR	7.64	9.57

[1] Xetra-closing share price
[2] Source: Bloomberg

CONSOLIDATED INTERIM MANAGEMENT REPORT

PORTFOLIO OVERVIEW

On June 30, 2012, alstria's portfolio consisted of 84 office properties and one retail property with approximately 930,000 sqm of lettable area and a contractual vacancy rate of 11.5%. The portfolio is valued at a yield of 6.5% and the remaining weighted average unexpired lease term is approximately 7.4 years. Additionally, alstria is 49% shareholder in two joint ventures.

For a detailed description of the alstria portfolio, please refer to the Annual Report 2011 (Part I/II - Company Report, pp. 42 to 61).

THE KEY METRICS FOR THE PORTFOLIO[1] AS OF JUNE 30, 2012:

Metric	Value
Number of properties	85
Number of joint ventures	2
Market value (EUR m)[2]	1,639
Contractual rent (EUR m/annum)	105.2
Valuation yield (contractual rent/fair value)	6.5%
Lettable area (in k sqm)	930
Vacancy (% of lettable area)	11.5%
WAULT (years)	7.4
Average rent/sqm (in EUR/month)	10.68

[1] Includes assets classified under property, plant and equipment.
[2] Excluding value of joint venture assets.

Transactions

In February 2012, alstria signed a binding and notarised agreement for the sale of one asset in Nuremberg. The transfer of benefits and burden took place on April 1, 2012.

In the first quarter of 2012, alstria successfully executed a capital increase and placed 7,170,362 ordinary bearer shares, increasing its nominal share capital from EUR 71,703,625 to EUR 78,873,987.

The funds raised through the capital increase – after deduction of fees and expenses in connection with the issuance – have been used to finance the equity portion of the acquisition of six assets. In February 2012, alstria signed a binding notarised agreement for the acquisition of a portfolio of these six assets, located in Düsseldorf, Frankfurt, Neu-Isenburg and Norderstedt (DIVE portfolio). The transfer of benefits and burden took place on May 1, 2012.

In May 2012, alstria signed a binding and notarised agreement for the sale of one asset in Hamburg. As the transfer of benefits and burden took place on July 1, 2012, after the reporting period, this asset is classified as "asset held for sale" as at June 30, 2012.

Additionally, in November 2011, alstria and its joint venture partners in the joint venture "Alte Post" signed a binding and notarised agreement for the disposal of the "Alte Post"-property. This asset has been transferred to the new owner in March 2012.

alstria's strong growth was partially based on the acquired assets in the Düsseldorf market. To maintain an appropriate asset and portfolio management, we established the first regional office in this German metropolis in July 2012.

Asset Management

In the first two quarters of 2012 alstria's asset management was successful with respect to re-letting vacant areas. alstria signed new leases* totalling approx. 8,900 sqm in the first half of 2012.

Due to the acquisition of value-add assets and the widening of the strategic vacancy, the vacancy rate increased to 11.5% or around 107,000 sqm. Of this 107,000 sqm, around 32,600 sqm represents strategic vacancy (intended vacancy implemented by alstria as part of its repositioning process for certain assets), while the remainder are operational vacancies.

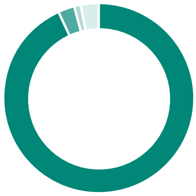
* New leases correspond to lease of vacant space. It does not account for any lease renewal, prolongation or tenant exercise of renewal option.

Tenants and utilisation

The key focus on a small number of anchor tenants remains one of the main characteristics of alstria's portfolio. About 72% of total rental revenues are generated by alstria's top ten tenants. The 2012 portfolio also reflects the clear focus on one single asset class: offices. These make up 93% of the total lettable area.

TOTAL PORTFOLIO BY UTILISATION

based on % of lettable area



Office	93
Retail	3
Residential	1
Others	3

ALSTRIA'S CORE TENANTS

based on % of annual rent

City of Hamburg	30
Daimler AG	15
Bilfinger Berger AG	6
Siemens AG	5
Barmer GEK	4
Deutsche Renten-versicherung Bund	3
Rheinmetall	3
Württembergische Lebensversicherung AG	3
L'Oreal Deutschland GmbH	2
HUK-COBURG	1
Others	28

EARNINGS POSITION

Revenues increased due to acquisitions

Revenues increased in the first half of 2012 by 12.7% compared to the first half of 2011 due to prior year's acquisitions. Revenues amounted to EUR 49,249 k (H1 2011: EUR 43,687 k) with real estate operating expenses of around 10.0% of revenues at EUR 4,903 k (H1 2011: EUR 3,729 k or 8.5% of revenues). As a consequence of the consolidation of the new assets, net rental income increased by EUR 4,350 k to EUR 44,298 k compared to the first half of 2011.

Administrative expenses and personnel expenses for the reporting period decreased by EUR 1,161 k to EUR 6,121 k (H1 2011: EUR 7,282 k). The higher administrative expenses in the first half of 2011 resulted mainly from expenses related to the placement of shares in the market in the first quarter of 2011. In the first half of 2012 total operating expenses amounted to 12.4% of total revenues (H1 2011: 16.7%).

alstria closed the first half of 2012 with a consolidated result of EUR 21,712 k. This compares to a consolidated result of EUR 18,813 k in the first half of the previous year. The increase in the consolidated profit is mainly due to higher revenues and lower operating expenses in the first two quarters of 2012.

FUNDS FROM OPERATIONS (FFO) AT EUR 0.26 PER SHARE

EUR k		Jan . 1 - Jun. 30, 2012	Jan. 1 - Jun. 30, 2011
Pre-tax income (EBT)		**21,730**	**18,813**
+/–	Net loss/gain from fair value adjustments on investment property	–255	–262
+/–	Net loss/gain from fair value adjustments on investment property of joint ventures	0	0
+/–	Net loss/gain from fair value adjustments on financial derivatives	585	–2,412
+/–	Profit/loss on disposal of investment property	145	0
+/–	Other adjustments[1]	–1,446	422
Funds from operations (FFO)[2]		**20,759**	**16,561**

[1] Non-cash income or expenses and non-recurring effects.
[2] FFO is not a measure of operating performance or liquidity under generally accepted accounting principles, in particular IFRS, and should not be considered as an alternative to the Company's income or cash-flow measures as determined in accordance with IFRS. Furthermore, no standard definition exists for FFO. Thus, the FFO or measures with similar names as presented by other companies may not necessarily be comparable to alstria's FFO.

Funds from operations (FFO) amount to EUR 20,759 k for the reporting period compared to EUR 16,561 k in the first half of 2011. The increase is mainly due to higher revenues of EUR 5,562 k (H1 2012: EUR 49,249 k; H1 2011: EUR 43,687 k) and lower operating costs of EUR 1,161 k (H1 2012: EUR 6,121 k; H1 2011: EUR 7,282 k).

As a result, FFO per share was EUR 0.26 in the first half of 2012 (H1 2011: EUR 0.23).

Hedging Instruments

alstria uses hedge accounting on qualifying hedges in order to limit the impact on profit and loss of the volatility of interest rate markets. This allows alstria to recognise losses or gains on the qualifying part of the derivatives through the equity cash flow hedge reserve with no effect on income. For more details, please refer to the notes to the consolidated financial statements as at December 31, 2011.

THE FOLLOWING DERIVATIVE FINANCIAL INSTRUMENTS EXISTED AS AT THE END OF THE REPORTING PERIOD:

			June 30, 2012		Dec. 31, 2011	
Product	Strike price p.a. (%)	Maturity date	Notional value (EUR k)	Fair value (EUR k)	Notional value (EUR k)	Fair value (EUR k)
Cap[1]	4.6000	20.10.2015	*47,902*	36	0	0
Cap	4.9000	20.12.2012	75,000	0	75,000	0
Swap	4.1160	10.07.2013	47,902	–2,093	47,902	–2,479
Financial derivatives - held for trading			**122,902[2]**	**–2,057**	**122,902**	**–2,479**
Cap	3.0000	17.12.2018	56,000	917	56,000	1,421
Cap	3.2500	31.12.2015	11,500	19	11,500	35
Cap	3.3000	20.10.2014	23,253	8	23,630	11
Cap	3.3000	20.10.2014	8,001	3	8,130	4
Swap	2.1940	31.12.2014	37,283	–1,585	37,283	–1,234
Swap[1]	4.6000	20.10.2015	0	0	*95,000*	–6,921
Swap	2.9900	20.07.2015	472,500	–33,178	472,500	–29,398
Financial derivatives – cash flow hedges			**608,537**	**–33,816**	**609,043[3]**	**–36,082**
Total			**731,439[2]**	**–35,873**	**731,945[3]**	**–38,561**

[1] (Forward Cap or Swap); not effective before July 10, 2013.

[2] Notional excluding the EUR 47,902 k not effective before July 10, 2013.

[3] Notional excluding the EUR 95,000 k not effective before July 10, 2013.

The value changes of the derivatives are reflected in various balance sheet items. The following table shows the change in financial derivatives since December 31, 2011:

		Financial derivatives				
		Financial assets		Financial liabilities		
in EUR k	Cash flow hedge reserve	Non-current	Current	Non-current	Current	Total
Hedging instruments as at December 31, 2011	**–17,760**	**1,471**	**0**	**–37,553**	**–2,479**	**–38,561**
Effective change in fair value cash flow hedges	–5,169	0	0	–5,169	0	**–5,169**
Ineffective change in fair value cash flow hedges	0	–524	0	–1	0	**–525**
Net result from fair value changes in financial derivatives not qualifying for cash flow hedging	0	0	–27	0	463	**436**
Reclassification of cumulated loss from equity to income statement	496	0	0	0	0	**0**
Changes in accrued interests concerning financial derivatives	0	0	0	–81	–77	**–158**
Acquisitions	0	0	63	0	0	**63**
Disposals	0	0	0	8,041	0	**8,041**
Hedging instruments as at June 30, 2012	**–22,433**	**947**	**36**	**–34,763**	**–2,093**	**–35,873**

A decrease of EUR 5,169 k of changes in fair values of derivatives effective in a cash flow hedge has been recognised in the hedging reserve in the first half of 2012 (H1 2011: increase of EUR 5,978 k).

The ineffective portion recognised in the profit or loss that arises from cash flow hedges amounted to a fair value loss of EUR 525 k (H1 2011: gain of EUR 2,120 k). Further gains totalling EUR 436 k (H1 2011: gain of EUR 1,020 k) due to the market valuation of derivatives not included in hedge accounting were recognised in the income statement.

A loss of EUR 496 k (H1 2011: EUR 727 k) relates to the cumulative losses from cash flow hedges for which the forecast transaction is no longer expected to occur due to premature repayment of the loans.

Together, this results in a loss of EUR 585 k (H1 2011: gain of EUR 2,413) which is shown as net result from fair value adjustments on financial derivatives.

Financial result
The following table shows the financial result for the period January 1 to June 30, 2012:

EUR k	Jan. 1 - Jun. 30, 2012	Jan. 1 - Jun. 30, 2011	Change
Interest expenses syndicated loan	–8,109	–8,332	–2.7%
Interest expenses other loans	–5,038	–4,034	24.9%
Interest result derivatives	–5,519	–5,357	3.0%
Other interest expenses	–31	–6	416.7%
Financial expenses	**–18,697**	**–17,729**	**5.5%**
Financial income	475	560	–15.2%
Other financial expenses	–32	–11	190.9%
Net financing result	**–18,254**	**–17,180**	**6.3%**

As at June 30, 2012 alstria was not in breach of any of its financial covenants.

Net financing costs increased by EUR 1,074 k to EUR 18,254 k in comparison with the first half-year of 2011. The increase is attributable to an increased average loan level compared to the previous reporting period.

Increase in consolidated net result driven by higher revenues and lower operating costs
The resulting consolidated net result amounts to EUR 21,712 k (H1 2011: EUR 18,813 k). The main reason for the increase in the consolidated net result compared to the same period in 2011 is based on higher revenues (H1 2012: EUR 49,249 k; H1 2011: EUR 43,687 k) and lower operating costs (H1 2012: EUR 6,121 k; H1 2011: EUR 7,282 k).

Earnings per share are EUR 0.28 for the first six months of 2012.

FINANCIAL AND ASSET POSITION

Financial management

alstria's financial management is carried out at corporate level, with individual loans being taken out at property and portfolio level. The main goal of alstria's financial policy is the establishment of secured, long-term structures to support the development of its business whilst providing the required degree of flexibility. Corporate management of debt financing forms the basis for harmonised capital procurement, optimised management of interest and liquidity risks and efficiency improvements for the whole Group.

In conjunction with the disposal of two assets EUR 5,064 k of the syndicated loan has been repaid in the first half of 2012.

EXISTING LOAN AGREEMENTS AS PER JUNE 30, 2012

Loan	Maturity	Principal Amount Outstanding (EUR k)	Current LTV (%)	LTV-Covenant (%)
Syndicated loan	Jul. 20, 2015	566,275	54.8	70.0%
Non-recourse loan #1	Oct. 19, 2015	47,902	70.8	80.0%
Non-recourse loan #2	Dec. 31, 2014	42,670	65.9	80.0%
Non-recourse loan #3	Jun. 30, 2014	30,331	59.0	60.0%
Non-recourse loan #4	Oct. 20, 2014	31,254	56.3	65.0%
Non-recourse loan #5	Jan. 31, 2017	72,637	60.8	75.0%
Loan #6	Dec. 31, 2015	11,500	60.5	75.0%
Loan #7	Dec. 17, 2018	56,000	48.8	60.0%
Total as of June 30, 2012		**858,569**	**52.5**	

Cash position is EUR 61,479 k

Cash flows from operating activities for the first six months amounted to EUR 23,036 k. The significant increase compared to the first half-year 2011 (EUR 11,985 k) resulted mainly from higher rental revenues and lower payments for interest expenses due to a change in interest payment dates.

The cash flow from investing activities is impacted by the cash outflows resulting from the acquisitions of the DIVE portfolio and investments in existing properties (cash outflow EUR 101,443 k). Cash inflows of EUR 8,440 k relate to payments received for the sale of two properties. Proceeds from the equity release of interests in joint ventures generated cash inflows in an amount of EUR 23,276 k.

The cash flows from financing activities mainly reflect the proceeds from shares issued in an amount of EUR 59,756 k net and the dividend payment (EUR 34,705 k). Furthermore cash outflows were made for the acquisition and termination of financial derivatives (EUR 8,104 k) and in an amount of EUR 6,233 k for the redemption of loans.

As a result, alstria ended the first half of 2012 with a cash position of EUR 61,479 k (June 30, 2011: EUR 130,495 k).

Investment property grew by 6.5%

The total value of investment property at reporting date amounts to EUR 1,628,710 k in comparison with EUR 1,528,589 k at the beginning of the financial year. The increase of investment property is particularly based on the acquisition of six assets in Düsseldorf, Frankfurt am Main, Neu-Isenburg and Norderstedt (DIVE portfolio).

Interests in joint ventures refer to the at-equity method consolidation of two joint venture companies.

DEVELOPMENT OF INVESTMENT PROPERTIES

in EUR k	
Investment properties at Dec. 31, 2011	**1,528,589**
Capital expenditure	6,445
Acquisitions	101,756
Disposals	–3,400
Reclassification	–4,935
Net gain from fair value adjustments on investment property	255
Investment properties at June 30, 2012	**1,628,710**
Fair value of owner-occupied properties	5,362
Fair value of properties held for sale	4,935
Interests in joint ventures	20,861
Fair value of immovable assets	**1,659,868**

Equity ratio of 46.8% – G-REIT equity ratio at 48.8%

The balance sheet reflects a total equity position of EUR 810,537 k with an equity ratio of 46.8% (December 31, 2011: EUR 768,195 k or 45.5%).

The G-REIT equity ratio which is defined as total equity divided by immovable assets is 48.8% (December 31, 2011: 48.7%). According to the G-REIT Act (REIT-Gesetz - REITG), the minimum requirement for compliance with G-REIT criteria is an equity ratio of 45% calculated at the end of the financial year.

NNNAV at EUR 10.27 per share

NNNAV (Triple Net Asset Value according to EPRA*) dropped from EUR 10.71, as at December 31, 2011 per share to EUR 10.27 per share. The 4% decrease in NNNAV per share should be considered in light of the 10% increase in the number of shares (June 30, 2012: 78,933,487 shares; December 31, 2011: 71,703,625 shares). If the current number of shares is taken as a basis for the calculation as at December 31, 2011, this results in a NNNAV per share of EUR 9.73. This result mirrors the specified increase of total equity.

Following the capital increase at the end of the first quarter 2012, equity increased by EUR 59,639 k as against December 2011. Due to a decline in fair value of financial instruments, the hedging reserve decreased by EUR 4,673 k from EUR -17,760 k as at December 31, 2011 to EUR -22,433 k as at June 30, 2012. The consolidated profit for the period resulted in equity growth of EUR 21,712 k. In total, this leads to an increase in equity from EUR 42,342 k to EUR 810,537 k.**

Long-term loans remain stable

After the drawdown of two new loans in late-2011, in the first half of 2012 the long-term loans remained relatively stable (June 30, 2012: EUR 848,583 k; December 31, 2011: EUR 854,814 k). The slight decrease is a result of the repayment of EUR 5,064 k of the syndicated loan in conjunction with the disposal of one asset in Nuremberg and one asset in Hamburg.

Increase in current liabilities

Current liabilities increased by 32.3% to EUR 28,208 k, which is mainly linked to the rise in current loans and other current liabilities. These other current liabilities, amounting to EUR 13,802 k mainly comprise accruals for outstanding invoices (EUR 3,027 k), deferred income (EUR 2,714 k) and other accruals (EUR 8,061 k). These other accruals contain the purchase price advanced payment for the sale of one asset, which is classified as "asset held for sale" in the amount of EUR 5,040 k.

* EPRA: European Public Real Estate Association, Best Practises Committee, Brussels, Belgium.
** See also the statement of shareholders' equity on page 22.

RISK AND OPPORTUNITY REPORT

The risks and opportunities to which alstria is exposed are described in detail in the Annual Report 2011. There have been no changes to the status in that report.

LATEST EVENTS AND OUTLOOK

In May 2012, alstria signed a binding and notarised agreement for the sale of one asset in Hamburg. As the transfer of benefits and burden took place on July 1, 2012, after the reporting period, this asset is classified as "asset held for sale" as at June 30, 2012.

Additionally, alstria signed two long-term lease contracts of around 3,700 sqm office space after the reporting period.

Financial guidance

Following the last acquisition, alstria expects revenues of around EUR 100 m and funds from operations (FFO) of around EUR 40 m for the year 2012.

DISCLAIMER

The management report contains statements relating to anticipated future developments. These statements are based on current assessments and are, by their very nature, exposed to risks and uncertainty. Actual developments may differ from those predicted in these statements.


ENGLISCHE PLANKE 2 HAMBURG

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

for the period from January 1 to June 30, 2012

in EUR k	Notes	Apr. 1 - Jun. 30, 2012	Apr. 1 - Jun. 30, 2011	Jan. 1 - Jun. 30, 2012	Jan. 1 - Jun. 30, 2011
Revenues		25,646	22,373	49,249	43,687
Income less expenses from passed on operating expenses		33	–9	–48	–10
Real estate operating expenses		–2,540	–2,397	–4,903	–3,729
Net Rental Income		**23,139**	**19,967**	**44,298**	**39,948**
Administrative expenses		–1,671	–1,728	–3,089	–4,191
Personnel expenses	6.1	–1,703	–1,610	–3,032	–3,091
Other operating income		874	341	2,321	804
Other operating expenses		–32	–6	–46	–42
Net gain from fair value adjustments on investment property		255	262	255	262
Loss on disposal of investment property	7.1	–145	0	–145	0
Net Operating Result		**20,717**	**17,226**	**40,562**	**33,690**
Net financial result	6.2	–9,068	–8,573	–18,254	–17,180
Share of the result of joint venture		–44	–79	7	–110
Net result from fair value adjustments on financial derivatives		–104	374	–585	2,413
Pre-Tax Income (EBT)		**11,501**	**8,948**	**21,730**	**18,813**
Income tax expense	6.3	–18	0	–18	0
Consolidated profit for the period		**11,483**	**8,948**	**21,712**	**18,813**
Attributable to:					
Shareholder		11,483	8,948	21,712	18,813
Earnings per share in EUR					
Basic earnings per share	6.4	0.15	0.12	0.28	0.28
Diluted earnings per share	6.4	0.15	0.12	0.28	0.28

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the period from January 1 to June 30, 2012

in EUR k	Notes	Apr. 1 - Jun. 30, 2012	Apr. 1 - Jun. 30, 2011	Jan. 1 - Jun. 30, 2012	Jan. 1 - Jun. 30, 2011
Consolidated profit for the period		**11,483**	8,948	**21,712**	18,813
Cash flow hedges		–3,590	–7,913	–5,169	5,978
Reclassification from cashflow hedging reserve		247	364	496	727
Other comprehensive result for the period		**–3,343**	–7,549	**–4,673**	6,705
Total comprehensive result for the period		**8,140**	1,399	**17,039**	25,518
Total comprehensive income attributable to:					
Owners of the Company		**8,140**	1,399	**17,039**	25,518

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at June 30, 2012

ASSETS

in EUR k	Notes	Jun. 30, 2012	Dec. 31, 2011
Non-Current Assets			
Investment property	7.1	1,628,710	1,528,589
Equity-accounted investments		20,861	44,128
Property, plant and equipment		4,588	4,576
Intangible assets		450	450
Derivatives		947	1,471
Total Non-Current Assets		**1,655,556**	**1,579,214**
Current Assets			
Assets held for sale	7.1	4,935	0
Trade receivables		4,196	2,449
Accounts receivable from joint ventures		92	2,095
Derivatives		36	0
Other receivables		7,057	6,870
Cash and cash equivalents	7.2	61,479	96,009
thereof restricted		*274*	*270*
Total Current Assets		**77,795**	**107,423**
Total Assets		**1,733,351**	**1,686,637**

EQUITY AND LIABILITIES

in EUR k	Notes	Jun. 30, 2012	Dec. 31, 2011
Equity	8.1		
Share capital		78,933	71,704
Capital surplus		769,158	751,084
Hedging reserve		–22,433	–17,760
Retained earnings		–15,121	–36,833
Total Equity		**810,537**	**768,195**
Non-Current Liabilities			
Long-term loans, net of current portion	8.2	848,583	854,814
Derivatives		34,763	37,553
Other provisions		3,791	3,767
Other liabilities		7,469	989
Total Non-Current Liabilities		**894,606**	**897,123**
Current Liabilities			
Short-term loans	8.2	6,193	4,505
Trade payables		5,741	3,201
Profit participation rights		361	291
Derivatives		2,093	2,479
Liabilities for current tax		18	0
Other current liabilities		13,802	10,843
Total Current Liabilities		**28,208**	**21,319**
Total Liabilities		**922,814**	**918,442**
Total Equity and Liabilities		**1,733,351**	**1,686,637**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the period ended June 30, 2012

in EUR k	Notes	Share capital	Capital surplus	Hedging reserve	Treasury shares	Retained earnings	Total Equity
As of January 1, 2012		**71,704**	**751,084**	**–17,760**	**0**	**–36,833**	**768,195**
Changes in H1 2012							
Consolidated profit		0	0	0	0	21,712	21,712
Other comprehensive income		0	0	–4,673	0	0	–4,673
Total comprehensive income		**0**	**0**	**–4,673**	**0**	**21,712**	**17,039**
Payments of dividends	9	0	–34,705	0	0	0	–34,705
Share-based remuneration		0	252	0	0	0	252
Proceeds from shares issued		7,170	53,778	0	0	0	60,948
Transaction costs of issue of shares		0	–1,310	0	0	0	–1,310
Conversion of convertible participation rights		59	59	0	0	0	118
As of June 30, 2012	8.1	**78,933**	**769,158**	**–22,433**	**0**	**–15,121**	**810,537**

for the period ended June 30, 2011

in EUR k	Notes	Share capital	Capital surplus	Hedging reserve	Treasury shares	Retained earnings	Total Equity
As of January 1, 2011		**61,600**	**700,036**	**–4,922**	**–26**	**–64,280**	**692,408**
Changes in H1 2011							
Consolidated profit		0	0	0	0	18,813	18,813
Other comprehensive income		0	0	6,705	0	0	6,705
Total comprehensive income		**0**	**0**	**6,705**	**0**	**18,813**	**25,518**
Payments of dividends	9	0	–31,503	0	0	0	–31,503
Share-based remuneration		0	171	0	0	0	171
Proceeds from shares issued		10,000	85,000	0	0	0	95,000
Transaction costs of issue of shares		0	–2,931	0	0	0	–2,931
Conversion of convertible participation rights		104	104	0	0	0	208
Conversion of treasury shares		0	–22	0	26	0	4
As of June 30, 2011	8.1	**71,704**	**750,855**	**1,783**	**0**	**–45,467**	**778,875**

CONSOLIDATED STATEMENT OF CASH FLOW
for the period from January 1 to June 30, 2012

in EUR k	Notes	Jan. 1 - Jun. 30, 2012	Jan. 1 - Jun. 30, 2011
1. Operating activities			
Consolidated profit for the period		21,712	18,813
Unrealised valuation movements		315	–2,635
Interest income	6.2	–475	–560
Interest expense	6.2	18,729	17,740
Result from income taxes	6.3	18	0
Other non-cash expenses (+)		380	749
Gain (-)/Loss (+) on disposal of fixed assets	9.9	145	0
Depreciation and impairment of fixed assets (+)		165	271
Decrease (+)/Increase (-) in trade receivables and other assets that are not attributed to investing or financing activities		–1,701	–2,497
Decrease (-)/increase (+) in trade payables and other liabilities that are not attributed to investing or financing activities		155	200
Cash generated from operations		**39,443**	**32,081**
Interest received		475	560
Interest paid		–16,882	–20,656
Net cash generated from operating activities		**23,036**	**11,985**
2. Investing activities			
Acquisition of investment properties	7.1	–101,443	–72,594
Proceeds from sale of investment properties	7.1	8,440	500
Payment of transaction cost in relation to the sale of investment properties		–145	0
Acquisition of other property, plant and equipment		–179	–1,479
Proceeds from the equity release of interests in joint ventures		23,276	1,225
Proceeds from the repayment of loans granted to joint ventures		1,771	0
Net cash flows used in investing activities		**–68,280**	**–72,348**

in EUR k	Notes	Jan. 1 - Jun. 30, 2012	Jan. 1 - Jun. 30, 2011
3. Financing activities			
Cash received from equity contributions	8.1	61,066	95,208
Payment of transaction costs of issue of shares	8.1	–1,310	–2,931
Proceeds from the disposal of own shares		0	4
Proceeds from the issue of bonds and borrowings		0	11,500
Payments of dividends	9	–34,705	–31,503
Payments for the acquisition and termination of financial derivatives		–8,104	–267
Payments of the redemption of bonds and borrowings		–6,233	–1,782
Payments of transaction costs		0	–159
Net cash generated from financing activities		**10,714**	**70,070**
4. Cash and cash equivalents at the end of the period			
Change in cash and cash equivalents (subtotal of 1 to 3)		–34,530	9,707
Cash and cash equivalents at the beginning of the period		96,009	120,788
Cash and cash equivalents at the end of the period *thereof restricted: EUR 274 k; previous year: EUR 259 k*	7.2	**61,479**	**130,495**

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS AT JUNE 30, 2012

1 Corporate information

alstria office REIT-AG, Hamburg, (hereinafter referred to as the 'Company' or 'alstria office REIT-AG' and, together with its subsidiaries, as 'alstria' or the 'Group'), is a German stock corporation registered in Hamburg. The Group's principal activities are described in detail in section 1 of the Notes to the consolidated financial statements for the financial year ended December 31, 2011.

The condensed interim consolidated financial statements for the period from January 1, 2012 to June 30, 2012 (hereinafter referred to as the 'consolidated interim financial statements') were authorised for issue by resolution of the Company's management board on August 2, 2012.

2 Basis of preparation

These consolidated interim financial statements were prepared in accordance with IAS 34 'Interim Financial Reporting'. They do not contain all of the disclosures and explanations required in annual financial statements and should therefore be read in conjunction with the consolidated financial statements as at December 31, 2011.

These condensed interim consolidated financial statements have not been audited. They have been reviewed by Deloitte & Touche GmbH Wirtschaftsprüfungsgesellschaft, Hamburg.

3 Significant accounting policies

The accounting policies applied are consistent with those policies applied in the Group's annual financial statements for the year ended December 31, 2011, as outlined in those annual financial statements.

The following new interpretations and amendments to standards and interpretations are mandatory for the first time for the financial reporting period beginning January 1, 2012:

› Amendments to IFRS 7 'Financial instruments: Disclosures', issued October 7, 2010. The amendments are applicable to financial years starting on or after July 1, 2011. The amendments require enhanced derecognition disclosures in case of transfer transactions of certain financial assets. As transfer transactions of financial assets are not a normal part of alstria's business, these amendments have no significant influence on alstria's financial reporting.

The initial application of the newly applied IFRS had no material effect on the presentation of the consolidated interim financial statements.

The following new standards, interpretations and amendments to published standards have been issued but are not effective for the financial year 2012 and have not been applied by the Group before they are mandatory:

› IFRS 9 'Financial instruments'; new standard issued November 12, 2009. The standard addresses the classification and measurement of financial assets and is likely to affect the Group's accounting of financial assets. Application of the standard is not mandatory until January 1, 2015. But subject to EU endorsement, the standard is available for early adoption. The Group has not yet assessed the full impact of IFRS 9.

› IFRS 10 'Consolidated financial statements'; new standard issued on May 12, 2011. The objective of IFRS 10 is to establish principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities. The standard supersedes the guidelines on consolidation as outlined in the present IAS 27 'Consolidated and Separate Financial Statements' and SIC-12 'Consolidation – Special Purpose Entities'. IFRS 10 is applicable to annual reporting periods beginning on or after January 1, 2013. It is not expected that the application of the new standard will lead to a change in the basis of consolidation of the Group.

› IFRS 11 'Joint arrangements'; new standard issued on May 12, 2011. The core principle of IFRS 11 is that a party to a joint arrangement determines the type of joint arrangement in which it is involved by assessing its rights and obligations, and accounts for those rights and obligations, in accordance with that type of joint arrangement. The standard supersedes IAS 31 'Interests in Joint Ventures' and SIC-13 'Jointly Controlled Entities – Non-Monetary Contributions by Venturers'. IFRS 11 is applicable to annual reporting periods beginning on or after January 1, 2013. It is not expected that the application of the new standard will lead to a change in the accounting for joint ventures.

- IFRS 12 'Disclosures of interests in other entities'; new standard issued on May 12, 2011. The objective of IFRS 12 is to require the disclosure of information that enables users of financial statements to evaluate the nature of, and risks associated with, the interests in other entities and the effects of those interests on their financial position, financial performance and cash flows. IFRS 12 is applicable to annual reporting periods beginning on or after January 1, 2013. The Group has not yet assessed the full impact of IFRS 12.
- IAS 27 'Separate financial statements'; new revised standard issued on May 12, 2011. IAS 27 (revised 2011) has the objective of setting standards to be applied in accounting for investments in subsidiaries, joint ventures, and associates when an entity elects, or is required by local regulations, to present separate (non-consolidated) financial statements. IAS 27 (2011) together with IFRS 10 'Consolidated Financial Statements' supersedes the previous version of IAS 27 (2008) 'Consolidated and Separate Financial Statements' including the related interpretation SIC-12 'Consolidation – Special Purpose Entities'. IAS 27 (revised 2011) is applicable to annual reporting periods beginning on or after January 1, 2013. Since none of alstria's Group companies prepares single entity financial statements in accordance with IFRS, no impact on accounting is expected as a result of the revised standard.
- IAS 28 'Investments in associates and joint ventures'; new standard issued May 12, 2011. The objective of IAS 28 (revised 2011) is to prescribe the accounting for investments in associates, and to set out the requirements for the application of the equity method when accounting for investments in associates and joint ventures. IAS 28 (2011), together with IFRS 12 'Disclosures of interests in other entities', supersedes the previous version of IAS 28 (2008) 'Investments in Associates'. IAS 28 (revised 2011) is applicable to financial years beginning on or after January 1, 2013. It is not expected that the application of the new standard will lead to a change in the accounting for joint ventures.
- An entity may apply the aforementioned standards IFRS 10 'Consolidated Financial Statements', IFRS 11 'Joint Arrangements', IFRS 12 'Disclosure of Interests in Other Entities', IAS 27 'Separate Financial Statements (2011)' and IAS 28 'Investments in Associates and Joint Ventures 2011' to an earlier accounting period, but if it elects to do this prematurely, it must adopt all standards together.
- IFRS 13 'Fair value measurement'; new standard issued on May 12, 2011. IFRS 13 defines fair value; it sets out in a single IFRS a framework for measuring fair value and requires disclosures about fair value measurements. IFRS 13 applies when another IFRS requires or permits fair value measurements or disclosures about fair value measurements (and measurements, such as fair value less costs to sell, based on fair value or disclosures about those measurements), except for share-based payment transactions within the scope of IFRS 2 'Share-based Payment', leasing transactions within the scope of IAS 17 'Leases', measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 'Inventories', or value in use in IAS 36 'Impairment of Assets'. IFRS 13 is applicable to annual reporting periods beginning on or after January 1, 2013. The Group has not yet assessed the full impact of IFRS 13.
- Amendments to IFRS 1 'Severe hyperinflation and removal of fixed dates for first-time adopters', issued on December 20, 2010. The amendment will be applicable for financial years starting on July 1, 2011 or later. Since alstria has no exposure to hyperinflation markets, the amendments will have no effect on alstria's financial reporting.
- Amendment to IFRS 1 with regard to government grants with interest rates not in line with market level. The Amendment was published on March 13, 2012 and will give first-time adopters the same relief to recognition and measurement of government grants as existing preparers. The amendment applies to annual periods beginning on or after January 1, 2013 and will have no effect on the Group's financial reporting.
- The IASB has revised the requirements for offsetting financial assets and financial liabilities and as a result, published amendments to IAS 32 'Financial instruments: presentation' and IFRS 7 'financial instruments: disclosure'. The current offsetting model in IAS 32 has been basically maintained and was solely substantiated by additional application guidance, which applies to annual periods beginning on or after January 1, 2014.

New features are the IFRS 7 disclosure requirements inserted in connection with certain settlement agreements. The amendments to IFRS 7 are to apply retrospectively for annual periods beginning on or after January 1, 2013. Impacts from these changes may result in terms of reporting in the event that there is a netting agreement.

- Amendments to IAS 1 'Presentation of financial statements'. On June 16, 2011, the International Accounting Standards Board (IASB) published amendments to IAS 1. The amendments to IAS 1 retain the 'one or two statement' approach at the option of the entity and only revise the way other comprehensive income is presented, requiring separate subtotals for those elements which may be 'recycled', and those elements that will not. The amendments are applicable to annual periods beginning on or after July 1, 2012, with early adoption permitted. The amendments are not expected to affect presentation of the Group's financial statements.
- Amendment to IAS 12 'Deferred tax: Recovery of underlying assets', issued on December 20, 2010. This amendment, which will have no impact on the financial reporting of alstria is generally to apply from January 1, 2012, but to date the endorsement by the EU is still pending.
- Amendments to IAS 19 'Employee benefits'. On June 16, 2011, the IASB published amendments to IAS 19, implementing new reporting procedures on employee benefits. The amendments are applicable to annual periods beginning on or after January 1, 2013, with early adoption permitted. The amendments are not expected to affect presentation of the Group's financial reporting.
- IFRIC 20 'Stripping costs in the production phase of a surface mine': IFRIC 20 considers when and how to account separately for benefits arising from the stripping activities in surface mining operations. IFRIC 20 applies to annual periods beginning on or after January 1, 2013. The interpretation has no relevance for the Group.
- The International Accounting Standards Board (IASB) issued 'Annual Improvements 2009-2011', a collection of amendments to IFRSs, in response to issues addressed during the 2009–2011 cycle. Five standards (IFRS 1, IAS 1, IAS 16, IAS 32 and IAS 34) are primarily affected by the amendments, with consequential amendments to numerous others. The improvements apply to annual periods beginning on or after January 1, 2013 and will be of minor, if any, relevance for the Group

4 Consolidated group

Two new entities - a limited partnership (Kommanditgesellschaft), alstria office Portfolio 2 GmbH & Co. KG, Hamburg, and its general partner (Komplementärin), alstria Portfolio 2 GP GmbH, Hamburg - were established in the first quarter 2012. As fully-owned affiliates of alstria office REIT-AG, these companies have been consolidated as part of the alstria Group. During the second quarter a merger agreement between alstria office REIT-AG and alstria Portfolio 2 GP GmbH was closed, leading to the accretion of the alstria Portfolio 2 GP GmbH on alstria office REIT-AG by way of an up-stream merger with an effective date of May 1, 2012.

There have been no further changes to the consolidated Group since the consolidated financial statements as of December 31, 2011.

5 Key judgements and estimates

Preparing the consolidated financial statements in accordance with IFRS requires assumptions and estimates to be made for various items that have an effect on the amount and disclosure of assets, liabilities, income and expenses. Actual amounts may vary from these estimates.

6 Notes to the Consolidated Income Statement

6.1 Personnel expenses

The personnel expenses shown in the profit and loss account totalling EUR 3,032 k (January 1 to June 30, 2011: EUR 3,091 k) include accrued bonuses in the amount of EUR 580 k (January 1 to June 30, 2011: EUR 544 k). Furthermore, personnel expenses of EUR 113 k (January 1 to June 30, 2011: EUR 397 k) relating to share-based compensation granted to the management are included (see note 11), as are expenses for share-based compensation resulting from the convertible profit participation rights granted to employees in an amount of EUR 358 k (January 1 to June 30, 2011: EUR 211 k).

6.2 Financial result

The following table shows a breakdown of the financial result.

in EUR k	Jan. 1 - Jun. 30, 2012 (unaudited)	Jan. 1 - Jun. 30, 2011 (unaudited)
Interest expenses syndicated loan	–8,109	–8,332
Interest expenses other loans	–5,038	–4,034
Interest result derivatives	–5,519	–5,357
Other interest expenses	–31	–6
Financial expenses	**–18,697**	**–17,729**
Financial income	475	560
Other financial expenses	–32	–11
Net financing result	**–18,254**	**–17,180**

There were no new loans taken out in the first six months 2012. The syndicated loan was amortised in an amount of EUR 5,064 k.

In line with alstria's hedging strategy, the Group entered into a new interest rate forward cap with a notional amount of EUR 47,902 k and a cap rate of 4.6000 %. The cap will become effective on July 10, 2013 and expires on October 20, 2015. This transaction became effective as at June 12, 2012.

The interest rate forward cap agreement partially replaced a so far existing interest rate forward swap with a notional amount of EUR 95,000 k, a swap rate of 4.6000 % and an initial maturity between July 10, 2013 and October 20, 2015. The forward interest rate swap agreement was terminated in the total notional amount of EUR 95,000 k with effect from June 14, 2012.

6.3 Income taxes

As a consequence of its status as a G-REIT, alstria office REIT-AG is exempt from German corporation tax (Körperschaftsteuer - KSt) and German trade tax (Gewerbesteuer - GewSt).

Minor tax payment obligations may arise for affiliates serving as a general partner of a partnership or REIT Service Companies.

For a detailed description of the tax implications, please refer to section 9.10 of the consolidated financial statements as at December 31, 2011.

6.4 Earnings per share

The table below shows the income and share data used in the earnings per share computations:

	Jan. 1 - Jun. 30, 2012 (unaudited)	Jan. 1 - Jun. 30, 2011 (unaudited)
Profit attributable to the shareholders (in EUR k)	21,712	18,813
Average number of shares outstanding (in thousands)	76,750	66,745
Basic earnings per share (in EUR per share)	0.28	0.28

7 Notes to the Consolidated Balance Sheet - Assets

7.1 Investment property

alstria office REIT-AG uses the fair value model pursuant to IAS 40.33 et seq. for revaluation. External appraisals were obtained for the determination of value as at December 31, 2011. A management review of fair values as at the date of the consolidated interim financial statements as at June 30, 2012 resulted in a fair value increase for investment properties held at December 31, 2011 totalling EUR 6,445 k. This amount relates to capitalised expenditure invested in the first half year of 2012 for refurbishment and project development. For a detailed description of the asset value determination process, please refer to section 7 of the consolidated financial statements as at December 31, 2011.

In the first six months of 2012, alstria office REIT-AG concluded binding and notarised sales agreements for the disposal of two office properties with a transaction price of EUR 8,440 k. One of the properties was transferred to the buyer in the second quarter of 2012. The transfer of benefits and burden of the other property took place on July 1, 2012. The property is shown under 'assets held for sale' as of June 30, 2012 accordingly.

In February 2012, alstria concluded a binding and notarised sales agreement for the acquisition of a property portfolio with six office properties. The transfer of benefits and burden of the properties took place in the second quarter 2012. The total investment for the portfolio amounted to EUR 101.756 k.

7.2 Cash and cash equivalents

As of June 30, 2012, EUR 274 k of total cash and cash equivalents (EUR 61,479 k) is subject to restrictions. The amount corresponds to accrued interest obligations and other amounts over which the Company may not freely dispose.

8 Notes to the Consolidated Balance Sheet - Equity and Liabilities

8.1 Equity

Please also refer to the consolidated statement of changes in equity for details.

Share capital

The issue of 7,170,362 new shares for cash increased the share capital of alstria office REIT-AG by EUR 7,170,362. The share capital increased from EUR 71,703,625 to EUR 78,873,987. This capital increase was registered in the commercial register on February 23, 2012.

The conversion of profit participation rights (Note 12) in the second quarter of 2012 resulted in the issue of 59,500 new shares by using the conditionally increased capital provided for such purposes (Conditional Capital III). On June 30, 2011 alstria office REIT-AG's share capital amounted to EUR 78,933,487, represented by 78,933,487 non-par value bearer shares.

The majority of the shares in the Company is in free float.

Capital reserve

The new shares generated from the capital increase were offered and sold at a price of EUR 8.50 per share. The issue proceeds by which the nominal share capital was exceeded amount to EUR 53,778 k and were recognised as capital reserve. After deduction of the expenses caused by the placement of shares of EUR 1,310 k the capital increase amounted to EUR 52,468 k net.

Treasury shares

On June 30, 2012, the Company held no treasury shares.

By resolution of the Annual General Meeting held on June 8, 2011, the Company's authorisation to acquire treasury shares was renewed. According to the resolution, alstria office REIT-AG is authorised to acquire up to 10% of the capital stock until June 8, 2016. There is no intention to make use of this authorisation at present.

Cash flow hedging reserve

in EUR k	Jun. 30, 2012 (unaudited)	Dec. 31, 2011 (audited)
As at January 1	–17,760	–4,922
Net changes in cash flow hedges	–4,673	–12,838
As at June 30 / December 31	**–22,433**	**–17,760**

This reserve includes the portion of the gain or loss on hedging instruments in cash flow hedge that is determined to be an effective hedge. The net changes for the decreased valuation of derivative financial instrument amount to -EUR 5,169 k. An amount of +EUR 496 k relates to reclassifications of cumulated devaluations of cash flow hedges, for which the forecast hedged transactions are no longer expected to occur due to the redemption of loans before maturity.

8.2 Financial Liabilities

As at June 30, 2012, the repayment amount of loans of alstria office REIT-AG amounted to EUR 858,569 k (December 31, 2011: EUR 864,801 k). The lower carrying amount of EUR 854,776 k (EUR 848,583 k non-current and EUR 6,193 k current) takes into account interest liabilities and transaction costs to be allocated under the effective interest method upon the raising of liabilities. Financial liabilities with a maturity of up to one year are recognised as current loans.

For a detailed description of the loans, loan terms and loan securities, please refer to section 11.2 of the consolidated financial statements as at December 31, 2011.

In relation to the disposal of two office buildings alstria repaid EUR 5,064 k on its syndicated loan in the reporting period 2012.

9 Dividends paid

	2012 (unaudited)	2011 (audited)
Dividends on ordinary shares[1] in EUR k (not recognised as a liability as at June 30):	34,705	31,503
Dividend per share in EUR	**0.44**	**0.44**

[1] Refers to all shares except treasury shares at the dividend payment date.

The Annual General Meeting of alstria office REIT-AG held on April 24, 2012 resolved to distribute dividends totalling EUR 34,705 k (EUR 0.44 per outstanding share). The dividend was distributed on April 25, 2012.

10 Employees

In the period from January 1 to June 30, 2012, the Company had an average of 53 employees (January 1 to June 30, 2011: average 45 people). The average number of employees was calculated on the basis of the total of employees at the end of each month. On June 30, 2012, 56 people (December 31, 2011: 50 people) were employed at alstria office REIT-AG, excluding the Management Board.

11 Share-based remuneration

As part of the success based remuneration for members of the Management Board a share-based remuneration system was implemented. The share-based remuneration is made up of a long-term component, the **Long-Term Incentive Plan (LTIP)**, and a short-term component, the **Short-Term Incentive Plan (STIP)**. The remuneration type is a cash-settled and share-based payment transaction respectively.

The development of the virtual shares until June 30, 2012 is shown in the following table:

Number of virtual shares	Jun. 30, 2012 (unaudited)		Dec. 31, 2011 (audited)	
	LTIP	STI	LTIP	STI
January 1	175,711	11,718	99,009	0
Granted in the reporting period	91,954	12,911	76,702	11,718
June 30 / December 31	**267,665**	**24,629**	**175,711**	**11,718**

In the first half year of 2012, the LTIP and the STI generated remuneration expenses amounting to EUR 113 k (H1 2011: remuneration expenses of EUR 397 k) and provisions amounting to EUR 1,022 k (December 31, 2011: EUR 909 k). The Group recognises the liabilities arising from the vested virtual shares under other provisions. Please refer to section 18 of the consolidated financial statements as of December 31, 2011 for a detailed description of the employee profit participation rights programme.

12 Convertible profit participation rights programme

Under the convertible profit participation rights scheme established by the Supervisory Board of alstria office REIT-AG on September 5, 2007, 201,200 convertible profit participation certificates ('certificates') existed as of June 30, 2012. 86,000 certificates had been issued to employees of alstria office REIT-AG with the granting date of June 18, 2012. The nominal amount of each certificate is EUR 1.00 and is payable on issuance. The fair value of the inherent options for conversion is estimated using a binary barrier option model based on the Black-Scholes pricing model. The model takes into account the terms and conditions upon which the instruments were granted.

The following table shows the inputs to the model used for the determination of the options for conversion granted on June 18, 2012:

	Jun. 18, 2012 (unaudited)
Dividend yield (%)	5.76
Risk-free interest rate (%)	0.04
Expected volatility (%)	38.00
Expected life option (years)	2.00
Exercise share price (EUR)	2.00
Employee fluctuation rate (%)	10.00
Stock price as of valuation date (EUR)	7.64

The fair value of one option for conversion at the granting date was EUR 5.45.

For a detailed description of the employee profit participation rights programme, please refer to section 19 of the consolidated financial statements as of December 31, 2011.

A total of 3,000 certificates were terminated in the course of the first half-year 2012. 59,500 certificates were converted into alstria shares in the second quarter of 2012.

13 Related parties

Except for the granting of virtual shares to the members of the Company's Management Board as detailed in note 11, no significant legal transactions were executed with related parties during the reporting period.

14 Significant events after the end of the reporting period

The property transaction in relation to the asset held for sale, described in note 7.1, was effected after the end of the reporting period.

15 Management Board

As of June 30, 2012, the members of the Company's Management Board are:

Mr Olivier Elamine (Chief Executive Officer)

Mr Alexander Dexne (Chief Financial Officer)

16 Supervisory Board

Pursuant to section 9 of the Company's Articles of Association, the Supervisory Board consists of six members, all of whom are elected by the Annual General Meeting of shareholders. The term of office for all members expires at the close of the Annual General Meeting of shareholders in 2016.

As at June 30, 2012, the members of the Supervisory Board are:

Mr Alexander Stuhlmann (Chairman)

Dr Johannes Conradi (Vice-Chairman)

Mr Benoît Hérault

Mr Roger Lee

Mr Richard Mully

Ms Marianne Voigt

Until March 31, 2012:

Mr Daniel Quai

Mr Daniel Quai resigned from his office as member of the Company's Supervisory Board as per March 31, 2012. Ms Marianne Voigt was appointed as member of the Supervisory Board by court in October 2011.

By resolution of the Annual General Meeting held on April 24, 2012 Mr Benoît Hérault and Ms Marianne Voigt were elected as members of the Supervisory Board of alstria office REIT-AG.

Hamburg, Germany, August 2, 2012

Olivier Elamine	Alexander Dexne
CEO	CFO

MANAGEMENT COMPLIANCE STATEMENT

"We confirm that, to the best of our knowledge, the consolidated financial statements give a true and fair view of the net assets, financial position and results of operations of the Group and the group management report gives a true and fair view of business performance including the results of operations and the situation of the Group, and describes the main opportunities and risks and anticipated development of the Group in accordance with the applicable financial reporting framework."

Hamburg, Germany, August 2, 2012

Olivier Elamine
Chief Executive Officer

Alexander Dexne
Chief Financial Officer

REVIEW REPORT

To the alstria office REIT-AG, Hamburg

We have reviewed the condensed interim consolidated financial statements of the alstria office REIT-AG, Hamburg, comprising the income statement, the statement of comprehensive income, the balance sheet, statement of changes in equity, cash flow statement and selected explanatory notes, together with the interim group management report of the alstria office REIT-AG, Hamburg, for the period from 1 January to 30 June 2012, that are part of the semi annual financial report pursuant to § 37w Abs. 2 WpHG [Wertpapierhandelsgesetz: German Securities Trading Act]. The preparation of the condensed interim consolidated financial statements in accordance with those IFRS applicable to interim financial reporting as adopted by the EU, and of the interim group management report in accordance with the requirements of the WpHG applicable to interim group management reports, is the responsibility of the company's management. Our responsibility is to issue a report on the condensed interim consolidated financial statements and on the interim group management report based on our review.

We conducted our review of the condensed interim consolidated financial statements and of the interim group management report in accordance with the German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Those standards require that we plan and perform the review such that we can preclude through critical evaluation, with a certain level of assurance, that the condensed interim consolidated financial statements have not been prepared, in material respects, in accordance with those IFRS applicable to interim financial reporting as adopted by the EU, or that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports. A review is limited primarily to inquiries of company employees and analytical assessments and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot issue an auditor's report.

Based on our review no matters have come to our attention that cause us to presume that the condensed interim consolidated financial statements have not been prepared, in material respects, in accordance with those IFRS applicable to interim financial reporting as adopted by the EU, or that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports.

Hamburg, 3 August 2012

Deloitte & Touche GmbH
Wirtschaftsprüfungsgesellschaft

Signed: (Reiher)
[German Public Auditor]

Signed: (p.p. Deutsch)
[German Public Auditor]

EVENTS 2012/13

SPECIAL DATES YOU SHOULD NOTE ...

NOVEMBER 6, 2012

Publication of Q3 Report
Interim Report (Hamburg)
Publication of Sustainability Report 2012

MARCH 1, 2013

Annual Press Conference
Financial Results 2012 (Frankfurt)

MAY 29, 2013

Annual General Meeting
Hamburg

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