Interim Report

1st Quarter 2011

fair value
REIT

Key figures of Fair Value REIT-AG

Revenues and earnings		1/1–3/31/2011	1/1–3/31/2010
Rental revenues	in € thousand	2,576	3,145
EBIT	in € thousand	1,213	2,035
Consolidated net income	in € thousand	1,828	1,209
Earnings per share	in €	0.20	0.13
Adjusted consolidated net income (EPRA-Earnings)	in € thousand	1,344	1,488
EPRA-Earnings per share	in €	0.14	0.16
Funds from Operations (FFO)	in € thousand	(210)	863
FFO per share	in €	(0.02)	0.09
Assets and capital		**3/31/2011**	**12/31/2010**
Non-current assets	in € thousand	179,744	177,480
Current assets	in € thousand	14,867	18,483
Total assets	in € thousand	194,611	195,963
Equity/Net asset value (NAV)	in € thousand	77,828	74,558
Equity ratio	in %	40	38
Immovable assets	in € thousand	179,463	179,701
Equity within the meaning of Section 15 of the REIT act	in € thousand	92,024	89,052
Equity ratio within the meaning of Section 15 of the REIT act (minimum 45%)	in %	51.3	49.6
Real Estate Investments[1]		**3/31/2011**	**12/31/2010**
Number of properties	amount	74	75
Market value of properties[2]	in € million	223	225
Contractual rent	in € million	18.2	18.4
Potential rent	in € million	19.6	19.7
Occupancy	in %	93.1	93.6
Remaining term of rental agreements	years	6.0	6.2
Contractual rental yield before costs	in %	8.2	8.2

[1] Relating to Fair Value's proportionate portfolio. For further information see Annual Report 2010, pages 8–18.
[2] Based on the market valuation dated December 31, 2010.

Further key figures

		3/31/2011	3/31/2010
Number of shares in circulation	in pieces	9,325,572	9,325,572
Net asset value (NAV) per share	in €	8.35	8.00
EPRA-NAV per share	in €	9.05	8.93
Number of employees (including Management Board)		3	3

Letter to Shareholders

Dear shareholders, ladies and gentlemen,

the German economy is continuing its strong upswing, supported by high demand for goods from abroad and also by a strong domestic economy. The turnaround of ECB's interest rate policy documents the sustainability of this trend and should motivate both companies and investors to accelerate their upcoming investment decisions. This environment was the basis for our successful start in the 2011 fiscal year.

Thus we were able to conclude the first quarter of 2011 with a consolidated net income of € 1.8 million resulting in a 50 % increase on the figures of € 1.2 million for the same period in the previous year. The increase compared to the previous year is primarily the result of an income effective market value increase of cash flow hedges in the equity accounted participations. The consolidated earnings adjusted for market value changes (EPRA-Earnings) amounted to € 1.3 million which was 25 % higher than forecast for 2011 on a quarterly basis.

On the balance sheet date, the group's equity capital amounted to € 77.8 million. The balance sheet net asset value (NAV) per share in circulation thus increased by 4 % to € 8.35. The REIT equity ratio increased from 49.6 % to 51.3 % of the immovable assets.

An occupancy rate in our proportionate real estate portfolio of approximately 93 % and an average remaining lease term of 6 years continues to provide us with a good level of planning confidence. The stable market environment helps us achieve lease renewals and new leasing agreements. As a result of the turnaround of ECB's interest rate policy, the market value of our cash flow hedges has also increased. This has had a positive impact on the consolidated net income and also on an increase in the consolidated equity, without affecting net income.

At the end of April 2011, the loan held by the associated company BBV 14, that had originally been fixed until December 31, 2014, was replaced by a new, variable interest rate property loan with a term of 5 years and by an interest rate cap. The result is that, already from 2011, the associated company will make savings of more than 50 % on the previous interest payments. This will have a corresponding positive effect, expected to amount to approximately € 0.6 million per annum, on the Fair Value REIT-AG proportionate IFRS earnings from equity accounted investments.

This success validates the soundness of the assessment made in our annual report for 2010 that over the course of the upcoming renewal of fixed-rate loans, there are opportunities for the sustained increase in the profitability of our existing portfolio.

Taking into account results from the first quarter, we therefore have raised our forecasts for the current financial year and also for next year. For 2011 we are now expecting an increase in the adjusted consolidated net income from € 4.3 million to € 5.0 million (€ 0.54 per share), and in 2012 we are expecting an increase from € 5.1 million to € 5.7 million (€ 0.61 per share).

Frank Schaich, CEO

The Share

Development of the Stock Market and the Fair Value Share

Stock markets continued to reflect the general economic upturn during the first quarter of 2011. The Fair Value share price generally developed in line with its benchmark index.

Development of Fair Value's share
January 3 to May 10, 2011

in €

Key data Fair Value REIT-AG's share

at March 31, 2011

Sector	Real Estate (REIT)
WKN (German Securities Code)/ISIN	A0MW97/DE000A0MW975
Stock symbol	FVI
Share capital	47,034,410.00 €
Number of shares (non-par value shares)	9,406,882 pcs.
Proportion per share in the share capital	€ 5.00
Initial listing	November 16, 2007
High/low 1st Quarter 2011 (XETRA)	€ 4.88/4.25
Market capitalization at March 31, 2010 (XETRA)	€ 40.9 million
Market segment	Prime Standard
Stock exchanges Prime Standard	Frankfurt, XETRA
Stock exchanges OTC	Stuttgart, Berlin-Bremen, Duesseldorf, Munich
Designated sponsors	DZ-Bank, biw Bank
Indices	RX REIT All Shares-Index, RX REIT-Index

The Fair Value share price started the year at € 4.75 on January 3, 2011 and then increased during the first part of the reporting period, generally in line with the DAXsubsector Real Estate benchmark index, reaching a high of € 4.88 on February 16, 2011. The price then fell in line with the industry trend until it reached € 4.25 in mid-March. On the reporting date of March 31, 2011, the share price of € 4.35 equated to a market capitalisation of € 40.9 million. Following publication of the financial results for 2010 on March 31, 2011, the share price rose sharply to reach € 4.80 in mid-April. By the beginning of May however, the price had settled again and was broadly in line with the DAXsubsector Real Estate at a price of € 4.55.

In the first quarter of this fiscal year, a total of approximately 0.33 million Fair Value REIT-AG shares were traded on all exchanges. This represents an increase of 42 % compared to the turnover during the same period in the previous year and reflects the increased interest of investors in the business. The trading volume was thus € 1.5 million, compared to approximately € 1.0 million during the same period in the previous year.

Further information about the share, the shareholder structure as well as other investor relations content is available on www.fvreit.de in the "Investor Relations" section.

Financial calendar

Fair Value REIT-AG	
May 31, 2011	Annual General Meeting, Munich, Germany
August 11, 2011	Semi-annual Report 2011
October 19, 2011	Presentation, 11th Conference of the Real Estate Share Initiative (Frankfurt/Main, Germany)
November 15, 2011	Interim Report 1st to 3rd Quarter, 2011
November 21–23, 2011	Presentation, German Equity Forum(Frankfurt/Main, Germany)

Group Interim Management Report

Economic Report

Business Activities and General Conditions

Real Estate Portfolio and Corporate Structure

The occupancy rate of the properties held directly by the group and by its associated companies fell slightly from the previous year, when calculated on a Fair Value proportionate basis, from 93.9 % to 93.1 %. The weighted remaining lease term amounted to 6.0 years on March 31, 2011 compared to 6.4 years in the previous year.

The following table provides a summary of the properties held directly by the group or by its subsidiaries, as well as the properties held by associated companies. The market values of the properties are based on the valuations carried out on the individual properties by external surveyor CB Richard Ellis GmbH dated December 31, 2010. These are listed in detail on pages 134 to 139 of the 2010 Annual Report. The right hand side of the following table shows rents, market values and contractual remaining lease terms, taking into account the proportionate participating interest in each property.

Direct investments and participations Fair Value REIT-AG					Fair Value REIT-AG's share					
	Plot size[1] [m²]	Lettable space[1] [m²]	Annualized contractrual rent p.a. 3/31/2011[1] [T€]	Market value 12/31/2010[1)2)] [T€]	Participating interest 3/31/2011 [%]	Annualized contractrual rent 3/31/2011[3] [T€]	Market value 12/31/2010[2)3)] [T€]	Occupancy level[4)6)] [%]	Ø-remaining term of rental agree-ments[5)6)] [years]	Contractual rental yield before costs [%]
Segment direct investments	58,624	42,948	3,206	45,417	100.0	3,206	45,417	96.3	11.1	7,1
Segment subsidiaries	162,207	119,845	7,103	853233	57.3	4,023	47,694	84.5	3.1	8,4
Total Group	**220,831**	**162,793**	**10,309**	**128,650**	**72.4**	**7,229**	**93,111**	**89.3**	**6.7**	**7,8**
Total associated companies	340,250	269,173	31,511	365,335	35.6	10,988	130,038	95.7	5.6	8,5
Total Portfolio	**561,081**	**431,966**	**41,820**	**493,985**	**45.2**	**18,217**	**223,148**	**93.1**	**6.0**	**8,2**

1) Does not consider the respective participating interest
2) According to valuation by CB Richard Ellis GmbH, Frankfurt/Main, December 31, 2010
3) Fair Value's proportionate shares in the participations
4) Contractual rent/(contractual rent + vacant space at standard market rent)
5) Income-weighted
6) (Sub) totals for occupancy level and average remaining lease term taking the respective percentage of participations into account

Macroeconomic and Sector Specific Conditions

Macroeconomic Situation The German economy is currently experiencing a period of strong growth that started in 2010, and is being supported by demand for exports as well as domestic economic growth. This economic boom has led to a significant increase in employment. In March 2011, approximately 3.2 million (previous year 3.6 million) people, or 7.6 % (previous year 8.5 %) of the civilian work force, were unemployed. During the first three months of this fiscal year, the seasonally adjusted number of unemployed people fell by 0.1 million, which can be seen as an indication that the upturn in the German economy has taken hold.

The consumer price index in Germany has also risen considerably as a result of the positive economic development in the country. In March 2011, this was 2.1 % higher than it had been in the previous year. In order to dampen this trend, the European Central Bank raised the base rate of interest in the Eurozone, which had been unchanged since May 2009, by 0.25 points to 1.25 % on April 13, 2011.

Source: German Federal Employment Agency, Destatis – The German Federal Office of Statistics, DIW, ifo Institute, Projektgruppe Gemeinschaftsdiagnose, The German Institute for Economic Research

Real Estate Market in Germany **The Rental Market** A leasing turnover of approx. 0.6 million m² was achieved in the first quarter of 2011 in the market for office space. This is approximately 12 % higher than the ten year average for the first quarter. The vacancy rate of 10.6 % remained stable in comparison to the previous quarter, confirming that the turnover continues to be generated by businesses moving rather than expanding. Increased rents are already becoming apparent in prime locations. In addition, incentives such as rent-free periods are now required to a lesser extent than previously.

The positive economic development, the positive trend in the labour market and increasing consumption all continue to support leasing activity in the retail market.

The Investment Market The German investment market experienced a dynamic start to 2011. The transaction volume in the six main locations[1] amounted to € 5.8 billion during the first quarter of 2011, the strongest level of turnover in terms of volume since the beginning of 2008. Due to high demand, increasing purchase prices are apparent in prime locations, and there has also been a resurgence of opportunistic investment activity. This can be seen as an indication that investors consider the positive economic development to be sustainable and their perception of the level of risk has changed correspondingly.

Sources: Jones Lang LaSalle
[1] Berlin, Düsseldorf, Frankfurt / Main, Hamburg, Munich, Stuttgart

Overall Statement of the Management on Business Performance

Fair Value REIT-AG ended the first quarter of the current fiscal year with a consolidated net income of € 1.8 million, or € 0.20 per share, a considerable improvement on the figure for the same period in the previous year of € 1.2 million, or € 0.13 per share. The increase compared to the previous year resulted primarily from an increase in the market value of cash flow hedges in the equity accounted participations.

The operating business result of the Fair Value Group becomes apparent in the consolidated net income adjusted for market value changes of the properties and interest rate derivatives, as well as for miscellaneous one-time effects (EPRA-Earnings):

Adjusted consolidated income (EPRA-Earnings)	**1/1–3/31/2011**				**1/1–3/31/2010**			
		Adjustment for extraordinary factors				Adjustment for extraordinary factors		
in € thousand	According to consolidated income statement	Profits/losses on sale and valuation	Interest rate swaps	**Adjusted consolidated income**	According to consolidated income statement	Profits/losses on sale and valuation	Interest rate swaps	**Adjusted consolidated income**
Net rental result	**1,947**	**–**	**–**	**1,947**	**2,633**	**–**	**–**	**2.633**
General administrative expenses	(515)	–	–	(515)	(528)	–	–	(528)
Other operating income and expenses	39	–	–	39	(19)	–	–	(19)
Earnings from sale of investment properties	(74)	74	–	–	(53)	53	–	–
Valuation result	(184)	184	–	–	–	–	–	–
Operating result	**1,213**	**258**	**–**	**1,471**	**2,033**	**53**	**–**	**2,086**
Result from equity-accounted investments	1,896	–	(633)	1,263	852	3	239	1,094
Interest income incl. withholding tax claims	10	–	–	10	12	–	–	12
Interest expense	(1,153)	–	(37)	(1,190)	(1,250)	–	15	(1,235)
Income before minority interests	**1,966**	**258**	**(670)**	**1,554**	**1,647**	**56**	**254**	**1,957**
Minority interests	(138)	(88)	16	(210)	(438)	(24)	(7)	(469)
Consolidated net income (loss)	**1,828**	**170**	**(654)**	**1,344**	**1,209**	**32**	**247**	**1,488**

The net rental result of € 1.9 million was approximately € 0.7 million or 27 % below the figure for the same period in the previous year of € 2.6 million. This difference is primarily due to lower rental income and higher real estate related costs in individual subsidiaries. The same reasons lie behind the adjusted operating result of € 1.5 million being lower than the figure in the previous year of € 2.1 million.

This is mainly due to temporary vacancies and, in the case of a property in Langenfeld (subsidiary IC 13), the taking over of a sub-let contract with a lower market rent from the previous principal tenant.
In turn, the premature cancellation of the general rental agreement was compensated for by a payment totalling € 2.5 million (of which € 0.5 million had already been paid in 2010). This compensation payment equates to the net present value of the contractual obligations of the principal tenant less the rent payable from the sub-let contract taken over.

The adjusted result from equity-accounted investments was approximately € 1.3 million, which equates to a 15 % increase on the previous year's figure of € 1.1 million and is primarily the result of increased net rental results in the associated companies.

Taking into account net interest expenses and the minority interest in the result, an adjusted consolidated net income (EPRA-Earnings) of € 1.3 million, or € 0.14 per share, was achieved in the first quarter of 2011 (same period in previous year: € 1.5 million or € 0.16 per share).

Income, Financial and Net Asset Position

Income Position

in € million	1/1–3/31/2011	1/1–3/31/2010	Change in € million	Change in %
Net sales	3.2	3.6	(0.4)	(11)
Net rental income	1.9	2.6	(0.7)	(27)
General adminstrative expenses	(0.5)	(0.5)	–	–
Result from sale and valuation result	(0.3)	(0.1)	(0.2)	(200)
Operating result	1.2	2.0	(0.8)	(40)
Income from participations	1.9	0.9	1.0	111
Net interest expense	(1.1)	(1.2)	(0.1)	(8)
Minority interests	(0.1)	(0.4)	(0.3)	(75)
Consolidated net income (-loss)	**1.8**	**1.2**	**0.6**	**50**

The group's net sales of € 3.2 million were 11 % lower than net sales during the same period in the previous year, which amounted to € 3.6 million. About one third of this difference resulted from the divestiture of sold properties and the other two thirds from temporary vacancies and the adjustment of contractual rents to current market levels.

The net rental result of € 1.9 million was approximately € 0.7 million lower than the figure of € 2.6 million recorded in the previous year. In addition to the differences in net sales already mentioned, the reasons for this were increased maintenance and re-letting expenses.

The sale and valuation costs of € 0.3 million include capitalized expenses attributable to rental-related alterations totalling € 0.2 million, which were in turn written off immediately.

The operating income of € 1.2 million was therefore around 40 % lower than the previous year's figure of € 2.0 million, primarily due to re-letting related expenses.

In contrast, the results of the equity accounted associated companies have more than doubled, increasing by € 1.0 million to € 1.9 million. Of this increase, 20 % is attributable to an increase in net rental income and 80 % to an improved valuation of derivative financial instruments, as recorded in the respective profit and loss statements.

Net interest expenses decreased by 8 %, from € 1.2 million to € 1.1 million. Taking into account the income attributable to minority interests in the subsidiaries, the Fair Value Group registered an IFRS consolidated net income of € 1.8 million (previous year: € 1.2 million). This equates to a 50 % improvement in income per share, at € 0.20 compared to € 0.13 in the previous year.

Financial Position

Funds from Operations (FFO) During the reporting period, FFO amounted to € −0.2 million, a fall of € 1.1 million from the previous year's figure of € 0.9 million. The difference is due to the payment of dividends to minority shareholders in subsidiaries and to the fact that the non cash-relevant income from participations forms a larger proportion of the consolidated profit than was the case in the previous year. When making a comparison to the expected figure of € 2.1 million for the full year 2011, account should be taken of the fact that cash relevant withdrawals from equity accounted participations generally only arise after the second quarter of the year.

Cash Flow from Operating Activities On the basis of the FFO key indicator, net cash from operating activities during the reporting period amounted as a result of changes in assets and liabilities to € 1.4 million. This includes the compensation payment of €2.0 million received at the beginning of 2011 for the premature termination of a lease in the IC 13 subsidiary. During the same period in the previous year, net cash from operating activities amounted to € 0.3 million.

Cash and cash equivalents in € thousand	1/1–3/31/2011	1/1–3/31/2010
Cash flow from operating activities	1,435	335
Cash flow from investment activities	2,241	2,932
Cash flow from financing activities	(2,532)	(1,305)
Change of cash and cash equivalents	**1,144**	**1,962**
Cash and cash equivalents – start of period	11,975	8,281
Cash and cash equivalents – end of period	**13,119**	**10,243**

Cash Flow from Investment Activities There was a cash inflow from investment activities of € 2.2 million, compared to € 2.9 million in the previous year. The cash inflow in each year resulted from the divestiture of sold properties.

Cash Flow from Financing Activities The repayment of bank liabilities resulted in cash outflows from financing activities amounting to € 2.5 million, compared to a figure of € 1.3 million in the same period in the previous year.

Cash and Cash Equivalents In the results for the reporting period, the group's liquid assets increased by 1.1 million to approximately € 13.1 million (previous year € 10.2 million).

Net Asset Position

Assets Compared to December 31, 2010, total assets decreased by around 1 % by March 31, 2011, from € 196 million to € 195 million, as a result of the divestiture of a sold property and the amortisation of bank liabilities.

Non-current assets of approximately € 179.7 million equated, as was the case in the previous year, to 92 % of total assets. Of these, 72 % or € 128.7 million were attributable to properties held as financial investments (unchanged from December 31, 2010). The equity accounted participations in associated companies are included in non-current assets, and account for 28 % or € 50.8 million of these (December 31, 2010: 27 % or € 48.5 million).

Current assets on the reporting date included € 13.1 million of liquid assets (88 %) and a further € 2 million (12 %) of receivables and other assets.

Equity and Liabilities On March 31, 2011, 60% of the assets were financed by liabilities and 40% by equity. It should be noted in this context that minority interests in subsidiaries, amounting to € 14.2 million, are classified in accordance with IFRS as liabilities. If such minority interests are classified as equity, as specified in the REIT law, the equity increases to € 92.0 million, which equates to 47 % of the total balance sheet assets (December 31, 2010: 45 %), or 51,3% of the immovable assets.

Financial Liabilities The group's financial liabilities amounted to a total of 50 % of total assets, compared to a figure of 51 % on December 31, 2010. Of these, 10 % or € 10.1 million (December 31, 2010: 12 % or € 11.5 million) were due within a year. About 40 % of the reduction in financial liabilities of € 2.5 million or 3 % compared to the end of the previous year is attributable to unscheduled repayments relating to the divestiture of a property.

Equity / Net Asset Value (NAV) By adding the market value of the properties and the participations, the net asset value (NAV) on March 31, 2011, taking into account miscellaneous balance sheet items, amounted to € 77.8 million, compared to a figure of € 74.6 million at the end of the previous year.

Based on the number of shares (9,325,572) in circulation on the reporting date, the group's NAV per share was € 8.35, compared to € 8.00 on December 31, 2010.

Balance sheet NAV

in € thousand		3/31/2011	12/31/2010
Market value of properties (including properties held for sale)		128,650	131,150
Equity-accounted participations		50,813	48,551
Miscellaneous assets minus miscellaneous liabilities		9,961	9,757
Minority interests		(14,196)	(14,494)
Financial liabilities		(96,571)	(99,103)
Other liabilities		(829)	(1,303)
Net Asset Value		**77,828**	**74,558**
Net Asset Value per share	in €	**8.35**	**8.00**

The key indicator EPRA-NAV shown below is based on the best practice recommendations issued by the European Public Real Estate Association (EPRA). As the company's REIT status means that deferred taxes are not an issue for Fair Value REIT-AG, the EPRA-NAV corresponds to the NNAV indicator cited by a number of industry experts.

EPRA-NAV in € thousand		3/31/2011	12/31/2010
NAV pursuant to consolidated balance sheet		77,828	74,558
Market value of derivative financial instruments		4,004	5,181
Thereof due to minority interests		(212)	(294)
Market value of derivate financial instruments of equity-accounted participations (proportionate)		2,801	3,802
EPRA-NAV		**84,421**	**83,247**
EPRA-NAV per share	in €	**9.05**	**8.93**

Supplementary Report

Retail Centre Concept in Krefeld Approved

The application made for a change in utilisation of the previous DYI (Do it yourself) store in Krefeld (subsidiary BBV 6) to a retail centre was approved in April 2011. The renovation work is already in progress. The previously reported building permit approval requirements in respect of rental contracts already concluded for all the retail areas thus no longer apply. The increase in the occupancy rate resulting from this successful asset management activity will start to have an effect on financial figures after completion of the renovation work and handover during the third quarter of 2011.

Early Repayment of Property Loan Successfully Implemented

At the end of April 2011, the associated company BBV 14 (Fair Value share of approximately 45 %) was able to repay ahead of schedule a loan that had been fixed until December 31, 2014. On March 31, 2011, this loan had an IFRS book value of € 49.3 million, or 58 % of the market value of the properties in Berlin, Dresden and Rostock, and an IFRS annual effective interest rate of 5.2 %. The prepayment penalty of € 1.3 million agreed with the previous lender, HSH Nordbank, was more than offset by the outstanding difference between the IFRS carrying value and the nominal repayment amount of approximately € 1.6 million, which is income effective according to IFRS.

The early repayment of the loan was financed by the taking out of a € 48.0 million variable interest rate loan with DG Hyp Deutsche Hypothekenbank AG based on EURIBOR and with a term of 5 years until March 31, 2016, for which a margin of 125 basis points was agreed. An interest rate hedging transaction was also concluded in order to safeguard against interest rate rises. This limits the EURIBOR interest burden to 4.25 % p.a. The current annualized interest rate is approximately 2.5 % and is thus more than 50 % less than the interest rate applicable to the previous loan. The resulting improvement in financing conditions will lead to significant improvements in financial results from 2011, amounting to approximately € 1.3 million per annum at the company level and approximately €0.6 million per annum according to Fair Value REIT-AG's proportionate share.

Risk Report

The Fair Value Group is exposed to various risks as a result of its business activities. In addition to general economic risks, the prime risks are leasing risks, rent default risks, interest rate risks and liquidity risks. The risk management system and a description of the general risks faced by the business are available in the Fair Value REIT-AG 2010 Annual Report, on pages 60 to 67. There was no change in the first quarter of 2011 to the existing risk assessment provided in detail in the 2010 Annual Report.

The Management Board continues to expect that follow-up financing of approximately € 6.5 million will be put in place for the Fair Value REIT-AG financial liabilities that become due at June 30, 2011, and that no increase in risk will occur in this respect over the next twelve months that could threaten the existence of Fair Value REIT-AG.

Forecast

The first quarter of 2011 constituted a good start to the fiscal year. Approximately 50 % of the rental agreements expiring in this quarter were compensated for by the concluding of new or renewal agreements. When the rental contracts already concluded for the Krefeld property, which is currently being renovated, are taken into account, the Fair Value proportionate occupancy rate increases to 94.1 %.

The successfully implemented early refinancing of the property liabilities in the associated company BBV 14 also provides the basis for better results of approximately € 0.6 million per annum from the real estate portfolio already from 2011 onwards.

Taking into account the results from the first quarter, which were 25 % higher than expected, the Management Board has raised the forecast for the adjusted consolidated net income for the entire current year from € 4.3 million to € 5.0 million (€ 0.54 per share), and the forecast for 2012 has also been raised from € 5.1 million to € 5.7 million (€ 0.61 per share).

Munich, May 12, 2011

Fair Value REIT-AG

Frank Schaich

Consolidated Interim Financial Statements

Balance Sheet

Consolidated balance sheet

in € thousand	Note no.	3/31/2011	3/31/2010
Assets			
Non-current assets			
Intangible assets		4	3
Property, plant and equipment		6	7
Investment property	3	128,650	128,650
Equity-accounted investments	4	50,813	48,551
Other receivables and assets		271	269
Total non-current assets		**179,744**	**177,480**
Current assets			
Non-current assets available for sale	5	—	2,500
Trade receivables		1,018	1,291
Income tax receivables		73	71
Other receivables and assets		657	2,646
Cash and cash equivalents		13,119	11,975
Total current assets		**14,867**	**18,483**
Total assets		**194,611**	**195,963**
Equity and liabilities			
Equity			
Subscribed capital		47,034	47,034
Share premium		46,167	46,167
Reserve for changes in value	6	(4,290)	(5,732)
Loss carryforward		(10,685)	(12,513)
Treasury shares		(398)	(398)
Total equity		**77,828**	**74,558**
Non-current liabilities			
Minority interests		14,196	14,494
Financial liabilities	7	86,511	87,556
Derivative financial instruments		4,004	5,181
Other liabilities		45	46
Total non-current liabilities		**104,756**	**107,277**
Current liabilities			
Provisions		185	241
Financial liabilities	7	10,060	11,547
Trade payables		998	1,083
Other liabilities		784	1,257
Total current liabilities		**12,027**	**14,128**
Total shareholder's equity and liabilities		**194,611**	**195,963**

Income Statement

Consolidated income statement

in € thousand	Note no.	1/1–3/31/2011	1/1–3/31/2010
Rental income		2,576	3,145
Income from operating and incidental costs		613	456
Leasehold payments		(5)	(57)
Real estate-related operating expenses		(1,237)	(911)
Net rental result		**1,947**	**2,633**
General administrative expenses	8	**(515)**	**(528)**
Total other operating income and expenses		**39**	**(17)**
Net income from the sale of investment properties		2,500	2,985
Expenses in connection with the sale of investment properties		(2,574)	(3,038)
Result from sale of investment properties	5	**(74)**	**(53)**
Valuation gains		–	–
Valuation losses		(184)	–
Valuation result	3	**(184)**	**–**
Operating result		**1,213**	**2,035**
Result from equity-accounted investments	4	**1,896**	**852**
Interest income		10	10
Interest expense	9	(1,153)	(1,250)
Income before minority interests		**1,966**	**1,647**
Minority interest in the result		(138)	(438)
Net income		**1,828**	**1,209**
Earnings per share in € (basic/diluted)		0.20	0.13

Statement of Comprehensive Income

Consolidated statement of comprehensive income in € thousand	1/1–3/31/2011	1/1–3/31/2010
Net income	**1,828**	**1,209**
Other results		
Change in cash flow hedges	1,140	(811)
Thereof due to minority interests	(66)	20
Change in cash flow hedges of associated companies	368	(189)
Total other results	**1,442**	**(980)**
Comprehensive income	**3,270**	**229**
per share	0.35	0.02

Statement of Changes in Equity

Consolidated statement of changes in equity in € thousand	Shares in circulation [in pcs.]	Subscribed capital	Share premium	Reserve for changes in value	Retained earnings	Own shares	**Total**
Balance at January 1, 2010	**9,347,790**	**47,034**	**46,167**	**(5,446)**	**(14,745)**	**(290)**	**72,720**
Purchase of treasury shares	(22,218)	—	—	—	—	(108)	(108)
Total net income	—	—	—	(980)	1,209	—	229
Balance at March 31, 2010	**9,325,572**	**47,034**	**46,167**	**(6,426)**	**(13,536)**	**(398)**	**72,841**
Balance at January 1, 2011	**9,325,572**	**47,034**	**46,167**	**(5,732)**	**(12,513)**	**(398)**	**74,558**
Total net income	—	—	—	1,442	1,828	—	3,270
Balance at March 31, 2011	**9,325,572**	**47,034**	**46,167**	**(4,290)**	**(10,685)**	**(398)**	**77,828**

Cash Flow Statement

Consolidated cash flow statement in € thousand	1/1–3/31/2011	1/1–3/31/2010
Net income	**1,828**	**1,209**
Adjustments to consolidated earnings for reconciliation to cash flow from operating activities		
Income tax expenses/(income)	(2)	–
Amortization of intangible assets and depreciation of property, plant and equipment	1	3
(Profits)/losses from the disposal of investment properties	74	53
Valuation result	184	–
Income from equity-accounted investments	(1,896)	(852)
Withdrawals from equity-accounted investments	2	2
Loss/(profit) of minority shareholders in subsidiaries	138	438
Disbursement to minority shareholders in subsidiaries	(502)	–
Result from the valuation of derivative financial instruments	(37)	15
Subtotal FFO (funds from operations)	**(210)**	**868**
Compensation payment received	2,000	–
Change in assets, equity and liabilities		
(Increase)/decrease in trade receivables	273	140
(Increase)/decrease in other liabilities	(13)	(73)
(Decrease)/increase in provisions	(56)	(65)
(Decrease)/increase in trade payables	(85)	(203)
(Decrease)/increase in other liabilities	(474)	(332)
Cash flow from operating activities	**1,435**	**335**
Investments in investment properties	(184)	–
Income from the disposal of investment properties	2,426	2,932
Investments in property, plant and equipment and intangible assets	(1)	–
Cash flow from investment activities	**2,241**	**2,932**
Purchase of treasury shares	–	(108)
Repayment of financial liabilities	(2,532)	(1,197)
Cash flow from financing liabilities	**2,532**	**(1,305)**
Cash effective change of liquid funds	**1,144**	**1,962**
Cash and cash equivalent – start of period	11,975	8,281
Cash and cash equivalent – end of period	**13,119**	**10,243**

Notes

(1) General Information about the Company

Fair Value REIT-AG (hereinafter referred to as "Fair Value" or "Company") has been listed on the stock market since November 16, 2007 and obtained REIT status on December 6, 2007. Since the 2007 fiscal year, it has therefore been exempt from business and corporation tax.

As a result of its participations in a total of twelve closed-end real estate funds, the company must prepare consolidated financial statements. A summary of the participations, including a short name and the full company name, is available on page 31 of the 2010 Annual Report.

(2) Accounting and Valuation Methods

Basis of the Preparation The Interim Consolidated Financial Statement has been prepared on the basis of the International Financial Reporting Standards ("IFRSs") in compliance with IAS 34 "Interim Financial Reporting".

Investment properties and financial derivatives are valued at fair value; interests held in associated companies are equity-accounted. All other valuations are based on cost.

Consolidation All subsidiaries are included in the consolidated financial statement. The scope of consolidation has not changed since December 31, 2010.

Accounting and Valuation Methods The same accounting and valuation methods are used for the quarterly report as for the consolidated financial statement on December 31, 2010.

Comparative Figures The comparison columns in the income and cash flow statements relate to the period from January 1 to March 31, 2010.

(3) Investment Property

Development of investment property

in € thousand	Direct investments	In subsidiaries	**Total**
Acquisition costs			
Balance at January 1, 2011	51,832	115,372	167,204
Additions (subsequent acquisition costs)	71	113	184
Balance at March 31, 2011	**51,903**	**115,485**	**167,388**
Changes in value			
Balance at January 1, 2011	(6,415)	(32,139)	(38,554)
Write-downs	(71)	(113)	(184)
Balance at March 31, 2011	**(6,486)**	**(32,252)**	**(38,738)**
Fair values			
Balance at January 1, 2011	45,417	83,233	128,650
Balance at March 31, 2011	**45,417**	**83,233**	**128,650**

The fair values used for the investment properties are those determined on December 31, 2010 by CB Richard Ellis GmbH, Frankfurt.

The depreciation of € 184,000 is the result of write downs on conversion costs arising for the Norderstedt, Ulzburger Str. 545 + 547 (Fair Value) and Neubrandenburg (IC 13) properties.

(4) Equity-accounted Participations

Development of equity-accounted participations

in € thousand	IC 12	IC 15	BBV 02	BBV 09	BBV 10	BBV 14	**Total**
Proportionate equity							
Balance at January 1, 2011	2,513	7,201	217	12,158	15,188	17,146	54,423
Withdrawals	—	—	—	(1)	(1)	—	(2)
Proportionate earnings	9	141	8	942	511	285	1,896
Profit from cash flow hedge	—	—	—	—	368	—	368
Balance at March 31, 2011	**2,522**	**7,342**	**225**	**13,099**	**16,066**	**17,431**	**56,685**
Value adjustment							
Balance at January 1, 2011/March 31, 2011	**(178)**	**(650)**	**(96)**	**(1,069)**	**(1,785)**	**(2,094)**	**(5,872)**
Carrying amounts							
Balance at January 1, 2011	2,335	6,551	121	11,089	13,403	15,052	48,551
Balance at March 31, 2011	**2,344**	**6,692**	**129**	**12,030**	**14,281**	**15,337**	**50,813**

This refers to participations with holdings of between 20 % and 50 %. The € 2,262,000 increase in the carrying amounts in comparison to December 31, 2010 consists of the proportionate earnings allocation to Fair Value in the reporting period, amounting to € 1,896,000, plus the proportional change in the value change reserve recorded without affecting net income, amounting to a total of € 368,000 including withholding tax on interest income and the solidarity surcharges amounting to € 2,000. The value adjustment arises from the net present value of company expenses not taken into account in the market valuations of the properties. For further information regarding the difference in value, please refer to the explanations on page 91 of the 2010 Annual Report.

Additional financial information pertaining to the equity-accounted associated companies is provided in the following tables, with the figures based on the group's participation in each of the associated companies rather than the respective companies in their entirety. The proportionate assets and liabilities of these companies are as follows prior to provision for changes in value:

Proportionate share of assets and liabilities of equity-accounted associated companies at March 31, 2011

in € thousand	IC 12	IC 15 (consolidated)	BBV 02	BBV 09	BBV 10	BBV 14	**Total**
Fair Value REIT-AG's share	40.27 %	38.89 %	40.45 %	25.16 %	38.37 %	45.11 %	
Investment property	2,932	14,242	663	30,886	43,072	38,244	130,039
Trade receivables	28	81	14	12	149	214	498
Other receivables and assets	5	352	14	169	38	514	1,092
Cash and cash equivalents	513	1,389	68	2,227	1,239	1,526	6,962
Provisions	(4)	(6)	(2)	(2)	(8)	(17)	(39)
Financial liabilities	(906)	(8,528)	(515)	(18,208)	(27,080)	(22,385)	(77,622)
Derivative financial instruments	—	—	—	(1,703)	(1,098)	—	(2,801)
Trade payables	(37)	(42)	(6)	(32)	(169)	(179)	(465)
Other liabilities	(9)	(146)	(11)	(250)	(77)	(486)	(979)
Net assets	**2,522**	**7,342**	**225**	**13,099**	**16,066**	**17,431**	**56,685**

Proportionate share of assets and liabilities of equity-accounted associated companies as of December 31, 2010

in € thousand	IC 12	IC 15 (consolidated)	BBV 02	BBV 09	BBV 10	BBV 14	**Total**
Fair Value REIT-AG's share	40.27 %	38.89 %	40.45 %	25.16 %	38.37 %	45.11 %	
Investment property	2,932	14,242	663	30,886	43,072	38,244	130,039
Trade receivables	28	26	16	16	130	227	443
Other receivables and assets	1	339	12	180	10	504	1,046
Cash and cash equivalent	509	1,477	66	1,904	1,156	917	6,029
Provisions	(6)	(11)	(3)	(5)	(10)	(18)	(53)
Financial liabilities	(912)	(8,618)	(521)	(18,372)	(27,335)	(22,430)	(78,188)
Derivative financial instruments	—	—	—	(2,261)	(1,541)	—	(3,802)
Trade payables	(25)	(47)	(6)	(49)	(195)	(182)	(504)
Other liabilities	(14)	(207)	(10)	(141)	(99)	(116)	(587)
Net assets	**2,513**	**7,201**	**217**	**12,158**	**15,188**	**17,146**	**54,423**

The proportionate income position of the equity-accounted companies for the reporting period compared to the same period of the previous year was as follows:

Proportionate income situation for the equity-accounted associated companies as of March 31, 2011

in € thousand	IC 10 [1]	IC 12	IC 15 (consolidated)	BBV 02	BBV 09	BBV 10	BBV 14	**Total**
Fair Value REIT-AG's share	0.00 %	40.27 %	38.89 %	40.45 %	25.16 %	38.37 %	45.11 %	
Rental income	–	48	295	22	747	966	711	2,789
Income from operating and incidental costs	–	25	30	2	17	74	183	331
Real estate-related operating expenses	–	(47)	(72)	(8)	(53)	(167)	(276)	(623)
Net rental income	**–**	**26**	**253**	**16**	**711**	**873**	**618**	**2,497**
General administrative expenses	–	(4)	(15)	(2)	(22)	(41)	(53)	(137)
Other operating income and expenses (balance)	–	(1)	3	–	–	6	11	19
Operating result	**–**	**21**	**241**	**14**	**689**	**838**	**576**	**2,379**
Net interest expense	–	(12)	(100)	(6)	(305)	(402)	(291)	(1,116)
Valuation result of derivative financial instruments with effect to net income	–	–	–	–	558	75	–	633
Financial result	**–**	**(12)**	**(100)**	**(6)**	**253**	**(327)**	**(291)**	**(483)**
Economic result	**–**	**9**	**141**	**8**	**942**	**511**	**285**	**1,896**

[1] The participation was sold with effect October 1, 2010.

Proportionate income situation for the equity-accounted associated companies as of March 31, 2010

in € thousand	IC 10[1]	IC 12	IC 15 (consolidated)	BBV 02	BBV 09	BBV 10	BBV 14	**Total**
Fair Value REIT-AG's share	26.14 %	40.22 %	38.37 %	39.68 %	25.11 %	38.37 %	45.11 %	
Rental income	48	48	287	20	745	962	676	2,786
Income from operating and incidental costs	19	30	27	3	18	66	152	315
Real estate-related operating expenses	(28)	(40)	(75)	(7)	(44)	(257)	(258)	(709)
Net rental income	**39**	**38**	**239**	**16**	**719**	**771**	**570**	**2,392**
General administrative expenses	(2)	(4)	(15)	(1)	(21)	(36)	(51)	(130)
Other operating income and expenses (balance)	–	3	(1)	(1)	(8)	2	2	(3)
Valuation result	–	–	(3)	–	–	–	–	(3)
Operating result	**37**	**37**	**220**	**14**	**690**	**737**	**521**	**2,256**
Net interest expense	(36)	(12)	(102)	(7)	(310)	(412)	(286)	(1,165)
Valuation result of derivative financial instruments with effect to net income	–	–	–	–	(212)	(27)	–	(239)
Financial result	**(36)**	**(12)**	**(102)**	**(7)**	**(522)**	**(439)**	**(286)**	**(1,404)**
Economic result	**1**	**25**	**118**	**7**	**168**	**298**	**235**	**852**

[1] The participation was sold with effect October 1, 2010; the results are entitled to Fair Value REIT-AG until September 30, 2010.

(5) Non-current Assets Available for Sale

in € thousand	**3/31/2011**	**12/31/2010**
Retail-property Essen-Heidhausen ("IC 01")	–	2,500
Total non-current assets available for sale	**–**	**2,500**

The valuation was carried out in the previous year and equates to the agreed purchase price. The closing for the property took place on January 31, 2011. Sales costs of € 74,000 were incurred.

The property was originally partially financed by a loan. This loan was repaid in full in conjunction with payment of the purchase price, taking into account an early repayment fee of € 13,000. An unscheduled repayment of € 235,000 was also made in connection with the loan remaining on the property in Alzey. An early repayment fee of € 14,000 was applicable in this case.

(6) Reserve for changes in value

Included in the reserve for changes in value currently reducing the equity capital are changes in value (with no effect on net income) relating to interest rate hedges, to the extent that these fulfil the requirements for "Hedge Accounting". Changes in value amounted to € 1,442,000 during the reporting period, of which € 1,140,000 apply to the Group, minus minority interests of € 66,000. Furthermore, this reserve contains the change amounting to € 368,000 in equity-accounted participations, to the extent that these have resulted from the cash flow hedges of the associated companies.

(7) Financial Liabilities

The long-term and short-term financial liabilities, which amount to a total of € 96,571,000, have decreased in comparison to December 31, 2010 because of scheduled repayments of € 1,476,000 and unscheduled repayments of € 1,056,000 resulting from property sales made by the IC 01 subsidiary.

(8) General Administrative Expenses

in € thousand	1/1–3/31/2011	1/1–3/31/2010
Personnel expenses	101	98
Office costs	11	12
Travel and vehicle expenses	13	15
Accounting	38	36
Stock market listing, general meeting and events	42	35
Valuations	33	31
Legal and consulting costs	59	27
Audit expenses	40	45
Remuneration (Supervisory and Advisory Boards, General Partner)	22	21
Fund management fees	55	97
Trustee fees	28	27
Amortization and depreciation	1	3
Other	41	38
Non-deductible VAT	31	43
Total general administrative expenses	**515**	**528**

Of the general administration expenses, € 379,000 (73.6 %) are attributable to Fair Value and € 136,000 (26.4 %) to the subsidiaries.

(9) Interest Expense

in € thousand	1/1–3/31/2011	1/1–3/31/2010
Valuation of derivative financial instruments	37	(15)
Other interest expenses	(1,190)	(1,235)
Total interest expenses	**(1,153)**	**(1,250)**

Interest expenses include earnings relating to the change in the fair value of derivative financial instruments (interest rate hedges) amounting to € 37,000. Of this sum, € 16,000 are attributable to the minority interests.

(10) Segment Revenues and Results

	1/1–3/31/2011		1/1–3/31/2010	
in € thousand	Segment revenues	Segment results	Segment revenues	Segment results
Direct investments	960	672	976	737
Subsidiaries	2,229	881	2,625	1,596
Total segment revenues and results	**3,189**	**1,553**	**3,601**	**2,333**
Earnings from equity-accounted participations		1,896		852
Central administrative expenses and other		(340)		(298)
Net interest expenses		(1,143)		(1,240)
Minority interest in the result		(138)		(438)
Net income		**1,828**		**1,209**

The following table shows the income statement of the segments in a less aggregated form. The "subsidiaries" segment is subdivided into individual companies (funds).

Income statement by segments as of March 31, 2011

in € thousand	Direct investments FV AG	IC 01	IC 03	IC 07	IC 13	BBV 03	BBV 06	Subsidiaries Total	Conso-lidation	Group
Rental income	811	43	119	112	442	164	885	1,765	–	2,576
Income from operating and incidental costs	149	13	39	64	119	34	195	464	–	613
Segment revenue	**960**	**56**	**158**	**176**	**561**	**198**	**1,080**	**2,229**	**–**	**3,189**
Leasehold payments	–	–	–	–	–	–	(5)	(5)	–	(5)
Real estate-related operating expenses	(169)	(28)	(45)	(102)	(206)	(42)	(645)	(1,068)	–	(1,237)
Net rental result	**791**	**28**	**113**	**74**	**355**	**156**	**430**	**1,156**	**–**	**1,947**
Administrative expenses related to segment	(48)	(9)	(7)	(7)	(21)	(34)	(58)	(136)	–	(184)
Other operating expenses and income (balance)	–	(1)	–	–	–	1	48	48	(9)	39
Income from sale of investment properties	–	(74)	–	–	–	–	–	(74)	–	(74)
Valuation result	(71)	–	–	–	(113)	–	–	(113)	–	(184)
Segment result	**672**	**(56)**	**106**	**67**	**221**	**123**	**420**	**881**	**(9)**	**1,544**
Central administrative costs	(331)	–	–	–	–	–	–	–	–	(331)
Income from equity-accounted participations	–	–	–	–	–	–	–	–	1,896	1,896
Other income from participations	647	–	–	–	–	–	–	–	(647)	–
Net interest expenses	(594)	(35)	(47)	(34)	(135)	–	(298)	(549)	–	(1,143)
Minority interests	–	–	–	–	–	–	–	–	(138)	(138)
Consolidated net income	**394**	**(91)**	**59**	**33**	**86**	**123**	**122**	**332**	**1,102**	**1,828**

Income statement by segments as of March 31, 2010

in € thousand	Direct investments FV AG	IC 01	IC 03	IC 07	IC 13	BBV 03	BBV 06	Subsidiaries Total	Conso-lidation	Group
Rental income	811	80	119	111	634	209	1,181	2,334	—	3,145
Income from operating and incidental costs	165	18	39	45	91	33	65	291	—	456
Segment revenue	**976**	**98**	**158**	**156**	**725**	**242**	**1,246**	**2,625**	**—**	**3,601**
Leasehold payments	—	—	—	—	—	—	(57)	(57)	—	(57)
Real estate-related operating expenses	(189)	(32)	(54)	(89)	(133)	(54)	(360)	(722)	—	(911)
Net rental result	**787**	**66**	**104**	**67**	**592**	**188**	**829**	**1,846**	**—**	**2,633**
Adminstrative expenses related to segment	(49)	(8)	(8)	(9)	(30)	(46)	(80)	(181)	—	(230)
Other operating expenses and income (balance)	(1)	(14)	(2)	(1)	1	—	—	(16)	—	(17)
Losses from sale of investment properties	—	—	—	—	—	(52)	(1)	(53)	—	(53)
Segment result	**737**	**44**	**94**	**57**	**563**	**90**	**748**	**1,596**	**—**	**2,333**
Central administrative costs	(298)	—	—	—	—	—	—	—	—	(298)
Income from equity-accounted participations	—	—	—	—	—	—	—	—	852	852
Net interest expenses	(600)	(24)	(48)	(38)	(143)	—	(387)	(640)	—	(1,240)
Minority interests	—	—	—	—	—	—	—	—	(438)	(438)
Consolidated net income	**(161)**	**20**	**46**	**19**	**420**	**90**	**361**	**956**	**414**	**1,209**

The following table shows, in a less aggregated form, all the allocated and non-allocated assets and liabilities for the segments, with the "subsidiaries" segment being subdivided into individual companies (funds).

Segment assets and liabilities as of March 31, 2011

	Direct investments							Subsidiaries		
in € thousand	FV AG	IC 01	IC 03	IC 07	IC 13	BBV 03	BBV 06	**Total**	Conso-lidation	**Group**
Intangible assets and property, plant and equipment	10	—	—	—	—	—	—	—	—	10
Investment property	**45,417**	**1,500**	**5,790**	**7,340**	**17,970**	**6,760**	**43,873**	**83,233**	**—**	**128,650**
Trade receivables	175	109	49	125	82	32	446	843	—	1,018
Income tax receivables	73	—	—	—	—	—	—	—	—	73
Other receivables and assets	341	8	41	24	88	252	244	657	(70)	928
Cash and cash equivalents	2,171	266	63	1,792	4,266	1,667	2,894	10,948	—	13,119
Segment assets	**48,187**	**1,883**	**5,943**	**9,281**	**22,406**	**8,711**	**47,457**	**95,681**	**(70)**	**143,798**
Participation in subsidiaries	30,082	—	—	—	—	—	—	—	(30,082)	—
Equity-accounted participations	47,050	—	—	—	—	—	—	—	3,763	50,813
Total assets	**125,319**	**1,883**	**5,943**	**9,281**	**22,406**	**8,711**	**47,457**	**95,681**	**(26,389)**	**194,611**
Provisions	(123)	(9)	(8)	(6)	(9)	(14)	(16)	(62)	—	(185)
Trade payables	(229)	(144)	(17)	(101)	(162)	(19)	(326)	(769)	—	(998)
Other liabilities	(109)	(62)	(42)	(98)	(40)	(36)	(443)	(443)	1	(829)
Subtotal segment liabilities	**(461)**	**(215)**	**(67)**	**(205)**	**(211)**	**(69)**	**(785)**	**(1,274**	**1**	**(2,012)**
Minority interests	—	—	—	—	—	—	—	—	(14,196)	(14,196)
Financial liabilities	(38,557)	(753)	(3,328)	(2,504)	(21,002)	—	(30,487)	(58,074)	60	(96,571)
Derivative financial liabilities	(3,525)	—	—	—	—	—	(479)	(479)	—	(4,004)
Total liabilities	**(42,543)**	**(968)**	**(3,395)**	**(2,709)**	**(21,213)**	**(69)**	**(31,751)**	**(59,827)**	**(14,135)**	**(116,783)**
Net assets	**82,776**	**915**	**2,548**	**6,572**	**1,193**	**8,642**	**15,706**	**35,854**	**(40,524)**	**77,828**

Segment assets and liabilities as of December 31, 2010

in € thousand	Direct investments FV AG	IC 01	IC 03	IC 07	IC 13	BBV 03	BBV 06	Subsidiaries Total	Conso-lidation	Group
Intangible assets and property, plant and equipment	10	—	—	—	—	—	—	—	—	10
Investment property	**45,417**	**1,500**	**5,790**	**7,340**	**17,970**	**6,760**	**43,873**	**83,233**	**—**	**128,650**
Non-current assets held for sale	—	2,500	—	—	—	—	—	2,500	—	2,500
Trade receivables	153	113	78	116	87	27	717	1,138	—	1,291
Income tax receivables	71	—	—	—	—	—	—	—	—	71
Other receivables and assets	380	35	42	—	2,036	251	235	2,599	(64)	2,915
Cash and cash equivalents	2,426	56	42	2,005	2,767	1,541	3,138	9,549	—	11,975
Segment assets	**48,457**	**4,204**	**5,952**	**9,461**	**22,860**	**8,579**	**47,963**	**99,019**	**(64)**	**147,412**
Participation in subsidiaries	30,082	—	—	—	—	—	—	—	(30,082)	—
Equity-accounted participations	47,052	—	—	—	—	—	—	—	1,499	48,551
Total assets	**125,591**	**4,204**	**5,952**	**9,461**	**22,860**	**8,579**	**47,963**	**99,019**	**(28,647)**	**195,963**
Provisions	(160)	(11)	(10)	(8)	(13)	(14)	(25)	(81)	—	(241)
Trade payables	(263)	(146)	(43)	(86)	(255)	(18)	(272)	(820)	—	(1,083)
Other liabilities	(116)	(71)	(44)	(139)	(200)	(28)	(709)	(1,191)	4	(1,303)
Subtotal segment liabilities	**(539)**	**(228)**	**(97)**	**(233)**	**(468)**	**(60)**	**(1,006)**	**(2,092)**	**4**	**(2,627)**
Minority interests	—	—	—	—	—	—	—	—	(14,494)	(14,494)
Financial liabilities	(39,145)	(1,821)	(3,366)	(2,689)	(21,285)	—	(30,857)	(60,018)	60	(99,103)
Derivative financial instruments	(4,517)	—	—	—	—	—	(664)	(664)	—	(5,181)
Total liabilities	**(44,201)**	**(2,049)**	**(3,463)**	**(2,922)**	**(21,753)**	**(60)**	**(32,527)**	**(62,774)**	**(14,430)**	**(121,405)**
Net assets	**81,390**	**2,155**	**2,489**	**6,539**	**1,107**	**8,519**	**15,436**	**36,245**	**(43,077)**	**74,558**

(11) Extent of Relationships with Related Parties

Receivables and liabilities with IC Group

in € thousand	1/1–3/31/2011	1/1–3/31/2010
Receivables	73	5
Liabilities from services	(40)	(7)
Total receivables and liabilities	**33**	**(2)**

No Auditor's Review

This report was not audited within the meaning of Section 317 of the Handelsgesetzbuch (German GAAP) or subject to an audit review by an auditor and thus does not include an auditor's opinion.

Declaration Concerning the German Corporate Governance Code

The current declarations by Fair Value REIT-AG's Managing and Supervisory Boards according to Section 161 of the AktG on the German Corporate Governance Code have been made permanently accessible on the company's Website.

Munich, May 12, 2011

Fair Value REIT-AG

Frank Schaich

Declaration by Legal Representative To the best of my knowledge, I declare that, according to the principles of proper consolidated reporting applied, the unaudited consolidated financial statements provide a true and fair view of the Group's net assets, financial position and results of operations, that the group interim management report presents the Group's business including the results and the Group's position such as to provide a true and fair view and that the major opportunities and risks of the Group's anticipated development are described.

Munich, May 12, 2011
Fair Value REIT-AG

Frank Schaich

Imprint

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