

Interim report for 1st half of 2007
I.R.E. German Property Holding B.V.



Reported to the Stockholm and Copenhagen Stock Exchange on August 31, 2007.

The Board of I.R.E. German Property Holding B.V. (“GPH”) has today held a Board Meeting at which the Interim report was considered. The Interim report is enclosed.

Summary:

GPH issued a bond in a private placement of € 32.0 million as per 1 March 2007 that subsequently was listed on the Stockholm and Copenhagen Stock Exchanges in May 2007. However this first Interim report is based on 6 months figures for the period 1 January – 30 June 2007.

The consolidated result before tax for GPH was a loss of € 186K compared to a loss of € 676K in the corresponding six-month period 2006.

Net operating income for the first six months amounts to €3.1 million and the equity of GPH per June 30, 2007 amounts to €15.8 million.

GPH owns 24 properties in Germany, in Berlin and Magdeburg with a total of 119,144 square metres. The main part (80.2%) is residential, offices (12.1%) and retail and others (7.7%).

The consolidated book value of the properties at June 30, 2007 amounts to €108.6 million.

Please address questions relating to this Notice to Daniel Akselson on telephone + 31 653304590.

Notice to the Stockholm Stock Exchange no. 4
Notice to the Copenhagen Stock Exchange no. 4
Interim report for 1st half of 2007
I.R.E. German Property Holding B.V.
Chamber of Commerce no. 32108902
Brediusweg 42
1401 AH Bussum
T +44 (0)20 7839 8686
F +44 (0)20 7495 1481
www.IREplc.com

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Statement by Management on the interim report

The Board has today presented the interim report for the period January 1, 2007 to June 30, 2007. The interim report has today been considered and approved.

The interim report has been presented in accordance with the International Financial Reporting Standards as well as additional requirements of the Stockholm and Copenhagen Stock Exchanges on the financial reporting of companies with listed bonds.

We consider the applied accounting policies appropriate and the accounting estimates and we believe that the interim report contains the information relevant for evaluation of GPH's financial affairs. We therefore believe that the interim report provides a true and fair view of GPH's financial position and of the results of its activities for the period January 1, 2007 to June 30, 2007.

This interim report has not been audited. The next interim report will be published on November 30, 2007.

Bussum, August 31, 2007

The Board

S.A.D. Akselson
Director

A. Schmidt
Director

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Financial review

GPH's comparative figures constitute the period January 1, 2006 up to June 30, 2006.

Its result before tax amounts to a loss of €186K compared with a loss of €676K in the comparative period.

Revenue for the first six months amounts to €4.97 million. On June 30, 2007 the equity of GPH amounts to €15.8 million.

GPH owns 24 properties in Germany, in Berlin and Magdeburg with a total of 119,144 square metres. The main part (80.2%) is residential, offices (12.1%) and retail and others (7.7%).

The book value of the properties as of June 30, 2007 amounts to €108.6 million. Value adjustments of properties have been recognised in the financial statement item value adjustments.

Accounting policies

This interim report has been prepared in accordance to the International Financial Reporting Standards (IFRS) as well as additional requirements of the Stockholm and Copenhagen Stock Exchanges on the financial reporting of companies with listed bonds.

Events after the end of the financial period

Management is not aware of events occurring after June 30, 2007 which would be expected to materially influence the financial position or outlook of the Group.

Interim consolidated financial statements

	(Amounts in €'000)	
	January 1, 2007 - June 30, 2007 6 months	January 1, 2006 - June 30, 2006 6 months
Income statement		
Revenue	3,088	1,973
Operating expenses	(846)	(388)
Value adjustments	199	0
Net operating income (NOI)	2,441	1,584
Administrative expenses	(112)	(509)
Result before depreciation (EBITDA)	2,328	1,076
Depreciation	(51)	(817)
Result before interest and tax (EBIT)	2,277	259
Net financials	(2,463)	(935)
Result before tax (EBT)	(186)	(676)
Result third parties	29	(27)
Tax on result for the period	(1)	(31)
Result after tax	(158)	(734)
Balance sheet		
Assets	June 30, 2007	June 30, 2006
Investment properties	108,595	58,140
Fixed asset investments	1,751	325
Receivables	6,835	2,553
Prepayments	944	1,213
Cash	1,419	1,559
Total assets	119,543	63,790
Equity and liabilities		
Equity	15,835	(2,182)
Share third parties	431	(14)
Deferred tax	6,363	0
Long-term liabilities	86,867	42,841
Short-term liabilities	10,047	23,146
Total equity and liabilities	119,543	63,790

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Statement of changes in equity

	(Amounts in €'000)	
	January 1, 2007 - June 30, 2007	January 1, 2006 - June 30, 2006
Equity at beginning of period	8,704	(1,449)
Increase of sharepremium reserve	7,239	0
Increase in sharecapital	50	0
Loss for the period	(158)	(734)
Equity at end of period	15,835	(2,182)

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Cashflow statement

	(Amounts in €'000)	
	January 1, 2007 - June 30, 2007 6 months	January 1, 2006 - June 30, 2006 6 months
Cashflow statement		
Operating result	2,277	259
Total depreciation	51	817
Addition to provision	307	0
Depreciation / movement provisions	358	817
Movement short-term receivables	6,496	2,211
Movement short-term liabilities	(18,611)	5,906
Movement working capital	(25,107)	3,695
Operating cash flow	(22,472)	4,771
Paid and received interest	2,463	935
Paid tax	0	31
Other operating activities	(2,463)	(966)
Cashflow from operating activities	(24,935)	3,805
Intangible fixed assets	1,222	(3,549)
Tangible fixed assets	9,396	18,401
Cashflow from investments	(10,618)	(14,852)
Withdrawal loans	32,677	12,375
Redemption of loans	7,428	113
Equity contribution	7,289	0
Cashflow from financial activities	32,538	12,262
Movement in cash	(3,015)	1,215