visionary | individual | beneficial

2010

Semi-Annual Report

VIB Vermögen AG

Group indicators (IFRS)

in € thousand	Jun 30, 2010	Dec 31, 2009	Dec 31, 2008
Balance sheet total	660,489	662,622	620,665
Equity	202,095	193,540	185,457
Equity ratio	30.6 %	29.2 %	29.9 %
Net debt	414,971	425,514	389,151
LTV ratio (in %)	64.4	65.4	65.6
NAV per share (in €)	12.23	11.85	11.06
FFO per share (in €)	0.47	0.95	0.67

in € thousand	H1 2010	H1 2009*	H1 2008*
Revenues	25,617	24,148	19,559
Operating income	26,149	24,809	22,741
EBIT	17,968	17,584	16,437
EBIT margin	68.7 %	70.9 %	72.3 %
Pre-tax earnings (EBT)	8,072	8,133	8,392
EBT margin	30.9 %	32.8 %	36.9 %
Consolidated net income	10,424	6,630	6,672
Earnings per share (in €)	0.57	0.38	0.34

* The comparative figures refer to the Real Estate segment.

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| Letter to shareholders

Dear Shareholders,

VIB Vermögen AG continued the positive operating growth it enjoyed in previous years in the first six months of 2010. We succeeded in further increasing both rental income and also consolidated earnings. In this regard, the many acquisitions made in the previous years fully paid off for the first time. These acquisitions increased our real estate portfolio to 85 properties and also improved our revenues and earnings.

A key milestone in the first six months of the year was, in particular, the Group's reorganization. Back in November 2009 we focused all of our activities in the Beverages segment in BHB Brauholding AG, creating the foundations for our future focus on the Real Estate segment. The second step was for the two long-standing managing directors in the Beverages segment to acquire an equity interest in the newly formed company as part of a capital increase. BHB Brauholding AG finally went public on July 8, 2010 in the m:access segment of Munich stock exchange. The successful placement of new shares reduced the Group's interest in BHB Brauholding AG to 35.5 % and this will thus be carried at equity in future. As of June 30, 2010, the Beverages segment is to be carried as discontinued operations according to IFRS 5. This already significantly increases the transparency of the results in this six-month report, as this now clearly portrays the Real Estate segment.

During the period under review we thus recorded consolidated revenues of € 25.6 million. This figure is thus up 6.1 % year-on-year. We were also able to increase our EBIT, which is also up year-on-year at € 18.0 million. After deducting all costs, our results from continued operations increased significantly by 57 % to € 10.4 million, in particular due to the positive impact from recalculating deferred taxes. The positive operating growth was mostly facilitated by two factors: Our tried-and-trusted business model and our employee's competence and dedication. Our business model is geared to security, with its careful and sustained financing structure – which clearly proved to be correct in the recent economic and financial crisis. This business model includes, in particular, a selective growth strategy, with strict investment criteria and a clear geographic focus on Southern Germany. 2008 and 2009 were characterized by dynamic growth on the real estate market, and the operating focus in the first half of 2010 was on optimizing the portfolio and active asset management. Our close contacts with our tenants and the fact that we enter into their needs means that our properties enjoy long-term, high-margin leases.

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We are optimistic that we will be able to meet the forecasts we have made for 2010. During the current year, we plan to lift revenues to around € 51.0 million. We are forecasting EBIT of € 37.0 million. We are forecasting consolidated pre-tax earnings prior to the valuation of our real estate of € 17.0 million. This is renewed evidence of the strong earnings that our business brings.

We would like to thank our employees who actively supported our group's restructuring, and who, at the same time, drive our operating real estate business. We would also like to thank you, our shareholders, for your trust in our company.

August, 2010

Ludwig Schlosser　　　　Peter Schropp

To our shareholders
Interim management report
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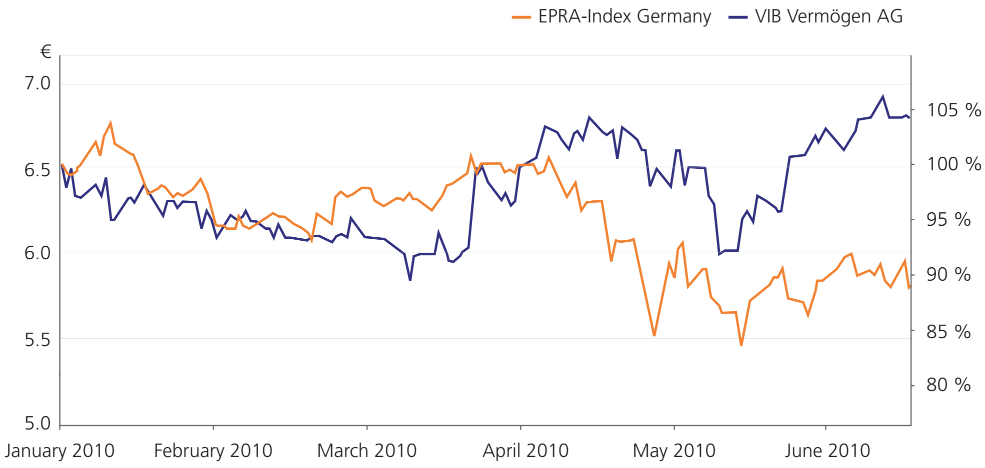
| Shares of VIB Vermögen AG

Key data

Ordinary shares	
German securities code number (WKN)	245751
ISIN	DE0002457512
Symbol	VIH
Number of outstanding shares	17,735,894
Industry	Real Estate
Stock exchanges/market segment	Munich/OTC m:access Frankfurt/OTC
Share type	No-par value bearer shares
Subscribed capital	€ 17,735,894
Nominal value per share	€ 1.00
Net asset value (NAV) per share as of Jun 30, 2010	€ 12.23
Balance sheet equity (consolidated) as of Jun 30, 2010	€ 202,095 thousand
Dividends per ordinary share for the fiscal year 2009	€ 0.25

Share price

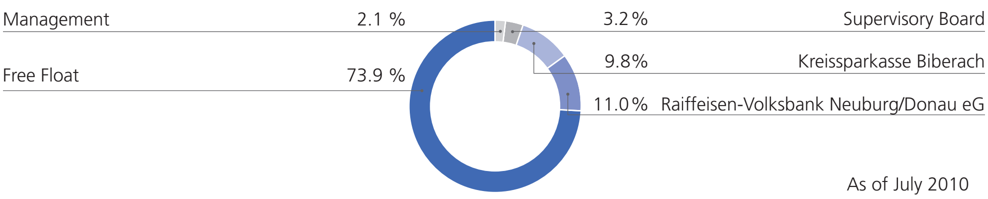


The situation on the financial markets in 2009 was still dominated by the effects of the global economic and financial crisis, and in the first six months of 2010 in particular the over indebted budgets of the so-called PIGS nations (Portugal, Italy, Greece and Spain) caused greater volatility on the capital market. It was only possible to stop Greece from going bankrupt in the spring by making great efforts. This insecurity had a massive impact on the bond market and on the euro in the spring of 2010. The stock markets came under substantial pressure in April and May after a fundamentally positive start to the new year.

Shares of VIB Vermögen AG (German Securities Code; WKN: 245751; ISIN: DE0002457512) again performed better than the real-estate specific peer index EPRA-Germany. During the period under review, the share price lifted by 3.8 % and thus broke away from the downwards trend in the first quarter. Since bottoming out at € 5.85 on March 15, 2010, the share price has increased significantly again. After a drop in May caused by the general environment on the capital market, the outperformance compared to the peer index could be clearly seen through to the end of the period under review. As a result of this upswing, the preliminary high for the year of € 6.90 was reached on June 24, 2010. The share price then consolidated and closed the first six months at a price of € 6.78. This corresponds to a market capitalization of around € 120 million. As a result, the share price was 44.6 % lower than the net asset value (NAV) of € 12.23 per share.

An average volume of around 17,000 shares were traded per day in XETRA trading, which means that the liquidity of VIB's shares was lower than the previous year's figure of 22,000 shares per day.

Shareholder structure



As of July 2010

The shareholder structure of VIB Vermögen AG is characterized by a healthy mix of free float and long-term institutional investors. Around 73.9 % of the shares are in free float. We acquired Kreissparkasse Biberach as an additional key investor for the company in the fall of 2009, and the shareholder structure was practically unchanged in the first six months of 2010. In addition to this investor's current voting rights of around 9.8 %, VIB Vermögen AG also has another regional bank as a long-term investor: Raiffeisen-Volksbank Neuburg/Donau eG, which currently holds an 11.0 % interest in the company. In addition, the management (2.1 %) and the Supervisory Board (3.2 %) hold interests in the company.

Investor Relations

Open, in-depth exchanges with analysts, investors, shareholders and the trade press is a top priority for VIB Vermögen AG. Transparent, up-to-the-minute and in-depth reporting aims to offer interested parties the opportunity of gaining an end-to-end picture of the company, which is listed on the Open Market and m:access. That is why VIB Vermögen AG publishes extensive annual and semi-annual reports (IFRS) and regularly publishes press releases on current business developments. In order to constantly expand the group of shareholders – including in international terms – the company publishes all of its publications that are of relevance to the capital market in German and English. The Managing Board also holds regular personal talks with analysts and investors. That is why VIB Vermögen AG participated in a large number of capital markets conferences in the first half of 2010 and presented its results to the financial community. Investor relations activities also focused on regular road shows in Germany and abroad.

Since the summer of 2009, VIB Vermögen AG's reporting has been supplemented by investment studies by the research companies SRC Research and SES Research. These reports can be downloaded from the "Investor Relations" page of the company's Web site, www.vib-ag.de.

Financial calendar

August 25, 2010	Publication of Half-Year Report 2010
September 7, 2010	Participation in the 20th m:access analysts' conference, Frankfurt
September 14, 2010	Participation in the Forum Financial Service, Frankfurt
October 28, 2010	Participation in Baader Small and Mid Cap Conference, Unterschleißheim

General Meeting

The annual general meeting for fiscal year 2009 was held in Neuburg/Donau on July 6, 2010. 56.54 % of issued shares attended the meeting, and all of the management's proposals were accepted with more than 99 % of votes cast. Resolutions were passed including to increase the dividend from € 0.20 to € 0.25. This was disbursed to shareholders on July 7, 2010.

The individual agenda items included the discharge of the Managing and Supervisory Boards, the appropriation of the balance sheet for 2009, the appointment of the auditor for fiscal year 2009 and changes to the articles of incorporation. In addition, contigent resolutions were passed for the acquisition of treasury shares excluding shareholders' subscription rights and to increase the authorized capital.

| VIB Vermögen AG – real estate portfolio

Overview

The real estate portfolio of VIB Vermögen AG and its subsidiaries is characterized by strong earnings and a broad, balanced risk diversification. The existing portfolio comprises 85 properties with rental space of 645,000 m². The vacancy rate of around 1.2 % means that the VIB Group is one of the top players among listed real estate companies, and proves the quality of the properties and the group's internal asset management.

Key figures
(as of June 30, 2010)

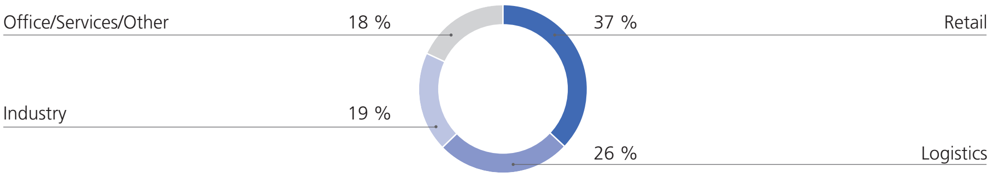
Number of properties	85 properties
Usable area	approx. 645,000 m²
Annualized rental income	approx. € 43.7 mn
Vacancy rate	approx. 1.2 %

The market value of the portfolio (valued as of December 31, 2009) totals around € 637 million (including properties under construction and the shelf properties), and the average rental return for all of the VIB Group's properties totals 7.13 % in terms of their market values. The rental returns in the Industry and Logistics segments are particularly attractive at more than 7.5 % in each case. In parallel, properties mostly used for retail purposes record average rental returns of around 6.9 %. This figure totals around 6.7 % in the office and services sector and for other properties. In this regard, it must be noted that particularly long leases are generally agreed for the two latter types of use. This also increases the forecasting security with regard to future cash flows. The result is that VIB Vermögen AG's portfolio has a healthy mix of high-margin industrial and logistics properties together with retail and service properties which offer particularly stable income.

Rental return by industry, based on market values as of December 2009
(as of June 30, 2010)

The properties are relatively evenly distributed among the various types of use, which means that VIB Vermögen AG's risks are also highly diversified. Around 37 % of the net rental income is generated by renting retail properties, with a further 26 % stemming from the logistics segment. Office, service and other properties accounted for around 18 % of net rental income. Industrial properties accounted for around 19 %. This broad portfolio spread across various industries reduces VIB Vermögen AG's dependency on developments in individual sectors.

VIB Group's real estate portfolio by net rental income/segment
(as of June 30, 2010)



In addition, VIB Vermögen AG's real estate portfolio also features rental agreements with a high average residual term. At the same time, it must be noted that agreements with shorter terms often exist with long-standing tenants, e.g. in the catering sector. These tenants generally have an annual right to terminate the agreement after a certain contractual period. However, experience shows that these are only actually terminated in exceptional cases. Otherwise the agreement extends automatically by a further year.

In addition, the tenants have good or excellent credit ratings. Prior to concluding rental agreements, the VIB Group places particular emphasis on carefully checking its potential contractual partners. Concluding agreements with economically solid tenants significantly reduces the risks of rent being defaulted.

In addition, the VIB Group's tenant structure is very diverse. Only one tenant accounts for more than 10 % of the total net rental income. This tenant operates specialist garden centers in Germany, is a market leader, and has been running a successful business model for many years. The VIB Group's major tenants also include highly creditworthy industrial companies and robust retail groups. Almost half of the net rental income stems from a large number of agreements with comparatively small tenants.

VIB Group's top 10 tenants

(as of June 30, 2010)

Tenant name	Percentage of total net rental income
Garden Center Retailer (15 outlets)	14.24 %
Rudoph Group	8.07 %
Gillhuber Logistik GmbH	4.97 %
Continental Automotive GmbH	4.20 %
Loxxess Group	4.09 %
Bayerische Motoren Werke Aktiengesellschaft	3.57 %
Faurecia Autositze GmbH	3.23 %
Edeka Group	3.19 %
Lidl-Schwarz Group	2.55 %
Scherm Tyre & Projekt Logistik GmbH	2.52 %
Other	49.37 %
Total	**100 %**

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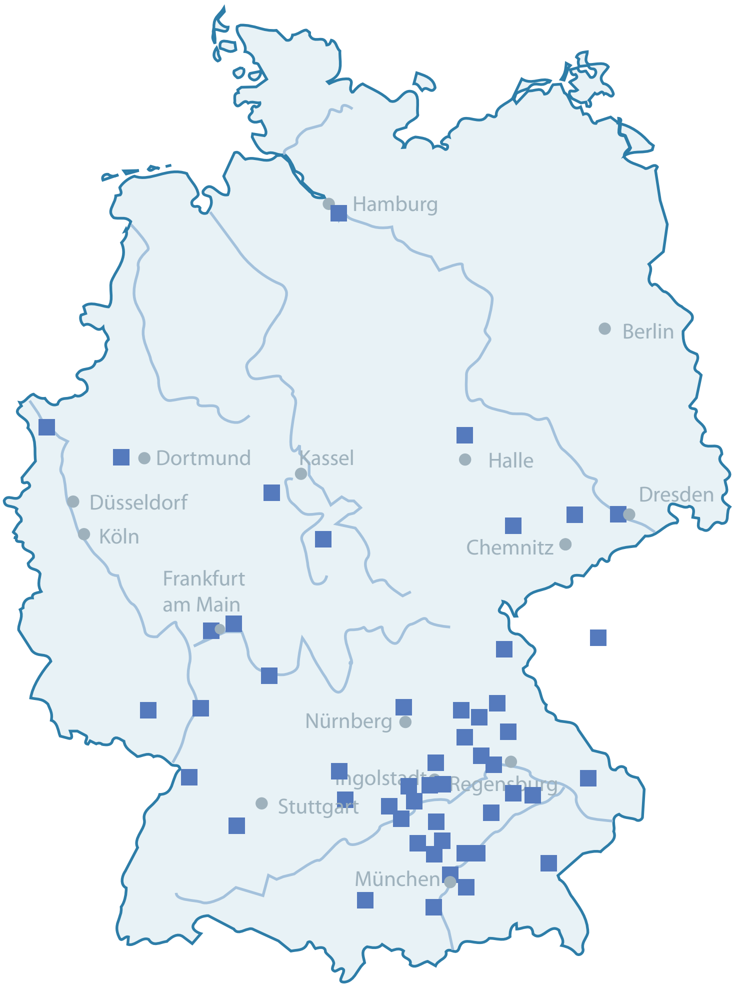
Real estate locations (as of June 30, 2010)

Properties for example in:

- Aalen
- Dingolfing
- Dresden
- Gersthofen
- Großostheim
- Günzburg
- Haiming
- Hamburg
- Herten
- Ingolstadt
- Memmingen
- Neuburg/Donau
- Neufahrn
- Neumarkt
- Nürnberg
- Olching
- Pfaffenhofen
- Regensburg
- Simbach



The geographic focus is on the South of Germany. There are several reasons for this focus: This is one of Germany's highest growth regions with a highly prosperous economy, a heterogeneous economic structure and a favorable location at the heart of Europe. In addition, the socio-demographic growth in this region is very favorable compared to the rest of Germany. These advantages reduce any risk factors and contribute to the stability of the real estate portfolio's value. Besides that VIB Vermögen AG's management has a strong network in this region. Long-standing, personal and trustworthy contacts allow opportunities that present themselves on the market to be used at an early stage – and are thus a significant competitive advantage.

Furthermore, the VIB Group also invests to a lesser extent and selectively in the rest of Germany, and in neighboring countries. These acquisitions are often entered into in close cooperation with long-standing existing tenants.

Portfolio development

Fiscal year 2009 was characterized by highly dynamic growth, with the VIB Group's real estate portfolio increasing to 85 properties with a total rental area of 645,000 m² during this period. However, in the first six months of 2010 the Group's operations focused on active asset and portfolio management and consolidating the real estate portfolio. At present, the property in Großostheim is being renovated in close agreement with the tenant, a leading contact lens manufacturer. In addition to expanding the company's own canteen, all of the floors and windows in the property are being renewed. These construction activities increase the property's value and bring it into line with the tenant's needs, and will also increase the rent due to the greater floor space.

Investment and development projects

During the current fiscal year 2010 the company's operating activities initially focus on ongoing portfolio optimization. This also includes in-house development projects, which will successively be taken over into the portfolio when the projects are successfully completed.

During the period under review, a development project was driven in Frankfurt, am Martinszehnten. The logistics property, favorably located close to the A661, is in the final stages of completion and marketing. This project is expected to be taken over into VIB Vermögen AG's portfolio when it is handed over to the tenant at the end of 2010.

During the period under review, a shelf property in Murnau was wound back with a volume of EUR 1.75 million. Changes in the construction development plan meant that the project no longer met VIB Vermögen AG's investment criteria, with the result that this project was not further pursued.

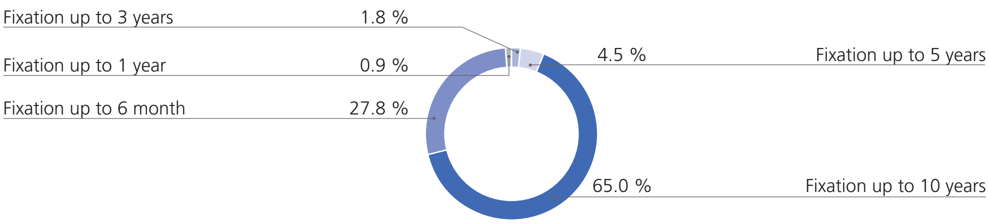
Real estate portfolio financing

When financing its real estate portfolio, VIB Vermögen AG's aims a conservative approach, based on solidity and sustainability. The guidelines for the financing are securing the necessary funds over the long term and a high equity ratio. This conservative approach is clearly shown by the ratio of debt to the value of the real estate portfolio (loan to value), which totaled around 64.4 % as of June 30, 2010.

During the period under review the Group continued to have excellent access to favorable financing as a result of its solid financing structure. Relationships with banks were maintained during the period under review, and German and foreign banks wooed VIB Vermögen AG with favorable lending conditions. As a result of the extensive renovations at the property in Großostheim, the property's financing was disbursed and the loan was smoothly prolonged.

When agreeing the periods for fixed interest rates, the VIB Group focuses on long periods and stability and links this with agreeing attractive credit conditions. The loans are generally free of covenants and are mostly structured as annuity loans. Around two-thirds of the loans currently have fixed interest rates for between five and ten years. This means that the interest payments to be expected in future are more secure. At the same time, in the first half of 2010 the company benefited from highly attractive interest rates for loans for which interest is fixed for less than one year due to the renewed lower level of interest rates. The combination of mostly long-term fixed interest rates and the current low interest rates for short-term fixed interest meant that the VIB Group had low interest expenses on the whole. The average interest rate for the entire credit portfolio totaled at 4.45 % as of June 30, 2010.

Breakdown of loan liabilities by the remaining terms of the fixed interest rates
(as of June 30, 2010)



IPO of BHB Brauholding Bayern-Mitte AG (BHB Brauholding AG)

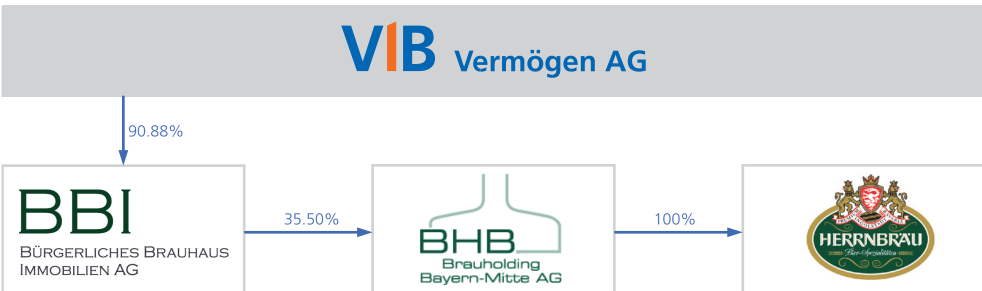
The VIB Group's core competence is in acquiring and managing its own commercial properties. The beverages segment was restructured during the first half of 2010 as part of the Group's focus on the real estate sector. BHB Brauholding Bayern-Mitte AG (BHB Brauholding AG) was already formed in the November of 2009. This company's registered office is in Ingolstadt. As part of the formation of BHB Brauholding AG, the VIB subsidiary BBI Bürgerliches Brauhaus Immobilien AG (BBI Immobilien AG) contributed its 100 % interest in Herrnbräu GmbH & Co. KG, Ingolstadt, to the newly formed company BHB Brauholding AG as a non-cash contribution. This put the organizational structures in place for the independent, focused further development of the beverages segment.

After the incorporation of BHB Brauholding AG, VIB Vermögen AG initially held a 100 % interest via its subsidiary BBI Immobilien AG. In March 2010, the two Managing Board members of BHB Brauholding AG acquired 400,000 new shares of BHB Brauholding AG as part of a cash capital increase. This resulted in proceeds of € 800,000 accruing to the company. Due to that time, BBI Immobilien AG's interest in BHB Brauholding AG fell to 73.33 %, with 26.67 % now being held by BHB Brauholding AG's management.

In parallel, BHB Brauholding AG's Managing and Supervisory Boards also resolved to implement a capital increase with public offer. As part of the capital increase, a total of 1,600,000 shares of BHB Brauholding AG were placed in July 2010 with institutional and retail investors at a price of € 2.80 per share. BHB Brauholding AG plans to use the gross proceeds from the issue of € 4.48 million to reinforce its regional strategy of expansion and to partially repay financial liabilities. This successful transaction increased BHB Brauholding AG's share capital to € 3,100,000. All of the shares were listed in the m:access segment of Munich Stock Exchange for the first time on July 8, 2010. The two capital increases in March and July caused the free float to increase to 51.6 %, with management holding a 12.9 % interest. The interest held by the former parent company BBI Bürgerliches Brauhaus Immobilien AG thus fell to 35.5 %.

The parent company VIB Vermögen AG thus no longer holds a majority interest. In future the VIB Group will carry its minority interest in BHB Brauholding AG at equity. According to IFRS 5, as of June 30, 2010, the participating interest of the Beverages segment was carried as discontinued operations. As a result, the breakdown into various segments will no longer be required in future, and the transparency of the consolidated financial statements will increase significantly.

Structure after the capital increase



Interim management report

| Business report

1. Business activities and underlying conditions

a. Business activities, group structure and participations

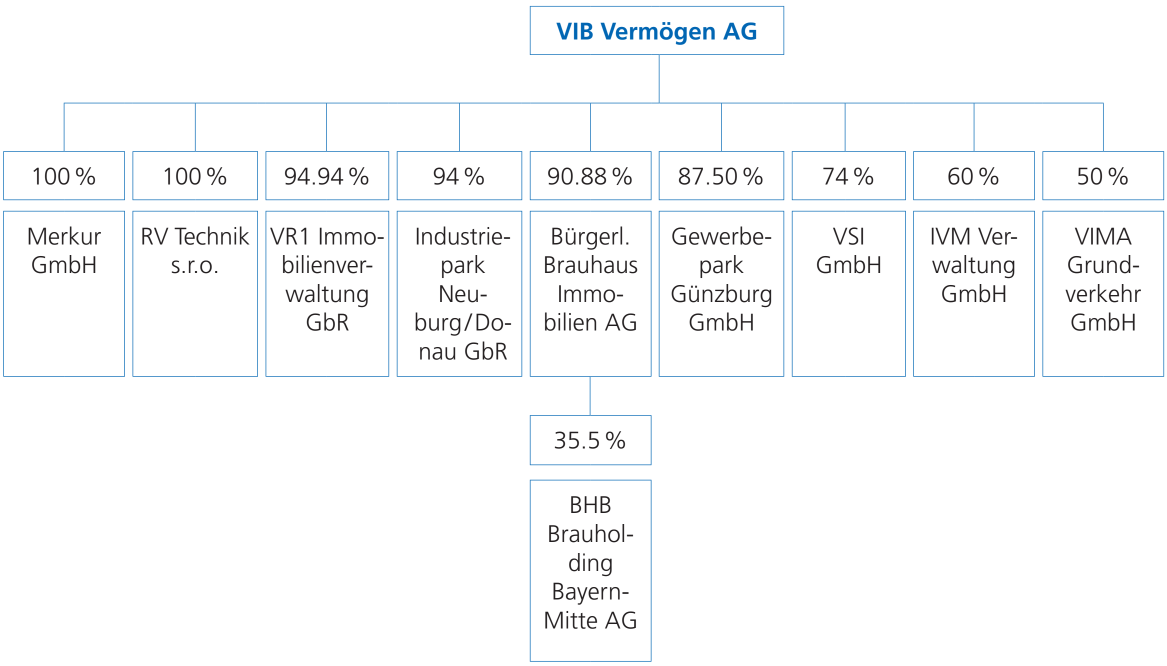
VIB Vermögen AG (hereinafter also referred to as the "VIB Group" or the "company") is the parent company of the VIB Group and is a medium-sized real estate holding company, whose investments focus on commercial properties is in Southern Germany. Formed as a partnership in 1993, VIB Vermögen AG was transformed to become an Aktiengesellschaft (German public limited company) in 2000. The VIB Group's core competences are in the acquisition and management of its own properties and participating interests in companies with real estate portfolios.

The VIB Group pursues a buy-and-hold strategy. It acquires portfolio properties and also develops properties for its own portfolio, in order to include these as portfolio properties over the long term. The VIB Group's portfolio (85 properties) has a total rental area of approx. 645,000 m², including various logistics properties and industrial facilities, shopping centers and specialist stores as well as commercial centers and service complexes. VIB Vermögen AG manages and administers the real estate portfolio via its wholly owned subsidiaries Merkur GmbH and BBI Bürgerliches Brauhaus Immobilien AG (BBI Immobilien AG).

VIB Vermögen acquired a majority interest in BBI Immobilien AG in 2007. Its subsidiary, BHB Brauholding Bayern-Mitte AG (BHB Brauholding AG), which was formed in November 2009, specializes in producing and selling beers and alcohol-free beverages (=Beverages segment). Together with its equity participations (in particular Herrnbräu GmbH & Co. KG), this company was included in the sub-group consolidated financial statements of BBI Immobilien AG until July 2010. The Beverages segment was thus also included in VIB Vermögen AG's consolidated financial statements as a result of the full consolidation of BBI Immobilien AG. When the two long-standing managing directors of the Beverages segment, Franz Katzenbogen and Gerhard Bonschab, acquired a participating interest in BHB Brauholding AG as part of a capital increase in an initial step, followed by a second capital increase in July 2010 and the listing of the shares in the m:access segment of Munich Stock Exchange, BBI Immobilien AG's interest in BHB Brauholding fell from an initial 100 % at the start of the year to around 35.5 %. The Beverages segment is carried as a separate item under discontinued operations according to IFRS 5 as of June 30, 2010.

As of June 30, 2010 – and thus shortly before the deconsolidation of BHB Brauholding AG and its subsidiaries – VIB Vermögen AG held direct and indirect interests in a total of 16 companies. The deconsolidation has caused the number of subsidiaries to fall to nine, and the Group's structure has been as follows since July 6, 2010:

Overview of participating interests as of July 6, 2010



VIB Vermögen AG and the listed BBI Immobilien AG entered a profit and loss transfer agreement on May 6, 2008. VIB Vermögen AG has undertaken to pay the shareholders of BBI Immobilien AG reasonable monetary compensation (guaranteed dividend) of € 0.64 (gross) per no-par value share for the duration of this agreement as a repeat annual payment. As an alternative to the compensation payment, VIB Vermögen AG has comitted, at the shareholder's request, to acquire the shareholder's no-par value shares of BBI Immobilien AG with an exchange ratio of 8.02 to 11.62, i.e., against compensation in shares of 1.45 no-par value shares of VIB Vermögen AG for each no-par value share of BBI Immobilien AG. A resolution by the General Meeting on June 26, 2008 created conditional capital of up to € 1,356,114.00 for this share swap. As of June 30, 2010, this conditional capital still amounted to € 704,220.00 as a result of the shares swapped in the first half of 2010.

The deadline for acceptance of the compensation offer (exchange of shares) is normally two months after publication of the compensation offer. The compensation offer was published on March 3, 2009. There are currently lawsuits pending against VIB Vermögen AG with regard to the level of the exchange ratio and the guaranteed dividend. The conversion deadline will thus not end before the pending lawsuits have been concluded. A precise date can currently not be foreseen.

b. Employees

As of June 30, 2010, the VIB Group had a total of 111 employees (previous year: 114 employees including commercial employees). A total of 19 people were employed in the Real Estate segment of the group, including the two members of the managing board and 13 employees in the commercial sector, mainly responsible for property and facility management. As a result, the number of employees in the Real Estate segment has remained stable compared to December 31, 2009, ensuring a lean, cost-efficient organizational structure.

The Beverages segment, bundled in the BHB Brauholding AG, employed a total of 79 people including both members of the managing board. Deconsolidating the Beverages segment will reduce the number of staff in the VIB Group significantly in the future.

c. Real Estate Segment

Real estate portfolio development

The VIB Group's real estate portfolio as of June 30, 2010 comprised a total of 85 properties with a rental area of approx. 645,000 m². The properties are commercial properties spread across the whole of Germany, with a geographic focus on the South of Germany. The VIB Group's portfolio is practically fully let with a vacancy rate of 1.2 %. The annualized rental income for the total portfolio amounted to approx. € 43.7 million as of June 30, 2010, with 37 % of this total being due to retail properties. A further 26 % was due to rentals of logistics properties, and offices, services and other accounted for around 18 %. The remaining 19 % of net rental income was due to the industrial sector. As a result of the portfolio's high diversification in terms of types of use, the VIB Group benefits from a comparatively high degree of independence from developments in individual sectors. The portfolio had a market value of around € 637 million on the balance sheet date (including assets under construction and shelf properties). The VIB Group's rented properties recorded an average rental return of 7.13 % based on the market values identified by a surveyor as of December 31, 2009. There were no material changes in the real estate portfolio in the first six months of 2010, as the focus was primarily on consolidation and thus on active portfolio and asset management.

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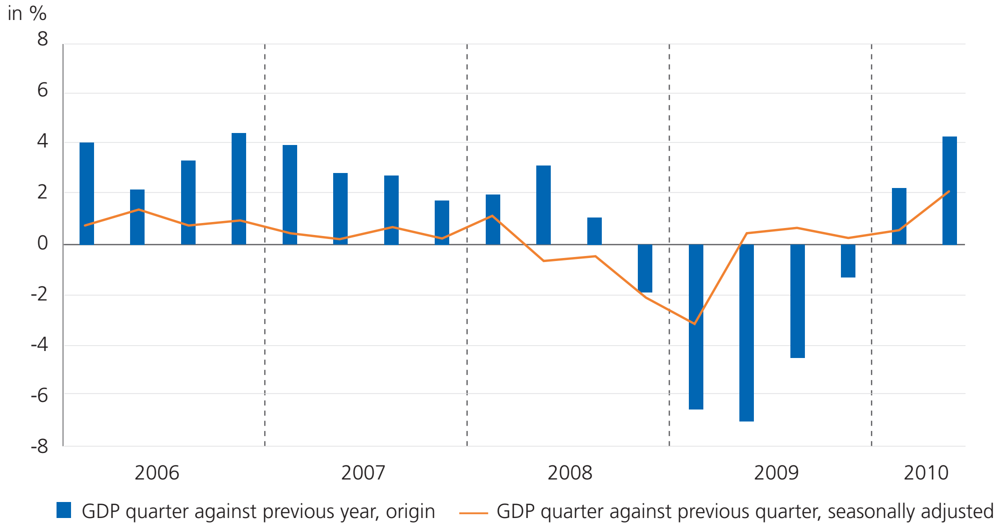
Market and competitive environment

Economic output in Germany fell by 5 % in 2009 in the worst recession since World War II, however the economic recovery increasingly gained speed in the first half of 2010. Gross domestic product (adjusted for prices, seasonal and calendar effects) was up in the first quarter of 2010 by 0.5 %, and overall German economic output in the second quarter lifted by 2.2 %, thus significantly higher than the figures many experts had forecast. For the year as a whole, the German government is forecasting an economic growth of at least 2.0 %. Other institutes, such as the Institut für Weltwirtschaft (IfW) in Kiel have already substantially lifted their forecasts: instead of 1.2 %, the experts are now forecasting economic growth of 2.1 % for 2010 as a whole. The weak euro proved to be of particular advantage for German exports. Industrial production output increased by 14 % in May compared to the same period of the previous year, and goods with a value of € 77.5 billion were exported. This means that the export volume has increased by approx. 30 % compared to the previous year.[1] According to estimates by the IfW in Kiel, in particular the German government's expansive fiscal policy is responsible for the surprisingly positive growth. Experts believe that 0.8 %, and thus more than one third of German economic output is due directly to the government's economic programs.

Gross domestic product
(change in %, price adjusted)



Source: German Federal Ministry for the Economy, 2010

[1] German Office for Statistics (Statistisches Bundesamt)

Despite those positive overall indicators, the consumption behavior remained at a rather low level. Although consumer spending increased by 0.7 % in the first quarter of 2010 in comparison with the previous year, the value was 0.5 % lower than in the previous quarter. In addition, the GFK consumer confidence index was slightly declining in June and July, falling short of the prior-month level by 0.2 points to 3.5.

In contrast, developments on the labor market were pleasingly robust during the period under review. According to figures from the Federal Labor Agency, the number of unemployed fell by 257,000 year-on-year in June 2010 to 3,153,000. The outlook for labor market statistics is also positive. Kiel-based IfW is forecasting a further downturn in the number of unemployed to 2.9 million in 2011. In the real estate sector, this growth in staff numbers is linked to higher spending power, improved order books for companies, and thus also stronger demand for space in commercial properties.

Despite the expansive monetary policy being employed by central banks, inflation rates remained at a moderate level. In 2009 the inflation rate totaled 0.08 % and the first half of 2010 only saw slight price increases. In June 2010 the consumer price increased by 0.1 % compared to May, and by 0.9 % compared to the previous year. As a result, this figure is still significantly below the European Central Bank's guideline figure of 2.0 %.[2]

3-month EURIBOR fell further in the first half of 2010, and totaled approx. 0.73 % in June 2010. This totaled 1.23 % last year. However, a turnaround started to be seen in April. This was based, in particular, on the insecurities on the financial markets and the debt crisis in the Eurozone. Experts are thus forecasting that this will approach the 1 % mark again in the third quarter of 2010.

Real estate market in Germany

In the first six months of the year, the volume of transactions on the German commercial real estate market increased substantially and totaled around € 9.0 billion. This means that the total market has tripled compared to the previous year. Of this total, 46 % is due to retail properties, which thus constitute the most important use category. Office properties account for 28 %, and industrial and logistics properties account for a further 10 % of the transaction volume.[3] Three quarters of the transactions were individual sales (€ 6.7 billion), whereas the other quarter was due to portfolio sales (€ 2.3 billion). In addition, international investors are increasingly returning to the German real estate market. During the same period of the previous year, foreign investors accounted for one fifth of the transaction volume, and this increased to 42 % in the first half of 2010. The transaction volume in the so-called A-cities Berlin, Hamburg, Munich, Frankfurt am

[2] German Office for Statistics (Statistisches Bundesamt)
[3] BNP Paribas real estate

Main, Cologne and Düsseldorf enjoyed particularly strong growth at almost 300 %.[4] BNP Paribas Real Estate is forecasting a transaction volume of at least € 15 billion in Germany for 2010 as a whole.

The average transaction size for commercial real estate fell over the course of the first two quarters, however it was significantly higher than the average figure for the first half of 2009 (€ 13 million). In the first quarter of 2010 the average transaction volume totaled € 29 million and € 21 million in the second quarter. This difference is mostly due to an individual transaction – the purchase of a retail portfolio by Corio N.V. for around € 1.2 billion. There were no more transactions of this size in the second quarter of 2010.[5]

In the first quarter of 2010 construction investment fell by 2.8 % compared to the previous year's level. This is remarkable, as construction investment had already reached a very low level in 2009.[6] The result is that over the medium term the attractive commercial properties on offer will become scarcer. Combined with the increasing transaction volume, this means that no negative effects should be expected with regard to the value of the commercial properties.

The rental prices for commercial properties generally came under pressure in the period under review, however the industry is more confident for the second half of the year and is also forecasting latitude for slight increases.

Company targets and strategy

Given the background of a continued tense market for commercial real estate, the VIB Group was primarily focused on active asset and portfolio management in the first half of 2010. Implementing an IMS software program has also substantially improved the real estate management and reporting process. In future, this will also help to further improve transparency as part of the reporting.

In the current year, operating activities will focus on continuing this consolidation strategy. Over the medium term, the VIB Group's declared target is further growth. Great importance is attached to retaining the group's financial stability in this regard. In line with this guideline – sustained growth with a solid financing structure – in fiscal year 2010 business activities are primarily focusing on selective investments and continuing promising development projects. This aims to further improve the portfolio's margins.

[4] Immo.news
[5] Immpro24.eu
[6] Statistisches Bundesamt

In order to achieve these objectives, the VIB Group will also continue to focus its investment activities on Southern Germany in future, applying the following investment criteria apply:

- Commercial real estate in economically sustainable locations
- Investment volume up to € 40 million per property
- Average rental return from 7.5 % p.a. (based on acquisition costs)
- High tenant credit rating compared to rental income
- Excellent opportunities for third-party use

Consistently upholding these criteria ensures the VIB Group's sustained and profitable growth. In order to maintain a cost-efficient organizational structure in future, the Group focuses on high-margin retail, industrial and logistics properties offering when expanding its portfolio. Administrative expenses and the associated costs can be kept low as a result of the fact that properties are primarily let to well-known anchor tenants. In addition, the VIB Group benefits from its long-standing experience and its extensive management network in this segment in particular. The VIB Group has thus broadly diversified its risks while at the same time ensuring an attractive rental return from its real estate portfolio.

2. Financial position and results of operations

The IPO of the BHB Brauholding AG has now been completed. This company bundles the brewery business, and the IPO means that BBI Immobilien AG’s interest in this company has fallen to 35.5 %. This has resulted in the Beverages segment no longer being fully consolidated in the VIB Group as of July 6, 2010. It is now carried at equity. The Beverages segment is carried as discontinued operations in the interim financial statements of the VIB Group as of June 30, 2010 according to the provisions of IFRS 5. This means that all the Beverages segment’s income, assets and liabilities are summarized in separate items in the balance sheet and income statement. The figures from the 2009 income statement have been adjusted in order to ease comparison. These figures thus do not fully match the figures in the 2009 H1 report.

a. Earnings

In the first six months of 2010, VIB Vermögen AG improved its revenues (IFRS) by around 6 % to € 25.6 million. This increase was due to the acquisition of additional commercial properties in fiscal year 2009. These properties contributed to rental income for the full six months for the first time. Taking the other operating income of € 0.5 million into account (previous year: € 0.7 million), the VIB Group recorded operating income of € 26.1 million (previous year: € 24.8 million).

Expenses for investment properties mostly comprised expenses for ongoing operating costs (electricity, gas, water, etc.) and land tax payments as well as insurance premiums, which are mostly on charged to the tenants. In addition, this item also includes maintenance and renovation costs for the properties. These totaled € 5.3 million in line with forecast, after € 5.2 million in the first half of 2009. Personnel expenses were also unchanged compared to the same period of the previous year at € 0.9 million. The increase in other operating expenses from € 1.1 million to € 1.9 million is primarily due to revaluations of € 1.1 million for three loans denominated in Swiss Francs. These revaluations were due, in particular, to the balance sheet date and were not reflected in income. The amortization of intangible assets and depreciation of property, plant and equipment totaled € 48 thousand (previous year: € 52 thousand).

This resulted in EBIT in the first six months of 2010 totaling € 18.0 million. As a result, EBIT was up by around 2 % compared to the previous year. Interest expenses for financial liabilities increased by around € 0.2 million to € 9.8 million as a result of the slight changes in interest rates. The guaranteed dividend for the outstanding shareholders of BBI Immobilien AG totaled € 130 thousand (previous year: € 226 thousand). This resulted in pre-tax earnings for the period under review of € 8.1 million. This figure is thus on a par with the previous year. With a pre-tax margin of around 30.9 %, VIB Vemögen AG has thus once again underscored its strong earnings power thanks to rental income that can be forecast long term.

There was an extraordinary effect on income taxes from the subsidiary BBI Immobilien AG. As a result of the restructuring at the end of 2009 (foundation of BHB Brauholding AG and the non-cash contribution of Herrnbräu GmbH & Co. KG) the calculation basis for the corporation tax rate changed as of January 1, 2010. As a consequence, the deferred tax liabilities had to be reduced by the formerly included share of corporation tax. The resulting positive effect on taxes as well as the deferred taxes from the current fiscal year and the actual income taxes resulted in income tax of € 2.0 million. Earnings from continued operations thus totaled € 10.1 million compared to € 6.4 million in the previous year. Earnings from discontinued operations – the Beverages segment – totaled € 366 thousand (previous year: € 233 thousand). The VIB Group thus recorded consolidated earnings of € 10.4 million in the first half of 2010 (previous year: € 6.6 million). This corresponds to earnings per share of € 0.57 (previous year: € 0.38).

b. Assets

As there were only slight changes in the real estate portfolio in the first six months, the major balance sheet items only changed slightly compared to December 31, 2009. Total assets fell to € 660.5 million on the balance sheet date (December 31, 2009: € 662.6 million).

Equity increased by around € 8.5 million to € 202.1 million (December 31, 2009: € 193.5 million). This development is due to the positive earnings in the first six months, including the effect on income taxes, and thus the higher balance sheet profits. The cash flow hedges with a value of € -6.6 million on the balance sheet date (December 31, 2009: € -4.0 million) had a negative impact on equity. This is due to the fact that interest rates on the capital market fell yet again.

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Scheduled repayments reduced the non-current and current financial debt from € 430.0 million to € 418.0 million. Of this total, € 359.5 or around 86 % was non-current financing as of June 30, 2010 (December 31, 2009: € 356.7 million). The extraordinary factor described above caused deferred tax liabilities to fall from € 18.9 million to € 16.4 million. The other items under non-current liabilities only changed marginally compared to December 31, 2009, with the result that non-current liabilities increased slightly from € 386.3 million to € 388.7 million.

In contrast, current liabilities fell from € 82.7 million to € 69.7 million, which is due in particular to repayments. In addition, the reclassification of the Beverages segment led to a shift within the individual balance sheet items, resulting in the former subsidiary's liabilities being carried separately in the amount of € 6.5 million.

On the assets side of the balance sheet, non-current assets fell from € 649.8 million as of December 31, 2009 to € 644.4 million. The largest single item was Investment Property, which was practically unchanged compared to the previous year's figure at € 637.4 million (€ -0.6 million). In contrast, property, plant and equipment fell from € 8.0 million to € 6.4 million. In the previous year, this figure still included the property, plant and equipment from the brewery business, however this figure now only includes the company premises leased to the brewery and a photovoltaic system. The change in financial assets is mostly based on the reclassification of the Beverages segment to the item "Assets held for sale (IFRS 5)".

In contrast, current assets increased to € 16.0 million (December 31, 2009: € 12.8 million). The primary factor in this regard was the assets held for sale item (IFRS 5) in the amount of € 10.6 million. As a result, the VIB Group no longer had any inventories as of June 30, 2010, and trade accounts receivable fell substantially from € 5.7 million to € 1.3 million. Cash and cash equivalents totaled € 3.7 million, and this item was thus lower than the figure on December 31, 2009 when it totaled € 5.1 million.

| Report on events after the balance sheet date

A total of 7,637 shares of BBI Immobilien AG were exchanged for 11,073 new shares of VIB Vermögen AG according to the existing exchange ratio of 1.45 by way of the acceptance declaration dated July 2, 2010. VIB Vermögen AG's share capital increased correspondingly. As a result, the conditional capital fell to 693,147; VIB Vermögen AG's interest in BBI Immobilien thus increased to 90.88 %.

The offering period for the issue of new shares of BHB Brauholding Bayern-Mitte AG published at the end of June 2010 was successfully concluded after the end of the period under review.

The capital increase came into effect on July 6, 2010. As a result of the associated dilution of the parent company's interests in BHB Brauholding AG, the VIB Group no longer holds a majority interest. In future, the Group will carry its minority interest in BHB Brauholding AG at equity. As the Beverages segment has a higher ratio of personnel expenses to revenues compared to the Real Estate segment, and also significantly lower margins, the VIB Group's operating margin has improved significantly.

With effect from July 29, 2010, VIB Vermögen AG took over the remaining minority interest in VR 1 Immobilienverwaltung GbR, thus increasing the Group's interest from 94.94 % to 100.0 %. This resulted in the partnership being deleted, together with the simultaneous transfer of all of its assets and liabilities to the Group. The fact that all of the asset items have now accrued to VIB Vermögen AG, this company is no longer disclosed under minority interests. However, this only has a minor impact on the group's financial position and results of operations.

No further events arose after the end of the period under review that had a significant impact on the financial position or results of operations.

| Risk and forecast report

a. Risk management

As a real estate group, VIB Vermögen AG faces a wide variety of risks and consciously enters into these risks in order to be able to consistently take advantage of the opportunities offered by the real estate market. In order to minimize possible risks, the VIB Group has installed a suitable risk early warning and management system, which is constantly adjusted to operating business. This ensures that the Managing Board is notified early in the event of any risks arising and can immediately take corresponding countermeasures. The risk management system focuses on recording and evaluating the key parameters for the VIB Group with regard to its business model – such as rental levels/vacancy rates, outstanding rent, interest and the structure of the fixed interest rate terms for liabilities to banks, changes in cash and cash equivalents, changes in rental income and ongoing administrative costs. These parameters are reported regularly to the Managing Board. The subsidiaries are also included in this risk management system.

b. Company risks

Overall economic risks

Although the economic situation improved compared to 2009, there were still insecurities surrounding the stability of the economic recovery. In the commercial real estate sector this goes hand in hand with the danger of a downturn in companies' readiness to make investments, coupled with a higher vacancy rate in upcoming new rentals for longer periods, or to a downturn in rental prices. However, the fact that the existing properties mostly have long-term leases, this risk only affects a limited proportion of the company's rental income. In order to further minimize this risk, the VIB ensures that it engages in long-term leases with tenants with high credit ratings.

If the economic recovery proves to be short-lived, there is also the danger that the value of the real estate portfolio may fall. However, the VIB Group's strong regional orientation to investments in the comparatively stable Southern German market reduces this risk. In addition, the real estate portfolio is equally spread over various types of use and industries, with the result that negative developments in individual industries would only have a limited impact on the company's overall portfolio.

Tenant risk

As a real estate company, the VIB Group is exposed to a certain tenant risk as a result of possible default on rent or outstanding rental payments. In addition, there is also the danger that, in the event of unforeseeable tenant losses (e.g., as a result of termination without notice due to outstanding rent or bankruptcy) it may not be possible to re-let the property in good time. This can be linked to temporary vacancies and the associated loss of rental income for companies in the VIB Group, and this could depress the Group's earnings. At the same time this results in possible valuation risks for the real estate portfolio. However, the Group minimizes this risk by focusing on tenants with excellent credit ratings. In addition, when acquiring properties, the VIB ensures that these also have excellent opportunities for other uses. This makes it easier to re-let them quickly if the rental agreement is terminated.

Construction cost risk/construction risk

The VIB Group's business activities mean that there are possible construction cost risks and general construction risks resulting from the acquisition of plots and the subsequent construction of the properties. For example, the forecast investment amounts could be exceeded, with the result that the planned financing is no longer sufficient. Delays in the completion of the properties cannot be ruled out as a general construction risk. This would mean that it is not possible to hand the properties over to the tenants on time. This could result in defaults on rent and possible claims for damages. In order to combat these risks, the VIB Group works together with general contractors with excellent credit ratings for larger construction projects. This mostly ensures that it is possible to complete the projects within the designated timeframe and on budget. There are no cost risks for the acquisition of properties built by project developers, as the purchase prices for these properties are based on the net annual rent without incidental and heating costs for the fully let property and a fixed purchase price multiple.

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Risks in property portfolio

External factors impact the quality of the locations of the VIB Group's properties to a certain extent. The VIB Group is not able to influence these factors. These include changes to the social structure, deteriorations in infrastructure or construction activities in the direct proximity of the respective properties. This could result in lower values for the properties with correspondingly lower rental income or higher management costs for the properties.

The VIB Group counters this risk by carefully reviewing the respective properties and strictly upholding its investment criteria. Damages to or the destruction of the company's existing properties constitute a further potential risk. The entire real estate portfolio is thus insured against all general risks in order to avoid any reduction in the VIB Group's enterprise value.

Financing risk

The further expansion of the real estate assets and the group's continued growth demand sufficient access to financing – both as borrowing and equity. If the necessary inflow of funds is not available on the corresponding date or if the corresponding amount is restricted, this could mean that it is not possible to fully guarantee the financing of further growth, for example the acquisition of properties that have already been contractually secured or also planned acquisitions. This would impact the company's future income and assets. When procuring borrowing, it is possible that we are not able to procure this in good time, at favorable conditions, or in a sufficient amount. The banks' rather restrictive lending policies are still leading to higher requirements than for comparable equity or mixed financing structures. This can lead to restrictions in procuring borrowing or to poorer conditions for loans, which could thus have a negative impact on the VIB Group's financial position and results of operations. However, the banks regard the creditworthiness of the companies in the VIB Group as being positive as a result of the solid equity ratio and the group's strong earnings. The risk that it is not possible to obtain borrowing in a sufficient amount or at significantly poorer conditions is thus regarded as being manageable.

The VIB Group depends on a favorable environment on the capital markets to obtain additional equity. Volatile stock markets or a substantial slump on the stock markets could make the Group's refinancing potential more difficult. In this case, additional borrowing would have to be taken out to finance the investments, or the Group would have to abstain from making the investment. In view of the great insecurity on the financial markets, an insufficient inflow of funds cannot be entirely ruled out for either borrowing or equity. However, the company's high equity ratio and earnings strength mean that no financing risks are expected in this regard at the present time. In addition, the liabilities are practically free of covenants agreements, with the result that long-term financing is secure even in the event of a change in the capitalization or income structure. In addition, the situation both on the interbank market and also on the stock market has improved substantially recently, with the result that over the medium to long-term financing conditions are expected to stabilize again.

Interest-rate risk

An increase in general interest rates could result in a deterioration in refinancing conditions, thus posing a risk for the VIB Group. In order to secure real estate financing over the long term, the company sets its loan conditions at an early stage, mostly for periods of ten years. In addition, strong increases in interest rates when longer-term bank loans expire could present a risk for the Group. Interest rate swaps have also been concluded in some cases to optimize the conditions for bank loans. Bank loans with current interest rates accounted for around 28 % of the total financial liabilities as of June 30, 2010. As a result, the interest-rate risk is calculable even if short-term interest rates rise.

Currency Risk

In the case of loans and credit denominated in foreign currencies, there are risks if exchange rates deteriorate if higher amounts in Euro have to be spent to repay credit and also for ongoing interest rate payments. The currency risk is transparent as a result of the amount of loans denominated in foreign currencies compared to total bank liabilities.

Risks from financial instruments

The group has concluded several interest rate swaps based on operating underlying transactions to secure long-term interest rates and thus to make it easier to forecast future interest expenses. In addition, VIB Vermögen AG has concluded a swap for a loan denominated in Swiss Francs. As a rule, the risks from these transactions are slight.

Legal risks/contract risks

Contractual risks could result for the VIB Group from concluding rental and purchase agreements, including possible follow-on costs. All of the major agreements have thus been audited internally, and in some cases externally by legal experts from an economic perspective.

Acquisition risks

As a rule, during the purchase/acquisition of companies with real estate holdings it is also possible to take over the target company’s operations. Spinning off business that does not form part of the VIB Group's strategic business could be a strategic option. However, when a company is acquired, its operating business does not have to be re-sold directly. This could result in an acquisition risk with negative implications for the VIB Group's financial position and results of operations.

Risks from geographic concentrations/cluster risks

The fact that BBI Immobilien AG's existing properties are concentrated in the Ingolstadt region could still be a potential risk if there are negative developments in this region. However, this danger is reduced in view of the long-standing experience and the management's knowledge of this regional market. In view of the number of these properties and the VIB Group's entire portfolio, this risk is only of minor importance.

In addition, BBI Immobilien AG's subsidiary holds a portfolio of 24 specialist stores, of which 15 are operated by a major tenant. As a result, there is also a cluster risk. Compared to the previous year, this risk has been further reduced via the acquisition of additional properties. In addition, the long-term rental agreements with this creditworthy tenant mean that terminations over the short term are not possible.

Risks from participating interests

Basically, the opportunities and risks from the Beverages segment have not changed, even if the factors which apply to the Beverages segment will become weaker in future. As BBI Immobilien AG's interest in BHB Brauholding Bayern-Mitte AG was diluted from 100 % to 35.5 % as a result of the capital increase on July 5, 2010, the possible impact of opportunities and risks from the Beverages segment on the VIB Group are also lower. However, as a result of the fact that the participation is accounted for at equity, there is still a residual risk for the parent company. This is due to factors including the high dependence of the Beverages segment on the commodities market and price developments on this market, as well as sales risks on the market for beer and alcohol-free beverages.

Default risks and liquidity risks

It is generally not possible to rule out default and liquidity risks with regards to loans and trade accounts receivable. However, strict credit control minimizes these risks. If required, the default risk is anticipated by writing receivables down accordingly. In respect of short-term financing, the company continually monitors market developments so that it can respond, if necessary, to ensure that its financing terms are in line with the market. Hedges in connection with financial instruments are employed on occasion by the company's banks.

As of June 30, 2010, the Managing Board did not believe that there were any risks that could endanger the continued existence of the VIB Group.

c. Opportunities from future growth

The market for commercial real estate in Germany also opens up opportunities for the VIB Group, irrespective of the continued uncertain economic situation. In an international comparison, the market valuations of real estate are still attractive compared to the rental income that can be generated in Germany, in particular compared to the rest of Europe. As the central banks worldwide employed a highly expansive monetary policy last fiscal year, the probability that inflation rates will increase is becoming increasingly likely. This could lead to increased demand in tangible assets such as real estate – and this is expected to have a positive impact on the value of commercial properties. Over the medium to long-term, there is thus potential for the current portfolio of real estate to increase in value, which could have a positive effect on the company's overall value. In particular the excellent location of the existing properties in high-growth regions in Southern Germany can play a key role in increasing the portfolio's value – given a continued economic recovery.

Investors who operated with a high level of borrowing have now mostly pulled back and the purchase price factors for commercial real estate have become more attractive. As a rule, the resulting increase in net initial returns thus offers the VIB Group lucrative investment opportunities, to the extent that corresponding financing is also available.

d. Outlook

The results from the first six months of 2010 confirm the VIB Group's successful strategy. The acquisitions made in the past few years have allowed the group to constantly increase its revenues. At the same time, earnings have improved at an above average rate thanks to the VIB Group's lean, cost-efficient organizational structure. In addition, the company has a competitive advantage from its solid financing structure, which has proved to be a stabilizing factor during the economic and financial crisis, and which provides an excellent starting position for further growth during periods of economic recovery.

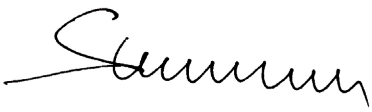
As a result, in future, the company will stick to its tried-and-trusted business model of buying, building and managing its own properties and acquiring participating interests in companies with real estate holdings. The Group aims to selectively reinforce its portfolio to a moderate extent while observing its strict investment criteria. This expansion will be cautious, constant and target-oriented. In so doing, VIB Vermögen AG will continue its buy-and-hold strategy, and continue to focus on the high-growth Southern German market. The use of a comparatively high proportion of equity and borrowing that has been secured over the long term also continues the tried-and-trusted strategy of stable financing for the real estate portfolio. The company believes that its operating activities in the real estate sector will focus on the continued optimization of its real estate portfolio in the second half of 2010. The VIB Group will focus on reinforcing its earnings in 2010. In so doing, VIB Vermögen AG's declared objective is the expansion of the portfolio and thus additional company growth.

In the Beverages segment, the formation of BHB Brauholding Bayern-Mitte AG, the participation by management and the capital increase and placement of shares in the m:access segment of Munich Stock Exchange are key foundations for this division's independent further growth. The deconsolidation of BHB Brauholding AG means that the VIB Group can now fully focus on real estate, and thus consistently use the opportunities that this market presents. The deconsolidation also increases transparency for investors.

The highly diversified portfolio of 85 properties with a rental area of 645,000 m² will also form stable foundations in future for forecastable and attractive income. In view of the acquisitions made in 2009, which will contribute to the company's earnings for a full fiscal year for the first time in 2010, the Managing Board is forecasting a further increase in revenues and income in the Real Estate segment. Hence, the Managing Board has confirmed its already published forecast for full-year 2010. For the year as a whole, the company expects revenues to rise to around € 51 million. With regards to Earnings before interest and taxes (EBIT), forecast amounts to € 37 million. Furthermore, before possible changes in value of the investment properties we anticipate pre-tax earnings in the amount of € 17 million. In the opinion of the management board, this will enable us again to distribute an attractive dividend for the fiscal year 2010.

As a result of VIB Vermögen AG's competitive strengths, the Managing Board also believes that there are excellent prospects for the coming years for successfully continuing the company's further growth.

Neuburg/Danube, August 23, 2010



Ludwig Schlosser
- CEO -

Peter Schropp
- Member of the Managing Board -

Interim financial statements

| Interim financial statements

| Consolidated income statement

Consolidated income statement (IFRS) for the period from January 1, 2010 to June 30, 2010

in € thousand	Jan. 1, 2010 – Jun. 30, 2010	Jan. 1, 2009 – Jun. 30, 2009
Revenues	**25,617**	**24,148**
Other operating income	532	661
Total operating income	**26,149**	**24,809**
Expenses for investment properties	-5,285	-5,192
Personnel costs	-914	-915
Other operating expenses	-1,934	-1,066
EBITDA	**18,016**	**17,636**
Amortization and impairment of intangible assets and depreciation of property, plant and equipment	-48	-52
EBIT	**17,968**	**17,584**
Net income from investments accounted for using the equity method	1	2
Other interest and similar income	16	343
Interest and similar expenses	-9,783	-9,570
Expenses from guaranteed dividend	-130	-226
EBT	**8,072**	**8,133**
Income taxes	1,986	-1,726
Earnings from continuing operations	**10,058**	**6,407**
Earnings from discontinued operations (IFRS 5)	366	223
Consolidated net income	**10,424**	**6,630**
Earnings attributed to group shareholders	10,081	6,471
Minority interests	343	159
Earnings per share (€)	0.57	0.38

| Consolidated balance sheet

IFRS consolidated balance sheet as of June 30, 2010

in € thousand	Jun. 30, 2010	Dec. 31, 2009
Assets		
Non-current assets		
Intangible assets	90	1,237
Property, plant and equipment	6,386	7,969
Investment property	637,447	638,019
Interests in associated companies	213	404
Financial Assets	306	2,147
Total non-current assets	**644,442**	**649,776**
Current assets		
Inventories	0	1,424
Receivables and other assets	1,302	5,699
Income tax receivables	174	464
Bank balances and cash in hand	3,678	5,136
Prepaid expenses	300	123
Assets held for sale (IFRS 5)	10,593	0
Total current assets	**16,047**	**12,846**
Balance sheet total	**660,489**	**662,622**

| Consolidated balance sheet

IFRS consolidated balance sheet as of June 30, 2010

in € thousand	Jun. 30, 2010	Dec. 31, 2009
Equity and liabilities		
Shareholders' equity		
Subscribed capital	17,736	17,736
Capital reserve	98,860	99,253
Retained earnings	43,968	43,968
Net retained profits	38,775	28,694
	199,339	**189,651**
Cash flow hedges	-6,578	-3,984
Currency translation	-36	-32
Minority interest	9,370	7,905
Total equity	**202,095**	**193,540**
Non-current liabilities		
Profit-sharing certificates outstanding	675	675
Financial debt	359,465	356,724
Compensation claims – minority interests – partnerships	1,181	1,556
Derivative financial instruments	7,691	5,016
Deferred taxes	16,446	18,850
Pension provisions	626	750
Other non-current liabilities	2,587	2,767
Total non-current liabilities	**388,671**	**386,338**
Current liabilities		
Financial debt	58,509	73,251
Provisions	95	104
Liabilities from income taxes	107	193
Liabilities to associated companies	378	218
Other liabilities	3,865	8,427
Prepaid expenses	240	551
Liabilities directly associated with assets held for sale	6,529	0
Total current liabilities	**69,723**	**82,744**
Balance sheet total	**660,489**	**662,622**

| Imprint

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This semi-annual report contains statements about the future which are subject to risks and uncertainties. They are estimates of the executive board of VIB Vermögen AG and reflect its present opinions regarding future events. Through words such as "expect", "estimate", "intend ", "can", "will" and similar expressions with regard to the company such future-related statements can be recognized. Factors which could cause or affect a deviation include, for example and without laying claim to completeness, the evolution of the property market, competition influences, including price changes, regulatory measures and risks involved in the integration of newly acquired companies and holdings. If these or other risks and uncertainty factors should occur or the assumptions, on which the assertions are based, turn out to be incorrect, the actual results of VIB Vermögen AG could be substantially different from those which are expressed or implied in these statements. The company does not accept an obligation to update such future-oriented statements.

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