



Buy (old: Buy)

Price target: EUR 5.60 (old: EUR 6.00)

Price: EUR 4.17 **Next result:** FY 21 tba
Bloomberg: DMRE GR **Market cap:** EUR 449.4 m
Reuters: DMRE.DE **Enterprise Value:** EUR 1,267.2 m

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Sound Q3: Letting performance indicates further growth

Yesterday, DEMIRE provided **sound Q3 results**, largely supported by the continuous implementation of the “**REALize potential**” strategy, which focuses on the **ABBA approach** (A-assets in B-locations & B-assets in A-locations) and an **active asset management**.

The **portfolio value slightly decreased to € 1.41bn** (-1.7% yoy) at 9M-21 (64% office, 26% retail, 10% logistics & others), which was the result of the **disposal of several non-strategic assets**. The **NAV stood at € 5.52/share** (-9.8% yoy).

More importantly, the company completed the acquisition of the “Cielo” office building in Frankfurt (> € 270m value; via 49.5% share in JV), which delivered an **immediate contribution of € 6-7m p.a. to DEMIRE’s FFO I**. In light of the company’s pursued growth strategy (>€ 2bn portfolio value), we expect further large-scale acquisitions (eH&A: € 150m annual net acquisition) going forward.

Rental income slightly decreased in the first nine month to € 62.3m (-5.3% yoy) due to the aforementioned effects. However, DEMIRE once again showed a **strong letting performance** of 138,000 sqm this year which **secured € 10.3m annual rental income** with a WALT of 7.4 years. We expect the new-lettings to gradually kick in during the coming month and therefore estimate a jump in rental income in FY 2022E (eH&A: € 92.3m).

Despite lower rental income, **FFO I increased by 1.1% yoy to € 30.4m** (eH&A: € 30.6m), which was mainly due to cost optimization, reduced COVID-impacts and first effects of the Cielo acquisition. Due to DEMIRE’s strategy of optimizing the portfolio by disposing non-core, cost-intensive assets, we expect the decline in operating costs to continue.

Conservative guidance confirmed. Management confirmed its guidance, aiming for rental income of € 80-82m (eH&A: € 83.3m) and an FFO I of € 34.5-36.5m (eH&A: € 43.9m). **We estimate DEMIRE to exceed its FFO I target**, due to the non-consideration of further vacancy reductions and the Cielo-contribution.

Action. Changes in estimates mainly reflect the recent disposals of non-core properties. Moreover, we conduct a change of analyst and overhaul our model.

Valuation looks undemanding at a 25% discount to NAV. **We confirm our BUY recommendation with a new PT of € 5.60** (old € 6.00) based on NAV and DDM.

Y/E 31.12 (EUR m)	2017	2018	2019	2020	2021E	2022E	2023E
Total revenues	94	91	123	109	107	117	129
Net rental income	74	74	82	88	83	92	102
EBIT (inc revaluation net)	85	127	155	28	64	122	137
EBIT (excl revaluation net)	36	34	72	50	57	65	71
Net profit (reported)	14	62	75	9	32	82	115
FFO	12	23	35	40	44	56	60
EPS reported	0.25	0.85	0.70	0.08	0.30	0.77	1.09
FFO per share	0.22	0.32	0.32	0.38	0.42	0.53	0.57
DPS	0.00	0.00	0.54	0.62	0.30	0.40	0.40
NAV per share	5.96	5.52	6.35	5.80	5.61	6.22	6.75
EV/EBITDA	21.8	25.0	16.4	21.4	21.0	21.6	27.8
FFO yield	5.2 %	7.4 %	6.0 %	9.1 %	10.0 %	12.6 %	13.6 %
P/FFO	19.3	13.4	16.7	11.0	10.0	7.9	7.4
Dividend yield	0.0 %	0.0 %	10.1 %	14.9 %	7.2 %	9.6 %	9.6 %
P/NAV premium/discount	-30.1 %	-24.5 %	-34.3 %	-28.1 %	-25.6 %	-32.9 %	-38.2 %
Net gearing	217.6 %	82.9 %	121.0 %	133.8 %	156.2 %	166.8 %	176.4 %
Loan-to-value (LTV)	49.3 %	50.4 %	46.9 %	51.5 %	53.4 %	55.8 %	57.8 %
Implied yield	8.7 %	8.2 %	6.9 %	7.3 %	6.6 %	6.5 %	5.0 %

Source: Company data, Hauck & Aufhäuser Close price as of: 11.11.2021



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks: 4.95 / 3.86

Price/Book Ratio: 0.7

Relative performance (SDAX):

3 months -3.2 %
6 months -10.3 %
12 months -34.8 %

Changes in estimates

		Net rents	EBIT	FFO
2021	old:	102.8	101.6	53.6
	Δ	-19.0%	-37.0%	-18.1%
2022	old:	116.0	114.9	56.1
	Δ	-20.5%	6.0%	-0.9%
2023	old:	127.8	121.4	61.6
	Δ	-20.5%	12.7%	-2.9%

Key share data:

Number of shares: (in m pcs) 107.7
Authorised capital: (in € m) 0.0
Book value per share: (in €) 5.6
Ø trading volume: (12 months) 19,020

Major shareholders:

Apollo 58.6 %
Wecken Group 32.1 %
Free float 9.3 %

Company description:

Real estate company focused on office, retail, logistics and hotel properties particularly in secondary locations in Germany.

Financials

Profit and loss (EUR m)	2017	2018	2019	2020	2021E	2022E	2023E
Net rental income	73.7	73.7	81.8	87.5	83.3	92.3	101.6
Direct property expenses	32.7	30.3	35.9	38.6	34.1	34.6	38.1
Net operating income	41.0	43.4	45.9	48.9	49.1	57.7	63.5
Earnings from property disposals	0.9	0.1	16.8	-1.0	0.7	1.0	1.0
Earnings from project developments	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Earnings from other property activities	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Other operating income	19.7	17.6	24.0	22.8	22.6	23.9	26.2
Total revenues	94.4	91.4	122.6	109.3	106.6	117.1	128.8
Revaluation result from investment properties (net)	48.6	93.1	83.0	-22.1	7.1	57.1	65.3
Total income	143.0	184.4	205.6	87.1	113.7	174.2	194.1
Administrative expenses	8.7	12.4	6.5	6.8	4.2	7.3	8.7
Personnel expenses	6.6	6.6	6.6	6.6	6.6	6.6	6.6
Other operating expenses	7.5	6.2	0.9	1.4	1.4	3.0	3.0
Total operating expenses	22.8	25.2	13.9	14.7	12.2	16.8	18.2
EBITDA	87.4	128.9	155.8	33.8	67.4	122.7	137.8
EBITDA excl revaluation result (net)	38.9	35.9	72.8	55.9	60.3	65.7	72.5
Depreciation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITA	87.4	128.9	155.8	33.8	67.4	122.7	137.8
EBITA excl revaluation result (net)	38.9	35.9	72.8	55.9	60.3	65.7	72.5
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Impairment charges	2.8	1.9	0.6	6.2	3.4	1.0	1.0
EBIT (incl revaluation net)	84.7	127.1	155.2	27.7	64.1	121.7	136.8
EBIT (excl revaluation net)	36.1	34.0	72.1	49.8	56.9	64.7	71.5
Interest income	0.9	0.5	1.3	1.3	3.7	8.0	8.0
Interest expenses	49.7	26.4	50.9	19.1	18.1	14.7	16.4
Depreciation of financial investment	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Investment income	-8.3	-12.4	-7.7	-3.4	-5.2	-4.8	-5.0
Financial result	-57.0	-38.3	-57.3	-21.2	-19.5	-11.5	-13.4
Earnings before taxes	27.6	88.8	97.9	6.5	44.5	110.2	123.4
Earnings before taxes (excl revaluation result)	-20.9	-4.3	14.8	28.6	37.4	53.2	58.0
Taxes	8.2	19.7	18.1	-2.7	4.5	20.8	23.3
Net income from continuing operations (incl reval. result)	19.4	69.1	79.7	9.2	40.1	89.5	100.1
Net income from continuing operations (excl reval. result)	-29.1	-24.0	-3.3	31.3	32.9	32.4	34.8
Income from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Extraordinary items (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cumulative effect of accounting changes (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income (incl revaluation result net)	19.4	69.1	79.7	9.2	40.1	89.5	100.1
Net income (excl revaluation result net)	-29.1	-24.0	-3.3	31.3	32.9	32.4	34.8
Minority interest	5.7	7.5	4.2	0.7	8.0	7.8	-14.8
Net income (net of minority interest, incl reval. result)	13.8	61.6	75.5	8.5	32.0	81.7	114.9
Net income (net of minority interest, excl reval. result)	-34.8	-31.5	-7.5	30.6	24.9	24.6	49.6
Funds from operations (FFO)	11.7	23.4	34.5	40.4	43.9	55.7	59.8

Profit and loss (common size)	2017	2018	2019	2020	2021E	2022E	2023E
Net rental income	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Direct property expenses	44.4 %	41.1 %	43.9 %	44.1 %	41.0 %	37.5 %	37.5 %
Net operating income	55.6 %	58.9 %	56.1 %	55.9 %	59.0 %	62.5 %	62.5 %
Earnings from property disposals	1.3 %	0.1 %	20.5 %	neg.	0.9 %	1.1 %	1.0 %
Earnings from project developments	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Earnings from other property activities	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Other operating income	26.8 %	23.9 %	29.3 %	26.1 %	27.1 %	25.9 %	25.8 %
Total revenues	128.1 %	124.0 %	149.8 %	124.9 %	128.0 %	127.0 %	126.8 %
Revaluation result from investment properties (net)	65.9 %	126.3 %	101.5 %	neg.	8.6 %	61.8 %	64.3 %
Total income	193.9 %	250.2 %	251.3 %	99.6 %	136.6 %	188.8 %	191.1 %
Administrative expenses	11.9 %	16.9 %	7.9 %	7.8 %	5.1 %	7.9 %	8.5 %
Personnel expenses	8.9 %	8.9 %	8.0 %	7.5 %	7.9 %	7.1 %	6.5 %
Other operating income	26.8 %	23.9 %	29.3 %	26.1 %	27.1 %	25.9 %	25.8 %
Total operating expenses	31.0 %	34.2 %	17.0 %	16.8 %	14.6 %	18.3 %	18.0 %
EBITDA	118.6 %	174.9 %	190.5 %	38.6 %	81.0 %	133.0 %	135.6 %
EBITDA excl revaluation result (net)	52.7 %	48.7 %	89.0 %	63.9 %	72.4 %	71.2 %	71.3 %
Depreciation	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
EBITA	118.6 %	174.9 %	190.5 %	38.6 %	81.0 %	133.0 %	135.6 %
EBITA excl revaluation result (net)	52.7 %	48.7 %	89.0 %	63.9 %	72.4 %	71.2 %	71.3 %
Amortisation of goodwill	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Amortisation of intangible assets	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Impairment charges	3.7 %	2.5 %	0.8 %	7.0 %	4.0 %	1.1 %	1.0 %
EBIT (incl revaluation net)	114.9 %	172.4 %	189.7 %	31.6 %	76.9 %	132.0 %	134.6 %
EBIT (excl revaluation net)	49.0 %	46.1 %	88.2 %	56.9 %	68.4 %	70.1 %	70.3 %
Interest income	1.3 %	0.7 %	1.6 %	1.5 %	4.5 %	8.7 %	7.9 %
Interest expenses	67.4 %	35.8 %	62.2 %	21.8 %	21.7 %	15.9 %	16.2 %
Depreciation of financial investment	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Investment income	neg.	neg.	neg.	neg.	neg.	neg.	neg.
Financial result	neg.	neg.	neg.	neg.	neg.	neg.	neg.
Earnings before taxes (incl revaluation result)	37.5 %	120.4 %	119.6 %	7.4 %	53.5 %	119.5 %	121.4 %
Earnings before taxes (excl revaluation result)	neg.	neg.	18.1 %	32.7 %	44.9 %	57.6 %	57.1 %
Total taxes	11.1 %	26.7 %	22.1 %	neg.	5.4 %	22.5 %	22.9 %
Net income from continuing operations (incl reval. result)	26.4 %	93.7 %	97.5 %	10.5 %	48.1 %	97.0 %	98.5 %
Net income from continuing operations (excl reval. result)	neg.	neg.	neg.	35.8 %	39.5 %	35.1 %	34.2 %
Income from discontinued operations (net of tax)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Extraordinary items (net of tax)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Cumulative effect of accounting changes (net of tax)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Net income (incl revaluation result net)	26.4 %	93.7 %	97.5 %	10.5 %	48.1 %	97.0 %	98.5 %
Net income (excl revaluation result net)	neg.	neg.	neg.	35.8 %	39.5 %	35.1 %	34.2 %
Minority interest	7.7 %	10.2 %	5.2 %	0.8 %	9.7 %	8.5 %	neg.
Net income (net of minority interest, incl reval. result)	18.7 %	83.5 %	92.3 %	9.7 %	38.4 %	88.5 %	113.1 %
Net income (net of minority interest, excl reval. result)	neg.	neg.	neg.	35.0 %	29.9 %	26.7 %	48.8 %
Funds from operations (FFO)	15.9 %	31.7 %	42.2 %	46.1 %	52.8 %	60.3 %	58.8 %

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2017	2018	2019	2020	2021E	2022E	2023E
Intangible assets	7.0	6.9	6.9	6.9	6.9	6.9	6.9
Investment properties	1,021.8	1,139.9	1,493.9	1,426.3	1,426.4	1,633.4	1,851.0
Development assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Property, plant and equipment	1.9	0.5	0.4	0.3	0.3	0.3	0.3
Financial assets	2.2	3.7	19.4	17.7	104.5	110.0	110.0
Other non-current assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Deferred taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0
FIXED ASSETS	1,032.9	1,150.9	1,520.7	1,451.1	1,538.0	1,750.6	1,968.2
Properties held for sale	12.3	12.3	16.3	31.0	0.0	0.0	0.0
Inventories	1.7	0.0	0.0	0.0	0.0	0.0	0.0
Accounts receivable	23.8	22.2	36.8	34.1	14.2	17.0	17.0
Other current assets	26.3	25.0	38.3	41.6	22.2	25.0	25.0
Liquid assets	73.9	190.4	102.1	101.6	92.2	72.3	87.0
CURRENT ASSETS	114.2	227.8	156.7	174.2	114.4	97.3	112.0
TOTAL ASSETS	1,147.1	1,378.7	1,677.4	1,625.3	1,652.4	1,847.9	2,080.2
Subscribed capital	54.3	107.8	107.8	105.8	105.5	105.5	105.5
Surplus capital	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Additional paid-in capital	217.4	368.6	430.1	443.7	385.9	395.7	421.7
Net profit/loss	13.8	61.6	75.5	8.5	32.0	81.7	114.9
SHAREHOLDERS' EQUITY	285.4	537.9	613.4	558.0	523.4	582.9	642.2
MINORITY INTEREST	33.7	44.4	47.4	40.1	42.0	43.0	44.0
PROVISIONS AND ACCRUED LIABILITIES	2.6	3.6	5.8	4.6	5.3	5.3	5.3
short-term liabilities to banks	29.1	30.2	69.1	12.4	15.0	25.0	25.0
Bonds (long-term)	403.2	360.7	590.0	592.0	654.1	789.1	964.1
long-term liabilities to banks	262.6	245.7	147.8	225.3	222.7	212.7	212.7
other interest-bearing liabilities	0.0	0.0	37.4	18.7	18.3	18.0	18.0
Interest-bearing liabilities	694.9	636.6	844.4	848.4	910.0	1,044.8	1,219.8
Accounts payable	14.7	19.7	10.0	10.7	5.7	6.0	6.0
Current liabilities	87.6	94.1	90.9	102.1	98.7	99.0	99.0
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Deferred taxes	42.9	62.1	75.5	72.1	73.0	73.0	70.0
LIABILITIES	825.4	792.7	1,010.8	1,022.7	1,081.7	1,216.8	1,388.8
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	1,147.1	1,378.7	1,677.4	1,625.3	1,652.4	1,847.9	2,080.2

Balance sheet (common size)	2017	2018	2019	2020	2021E	2022E	2023E
Intangible assets	0.6 %	0.5 %	0.4 %	0.4 %	0.4 %	0.4 %	0.3 %
Investment properties	89.1 %	82.7 %	89.1 %	87.8 %	86.3 %	88.4 %	89.0 %
Development assets	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Property, plant and equipment	0.2 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Financial assets	0.2 %	0.3 %	1.2 %	1.1 %	6.3 %	6.0 %	5.3 %
Other non-current assets	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Deferred taxes	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
FIXED ASSETS	90.0 %	83.5 %	90.7 %	89.3 %	93.1 %	94.7 %	94.6 %
Properties held for sale	1.1 %	0.9 %	1.0 %	1.9 %	0.0 %	0.0 %	0.0 %
Inventories	0.2 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Accounts receivable	2.1 %	1.6 %	2.2 %	2.1 %	0.9 %	0.9 %	0.8 %
Other current assets	2.3 %	1.8 %	2.3 %	2.6 %	1.3 %	1.4 %	1.2 %
Liquid assets	6.4 %	13.8 %	6.1 %	6.3 %	5.6 %	3.9 %	4.2 %
CURRENT ASSETS	10.0 %	16.5 %	9.3 %	10.7 %	6.9 %	5.3 %	5.4 %
TOTAL ASSETS	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Subscribed capital	4.7 %	7.8 %	6.4 %	6.5 %	6.4 %	5.7 %	5.1 %
Surplus capital	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Additional paid-in capital	18.9 %	26.7 %	25.6 %	27.3 %	23.4 %	21.4 %	20.3 %
Net profit/loss	1.2 %	4.5 %	4.5 %	0.5 %	1.9 %	4.4 %	5.5 %
SHAREHOLDERS' EQUITY	24.9 %	39.0 %	36.6 %	34.3 %	31.7 %	31.5 %	30.9 %
MINORITY INTEREST	2.9 %	3.2 %	2.8 %	2.5 %	2.5 %	2.3 %	2.1 %
PROVISIONS AND ACCRUED LIABILITIES	0.2 %	0.3 %	0.3 %	0.3 %	0.3 %	0.3 %	0.3 %
short-term liabilities to banks	2.5 %	2.2 %	4.1 %	0.8 %	0.9 %	1.4 %	1.2 %
Bonds (long-term)	35.1 %	26.2 %	35.2 %	36.4 %	39.6 %	42.7 %	46.3 %
long-term liabilities to banks	22.9 %	17.8 %	8.8 %	13.9 %	13.5 %	11.5 %	10.2 %
other interest-bearing liabilities	0.0 %	0.0 %	2.2 %	1.2 %	1.1 %	1.0 %	0.9 %
Interest-bearing liabilities	60.6 %	46.2 %	50.3 %	52.2 %	55.1 %	56.5 %	58.6 %
Accounts payable	1.3 %	1.4 %	0.6 %	0.7 %	0.3 %	0.3 %	0.3 %
Current liabilities	7.6 %	6.8 %	5.4 %	6.3 %	6.0 %	5.4 %	4.8 %
Deferred income	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Deferred taxes	3.7 %	4.5 %	4.5 %	4.4 %	4.4 %	4.0 %	3.4 %
LIABILITIES	72.0 %	57.5 %	60.3 %	62.9 %	65.5 %	65.8 %	66.8 %
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %

Source: Company data, Hauck & Aufhäuser

Cash flow statement (EUR m)	2017	2018	2019	2020	2021E	2022E	2023E
Net profit	27.6	88.8	97.9	6.5	44.5	110.2	123.4
Other recurrent / non-recurrent items	-3.1	-55.6	-44.7	-15.7	-76.6	-81.7	-106.3
Increase/decrease in working capital	11.3	5.7	-7.3	-14.9	4.1	-4.7	-5.2
Cash flow from operating activities	35.8	38.9	45.8	-24.1	-28.0	23.8	11.9
CAPEX	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Payments for acquisitions	-6.5	-24.7	-213.3	-65.4	-14.8	-200.0	-200.0
Financial investments	-1.0	0.0	-71.3	-0.1	-77.2	0.0	0.0
Income from asset disposals	28.0	0.6	31.4	100.5	65.7	50.0	50.0
Cash flow from investing activities	20.6	-24.0	-253.2	35.0	-26.4	-150.0	-150.0
Increase/decrease in debt position	32.8	-43.9	164.0	20.1	59.1	125.0	175.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Purchase of own shares	0.0	0.0	0.0	-9.0	-1.2	0.0	0.0
Capital measures	0.0	171.6	0.0	0.0	0.0	0.0	0.0
Others	-46.5	-25.9	-44.9	-22.5	-13.0	-18.7	-22.2
Cash flow from financing activities	-13.8	101.7	119.1	-11.4	45.0	106.3	152.8
Cash flow from operating activities	38.9	94.4	90.6	-8.4	48.7	105.6	118.2
Cash flow after maintenance capex	27.6	88.8	97.9	6.5	44.5	110.2	123.4
Cash flow before financing	71.2	64.2	361.9	141.9	129.8	273.8	261.9
Increase/decrease in liquid assets	57.5	165.9	480.9	148.4	177.1	380.1	414.7

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2017	2018	2019	2020	2021E	2022E	2023E
Return on equity							
Net profit / Y/E equity	-12.2 %	-5.9 %	-1.2 %	5.5 %	4.8 %	4.2 %	7.7 %
Recurring net profit / Y/E equity	4.1 %	4.3 %	5.6 %	7.2 %	8.4 %	9.5 %	9.3 %
Net profit / avg. equity	-12.2 %	-5.9 %	-1.2 %	5.5 %	4.8 %	4.2 %	7.7 %
Recurring net profit / avg. equity	4.1 %	4.3 %	5.6 %	7.2 %	8.4 %	9.5 %	9.3 %
Security							
Net debt	621.0	446.1	742.2	746.8	817.8	972.4	1,132.7
Debt / equity	243.5 %	118.3 %	137.7 %	152.1 %	173.9 %	179.2 %	189.9 %
Net gearing	217.6 %	82.9 %	121.0 %	133.8 %	156.2 %	166.8 %	176.4 %
Interest cover	0.7	1.3	1.4	2.6	3.1	4.4	4.4
EBITDA / interest paid	1.8	4.9	3.1	1.8	3.7	8.3	8.4
Dividend payout ratio	0 %	0 %	169 %	164 %	70 %	70 %	70 %
Dividend cover	n/a	n/a	0.6	0.6	1.4	1.3	1.4
Loan-to-value (LTV)	49.3 %	50.4 %	46.9 %	51.5 %	53.4 %	55.8 %	57.8 %
Return on Net Asset Value	3.6 %	5.9 %	5.0 %	6.5 %	7.4 %	n/a	n/a
Liquidity							
Current ratio	0.7	1.2	0.6	0.8	0.6	0.5	0.5
Acid test ratio	0.7	1.2	0.6	0.8	0.6	0.5	0.5
Valuation metrics							
FFO	11.7	23.4	34.5	40.4	43.9	55.7	59.8
FFO per share	0.22	0.32	0.32	0.38	0.42	0.53	0.57
NAV	323.6	595.2	684.1	613.7	593.1	657.5	713.9
NAV per share	5.96	5.52	6.35	5.80	5.61	6.22	6.75
NNNAV	0.0	0.0	0.0	0.0	0.0	0.0	0.0
NNNAV per share	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Source: Company data, Hauck & Aufhäuser

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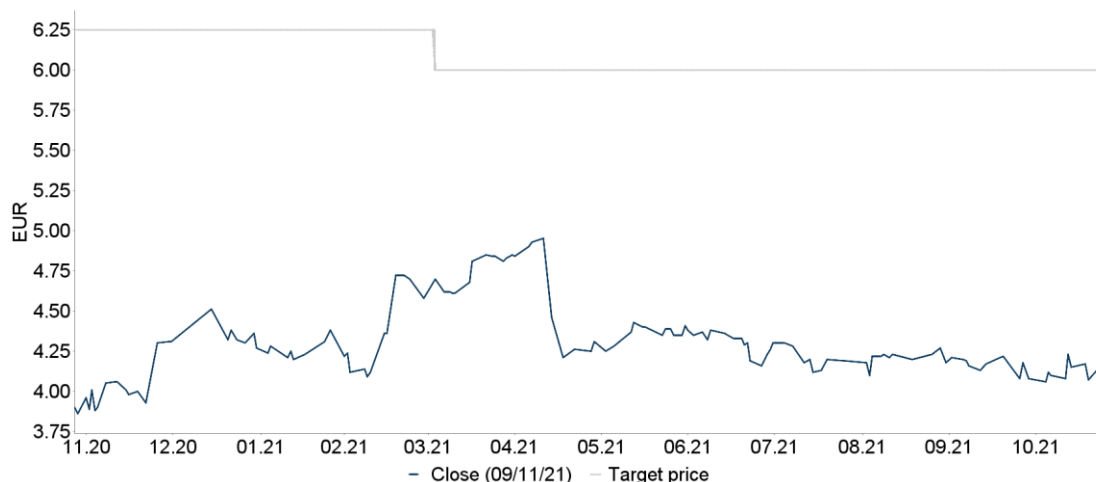
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Company	Disclosure
DEMIRE AG	2, 8

Historical target price and rating changes for DEMIRE AG in the last 12 months

**Price and Rating History
DEMIRE AG as of 11/11/21**

Initiation coverage
25-September-20



Company	Date	Analyst	Rating	Target price	Close
DEMIRE AG	24.06.2021	Glowa, Christian	Buy	EUR 6.00	EUR 4.38
	03.06.2021	Glowa, Christian	Buy	EUR 6.00	EUR 4.40
	19.03.2021	Glowa, Christian	Buy	EUR 6.00	EUR 4.70
	02.03.2021	Glowa, Christian	Buy	EUR 6.25	EUR 4.36
	09.12.2020	Glowa, Christian	Buy	EUR 6.25	EUR 3.93

23.11.2020	Stinauer, Julius	Buy	EUR 6.25	EUR 4.05
12.11.2020	Stinauer, Julius	Buy	EUR 6.25	EUR 3.90

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Sell	5.41 %	0.00 %
Hold	18.92 %	3.70 %

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