



# RESULTS H1 2022

Conference Call | 25 August 2022



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**Executive summary**

**Portfolio highlights**

**Financial highlights**

# Executive Summary

## REALize Potential

### Asset Management

- » New all-time high for sqm let in a half year period (c. 145,000 sqm), I-f-I rental growth of 0.9%
- » Market value of portfolio stable at over € 1.4bn (excl. Cielo)
- » Annualised contractual rent increased to € 80.6m from € 78.1m
- » EPRA-Vacancy reduced to 9.5%, while WALT remains fairly stable at 4.6 years

### Acquisitions

- » Further work on the institutionalisation of the portfolio: disposal of one asset in Bremen after the reporting date above book value
- » Average asset value up to € 22.4m (pro-forma sale of Bremen)
- » Focus on further disposals to create a sufficient liquidity cushion for refinancing purposes

### Financials

- » Profit from the rental of real estate slightly lower at € 31.5m (-7.9%) due to reduced asset base
- » FFO<sup>(1)</sup> improved to € 20.8m (+7.1%)
- » Net-LTV moderately increased to 51.4%<sup>(2)</sup> following the dividend pay-out
- » Average cost of debt remain low at 1.67% p.a.<sup>(3)</sup>

### Processes

- » First sustainability report published in June
- » Reduction of general and administrative expenses by 8.0%

### Guidance

- » Guidance confirmed:
  - » Rental income: € 78.0 – 80.0m
  - » FFO<sup>(1)</sup>: € 38.5 – 40.5m

(1) After taxes, before minorities  
 (2) Bond 19/24 covenant definition  
 (3) Nominal



**Executive summary**

**Portfolio highlights**

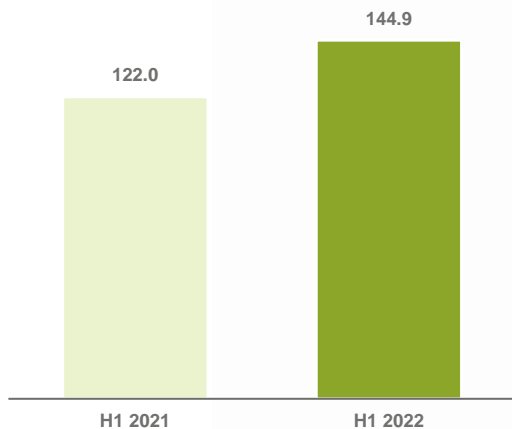
**Financial highlights**

## Portfolio highlights

Letting performance again on all-time high, annualised contractual rent increased

### Letting result

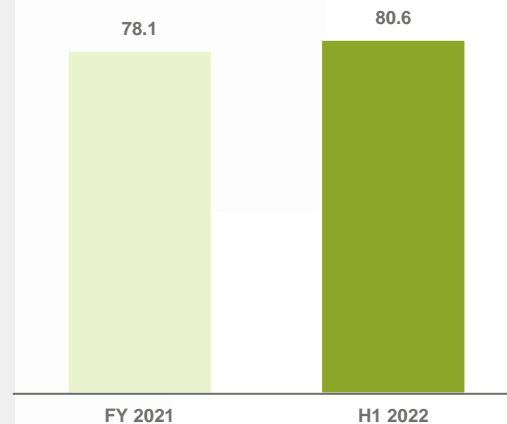
sqm



- » New all-time high achieved after already very strong performance in H1 2021
- » Leasing activities in H1 2022 secure € 12.2m rental income per year with a WALT of 3.2 years
- » Prolongation of rental contract with Imotex in Neuss boosts letting result (c. 56,000 sqm, € 5.4m annual rent)

### Annualised contractual rent

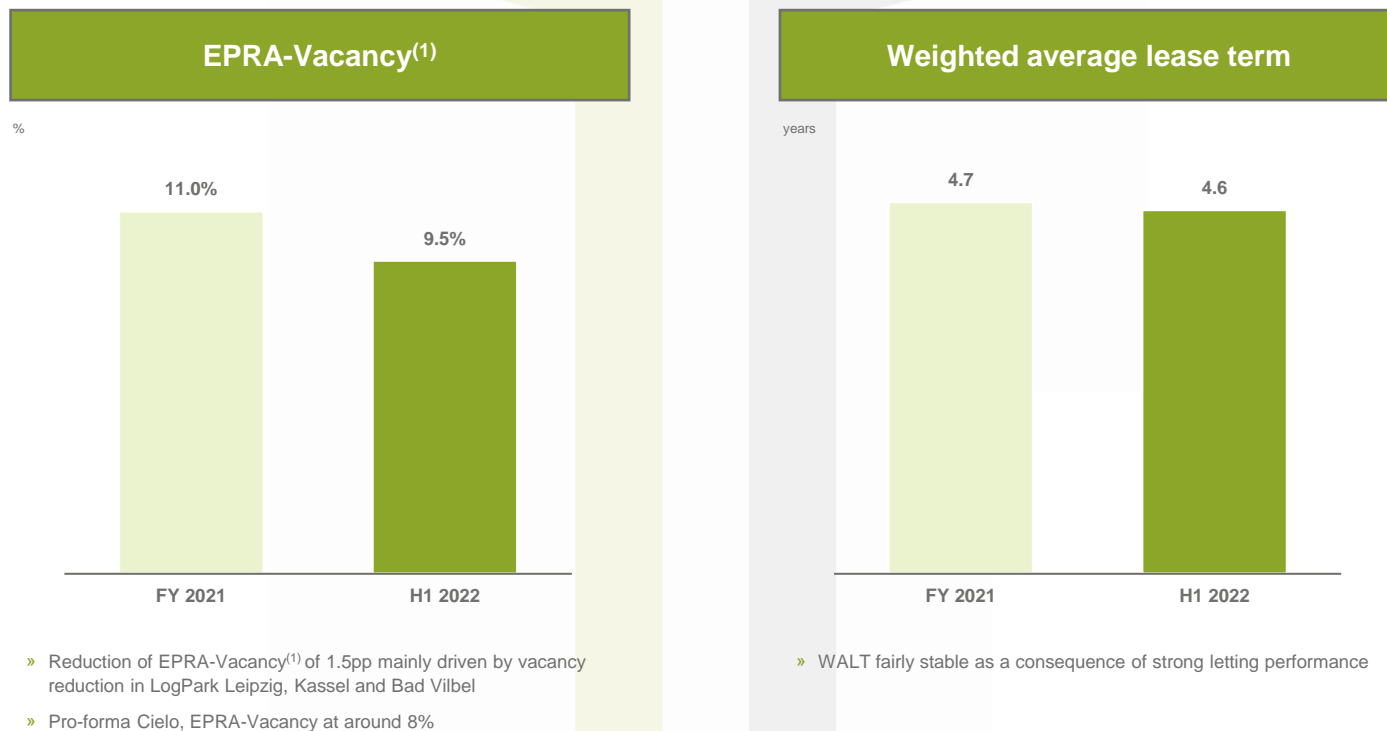
€ m



- » € 2.5m increase of annualised contractual rent mainly driven by new lettings in LogPark Leipzig and indexations
- » Like-for-like rental growth at 0.9% (compared to 30 June 2021)

## Portfolio highlights

EPRA-Vacancy back to below 10%, while WALT remains fairly stable



(1) Adjusted for assets held for sale and project developments



**Executive summary**

**Portfolio highlights**

**Financial highlights**



## Financial highlights

### Shortened P&L statement and FFO-bridge: FFO increased despite reduced portfolio

	H1 2022 (€ m)	H1 2021 (€ m)	Change (%)
Rental income	39.5	42.0	- 6.0
Income from utility and service charges	1a 18.3	12.2	+ 50.5
Operating expenses to generate rental income	1b - 26.3	- 20.0	+ 31.6
<b>Profit / loss from the rental of real estate</b>	2 31.5	34.2	- 7.9
Profit / loss from fair value adjustments in investment properties	0.0	1.8	- > 100.0
Profit / loss from the sale of real estate	3 0.0	0.7	- > 100.0
Impairment of receivables	- 0.0	- 0.7	- 97.5
Other operating income / expenses (net)	0.2	- 0.8	+ > 100.0
General and administrative expenses	- 5.3	- 5.7	- 8.0
<b>Earnings before interest and taxes (EBIT)</b>	26.4	29.5	- 10.6
Financial income	4 2.9	0.5	+ > 100.0
Finance expenses	- 9.4	- 8.9	+ 5.3
<b>Earnings before taxes and minority interests (EBTM)</b>	19.9	21.1	- 5.6
± Profit / loss from the sale of real estate	0.0	- 0.7	- > 100.0
± Profit / loss from fair value adjustments in investment properties	0.0	- 1.8	- > 100.0
± Other adjustments	1.6	2.0	- 19.3
<b>FFO I before taxes, before minorities</b>	21.5	20.6	+ 4.5
± (Current) income taxes	- 0.7	- 1.2	- 38.9
<b>FFO I after taxes, before minorities</b>	5 20.8	19.4	+ 7.1

- 1 Operating expenses and income from utility and service charges substantially higher given accelerated inflation (specifically energy costs)
- 2 Disposals in 2021 reduce profit from the rental of real estate
- 3 Larger disposals in H1 2021, while none in H1 2022
- 4 Interest and investment income from Cielo transaction closed in July 2021
- 5 Despite disposals of 11 assets, FFO improved

## Financial highlights

### Shortened balance sheet: moderate changes, ample cash available

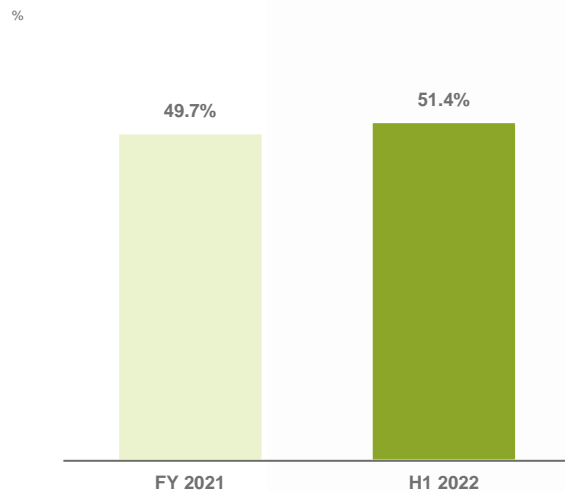
	H1 2022 (€ m)	FY 2021 (€ m)	Change (%)
Investment properties	1 449.5	1 433.1	+ 1.1
Non-current assets held for sale	0.0	0.0	0.0
Lendings and financial assets	88.8	90.8	- 2.2
Other non-current assets	23.4	20.0	+ 16.0
<b>Total non-current assets</b>	<b>1,561.5</b>	<b>1,543.8</b>	<b>+ 1.1</b>
Other current assets	33.4	22.2	+ 50.8
Cash and cash equivalents	93.5	139.6	- 33.1
<b>Total current assets</b>	<b>126.9</b>	<b>161.8</b>	<b>- 21.6</b>
<b>TOTAL ASSETS</b>	<b>1,688.3</b>	<b>1,705.6</b>	<b>- 1.0</b>
Subscribed capital	105.5	105.5	0.0
Reserves	423.3	443.5	- 4.6
<b>Equity attributable to parent company shareholders</b>	<b>528.8</b>	<b>549.0</b>	<b>- 3.7</b>
Non-controlling interests	43.7	43.3	+ 0.9
<b>TOTAL EQUITY</b>	<b>572.5</b>	<b>592.4</b>	<b>- 3.3</b>
Long-term financial and lease liabilities	893.8	898.7	- 0.5
Other non-current liabilities	170.5	167.9	+ 1.6
<b>Total non-current liabilities</b>	<b>1,064.3</b>	<b>1,066.6</b>	<b>- 0.2</b>
Short-term financial and lease liabilities	16.5	16.3	+ 1.1
Other current liabilities	35.1	30.4	+ 15.5
<b>Total current liabilities</b>	<b>51.5</b>	<b>46.7</b>	<b>+ 10.4</b>
<b>TOTAL LIABILITIES</b>	<b>1,115.8</b>	<b>1,113.2</b>	<b>+ 0.2</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,688.3</b>	<b>1,705.6</b>	<b>- 1.0</b>

- 1 Value accretive capitalised building measures increase investment property value
- 2 Despite dividend pay-out, liquidity position remains comfortable
- 3 Dividend pay-out reduces reserves, while profit for the period from operating business acts in the opposite direction

## Financial highlights

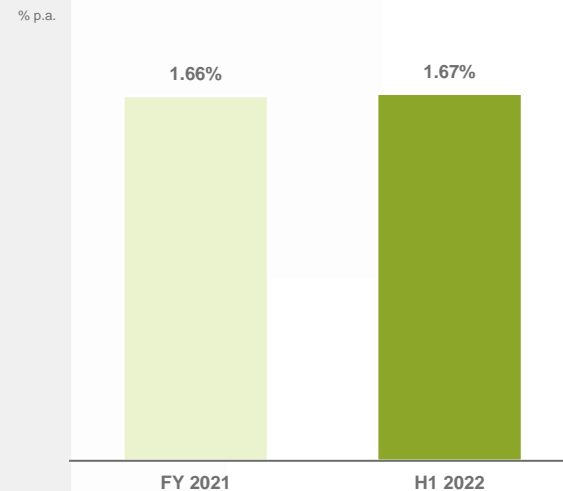
Net-LTV slightly higher, while average cost of debt remain attractively low

### Net-LTV<sup>(1)</sup>



- » Net-LTV moderately increased due to dividend pay-out
- » Comfortable headroom to bond covenant level of 60%

### Average cost of debt<sup>(2)</sup>

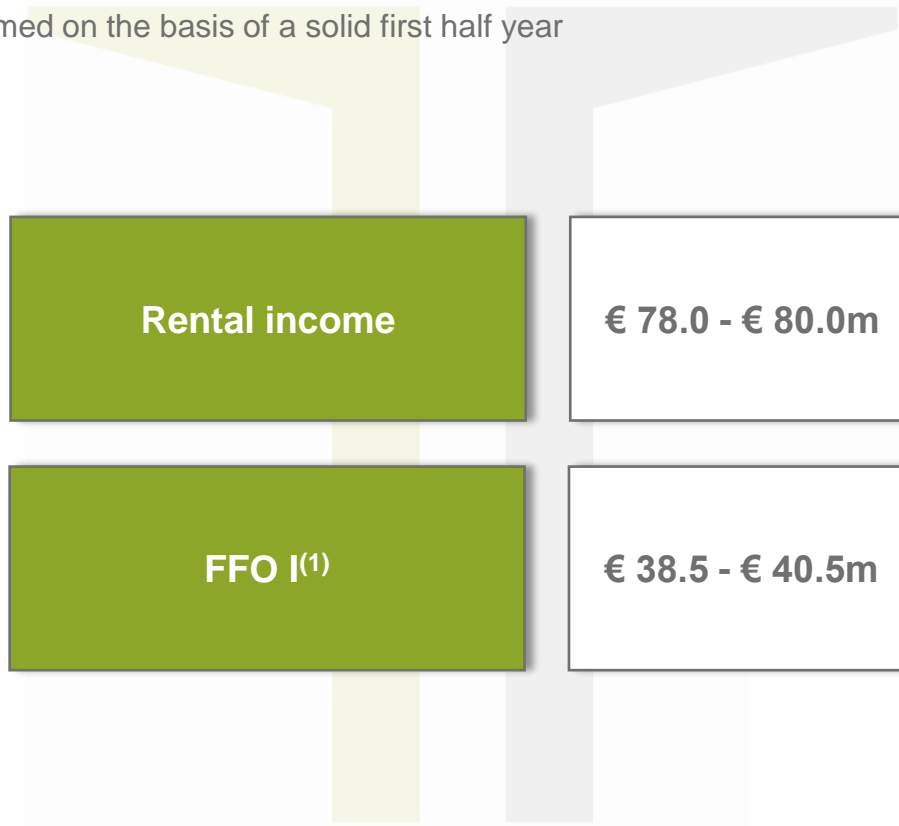


- » Average cost of debt fairly stable at favourable 1.67% p.a.<sup>(2)</sup>

(1) Bond 19/24 covenant definition  
 (2) Nominal

## Guidance FY 2022

Guidance confirmed on the basis of a solid first half year



(1) After taxes, before minorities



## Appendix

Additional portfolio information



## Additional portfolio information

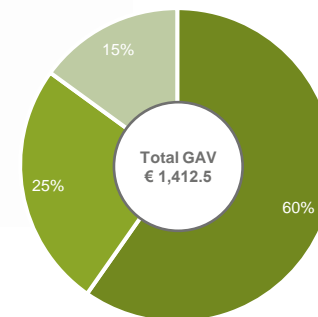
### Split by region and asset class

#### Split by federal state

	# of properties	GAV <sup>(1)</sup> (€ m)	EPRA-Vacancy <sup>(2)</sup> (%)	Lettable area (k sqm)
Baden-Wuerttemberg	5	164.8	4.2%	93.6
Bavaria	6	81.4	12.4%	58.7
Bremen	1	3.3	29.1%	6.2
Hamburg	1	11.3	0.0%	4.0
Hesse	7	208.0	7.0%	98.6
Mecklenburg-Western Pomerania	6	122.6	7.3%	58.1
Lower Saxony	5	47.3	0.9%	39.1
North Rhine-Westphalia	15	399.0	15.9%	223.8
Rhineland Palatinate	2	7.4	49.7%	24.0
Saxony	9	257.2	7.2%	228.0
Saxony-Anhalt	2	36.4	2.4%	24.0
Schleswig-Holstein	4	72.1	5.6%	55.7
Thuringia	1	1.5	56.3%	5.6
<b>Germany</b>	<b>64</b>	<b>1,412.5</b>	<b>9.5%</b>	<b>914.7</b>

#### Split by asset class

€ m



■ Office ■ Retail ■ Logistics & Others

(1) Excl. capitalised leases

(2) Excl. assets held for sale and assets classified as project developments

## Additional portfolio information

### Details top 20 assets

#### Top 20 assets

	Asset class	GAV <sup>(1)</sup> (€ m)	GRI <sup>(2)</sup> (€ m)	EPRA-Vacancy <sup>(3)</sup> (%)	Lettable area (k sqm)
Leipzig (LogPark)	Other	141.6	5.5	10.2%	147.1
Essen	Office	91.6	4.1	38.4%	45.6
Ulm	Office	87.6	4.8	2.0%	47.6
Bonn	Office	87.2	4.7	0.0%	38.4
Rostock	Retail	74.9	4.0	3.8%	19.3
Neuss	Retail	72.6	5.4	0.0%	56.1
Kassel	Retail	54.1	3.4	6.7%	21.5
Bad Vilbel	Office	47.5	3.1	12.2%	27.6
Frankfurt	Other	44.5	1.9	0.0%	6.1
Freiburg	Office	39.7	2.2	5.9%	22.6
<b>Top 10 properties</b>		<b>741.3</b>	<b>39.1</b>	<b>9.4%</b>	<b>431.8</b>
Düsseldorf	Office	37.8	2.5	14.7%	24.3
Leipzig (Gutenberg Galerie)	Office	37.4	2.1	4.7%	23.4
Eschborn	Office	29.5	2.1	0.0%	18.9
Aschheim	Office	29.1	1.2	25.7%	12.2
Flensburg	Office	27.9	1.9	10.4%	24.2
Lutherstadt Wittenberg	Retail	23.9	1.8	3.8%	14.7
Köln	Office	23.5	1.3	3.2%	5.2
Zittau	Retail	23.1	1.3	3.5%	17.4
Langen	Office	19.1	1.3	21.0%	13.8
Kempten	Office	18.8	1.1	12.2%	17.2
<b>Top 20 properties</b>		<b>1,011.4</b>	<b>55.7</b>	<b>9.5%</b>	<b>603.0</b>
<b>Other properties</b>		<b>401.1</b>	<b>24.9</b>	<b>9.7%</b>	<b>311.7</b>
<b>Total properties</b>		<b>1,412.5</b>	<b>80.6</b>	<b>9.5%</b>	<b>914.7</b>

(1) Excl. capitalised leases

(2) Annualised contractual rent

(3) Excl. assets held for sale and assets classified as project developments