

2022 results with mixed picture

Demire has reported better than expected 2022 results on FFO I level, which came in at EUR 41.8m (PAsE: EUR 38.8m) and thus above its forecast of EUR 38.5m to EUR 40.5m. Pretax profit was with EUR -72.9m, however, well below or forecast of EUR 42.3m due to a negative valuation effects of EUR 99m. LTV amounted to 55% at the end of 2022 (9M '22: 51.2%), the real estate portfolio declined by 6% yoy to EUR 1.33bn, vacancy rate remained stable qoq at 9.5% (+10 bps qoq). NAV per share declined by around 20% qoq to EUR 4.97. For the current year the company targets a FFO I of between EUR 30m and EUR 32m (PAsE: EUR 33.9m). Furthermore, it targets to reduce its net LTV to below 45%. All in all, slightly better than expected FFO I results for 2022; a higher than expected negative valuation result led, however, to a lower than forecasted pretax profit. Key challenge for the company remains the refinancing of its EUR 600m bond. We stick to our Hold rating with a target price of EUR 2.50.

Dr Philipp Häßler CFA

+49 69 58997 414, philipp.haessler@paretosec.com