



# RESULTS H1 2023

Conference Call | 4 September 2023



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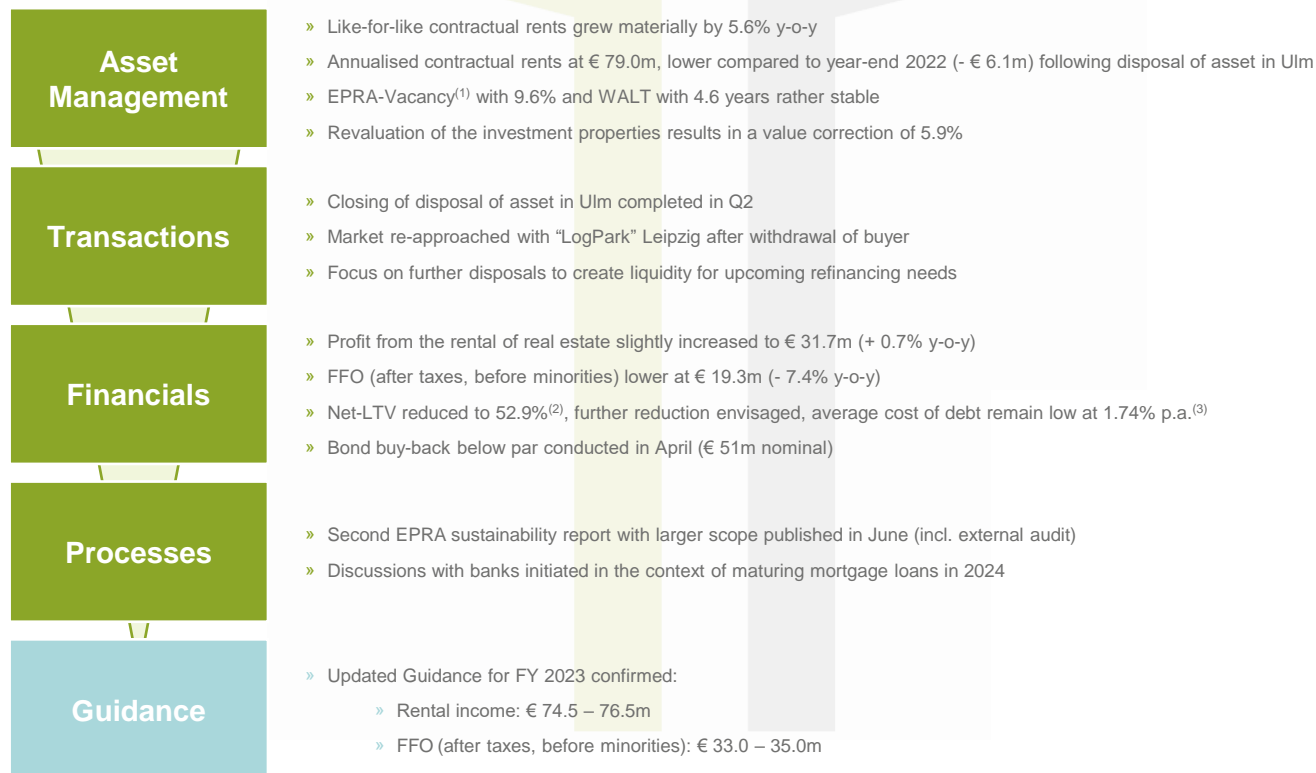
**Executive summary**

**Portfolio highlights**

**Financial highlights**

# Executive Summary

## Progress on our strategic pillars



(1) Excl. properties classified as project developments

(2) Bond 19/24 covenant definition

(3) Nominal



**Executive summary**

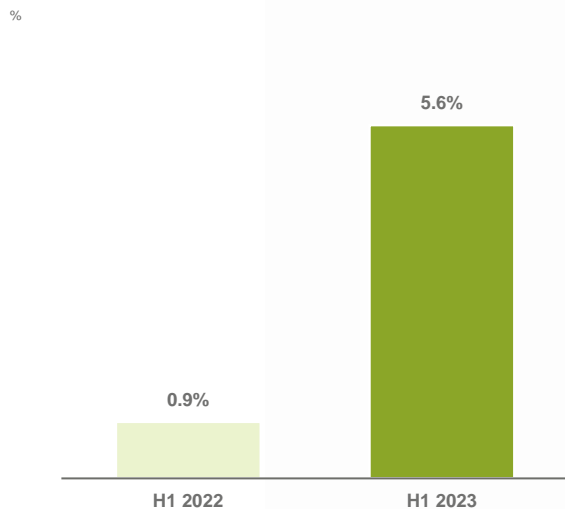
**Portfolio highlights**

**Financial highlights**

## Portfolio highlights

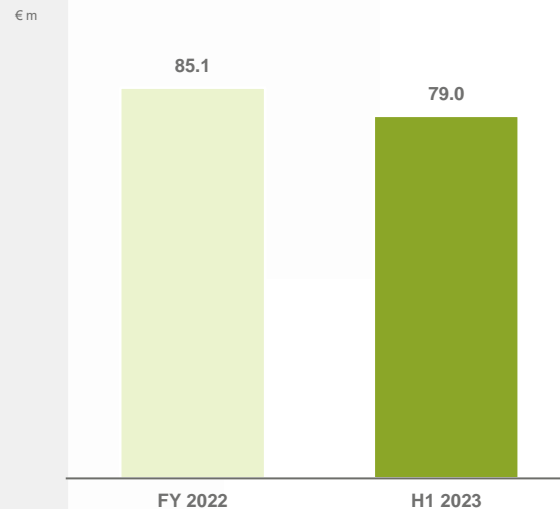
Strong like-for-like rental growth, contractual rents lower due to disposals

### Like-for-like rental development<sup>(1)</sup>



- » Record-level letting performance in previous periods in combination with indexation adjustments lead to a I-f-I rental growth of 5.6%
- » Positive development of rents across almost all properties of the portfolio

### Annualised contractual rent



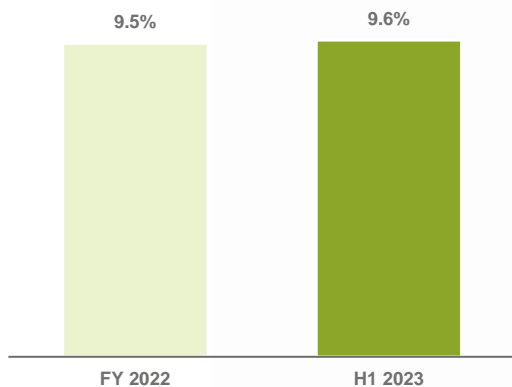
- » Decrease of annualised contractual rent primarily due to the sale of the asset in Ulm (c. - € 5.3m)

(1) Over one year-period

## Portfolio highlights

EPRA-Vacancy and WALT almost stable

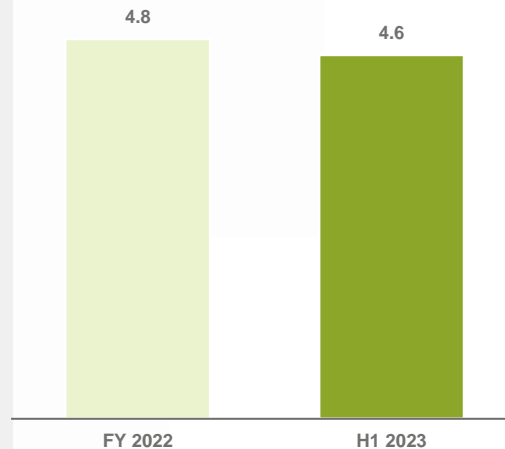
### EPRA-Vacancy<sup>(1)</sup>



- » EPRA-Vacancy almost unchanged compared to December 2022
- » Stable development until end of 2023 expected as only small portion of rental contracts mature in 2023
- » Pro-forma EPRA-Vacancy at around 8% (incl. Cielo)

### Weighted average lease term

years



- » WALT slightly lower due to natural reduction
- » With 4.6 years still at solid level for a portfolio with office overweight

(1) Excl. assets classified as project developments



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## Financial highlights

### Shortened P&L statement and FFO-bridge: Strong rental income while FFO remains solid

	H1 2023 (€ m)	H1 2022 (€ m)	Change (%)
Rental income	① 40.8	39.5	3.4
Income from utility and service charges	②a 11.9	18.3	- 35.3
Operating expenses to generate rental income	②b - 21.0	- 26.3	- 20.4
<b>Profit / loss from the rental of real estate</b>	<b>31.7</b>	<b>31.5</b>	<b>0.7</b>
Profit / loss from fair value adjustments in investment properties	③ - 59.7	0.0	- > 100
Profit / loss from fair value adjustments in assets held for sale	④ - 9.4	0.0	- > 100
Profit / loss from the sale of real estate	⑤ - 18.8	0.0	- > 100
Impairment of receivables	⑥ - 1.4	- 0.0	> 100
Other operating income / expenses (net)	⑦ - 1.1	0.2	- > 100
General and administrative expenses	⑧ - 6.3	- 5.3	19.1
<b>Earnings before interest and taxes (EBIT)</b>	<b>- 65.0</b>	<b>26.4</b>	<b>- &gt; 100</b>
Financial income	⑨a 18.1	2.9	> 100
Finance expenses	⑩ - 8.6	- 9.4	- 8.6
<b>Earnings before taxes and minority interests (EBTM)</b>	<b>- 55.4</b>	<b>19.9</b>	<b>- &gt; 100</b>
± Profit / loss from the sale of real estate	18.8	0.0	> 100
± Profit / loss from fair value adjustments in investment properties	59.7	0.0	> 100
± Profit / loss from fair value adjustments in assets held for sale	9.4	0.0	> 100
± Other adjustments	⑨b - 10.9	- 0.7	> 100
<b>FFO I before taxes, before minorities</b>	<b>21.5</b>	<b>21.5</b>	<b>0.1</b>
± (Current) income taxes	⑪ - 2.3	- 0.7	> 100
<b>FFO I after taxes, before minorities</b>	<b>19.3</b>	<b>20.8</b>	<b>- 7.4</b>

- ① Despite smaller portfolio, rental income improved driven by indexation adjustments
- ② Considerably lower allocatable costs, mainly due to lower energy prices
- ③ Revaluation result of investment properties as of 30 June 2023
- ④ Adjustment of values of reclassified assets (to assets held for sale)
- ⑤ Primarily due to disposal of asset in Ulm
- ⑥ Countering positive effects in previous years period (reversal of write-downs)
- ⑦ Write-off of rent-free periods of Galeria Karstadt Kaufhof in vacated property in Celle
- ⑧ Countering positive effects in previous years period (profit from stock option programme)
- ⑨ Mainly driven by bond buy-back below par in April 2023
- ⑩ Lower interest as bond volume reduced by 17%
- ⑪ Higher taxes, among other factors, due to partially used up losses carried forward in some SPVs

## Financial highlights

### Shortened balance sheet: cash increased, reclassification of assets

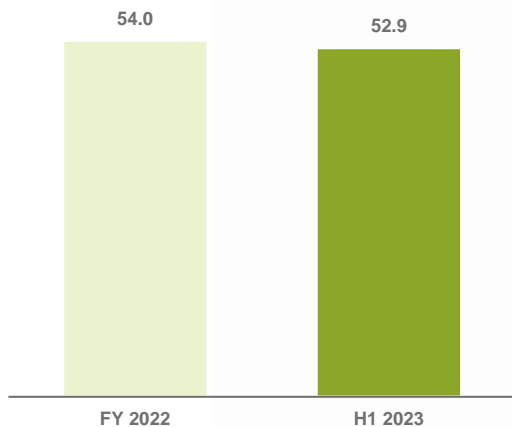
	H1 2023 (€ m)	FY 2022 (€ m)	Change (%)
Investment properties	1 917.3	1,231.1	- 25.5
Non-current assets held for sale	2 281.6	121.0	> 100
Lendings and financial assets	86.9	87.5	- 0.7
Other non-current assets	6.7	7.2	- 7.7
<b>Total non-current assets</b>	<b>1,292.4</b>	<b>1,446.8</b>	<b>- 10.7</b>
Other current assets	27.9	32.6	- 14.4
Cash and cash equivalents	3 123.4	57.4	> 100
<b>Total current assets</b>	<b>151.3</b>	<b>90.0</b>	<b>68.1</b>
<b>TOTAL ASSETS</b>	<b>1,443.7</b>	<b>1,536.9</b>	<b>- 6.1</b>
Subscribed capital	105.5	105.5	0.0
Reserves	4 300.7	344.7	- 12.8
<b>Equity attributable to parent company shareholders</b>	<b>406.2</b>	<b>450.2</b>	<b>- 9.8</b>
Non-controlling interests	33.0	36.5	- 9.5
<b>TOTAL EQUITY</b>	<b>439.2</b>	<b>486.7</b>	<b>- 9.8</b>
Long-term financial and lease liabilities	5 714.6	839.6	- 11.6
Other non-current liabilities	138.3	156.4	- 14.9
<b>Total non-current liabilities</b>	<b>852.9</b>	<b>996.0</b>	<b>- 14.4</b>
Short-term financial and lease liabilities	6 107.3	16.0	> 100
Other current liabilities	44.3	38.1	16.3
<b>Total current liabilities</b>	<b>151.6</b>	<b>54.1</b>	<b>&gt; 100</b>
<b>TOTAL LIABILITIES</b>	<b>1,004.6</b>	<b>1,050.2</b>	<b>- 4.3</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,443.7</b>	<b>1,536.9</b>	<b>- 6.1</b>

- 1 Reduction driven by disposal of asset in Ulm and reclassification of various properties in advanced stages of disposal processes to held for sale category
- 2 Various properties reclassified to held for sale category
- 3 Cash inflow from disposals, mainly from divestment of asset in Ulm
- 4 Revaluation result led to negative profit for the period which reduces reserves
- 5 Reduction following partial bond buy-back and reclassification of one larger loan to short term category
- 6 One larger loan now shown as short-term liability as maturity slightly less than one year

## Financial highlights

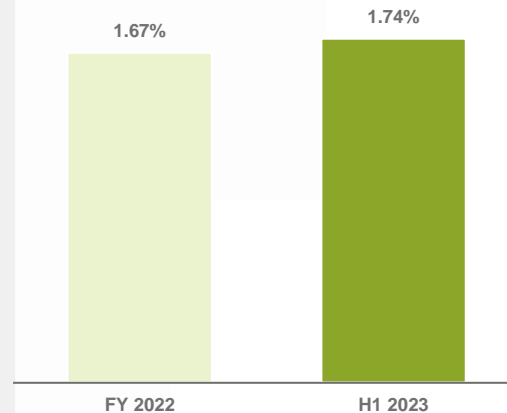
Net-LTV reduced, cost of debt virtually stable

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



- » Net-LTV reduced as impact of disposal of asset in Ulm outweighs negative revaluation result
- » Further reduction expected as disposal programme continues

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

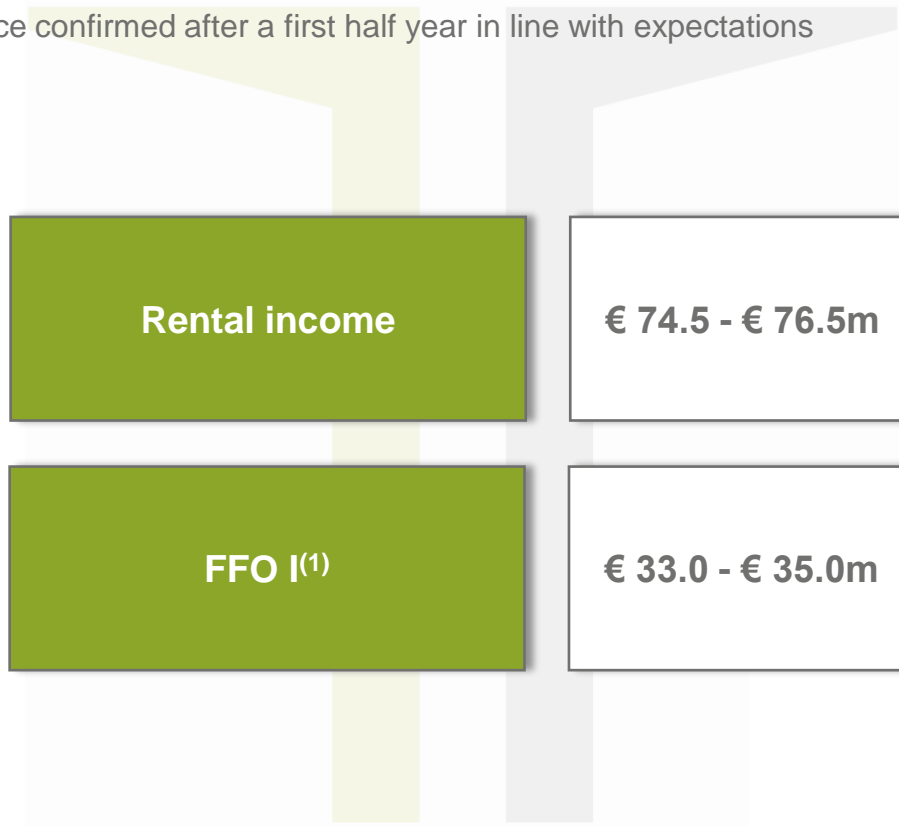


- » Average cost of debt still very low at 1.74% p.a.<sup>(2)</sup>
- » No maturities of debt instruments until mid-2024
- » Discussions with banks about prolongation of maturing mortgage loans in 2024

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

## Guidance FY 2023

Updated guidance confirmed after a first half year in line with expectations



(1) After taxes, before minorities

# Q & A

***Thank you!***