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AROUNDTOWN ANNOUNCES H1 2020 RESULTS WITH POSITIVE PORTFOLIO PERFORMANCE DESPITE CRISIS RELATED NEGATIVE IMPACT

- **Net rental income increased to €502 million** in H1 2020, grew by 40% from €359 million in H1 2019
- **Adjusted EBITDA increased to €500 million** in the first half of 2020, an increase of 38% compared to €363 million in H1 2019
- **FFO I increased 30% to €312 million** in H1 2020 from €239 million in H1 2019
- **FFO I per share after perpetual increased by 5% year over year, to €0.20 per share** in H1 2020 compared to €0.19 per share in H1 2019
- **FFO I per share after perpetual, Covid adjusted decreased by 11% to €0.17 per share** from €0.19 per share in H1 2019
- **Collection rate H1 2020: 84% and 95% excluding hotels**
- Disposal volume of approx. €240 million above book value result in strong **FFO II amounting to €384 million**
- **Signed disposals of approx. €1 billion YTD, 6% above book value**, non-core and mature assets. Proceeds funding **accretive €500 million share buy-back program** generating significant shareholder value. Additional sales of assets over €1 billion in advanced negotiation.
- **Positive revaluations gains of €560 million in H1 2020, +2.5% on a like-for-like basis**. Strong revaluation gains in all asset classes excluding hotels of €766 million offset negative revaluation results in hotel portfolio of €206 million after almost entire hotel portfolio has been externally revalued
- **Net Profit for the first half of 2020 amounting to €626 million**, reflecting **EPS (basic) of €0.36**
- **EPRA NAV increased to €12.4 billion** and **EPRA NAV per share of €9.0**, compared to €10.6 billion and €8.7 per share in December 2019
- **Total Equity of €16.4 billion** resulting in an **equity ratio of 51%**
- **Investment property of €22.6 billion**, increasing from €18.1 billion as of Dec 2019
- Ample liquidity due to large balance of **cash and liquid assets of over €2.7 billion** and substantial amount of **unencumbered assets** at the amount of **€16.1 billion (74% of rent)**
- **Conservative capital structure maintained with low LTV at 36%**, well below the 45% Board of Directors' limit
- **Strong ICR at 4.5x**, long average debt maturity of **6.2 years**, low average cost of debt of **1.6%**
- **Strong operational performance with a total net rent LFL growth of 3.0%**, with 3.2% coming from in-place rent increases, offset by a 0.2% decrease in occupancy
- **Guidance for FY 2020 published**

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26 August 2020.

UPDATE ON COVID IMPACT

While Aroundtown (“the Company” or “AT”) saw an insignificant impact from the Covid pandemic on its operations in the first quarter of 2020, it was the primary driver of events in the second quarter. The impact of the pandemic was primarily in the Hotel portfolio which makes up 23% of the portfolio, with Office, Logistic/Wholesale, and Residential (through GCP) seeing only limited impact. These make up 70% of the portfolio. The collection rate in H1 2020 stood at 84% for the full portfolio and excluding the hotel portfolio, the collection rate was 95%. The collection rates in July have been improving, also for hotels to 33%, from 21% in Q2 2020. Due to the prevailing uncertainties of the effects from Covid, the recovery of the hotel industry remains uncertain, and thus Aroundtown has conservatively created general provisions based on management assessment, amounting to €35 million, or 53% of the deferred hotel net rents. The company is still working on a case by case basis with tenants in order to collect the deferred amounts.

SOLID PERFORMANCE, DESPITE LOCKDOWNS, UNDERLINING STRONG PORTFOLIO DIVERSIFICATION

Aroundtown recorded a net rental income of €502 million in the first half of 2020, 40% higher than the €359 million recorded in the first half of 2019. The strong growth was driven by a mix of external growth, primarily driven by the merger with TLG which was finalized in February of 2020, as well as internal growth, with a like-for-like rent increase of 3.0%. FFO I increased by 30% to €312 million and by 10% to €0.23 per share in H1 2020, from €239 million and €0.21 per share in H1 2019. Aroundtown conservatively recorded extraordinary general rental provisions amounting to €35 million in response to the prevailing uncertainties of the effects from Covid over the hotel industry, reflecting ca. 50% of the deferred hotel net rents. The provision has been created based on management assessment, although the Company is still working with its tenants, on a case by case basis, to collect deferred rents. Due to the Company’s strong portfolio diversification it benefited significantly from the stability of its Office, Logistic/Wholesale, and Residential portfolio, which only saw limited impact from the pandemic. The FFO I per share after perpetual increased by 5% YOY to €0.20 per share. The FFO I after perpetual, Covid adjusted provisions resulted in €0.17 per share in the first half of 2020. EPRA NAV grew to €12.4 billion (€9.0 per share), as compared to €10.6 billion (€8.7 per share) as at year end 2019, driven by net profits including revaluation gains. Positive revaluation gains of €560 million, +2.5% on a like-for-like basis, included solid office revaluations gains, offset by negative revaluation gains in the hotel portfolio. Almost the entire hotel portfolio has been revalued by external valuers.

STRONG DISPOSAL ACTIVITY OF NON-CORE AND MATURE ASSETS, CHanneled INTO HIGHLY ACCRETIVE SHARE BUY-BACK PROGRAM

Year to date the Company signed disposals of non-core and mature properties amounting to approx. €1 billion, increasing the portfolio quality while freeing up funds and strengthening liquidity. The disposals were signed at 6% above book value, validating the conservative valuations of the portfolio. The freed up

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funds support the €500 million share buy-back program, which started in June 2020 and runs till the end of the year. Approx. 26% of the share buy-back program was executed as of August 21st, at a weighted average price of approx. €5.1 per share. AT is well on track to be finalized the program by year-end 2020. Compared to the EPRA NAV of €9.0 per share and considering the premium on disposals, the share buy-back has been executed at a significant discount creating very strong shareholder value. Year-to-date disposals were 70% retail and close to 50% were in non-core cities, thereby increasing the portfolio quality and strengthening the focus on offices in top tier cities. The Company continues with the sales program and is in advanced negotiations for additional disposals in a volume of over €1 billion.

GUIDANCE FOR FY 2020 PUBLISHED DRIVEN BY HIGH DISPOSAL VOLUMES

For full year 2020 the FFO I after perpetual is expected to be in the range of €460-€485 million, €0.34-€0.36 per share. After including the estimated extraordinary non-recurring rental provisions for Covid effects, FFO I per share after perpetual is expected to be in the range of €0.25-€0.28. The guidance includes the effect of €1 billion year-to-date signed disposals plus an additional €1 billion net sales. The effect of the share buyback will be partial in 2020 and will have a full effect only in 2021.

The financial statements for H1 2020 are available on the Company's website:

<https://www.aroundtown.de/investor-relations/publications/financial-reports>

For definitions and reconciliations of the Alternative Performance Measures, please see the relevant sections in the pages 44-47 of the H1 2020 financial statements. You can find the financial statements in AT's website under Investor Relations > Publications > Financial Reports or under this link:

https://www.aroundtown.de/fileadmin/user_upload/04_investor_relations/downloads/2020/AT_Q2_2020.pdf

About the Company

Aroundtown SA (symbol: AT1), trading on the Prime Standard of the Frankfurt Stock Exchange, is the largest listed and highest rated (BBB+ by S&P) German commercial real estate company. Aroundtown invests in income generating quality properties with value-add potential in central locations in top tier European cities mainly in Germany/NL.

Aroundtown SA (ISIN: LU1673108939) is a public limited liability company (société anonyme) established under the laws of the Grand Duchy of Luxembourg, registered with the Luxembourg Trade and Companies Register (Registre de Commerce et des Sociétés, Luxembourg) under number B217868, having its registered office at 40, Rue du Curé, L-1368 Luxembourg, Grand Duchy of Luxembourg.

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