AROUNDTOWN SA

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended
September 30, 2017

Dortmund

Munich

CONTENT

KEY FINANCIALS

in € millions unless otherwise indicated	1-9 2017	change	1-9 2016
RENTAL AND OPERATING INCOME	373.7	104%	183.1
NET RENTAL INCOME	320.3	101%	159.3
ADJUSTED EBITDA 1)	303.4	65%	183.9
FFO I	204.1	80%	113.6
FFO I PER SHARE (IN €)	0.26	44%	0.18
FFO I PER SHARE, AFTER PERPETUAL NOTES ATTRIBUTION (IN €)	0.23	28%	0.18
FFO II	238.8	110%	113.6

1) including AT's share in GCP's adjusted EBITDA

in € millions unless otherwise indicated	1-9 2017	change	1-9 2016
EBITDA	1,370.0	57%	872.0
NET PROFIT	1,081.7	51%	715.6
EPS (BASIC) (IN €)	1.15	32%	0.87
EPS (DILUTED) (IN €)	0.99	50%	0.66

in € millions unless otherwise indicated	Sep 2017	Dec 2016	Dec 2015
TOTAL ASSETS	12,093.4	8,089.0	4,440.1
TOTAL EQUITY	6,471.2	3,941.1	2,425.5
TOTAL EQUITY PRO FORMA 2)	6,921.2	3,941.1	2,425.5
EQUITY RATIO	54%	49%	55%
LOAN-TO-VALUE	37%	39%	35%

2) including the equity capital increase in October 2017

NET ASSET VALUE

in € millions unless otherwise indicated	NAV	EPRA NAV	EPRA NAV including perpetual notes
SEP 2017 PRO FORMA [1]	6,763.4	6,192.2	7,395.7
SEP 2017	6,313.4	5,742.2	6,945.7
SEP 2017 PER SHARE (IN €)	6.8	6.2	7.5
PER SHARE GROWTH	+28%	+27%	+39%
DEC 2016	4,243.4	3,870.8	4,349.1
DEC 2016 PER SHARE (IN €)	5.3	4.9	5.4

1) including the equity capital increase in October 2017

Amsterdam

THE COMPANY

The Board of Directors of Aroundtown SA and its investees (the "Company" or "AT"), including associates and in particular Grand City Properties S.A. ("GCP") (the "Group"), hereby submits the interim report as of September 30, 2017. The figures presented are based on the interim consolidated financial statements as of September 30, 2017, unless stated otherwise.

Aroundtown is a specialist real estate company, with a focus on value-add and income generating properties primarily in the German/Netherlands real estate markets. Aroundtown invests in commercial and residential real estate which benefits from strong fundamentals and growth prospects. The commercial properties are held by AT and the residential investment is held through a substantial interest of currently 37.6% in GCP, a publicly traded real estate company that focuses on investing in value-add opportunities in the German residential real estate market. In AT's financials GCP is accounted for as an equity-accounted investee. The Group's unique business model and experienced management team led the Company to grow continuously for 13 years.

Munich

FINANCIAL POSITION HIGHLIGHTS

in € millions	As of	Sep 2017	Dec 2016
CASH AND LIQUID ASSETS		506.2	835.8
INVESTMENT PROPERTY		8,399.5	5,016.2
TOTAL ASSETS		12,093.4	8,089.0
TOTAL EQUITY		6,471.2	3,941.1
TOTAL EQUITY PRO FORMA [1)]		6,921.2	3,941.1
CONVERTIBLE BONDS [2)]		292.9	708.7
STRAIGHT BONDS		2,614.7	1,714.0
TOTAL LOANS AND BORROWINGS		1,698.5	1,150.6

1) including the equity capital increase in October 2017
2) Series B and Series C convertible bonds are in-the-money

Leipzig

ACHIEVEMENTS

KEY MILESTONES IN SUSTAINABILITY AND CAPITAL MARKETS...

TRADING TICKER:

AT1

PRIME STANDARD

ON JUNE 2ND 2017, AROUNDTOWN WAS UPLISTED TO THE PRIME STANDARD OF THE FRANKFURT STOCK EXCHANGE

LUXEMBOURG

AROUNDTOWN RE-DOMICILED TO LUXEMBOURG IN SEPTEMBER 2017, ALSO STRENGTHENING ITS BOARD OF DIRECTORS

SDAX

AROUNDTOWN WAS ADDED TO THE SDAX INDEX OF THE DEUTSCHE BÖRSE ON SEPTEMBER 18, 2017

STOXX

AROUNDTOWN WAS INCLUDED IN THE STOXX EUROPE 600 INDEX IN OCTOBER 2017

OWING TO ITS STRONG MARKET CAPITALISATION AND TRADING VOLUME, AROUNDTOWN IS A STRONG MDAX CANDIDATE, WITH INCLUSION SET AS A TARGET

EPRA BPR GOLD

AROUNDTOWN RECEIVED THE EPRA BPR GOLD AWARD IN SEPTEMBER 2017, THE HIGHEST STANDARD FOR FINANCIAL REPORTING

SUSTAINALYTICS

AROUNDTOWN'S INCREASED ESG EFFORTS ARE REFLECTED IN THE HIGH SCORE RECEIVED BY SUSTAINALYTICS IN AUGUST 2017, RANKING AT THE

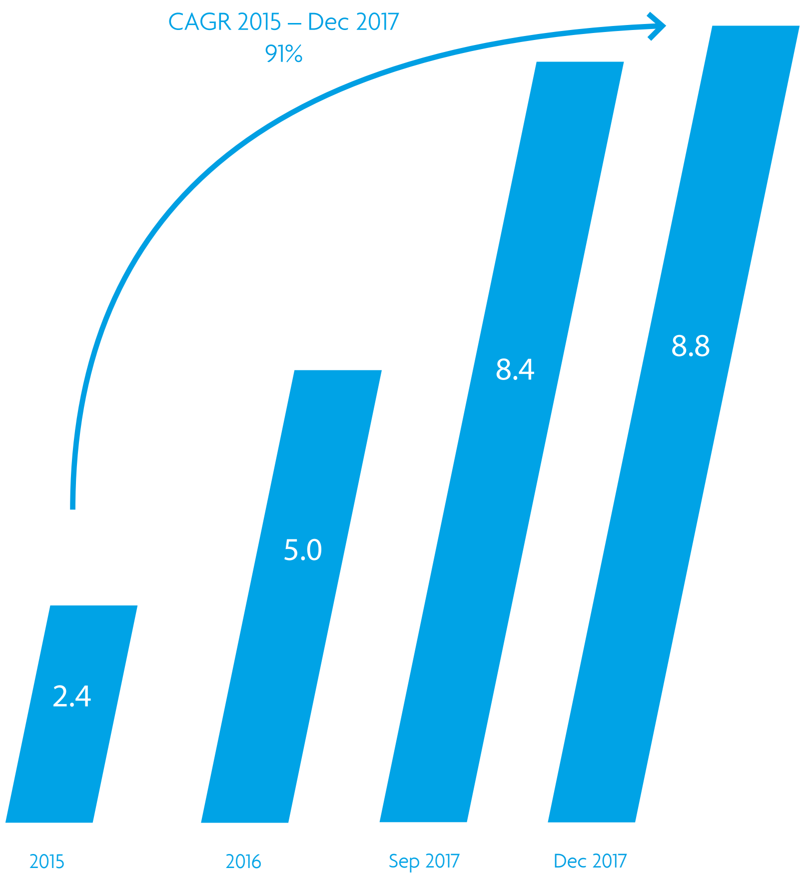
88TH PERCENTILE

AMONG 280 REAL ESTATE COMPANIES AROUND THE WORLD, AND RANKING **OUTPERFORMER** IN ALL CATEGORIES (ENVIRONMENT, SOCIAL AND GOVERNANCE)

...ON THE BACK OF EXCEPTIONAL PORTFOLIO GROWTH

ACCELERATED PORTFOLIO GROWTH

(INVESTMENT PROPERTY IN € BN)



SUPPORTED ORGANICALLY BY STRONG LIKE-FOR-LIKE GROWTH

TOTAL LIKE-FOR-LIKE NET RENT GROWTH

5.8%

(Sep 2017)

L-F-L OCCUPANCY GROWTH

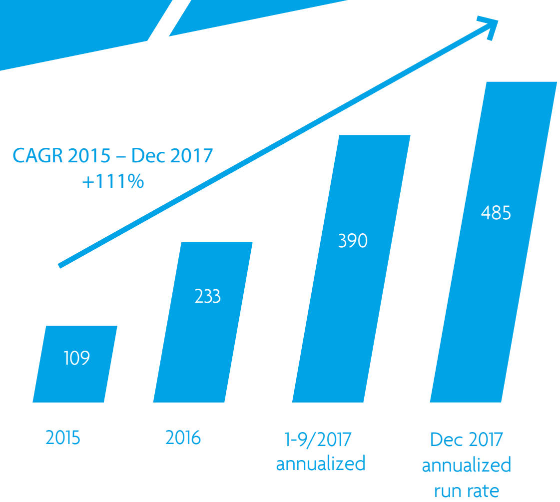
2.3%

L-F-L IN-PLACE RENT GROWTH

3.4%

COMPLEMENTING THE EXISTING PORTFOLIO WITH ACQUISITIONS ACROSS KEY STRATEGIC LOCATIONS, INCLUDING BERLIN, FRANKFURT, MUNICH, STUTTGART, COLOGNE, DÜSSELDORF, DRESDEN, LEIPZIG, MANNHEIM, AMSTERDAM AND ROTTERDAM

RAPID RENTAL INCOME GROWTH



5.5% rental yield

ACHIEVEMENTS

ROBUST CAPITAL MARKET ACTIVITY...

STRAIGHT BONDS TOTAL: €2.2BN

€700 MILLION SERIES K STRAIGHT BONDS DUE 2025 ISSUED IN NOVEMBER 2017 - LOWEST COUPON YET AT 1%

GBP 500 MILLION SERIES J STRAIGHT BONDS DUE 2029 ISSUED IN OCTOBER 2017, FULL CURRENCY HEDGE TO MATURITY

€500 MILLION SERIES I STRAIGHT BONDS DUE 2026 ISSUED IN JULY 2017

USD 450 MILLION STRAIGHT BONDS DUE 2032 ISSUED IN MARCH 2017 AND PLACED WITH ANCHOR INVESTORS IN ASIA, FULL CURRENCY HEDGE TO MATURITY

SHAREHOLDERS EQUITY TOTAL: €1.2BN

€450 MILLION ISSUANCE OF EQUITY CAPITAL IN OCTOBER 2017

€426 MILLION ISSUANCE OF EQUITY CAPITAL IN MAY 2017

€349 MILLION CONVERSION OF SERIES B 3% CONVERTIBLE BOND, AND €56 MILLION REPURCHASED

EQUITY (PERPETUAL NOTES) TOTAL: €720 MN

USD 700 MILLION PERPETUAL NOTES ISSUANCE IN JUNE 2017, INCLUDING TAP OF

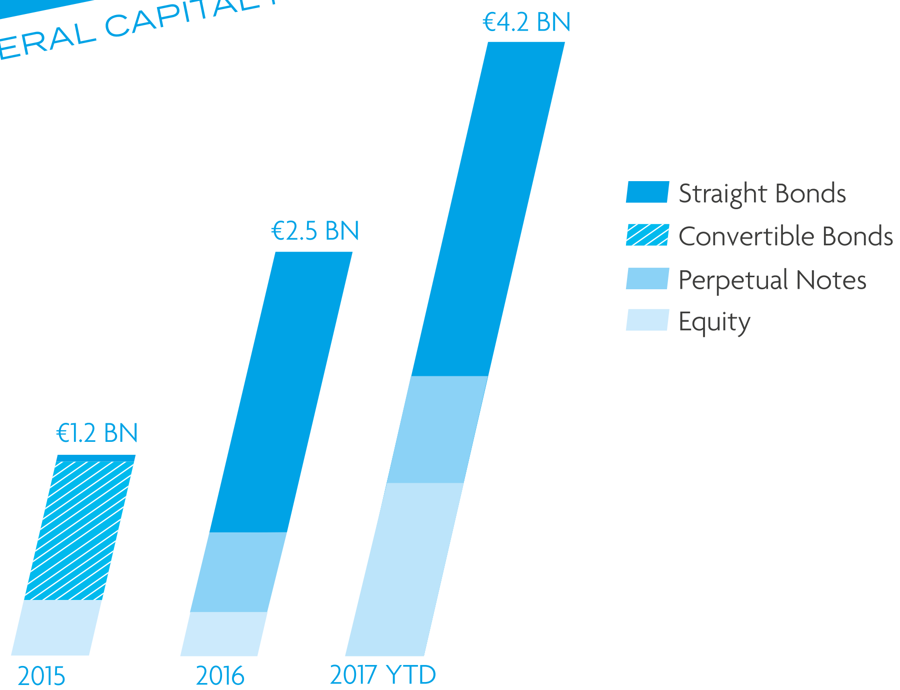
USD 200 MILLION IN SEPTEMBER 2017

€100 MILLION TAP ISSUANCE OF PERPETUAL NOTES ISSUANCE IN JANUARY 2017, IN ADDITION TO €500 MILLION ISSUED IN 2016

SIGNIFICANT DIVERSIFICATION OF FINANCING THROUGH VARIOUS SOURCES

KEY PLAYER ACROSS SEVERAL CAPITAL MARKETS

LARGEST EUROPEAN REAL ESTATE ISSUER IN 2016 AND 2017 YEAR-TO-DATE



...CONFIRMING ESTABLISHED ACCESS TO CAPITAL

CREATING STRONG SHAREHOLDER VALUE...

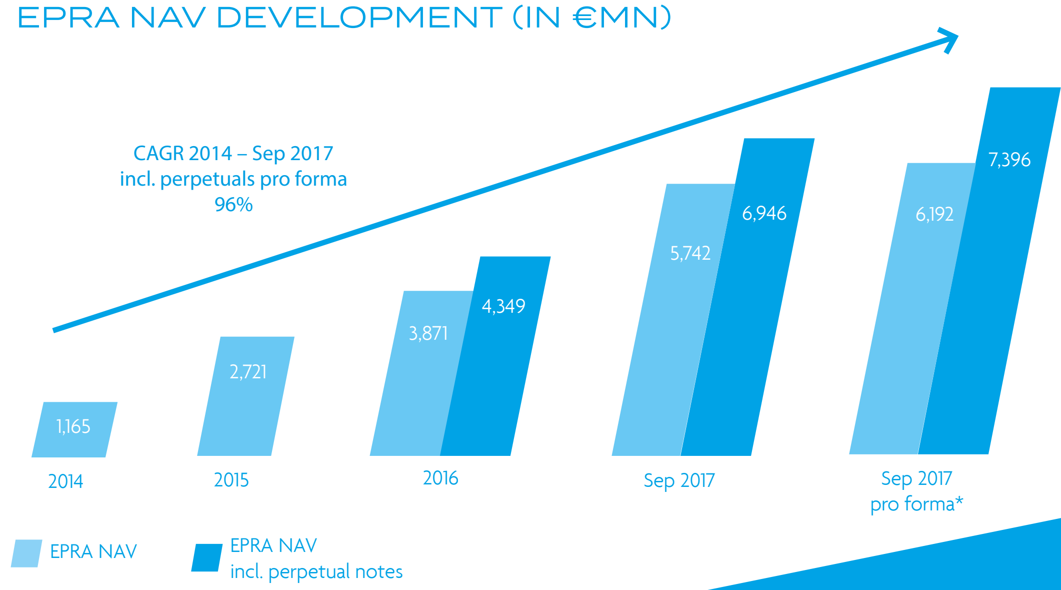
SEP 2017
EPRA NAV
PER SHARE
INCL PERPETUALS

€7.5

SEP 2017
EPRA NAV
PER SHARE

€6.2

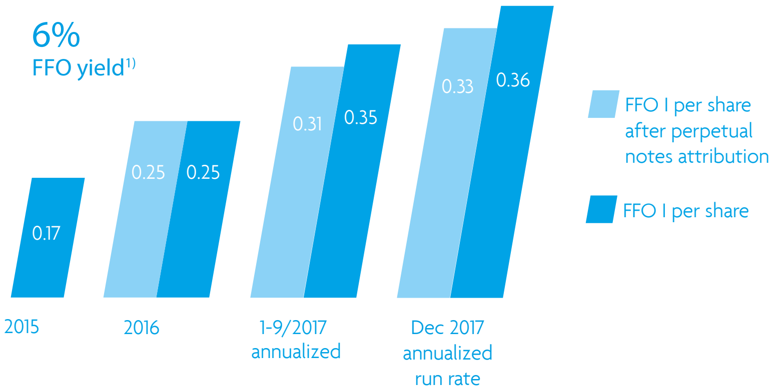
EPRA NAV DEVELOPMENT (IN €MN)



* including the equity capital increase in October 2017

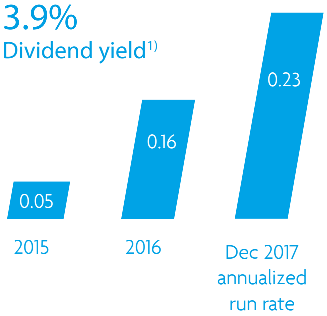
FFO I PER SHARE (IN €)

6%
FFO yield[1)]



DIVIDEND PER SHARE (IN €)

3.9%
Dividend yield[1)]



STRONG FINANCIAL RATIOS

LTV

37%

ICR
(1-9/2017)

5.6x

UNENCUMBERED
RATIO (SEP 2017)

55%

1) based on a share price of €6

...WITH ATTRACTIVE YIELDS WHILE MAINTAINING A CONSERVATIVE FINANCIAL PROFILE

LETTER OF THE MANAGEMENT BOARD

DEAR SHAREHOLDERS,

We are pleased to present to you our financial reports for the first nine months of 2017, a period of sustained strong growth for Aroundtown which has been accompanied by important milestones and achievements on different fronts. We have established ourselves as the largest publicly traded commercial real estate company in Germany and among the 10 largest in Europe, as we continue to accretively grow our portfolio of centrally located, high quality assets across strong and dynamic markets. Following the uplisting to the Prime Standard of the Frankfurt Stock Exchange in June 2017, we finalized the relocation of our corporate seat to Luxembourg in September 2017, while also strengthening our Board of Directors with three new directors, two of whom are independent.

As a result of these corporate developments and owing to our strong market position, Aroundtown was included in the SDAX index of the Deutsche Börse on September 18, 2017, further increasing our market visibility and share liquidity. We are aiming for Arountown's inclusion to the MDAX given our strong market capitalisation and trading volume. Additionally, Aroundtown was added to the Stoxx Europe 600 index in October 2017.

Our efforts to increase transparency and reach the highest reporting standards were recognized with an EPRA BPR Gold award in September 2017, the highest standard for financial reporting. Our sustainability measures and initiatives, led by a dedicated ESG team, continue to be a key focus area for us and is reflected in the high ESG score we received by Sustainalytics in August 2017, ranking us at the 88th percentile among almost 300 real estate peers globally. We are currently working on our first sustainability report, which is expected to be published in 2018.

As we are able to translate our extensive market knowledge and the deal network that we have established over the past decade into a large acquisitions pipeline, while taking advantage of our low borrowing costs and favorable market conditions, we have continued the rapid expansion of our portfolio by acquiring high quality assets in strong locations primarily in Germany and the Netherlands, totalling to a commercial investment portfolio of €8.8 billion as of December 2017 and representing remarkable growth of 75% since the beginning of the year alone.

Mirroring the pace of our portfolio growth is the high level of capital market activity that we have undertaken to finance our growth and expand our investor base, accessing various capital markets and once more ranking as the largest listed real estate issuer in Europe in 2017 year-to-date, same as we were in 2016. With our latest issuance of €700 million straight bonds in November we achieved a record low coupon of 1%, as we continue to take advantage of our low marginal cost of debt and continue to extend our debt maturity profile. In addition, we have further strengthened our equity base with an equity capital increase of €450 million in October 2017, bringing our total issuance proceeds to €4.2 billion in 2017 year-to-date, and to €6.7 billion since 2016. Such robust fundraising, combined with a conservative financial profile with a low LTV of 33% as of September 2017 (including the recent equity increase in October), low average cost of debt of 1.7% and a long average debt maturity of 7 years, results in the exceptional financial platform that enables Aroundtown to successfully maximize its operational strengths and capabilities and provides headroom for further external growth.

Our quality portfolio of highly performing assets currently generates a bottom-line FFO I run rate of €339 million as of December 2017, equivalent to an FFO yield of 6% and based on the current dividend policy, a dividend yield of 3.9%. Apart from our impressive external growth, our bottom line is greatly supplemented by organic rental income generation with a net rent like-for-like growth of 5.8% as of September. We have repeatedly proven our value creation abilities and will continue to do so to ensure that Aroundtown remains a highly attractive and stable investment opportunity.

As we near the end of 2017, we reflect upon a year that has witnessed exceptional growth and development of the Company on all levels, cementing us in the top range of the European public real estate industry. While we are concentrated on a strong finish to the year, we can already set sights on targets that we aim to achieve in the coming year, such as MDAX and EPRA indices inclusion. With the support and confidence of you, our shareholders, we are in full belief that we will be able to achieve the success that is our common goal.

Andrew Wallis
Director

Frank Roseen
Director

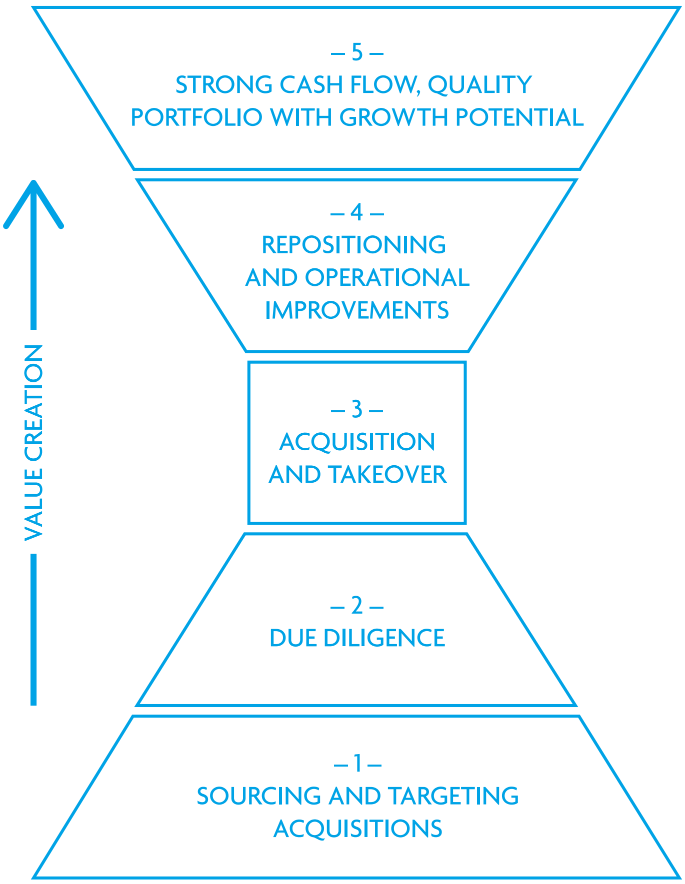
Oschrie Massatschi
Director

Jelena Afxentiou
Director

Berlin

STRATEGY AND BUSINESS MODEL

AT'S VALUE CREATION STARTS PRIOR TO ACQUISITION



–1– SOURCING AND TARGETING ACQUISITIONS

Aroundtown's property sourcing success stems from its unique network as well as its reputation as a reliable real estate acquisition partner. The Group focuses on value-add properties characterized by below market rent levels, inefficient cost or lease structure and/or vacancy reduction potential. With over 13 years of experience in the real estate markets, the Group benefits from a preferred buyer status across its sourcing network. The Group sources deals from a large and diverse deal sourcing base, such as receivers, banks, loan funds, broker networks, distressed owners, private and institutional investors and court auctions. The Group's primary focus is on major cities and metropolitan areas with positive demographic prospects

The Group follows acquisition criteria which ensure that newly acquired properties align with its business model. These criteria include:

- Value-add potential through operational improvements
- Cash flow generating assets
- Vacancy reduction potential
- Rent level per sqm below market level (under-rented properties)
- Acquisitions in good locations in top tier German/NL cities
- Purchase price below replacement cost and below market values
- Potential to reduce the cost per sqm significantly

Due to the experience and knowledge of its management, the Group is able to consider all possible uses for properties that it acquires, including altering the property's primary use in order to target specific supply shortages in the market. The Group believes that its business model provides it with a strong and sustainable competitive advantage.

–2– DUE DILIGENCE

After a potential property passes an initial screening, the property is further assessed in order to take into account the specific features of each project while ensuring that the acquisition is in line with the Group's overall business strategy. AT believes that its experience in analysing properties with value creation potential, and in identifying both the potential risks and the upside potential of each property, results in fast, but thorough and reliable, screening procedures.

During the due diligence phase, the Group's construction team analyses potential capex requirements for the property. These are subsequently priced in the valuation process in order to provide a fair assessment of the property's acquisition value. A detailed business plan is created for each property in the due diligence phase, including an assessment of the portfolio fit and identification of feasible tenants. Beginning to identify potential tenants prior to acquisition of the property not only decreases operational risk but also accelerates the property repositioning process.

–3– ACQUISITION AND TAKEOVER

Due to a thorough cross-organizational process in the due diligence phase, once a property is acquired the actual takeover occurs swiftly and efficiently. Because liquidity plays a significant role in the acquisition of value-add properties, AT benefits strongly from its solid liquidity position and its ability to acquire properties with existing resources and refinance the acquisition at a later stage. The Group also benefits from a strong and experienced legal department, which, combined with close and longstanding relationships with external law firms, enables AT to complete multiple deals simultaneously.

STRATEGY AND BUSINESS MODEL

–4– REPOSITIONING AND OPERATIONAL IMPROVEMENTS

As a specific tailor made business plan is constructed for each property, and the weaknesses and strengths are identified pre-acquisition, the execution of the repositioning process becomes smoother and faster. The business plan input is integrated into AT's proprietary IT/software platform which enables the management to monitor all operational and financial parameters and fully control the repositioning progress. The success of the repositioning of the properties is the result of the following:

OPERATIONAL AND MARKETING INITIATIVES TO IMPROVE PROFITABILITY

The initial repositioning activities aim at minimizing the time until the profitability of the acquired properties is improved. Targeted marketing activities are implemented to increase occupancy and thereby rental income. Vacancy reduction initiatives are tailored to the specific property type at hand. Procedures applied to AT's commercial properties include establishing a network of internal and external, as well as local and nationwide letting brokers, offering promotional features and building a reputation in the market for high service standards. For the Group's hotel assets, optimal operators are selected for the asset and a fixed long-term lease contract is entered into once the hotel is repositioned. Initiatives for the Group's residential properties target relationship building with potential tenants and the local community by collaborating with local municipalities, supporting community initiatives and advertising on key real estate platforms.

Rent increase and tenant restructuring, assessed during the due diligence process, are executed according to the property's business plan. Further, the operational improvements AT initiates improve the living quality or business environment for existing and future tenants. Thereby, the demand for these repositioned assets rises.

Having identified areas for operational improvements, the Group drills down on cost saving opportunities on a per unit basis, making use of modern technologies such as consumption-based meters. These efforts, combined with cost savings achieved through vacancy reductions and economies of scale, enable the Company to benefit from a significant improvement of the cost base and therefore higher profitability.

AT manages its entire real estate value chain across acquisition, letting, upkeep and refurbishment. This integrated approach brings further efficiency benefits, a preferred landlord status to the Group and fast response times to its tenants.

SMART CAPEX INVESTMENTS WHEN REQUIRED

AT addresses capex needs to keep the properties at high standards and addresses the requirements of its existing and prospective tenants. Capital improvements are discussed in close coordination with committed tenants, allowing an efficient and cost effective implementation of the investments. The carried out investments are followed up by our experienced construction team.

The financial feasibility of the proposed alterations is balanced against the lease term, rental income and property acquisition cost and bear quick returns over the investment period.

RELATIONSHIP MANAGEMENT

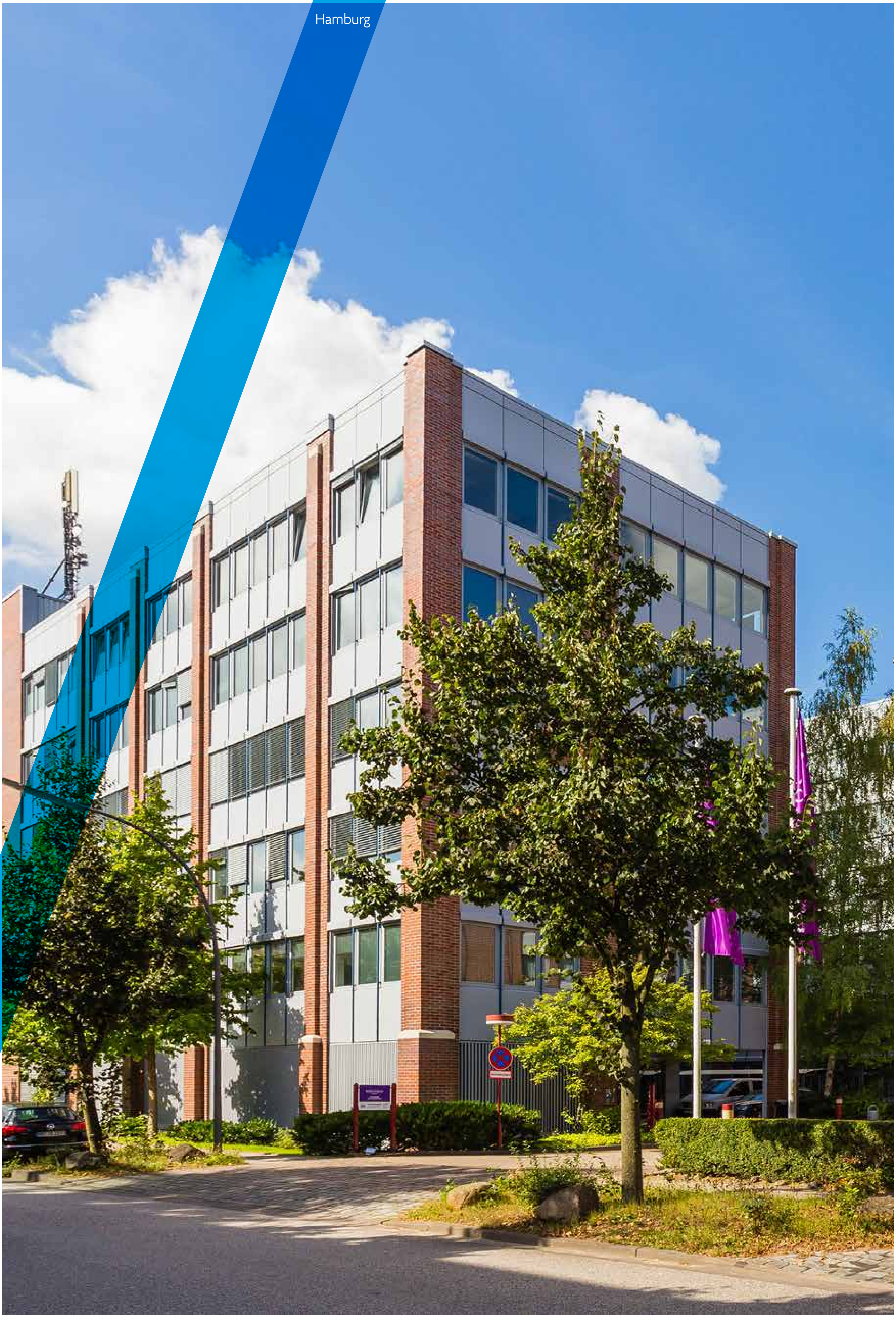
Aroundtown puts great emphasis on establishing strong relationships with its tenants to reduce churn rates, to predict as well as strengthen the tenant structure and thereby positively affect its cash flows in the future. The Company aims to offer high quality services for both potential and existing tenants. The Group pays great attention to the industry in which its commercial tenants operate and to their individual success factors. The Group also offers direct support to its tenants through add-on facilities at its rental properties such as parking facilities and other space extensions to facilitate growth and smart space re-design to match modern office layouts. For its residential tenant base, GCP provides a wide range of services including a Service Center with 24/7 availability, regularly organizes family-friendly tenant events, and participates in various local community initiatives.

Further, the Group aims to establish personal relationships between its asset and property managers and its tenants, providing them with personal contact points, which allows the Group to react promptly to problems and proactively prolonging existing contracts in order to optimize and secure long-term revenues.

–5– STRONG CASH FLOW, QUALITY PORTFOLIO WITH GROWTH POTENTIAL

Secure cash flows are continuously strengthened by ongoing cost controls and profitability improvements. Given vacancy and below market rents, AT's portfolio exhibits further strong and lasting growth after the implementation of initial repositioning activities. In line with the Group's primarily buy and hold strategy, with a strong focus on creating a long-term stream of secure cash flows, this continuous internal growth ensures that AT can continue to grow organically without relying on further acquisitions.

Hamburg



KEY STRENGTHS

EXPERIENCED MANAGEMENT

AT's management can draw on a wealth of experience in the real estate market and associated sectors. This enables the Group to continuously innovate, make strategic decisions quickly and accurately, and successfully grow. The Company's remarkable growth in recent years has created two key benefits in this regard: on one hand, the ability to attract managers and employees that redefine the industry, and on the other hand the internalization of a knowledge and experience pool at a fraction of the cost in relation to its portfolio.

This knowledge is communicated and utilized across the Company and its business units which shapes its processes and operational improvements, such as automated cost saving measures and automated rent increase processes.

AT's management possesses the knowledge that makes up its main competitive advantage, the ability to extract the operational and value potential from its assets. This includes the ability to execute the business plan successfully, which includes executing vacancy reduction activities rapidly, establishing cost efficiency measures, setting rent increase processes, understanding tenant structures and optimizing rental contracts in terms of lease maturity and income security. Cross-sector experience enables the extraction of the full value of the properties and operational experience improves the monitoring and reduction of costs

DEAL SOURCING AND ABILITY TO CREATE ACCRETIVE GROWTH

The Group's acquisition track record over the past 13 years has led it to become a market leader and have a preferred acquirer status, primarily due to its professional approach, fast and high execution rates, and reliability.

The Group has a proven track record of acquiring properties with various value-add drivers and successfully extracting the upside potential. This activity is accompanied by a continuous pipeline and acquisition of attractive properties and the successful transition of the existing properties into mature assets, generating secure long-term cash flows.

QUALITY LOCATIONS IN TOP TIER CITIES

Aroundtown's assets are primarily located in two of Europe's best performing economies with AAA sovereign ratings: Germany and the Netherlands. Within these countries, the Company focuses on top tier cities including Germany's capital, Berlin, the large metropolitan area of North Rhine-Westphalia, the wealthiest cities Hamburg and Munich, the financial center Frankfurt, as well as the Netherlands' financial center and capital Amsterdam and Europe's biggest port, Rotterdam.

PROPRIETARY IT/SOFTWARE PLATFORM

Aroundtown emphasizes the internalization of relevant skills to support innovation and improve processes. Its operations and growth are supported by scalable proprietary IT/software systems that connect all departments and all property units, enabling efficient monitoring and implementation of value-add measures. The platform constantly monitors vacancy and rents across AT's portfolio, ensuring yields are optimized and strict cost discipline is implemented. The Group's in-house IT team continuously interacts with the operational teams and delivers fast and efficient solutions to the Company's operational needs.


Frankfurt
am Main

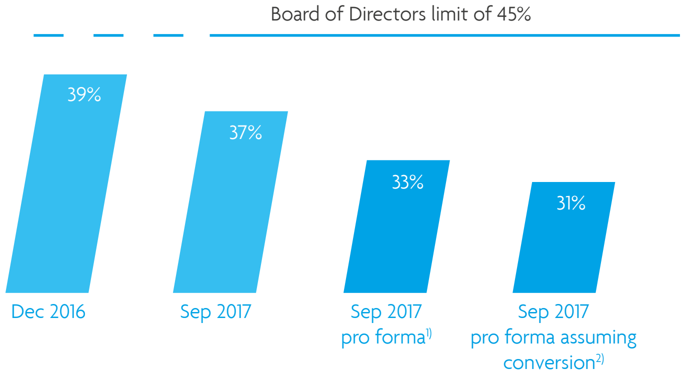
KEY STRENGTHS

CONSERVATIVE FINANCING STRUCTURE

AT's conservative capital structure approach is reflected in an LTV of 37% as of September 30, 2017, and 33% on a pro forma basis when taking into account the equity capital raise in October 2017, well below the limit of 45% established by the Board of Directors. Additionally, when considering the full conversion into equity of the Series B and Series C convertible bonds, both of which are in-the-money, the LTV is further decreased to 31%.

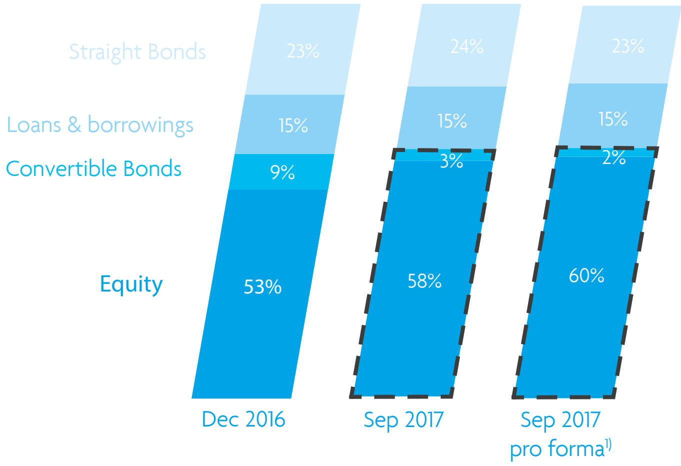
Aroundtown's management views the debt ratios as a key source of competitive advantage and puts policies in place to keep financing costs low and the portion of unencumbered assets high. The low leverage of the Group enables further external growth, while still maintaining a conservative capital structure. This conservative capital structure emerges from AT's diversified financing sources with long maturities.

LOAN-TO-VALUE



1) including the equity capital increase in October 2017
2) assuming conversion into equity of the Series B and Series C convertible bonds, which are in-the-money

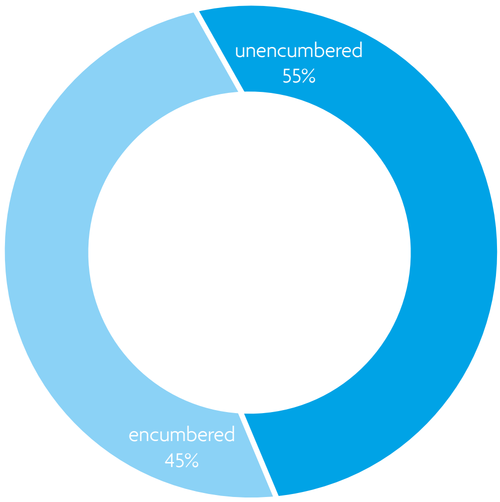
FINANCING SOURCES MIX



1) including the equity capital increase in October 2017

In addition to its conservative capital structure and vast experience in accessing capital markets that enables AT to finance its future growth, the Company maintains a robust liquidity position through a mix of operational cash generation and cash and liquid assets which as of September 30, 2017 amounted to €506 million. Additionally, the high ratio of unencumbered assets of 55% as of September 2017 provides for additional financial flexibility.

UNENCUMBERED ASSETS (SEPTEMBER 2017)

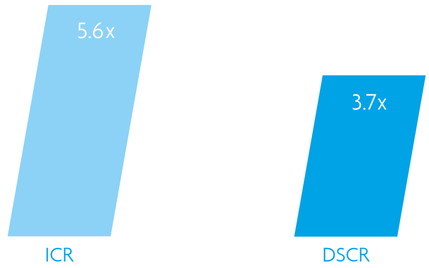


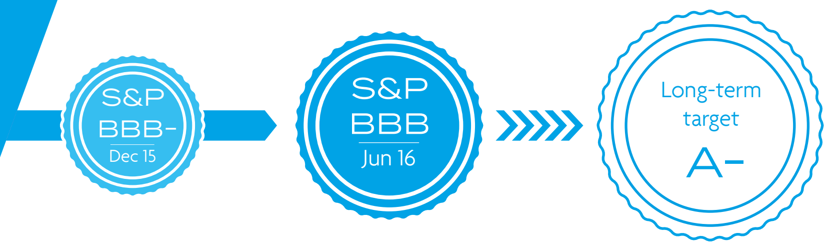
FINANCIAL POLICY

Aroundtown has set a financial policy to improve its capital structure further:

- Strive to achieve A- global rating in the long-term
- LTV limit at 45%
- Debt to debt-plus-equity ratio at 45% (or lower) on a sustainable basis
- Maintaining conservative financial ratios with a strong ICR
- Unencumbered assets above 50% of total assets
- Long debt maturity profile
- Good mix of long term unsecured bonds & non-recourse bank loans
- Support convertible bond holders to convert into equity
- Dividend of 65% of FFO I per share

STRONG COVER RATIOS – 1-9/2017





INVESTMENT-GRADE CREDIT RATING

In June 2016, AT's credit rating was upgraded to 'BBB' by Standard & Poor's Ratings Services ("S&P"). The rating increase followed the initial credit rating of 'BBB-' received from S&P in December 2015, six months earlier. S&P acknowledged AT's increased business stability and larger portfolio with good scale and diversification. Further, S&P acknowledged AT's well balanced portfolio across multiple asset types and regions with no dependency on a single asset type or region.

Utrecht

CAPITAL MARKETS

TRADING DATA AND ANALYST COVERAGE

Placement	Frankfurt Stock Exchange
Market Segment	Prime Standard
Trading ticker	AT1
Initial placement of capital	13.07.2015 (€3.2 per share)
Major Indices	SDAX, Stoxx Europe 600, GPR

AS OF SEPTEMBER 2017

Number of shares	872,606,420
Free Float	56%

AS OF THE DAY OF THIS REPORT

Number of shares	947,779,023
Number of shares incl. dilution effect of Series B (conversion price €3.38)	966,260,793
Number of shares fully diluted (Series C conversion price €5.69)	1,020,093,109
Free Float	60%
Free float incl. conversion of Series B	61%
Fully diluted free float	63%
Market Cap	€5.7 bn

INVESTOR RELATIONS ACTIVITIES

The Group is proactively approaching a large investor audience in order to present its business strategy, provide insight into its progression and create awareness of its overall activities in order to enhance its perception in the market. AT participates in a vast amount of various national and international conferences, roadshows and one-on-one presentations in order to present a platform for open dialogue. Explaining our unique business strategy in detail and presenting the daily operations allows investors to gain a full overview about the Group's successful business approach. The most recent information is provided on its website and open channels for communication are always provided. Currently, AT is covered by 14 different research analysts on an ongoing basis, with reports updated and published regularly.

SDAX INCLUSION

Aroundtown was included in the SDAX index of the Deutsche Börse on September 18, 2017, owing to its large market capitalization and strong trading volume, further reinforcing the Company's strong market position. This achievement marks an important milestone for the Company as it increases market visibility and share liquidity, and supports Aroundtown's position as the largest publicly-listed commercial real estate player in Germany. Furthermore, Aroundtown's strong market capitalization is deep in the MDAX range, with inclusion dependent on the consolidation of trading on the Frankfurt Stock Exchange, and the Company has set MDAX inclusion as a target in 2018.

UPLISTING TO THE PRIME STANDARD

Aroundtown's continued success is driven not only by its experienced management and employees, but also its strength and impressive capabilities in capital markets and popularity with investors, both European and foreign.

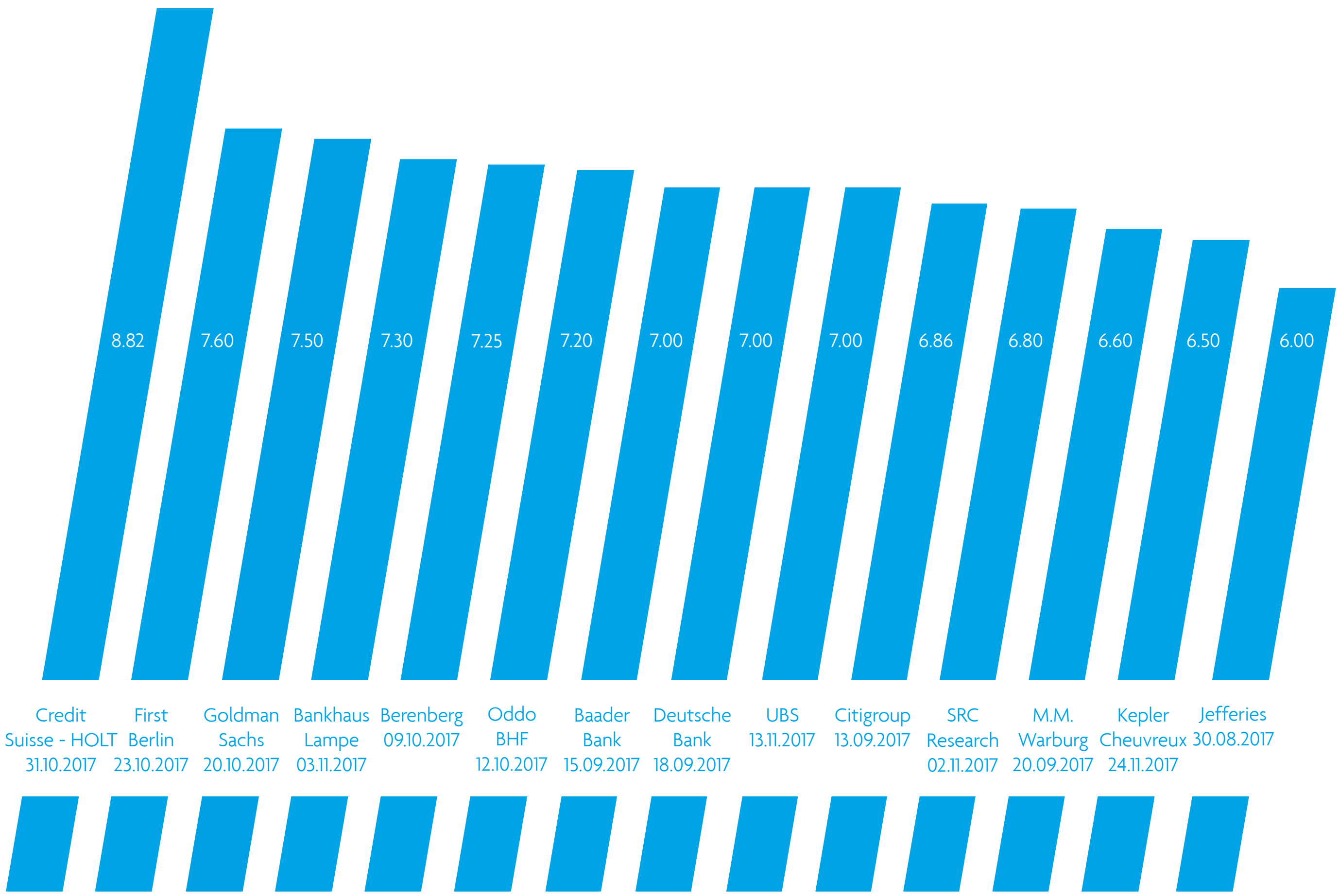
On June 2nd, 2017, the Company's shares were uplisted to the Prime Standard of the Frankfurt Stock Exchange. The Company believes that this upgrade will further boost the visibility and tradability of its shares in the European market, and provide opportunities for inclusion in major European stock indices such as the EPRA indices.

Together with the Company's re-domiciliation from Cyprus to Luxembourg and continuation as a Luxembourg company, completed in September 2017, Aroundtown believes that these changes will serve to further increase the Company's accessibility and investor base.


Hamburg

AROUNDTOWN IS CONTINUOUSLY COVERED BY LEADING EQUITY RESEARCH HOUSES

ANALYST RESEARCH TARGET PRICE



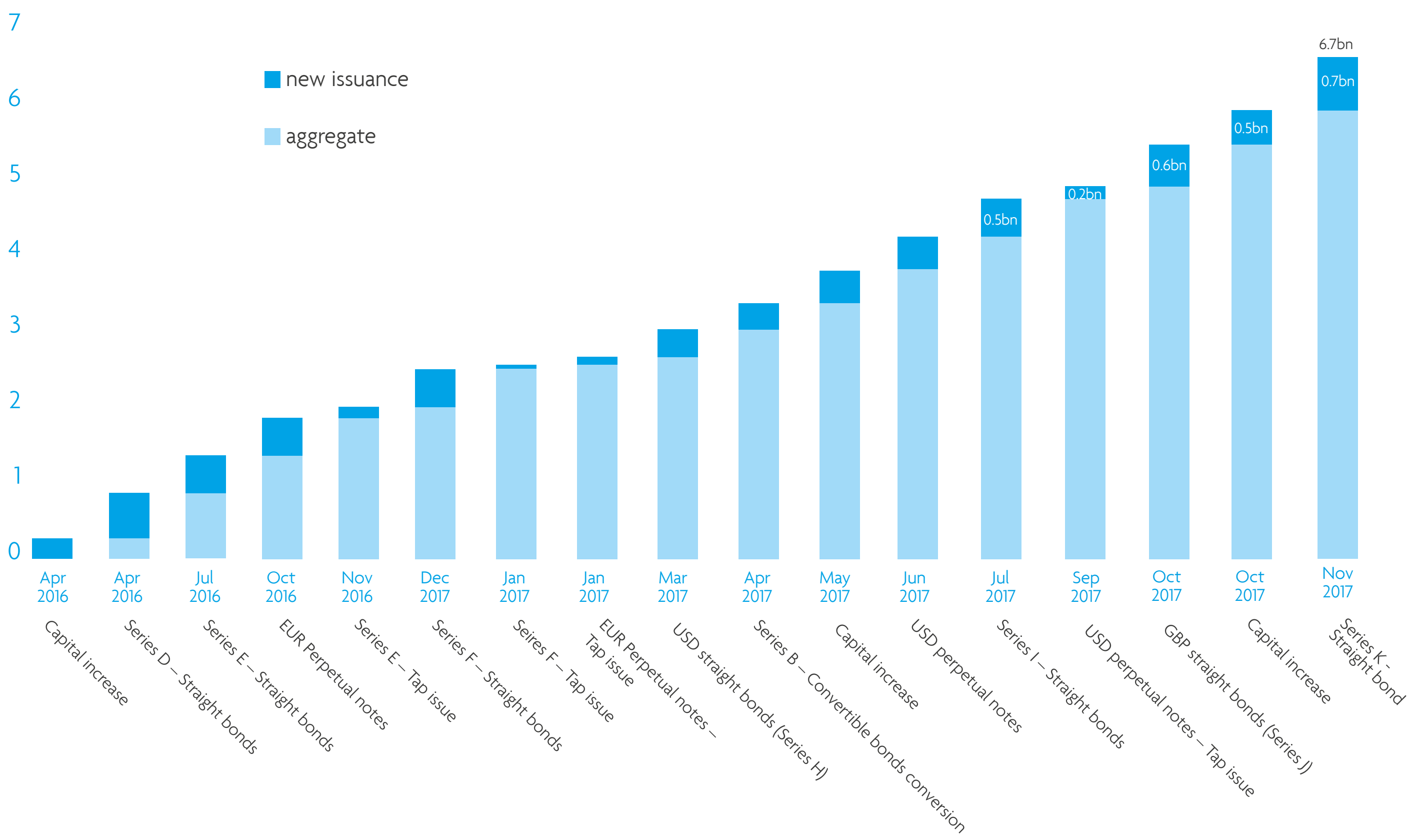
CAPITAL MARKETS

EQUITY AND BOND BOOKRUNNERS

J.P.Morgan · UBS · citi · Goldman Sachs · Bank of America Merrill Lynch · BERENBERG PRIVATBANKIERS SEIT 1590 · Morgan Stanley · Deutsche Bank · SOCIETE GENERALE

AROUNDTOWN HAS PROVEN ABILITY TO ACCESS THE CAPITAL MARKETS

STRENGTH IN CAPITAL MARKETS: **€6.7 BILLION** RAISED SINCE 2016 THROUGH DIVERSE ISSUANCES - LARGEST EUROPEAN LISTED REAL ESTATE ISSUER IN 2016 AND 2017 YEAR-TO-DATE

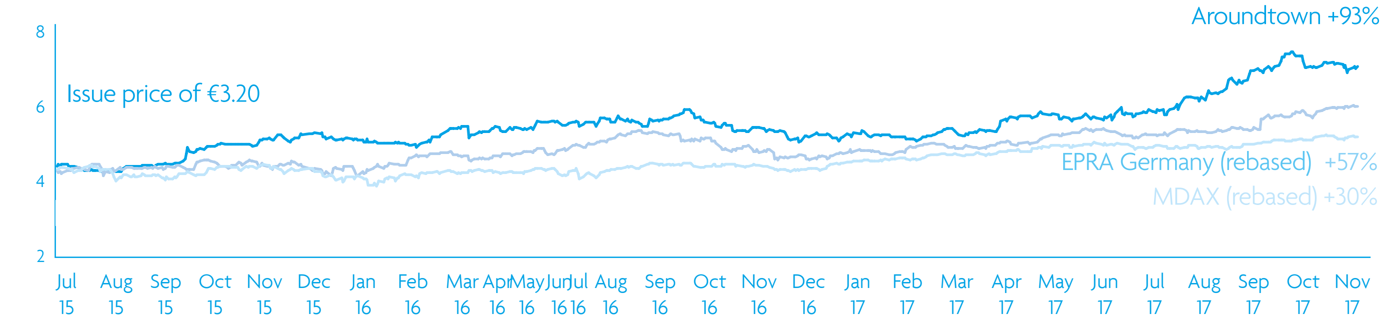


AROUNDTOWN'S TRACK RECORD REFLECTS STRONG ACCESS TO CAPITAL MARKETS

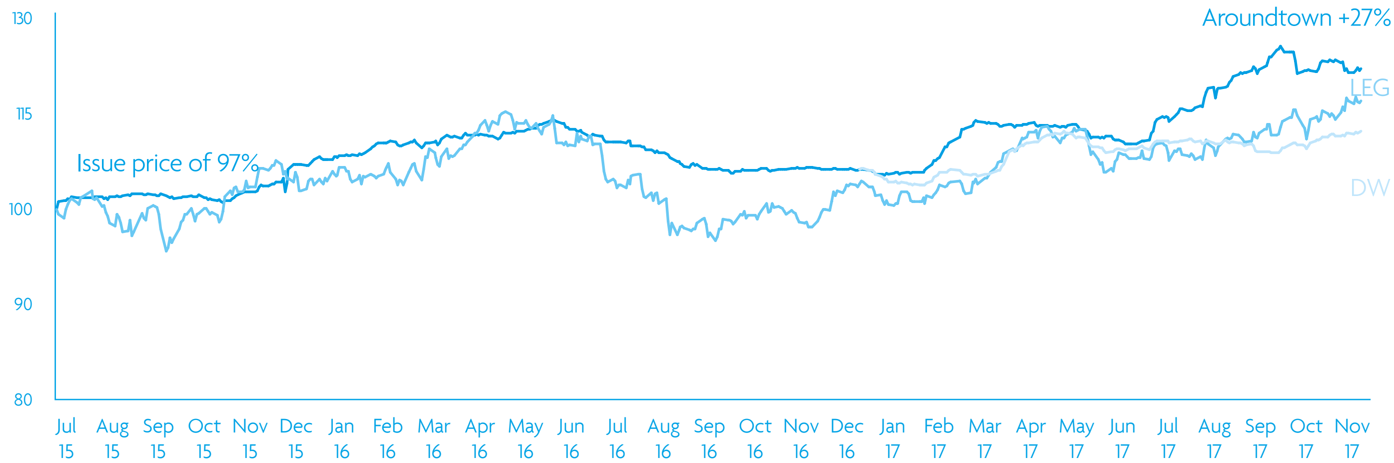
NOV 2017	Issuance of **€700** million, 2025 straight bonds Series K under the EMTN programme, coupon of 1% p.a.
OCT 2017	Equity capital increase of **€450** million at €6 per share
OCT 2017	Issuance of Series J, 2029 straight bonds of **£500** million under the EMTN programme, full currency hedge, effective coupon of approx. 1.5% until 2022
SEP 2017	Tap issuance of **$200** million perpetual notes, to a total aggregate amount of $700 million
JUL 2017	Issuance of **€500** million, 2026 straight bonds Series I under the EMTN programme, coupon of 1.875% p.a
JUN 2017	Issuance of **$500** million perpetual notes, effective euro coupon of 2.3% p.a.
JUN 2017	Aroundtown's shares were successfully uplisted to the Prime Standard of the Frankfurt Stock Exchange
MAY 2017	Equity capital increase of **€426** million at €4.6 per share
APR 2017	Conversion into equity and repurchase of the **€450** million Series B convertible bonds
MAR 2017	Issuance of **$400** million, 2032 straight bonds, under its EMTN programme to a single Asian investor
MAR 2017	Establishment of EMTN programme
JAN 2017	Tap issuance of **€100** million of perpetual notes, coupon 3.75% p.a., to a total aggregate amount of €600 million
JAN 2017	Tap issuance of **€50** million of Series F straight bonds to single Asian investor, to aggregate amount of €550 million
DEC 2016	Issuance of 2023 straight bonds of **€500** million Series F, coupon 2.125% p.a.
NOV 2016	Tap issuance of **€150** million of Series E, 2024 straight bonds, coupon 1.5% p.a., to a total aggregate amount of €650 million
OCT 2016	Issuance of **€500** million perpetual notes, coupon 3.75% p.a.
JUL 2016	Issuance of Series E, 2024 straight bonds of **€500** million, coupon of 1.5% p.a.
APR 2016	Issuance of Series D, 2022 straight bonds of **€600** million, coupon of 1.5% p.a.
APR 2016	Equity capital increase of **€267** million at €4.1 per share

CAPITAL MARKETS

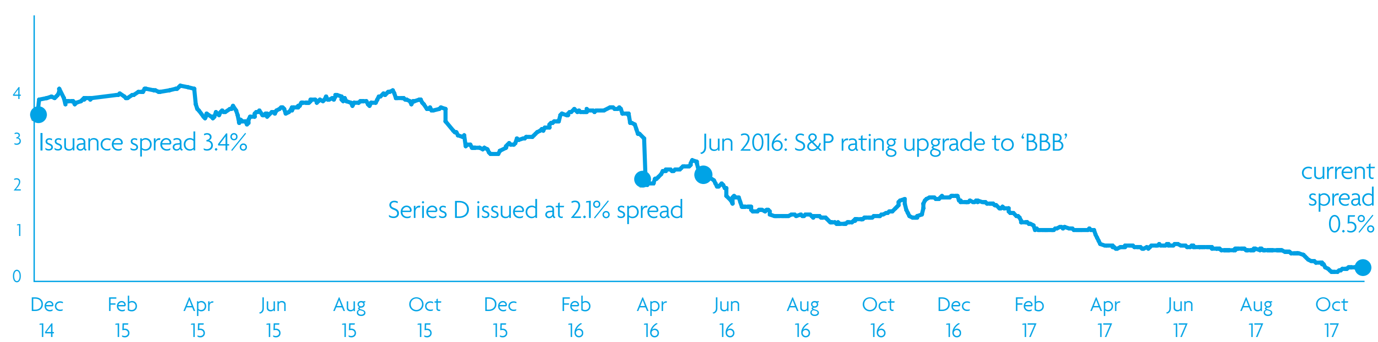
SHARE PRICE PERFORMANCE SINCE INITIAL PLACEMENT OF CAPITAL (13.07.2015)



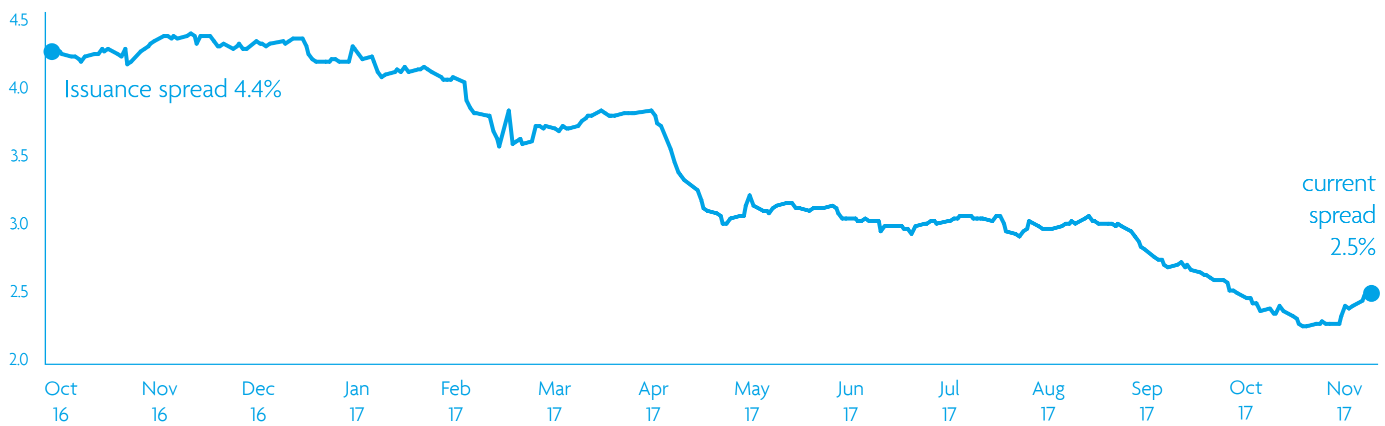
CONVERTIBLE BOND SERIES C PERFORMANCE SINCE PLACEMENT (15.12.2015)



SPREAD OVER MID-€-SWAP FOR STRAIGHT BONDS A AND D, REMAINING 4.5 YEARS



SPREAD OVER MID-€-SWAP FOR 3.75% PERPETUAL NOTES



AROUNDTOWN SA

COMMERCIAL PORTFOLIO
€8.4 bn

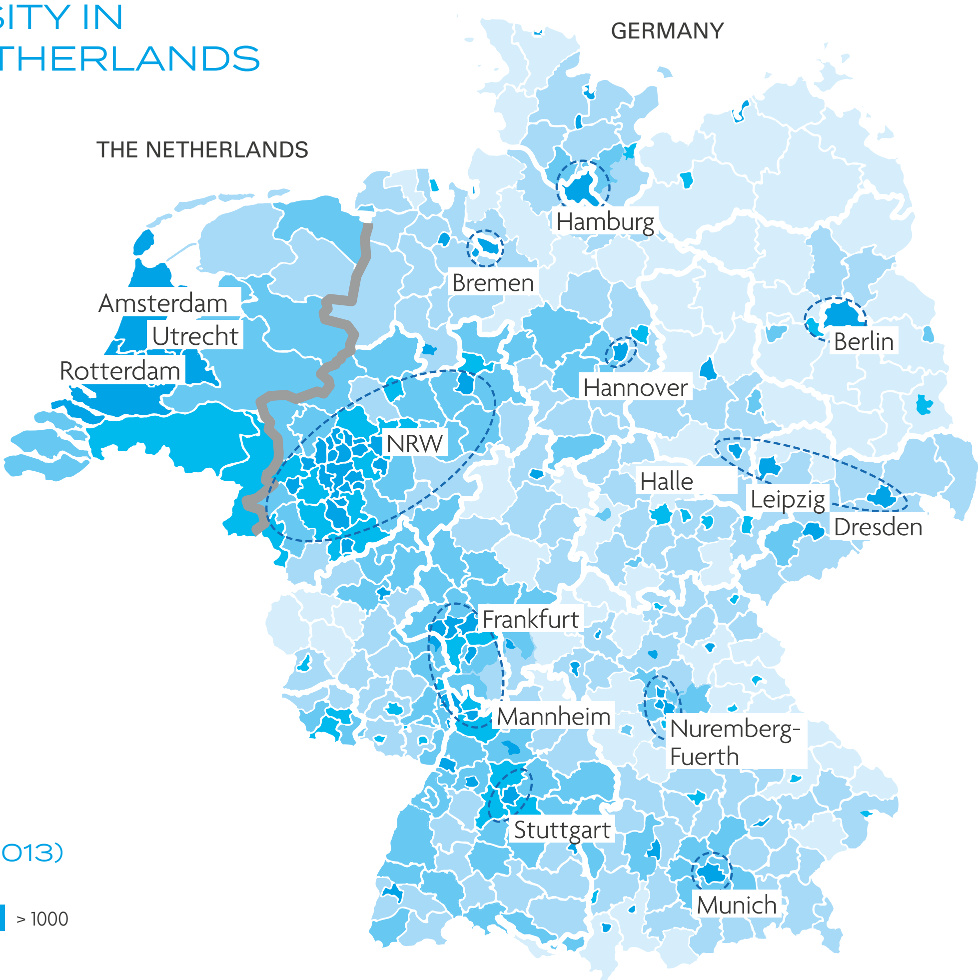
RESIDENTIAL PORTFOLIO
36% IN GCP*

* the holding rate in GCP increased to 37.6% as of the day of this report


Düsseldorf

AROUNDTOWN'S QUALITY PORTFOLIO

POPULATION DENSITY IN GERMANY AND NETHERLANDS



AS OF SEPTEMBER 2017**

IN-PLACE RENT
7.9€/SQM

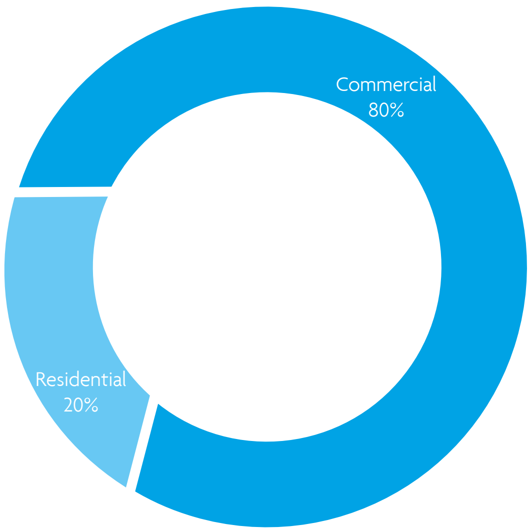
EPRA VACANCY
8.6%

INHABITANTS PER SQKM (2013)

- < 100
- 100 – 200
- 200 – 500
- 500 – 1000
- > 1000

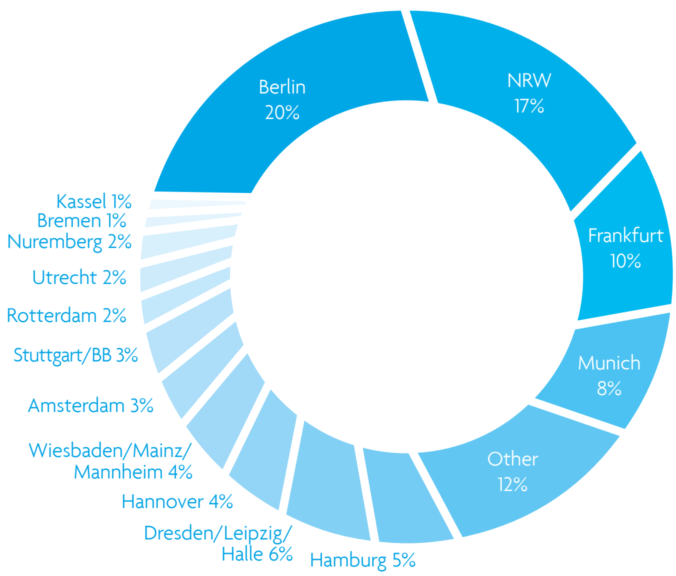
GROUP ASSET TYPE BREAKDOWN

(SEPTEMBER 2017, BY VALUE**)



GROUP REGIONAL DISTRIBUTION

(SEPTEMBER 2017, BY VALUE**)



** the residential portfolio is accounted for at the holding rate of 36%

COMMERCIAL PORTFOLIO – TOP TIER CITIES

Aroundtown owns a diverse portfolio of commercial assets which focuses on top tier cities with strong demographics and favourable economic fundamentals. The commercial portfolio is diversified over several different asset types including office, hotel, logistics, wholesale, retail and other covering a total of 4.8 million sqm as of December 2017.

As of December 2017 and excluding assets held for sale, the Group's commercial portfolio with a value of €8.8 billion operates at an in-place rent of 9.0 €/sqm and an EPRA vacancy of 9.0%. The portfolio embodies strong growth potential through rent and occupancy increases as well as cost efficiency improvements, generating as of the December 2017 run rate an annualized net rental income of €485 million, resulting in an annualized adjusted EBITDA of €403 million and an annualized bottom-line FFO I of €280 million. Furthermore, AT's portfolio is well diversified and has limited dependency on single tenants, with a tenant base of over 2,600 tenants spread across a wide range of sustainable market sectors which further reduces cluster risk. A long portfolio WALT of 7 years offers long-term cash flow stability and security.

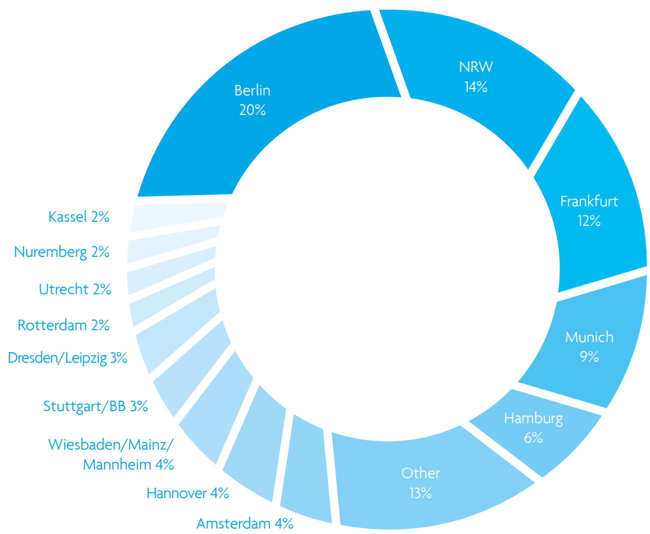
The management believes that its business platform benefits from its skilled personnel, experience and track record, and reliable practices that enable the Company to perform strongly and to further expand in the commercial property market. The Company also believes that the business environment will provide abundant acquisition opportunities in the attractive markets it targets, to support its external growth strategy in the medium to long term. An active deal pipeline and favourable market conditions provide for continued opportunities for accretive external growth.

PORTFOLIO DISTRIBUTION

Aroundtown's commercial portfolio is located in quality locations which benefit from strong demographic and economic fundamentals, such as Berlin, Munich, Hamburg, Frankfurt, NRW, Hannover and Amsterdam. Within these regions Aroundtown focuses on assets with favourable micro-locations and various demand drivers.

REGIONAL DISTRIBUTION

(SEPTEMBER 2017, BY VALUE)



REGIONAL OVERVIEW

September 2017	Investment properties (in €M)	Area (in k sqm)	EPRA vacancy	Annualized net rent (in €M)	In-place rent per sqm (in €)	Value per sqm (in €)	Rental yield
Berlin	1,658	663	7.9%	71	9.4	2,501	4.3%
NRW	1,164	900	9.4%	75	7.0	1,293	6.4%
Frankfurt	1,025	421	12.5%	52	11.3	2,435	5.1%
Munich	779	257	8.5%	34	11.0	3,027	4.3%
Hamburg	473	243	5.6%	22	8.0	1,945	4.7%
Amsterdam	337	126	10.9%	20	14.3	2,671	5.9%
Hannover	332	220	7.3%	20	7.9	1,506	5.9%
Wiesbaden/Mainz/Mannheim	305	152	7.0%	19	10.1	2,004	6.1%
Stuttgart/BB	268	143	1.5%	18	10.1	1,877	6.5%
Dresden/Leipzig	234	144	10.0%	13	8.4	1,630	5.7%
Rotterdam	199	105	7.7%	16	13.5	1,892	8.3%
Utrecht	189	85	4.6%	13	12.2	2,207	7.2%
Other	1,437	1,132	10.4%	88	7.5	1,271	6.1%
TOTAL SEPTEMBER 2017	8,400	4,591	8.9%	461	8.9	1,829	5.5%
TOTAL DECEMBER 2017*	8,800	4,800	9.0%	485	9.0	1,833	5.5%

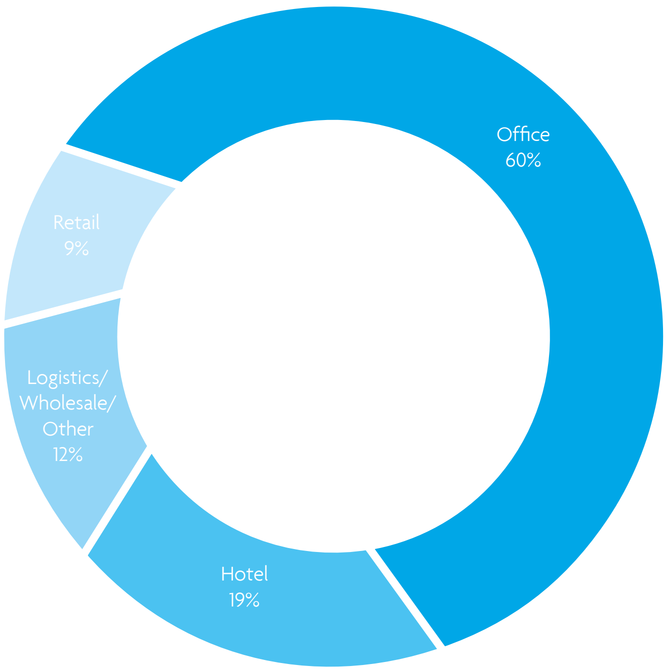
*December 2017 as of the date of this report

ASSET TYPE OVERVIEW

September 2017	Investment properties (in €M)	Area (in k sqm)	EPRA vacancy	Annualized net rent (in €M)	In-place rent per sqm (in €)	Value per sqm (in €)	Rental yield
Office	5,027	2,234	10.5%	270	10.7	2,250	5.4%
Hotel	1,566	709	3.7%	76	10.2	2,207	4.9%
Retail	783	482	12.6%	54	9.9	1,625	6.8%
Logistics/Wholesale/Other	1,024	1,166	4.4%	61	4.5	879	5.9%
TOTAL	8,400	4,591	8.9%	461	8.9	1,829	5.5%

ASSET TYPE BREAKDOWN

(SEPTEMBER 2017, BY VALUE)



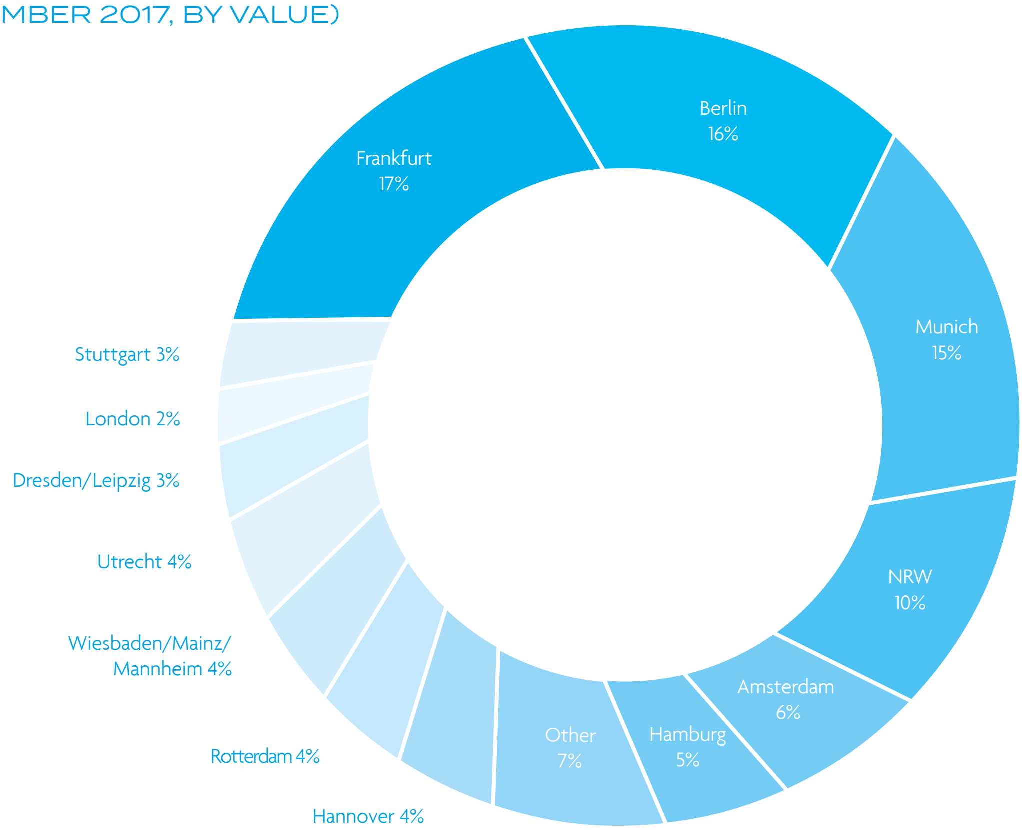
WALT

7 years

REGIONAL DISTRIBUTION

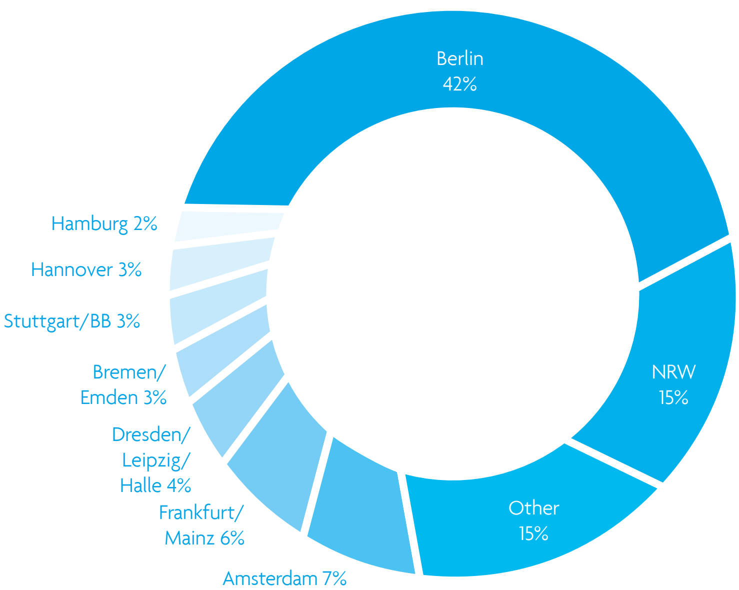
OFFICE – REGIONAL DISTRIBUTION

(SEPTEMBER 2017, BY VALUE)



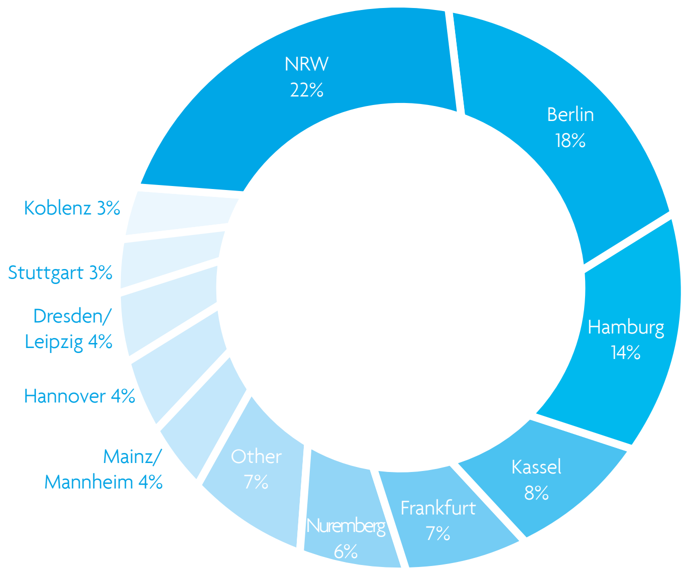
RETAIL – REGIONAL DISTRIBUTION

(SEPTEMBER 2017, BY VALUE)



LOGISTICS/WHOLESALE/OTHER – REGIONAL DISTRIBUTION

(SEPTEMBER 2017, BY VALUE)



QUALITY BERLIN LOCATIONS

- **87%** of the commercial portfolio is located in top tier neighborhoods including Charlottenburg, Wilmersdorf, Mitte, Lichtenberg, Schöneberg, Neukölln, Schönefeld, Steglitz and Potsdam
- 13% of the commercial portfolio is well located primarily in Reinickendorf, Spandau, Treptow, Köpenick and Marzahn-Hellersdorf

Commercial properties

Residential properties

*Map representing approx. 95% of the portfolio and 99% including central Potsdam

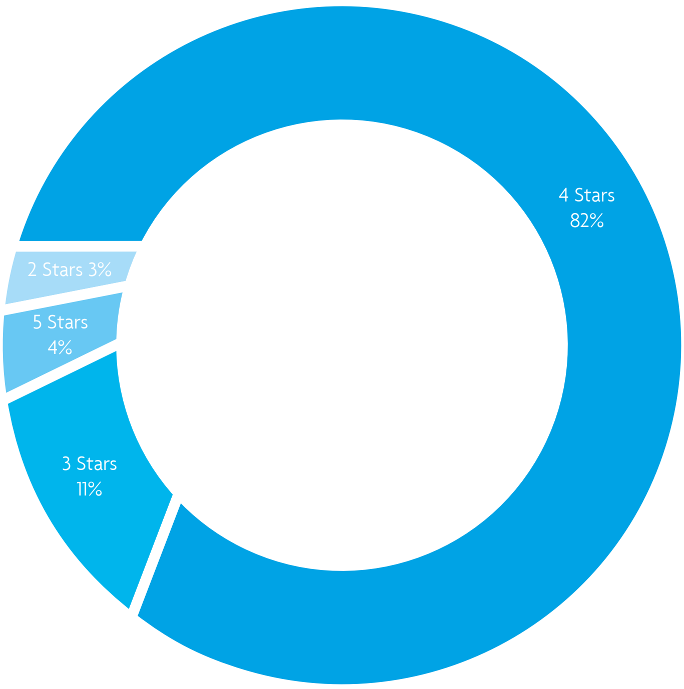
HOTEL PORTFOLIO

The hotel assets are let to hotel operators which are selected according to their capabilities, track record and experience. The management participates in the branding decision of the hotel, applying its expertise in selecting the optimal brand. An integral component of the business plan is a long-term fixed rental lease, which increases the cash flow stability. AT maintains close relations with the operators and monitors their performance on an ongoing basis, making use of its tailor-made IT/software system. In return, AT benefits from fixed annual rent increases which contribute directly to the bottom line.

The hotel portfolio, valued at €1.6 billion as of September 2017, is well diversified and covers a total of 709k sqm. The largest share of 82% of the portfolio consists of 4-star hotels, meeting the strong market demand which rises from tourism and business travel. The hotels are branded under a range of globally leading branding partners which offer key advantages such as worldwide reservation systems, global recognition, strong loyalty programs, quality perception and benefits from economies of scale. Furthermore, the hotels have long-term fixed leases with third-party hotel operators, providing stable cash flows.

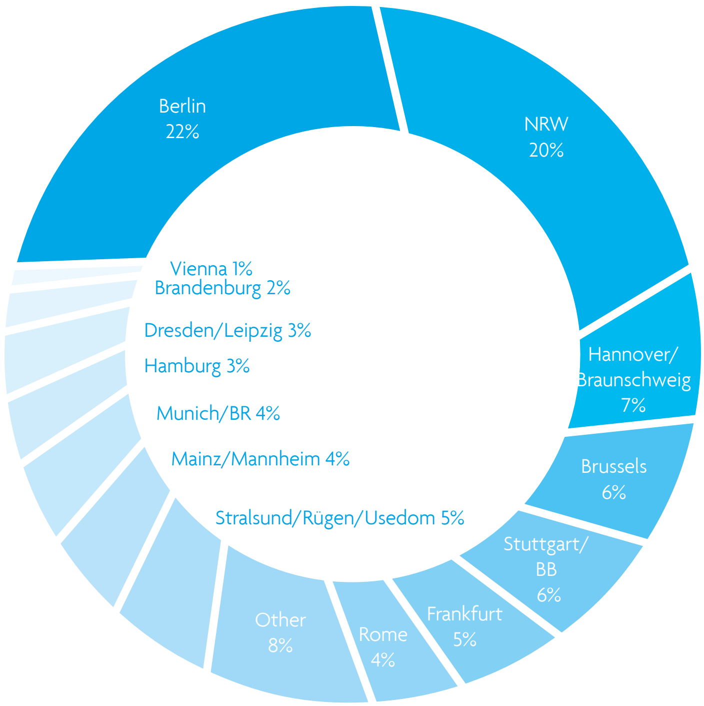
HOTEL PORTFOLIO – COMPOSITION BY CATEGORY

(SEPTEMBER 2017, BY VALUE)



HOTEL – REGIONAL DISTRIBUTION

(SEPTEMBER 2017, BY VALUE)



THE GROUP SELECTS FRANCHISORS WITH STRONG BRANDS, A COMPETITIVE BOOKING PLATFORM AND A LARGE SCALE OF CATEGORIES WHICH PROVIDES HIGH FLEXIBILITY FOR THE BRANDING OF ITS ASSETS

Duisburg

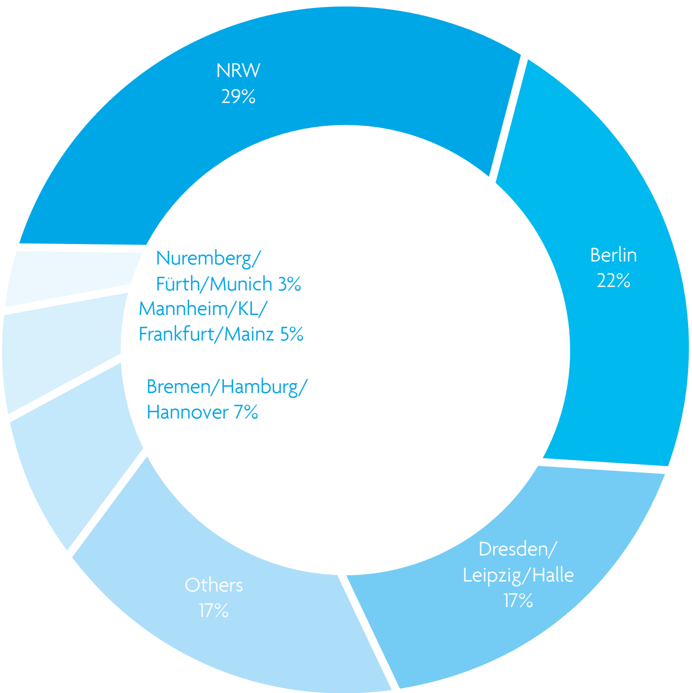
RESIDENTIAL PORTFOLIO (GCP)

The residential portfolio is held through a 37.6% interest in Grand City Properties ("GCP"), a leading market player in the German residential market and a specialist in value-add opportunities in densely populated areas in Germany. AT is the largest shareholder in GCP. The remaining 63.4% are widely distributed and held mainly by many international leading institutional investors. There is no major single shareholder except for AT. As of September 2017, GCP holds 86k units in its portfolio with the properties spread across densely populated areas in Germany, with a focus on North Rhine-Westphalia, Berlin and the metropolitan regions of Dresden, Leipzig and Halle. GCP puts strong emphasis on growing relevant skills in-house to improve responsiveness and generate innovation across processes and departments. Through its 24/7 Service Center and by supporting local community initiatives, GCP established an industry-leading service standard and lasting relationships with its tenants. The table below represents 100% of GCP's portfolio.

REGIONAL OVERVIEW

September 2017	Value (in €M)	Area (in k sqm)	EPRA vacancy	Annualized net rent (in €M)	In-place rent per sqm (in €)	Number of units	Value per sqm (in €)	Rental yield
NRW	1,703	1,822	8.1%	109	5.3	27,292	935	6.4%
Berlin	1,256	548	5.0%	47	7.3	7,479	2,290	3.7%
Dresden/Leipzig/Halle	969	1,151	9.1%	61	4.9	20,048	841	6.3%
Mannheim/KL/Frankfurt/Mainz	300	240	4.7%	17	6.0	3,947	1,249	5.6%
Nuremberg/Fürth/Munich	195	102	4.1%	9	7.6	1,471	1,909	4.9%
Bremen/Hamburg/Hannover	425	364	5.6%	25	5.9	5,448	1,169	5.8%
Others	966	1,217	7.4%	70	5.4	20,377	794	7.3%
TOTAL SEPTEMBER 2017	5,814	5,444	7.3%	338	5.5	86,062	1,068	5.8%

REGIONAL DISTRIBUTION
(SEPTEMBER 2017, BY VALUE)



Hannover

QUALITY BERLIN LOCATIONS

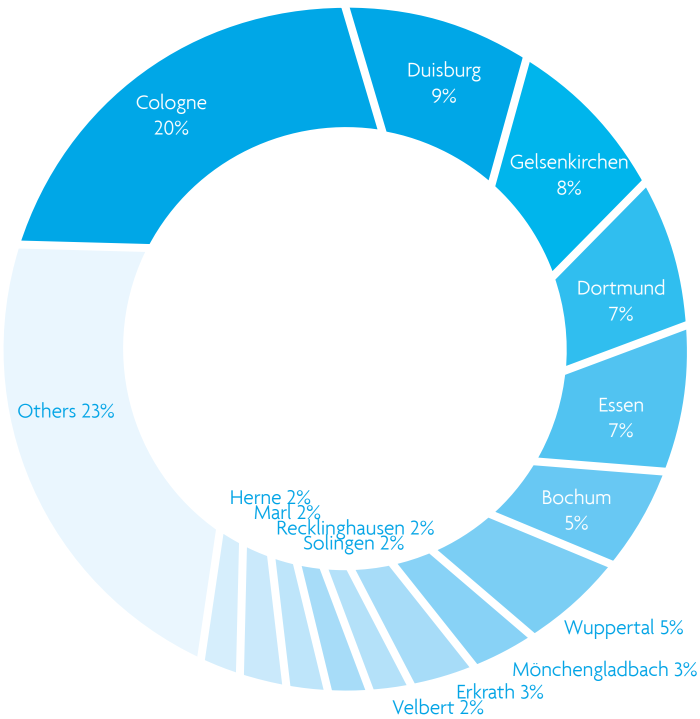
— 70% of the Berlin portfolio is located in top tier neighborhoods: Charlottenburg, Wilmersdorf, Mitte, Kreuzberg, Lichtenberg, Schöneberg, Neukölln, Schönefeld, Steglitz and Potsdam

— 30% is well located primarily in Reinickendorf, Treptow, Köpenick and Marzahn-Hellersdorf

LARGEST EUROPEAN METROPOLITAN AREA – WELL DISTRIBUTED WITHIN NORTH RHINE-WESTPHALIA

(SEPTEMBER 2017, BY VALUE)

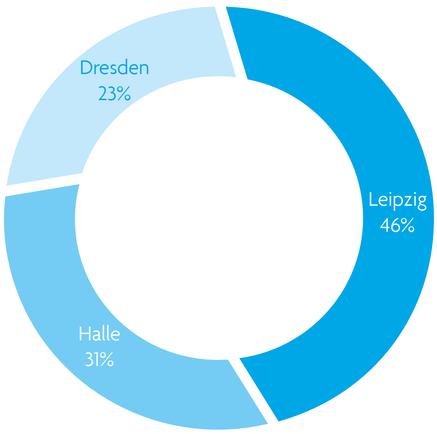
GCP's NRW residential portfolio distribution is focused on cities with strong fundamentals within the region. 20% of the NRW portfolio is located in Cologne, the largest city in NRW, 9% in Duisburg, 8% in Gelsenkirchen, 7% in Dortmund and 7% in Essen.



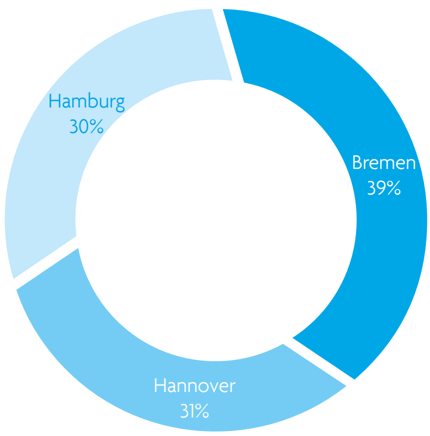
WELL DIVERSIFIED EAST AND NORTH PORTFOLIOS

(SEPTEMBER 2017, BY VALUE)

GCP's East residential portfolio is well distributed in the growing and dynamic cities Dresden, Leipzig and Halle.



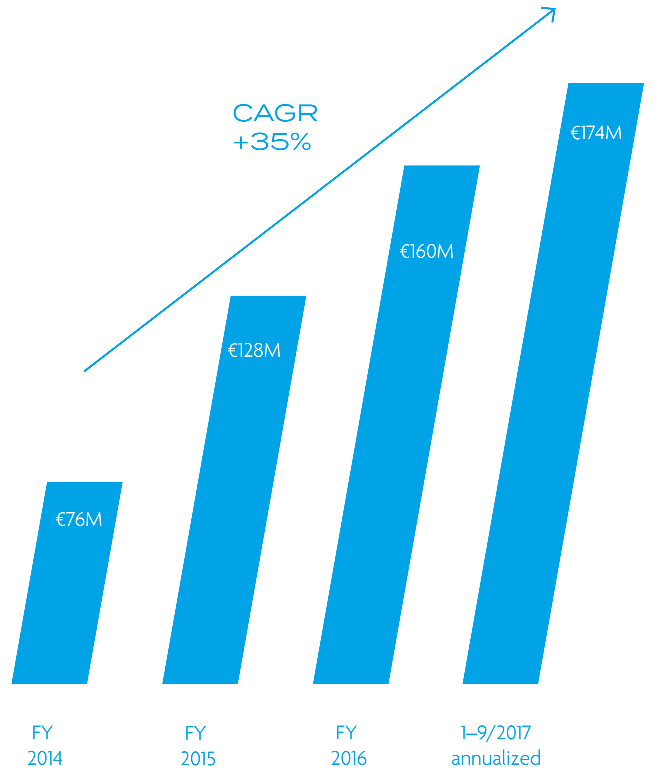
GCP's North portfolio is focused on the major urban centers Bremen, Hamburg and Hannover.



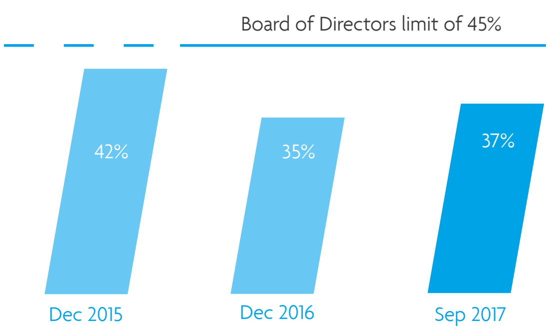
RESIDENTIAL PORTFOLIO (GCP)

Grand City Properties' portfolio generates a net rental income of €322 million and bottom line FFO I of €174 million on a nine months 2017 annualized basis. The current portfolio has an in-place rent of 5.5 €/sqm at an EPRA vacancy rate of 7.3%.
In May 2017, GCP's shares were uplisted to the Prime Standard of the Frankfurt Stock Exchange, a milestone achievement that is reflective of continued success through experienced and efficient management. Subsequently, GCP joined the DAX index family in June 2017 when it was added to the SDAX index, and in September 2017 was notched up to the mid-cap MDAX index, resulting in increased visibility and liquidity.
GCP's success is mirrored in the strong performance in the debt and capital markets. GCP's average cost of debt is 1.5%.
GCP holds two investment-grade credit ratings – BBB+ from Standard & Poor's Rating Services (S&P) and Baa1 from Moody's Investors Service (Moody's) – and as part of its strategy aims to achieve a rating of A- in the long-term. GCP is listed on the Prime Standard of the Frankfurt Stock Exchange and has a market cap of €3.1 billion. GCP outperformed the market continuously since its IPO in 2012, in share, convertible bond, straight bond and perpetual notes performance.
GCP is included in the MDAX index as well as major FTSE EPRA/NAREIT indices, including FTSE EPRA/NAREIT Global, Developed and Developed Europe and in the GPR 250 index. GCP has a dividend policy to distribute 65% of its FFO I per share.

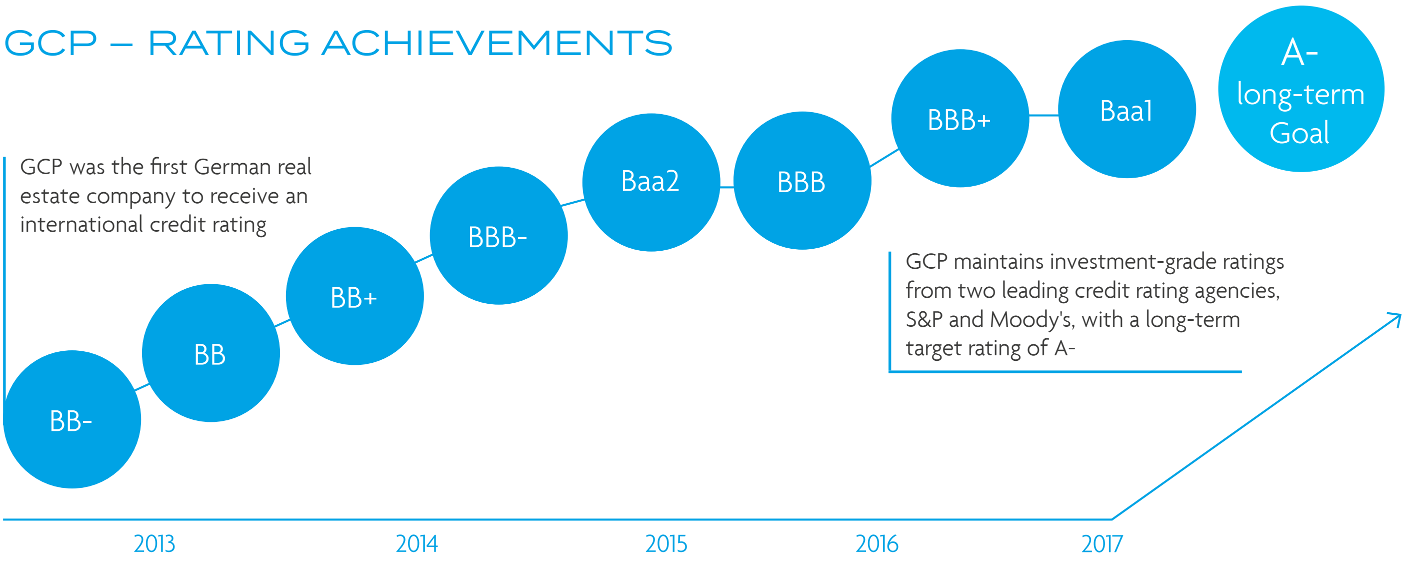
GCP – INCREASING FUNDS FROM OPERATIONS



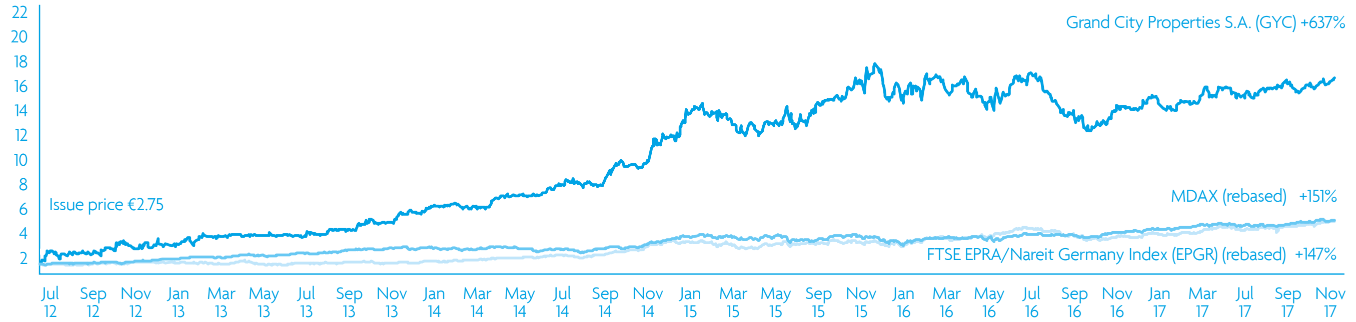
GCP – CONSERVATIVE LOAN-TO-VALUE



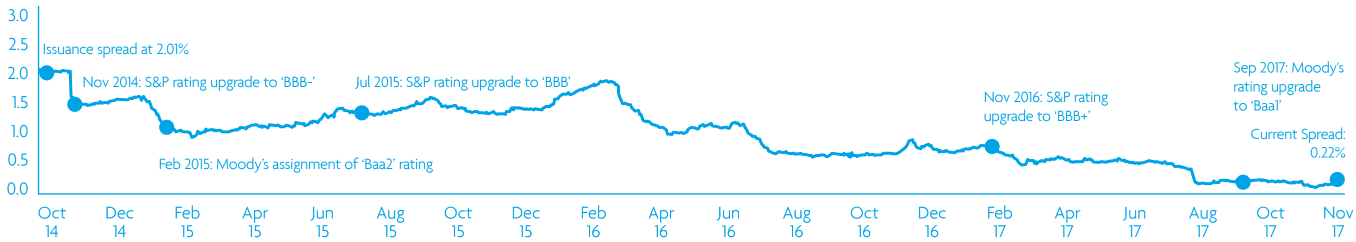
GCP – RATING ACHIEVEMENTS



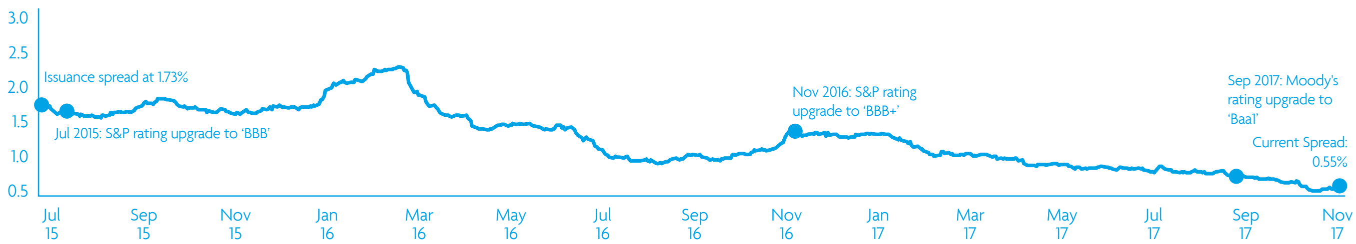
SHARE PRICE PERFORMANCE COMPARISON SINCE FIRST EQUITY PLACEMENT (19.07.2012)



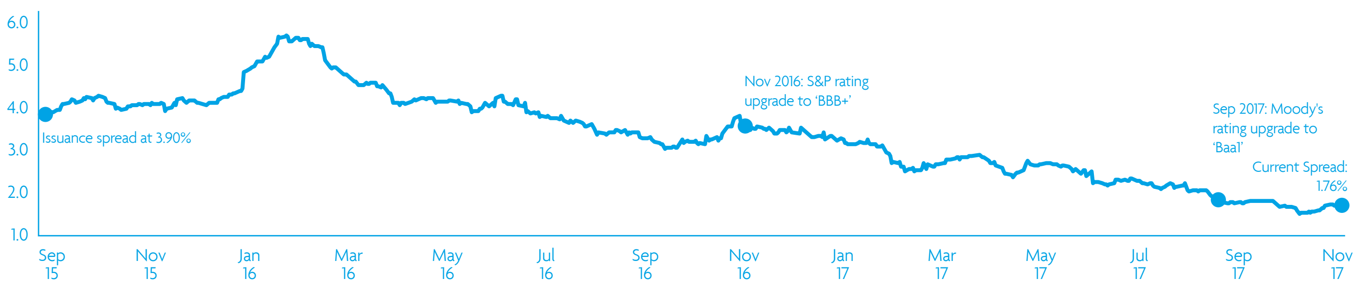
STRAIGHT BOND SERIES D – SPREAD OVER MID-€-SWAP, REMAINING 4 YEARS



STRAIGHT BOND SERIES E – SPREAD OVER MID-€-SWAP, REMAINING 7.5 YEARS



3.75% PERPETUAL NOTES – SPREAD OVER MID-€-SWAP



ESG – ENVIRONMENTAL, SOCIAL AND GOVERNANCE

As we make great strides towards achieving our goals, we reinforce our commitment towards corporate and sustainable responsibility by doing what's right, positively influencing the environment and going the extra mile beyond legal obligations. Over the last year, the Group has adopted its sustainable development principles and is continuously improving its performance. In September 2017, Aroundtown was awarded the EPRA BPR Gold award, the highest award standard for financial reporting, by the European Public Real Estate Association (EPRA) for its 2016 annual financial report.

As part of the ongoing effort to improve the level and quality of disclosures, the Group has taken initiative to collaborate with and update various ESG rating agencies with relevant information over the last months. As a result, Aroundtown's latest Sustainalytics rating positioned the Company at the 88th percentile among 280 real estate peers worldwide, ranking Outperformer in all three segments: Environment, Social and Governance.

Aroundtown is currently working on its first sustainability report. The reporting will follow GRI (Global Reporting Initiative) Standards as well as EPRA's sBPR (Sustainability Best Practices Recommendations) guidelines and is expected to be published in 2018.

Environmental responsibility

Aroundtown sees environmental responsibility as an integral part of its business strategy. The Group established a comprehensive Environmental Policy that reflects all aspects of energy management and environmental responsibility, with the aim to reduce environmental pollution by installing sustainable energy systems which improve energy efficiency, switching to renewable energy sources, and reducing its carbon footprint. Environmental factors are included in the investment strategy, due diligence process and the business plan. Over the life cycle of our assets and as part of the repositioning process we seek to continuously reduce the potential environmental footprint. As part of this process we conduct regular environmental risk assessments. Environmental due diligence and risk assessments include all aspects of environmental management, such as water and climate risk and management, energy efficiency, and greenhouse gases (GHG) reduction.

RENEWABLE ENERGY USE

The Group employs strategic partners for energy supply (gas and electricity), who possess all relevant certifications and analyze the 'energy portfolio' they have with us on a regular basis. The Group's agreement stipulates that all GHG emissions are 100% offset. The statistical data provided to the Group covers not only energy consumption but also forecasts as to the tons of GHG saved and offset as part of the agreement with them.

GHG RISK MANAGEMENT (GREENHOUSE GASES)

According to the Group's Environmental Policy, the emission of GHG is to be monitored and reviewed. The objective of the Group is to reduce energy consumption, especially of fossil fuels, by increasing the use of renewable energy, and to that end the Group sets periodic emission reduction targets. The Group has strategically decided on switching from non-efficient fossil and oil-operated heating plants to higher efficiency systems. A substantial share of the fossil and oil-operated heating plants have already been switched, and further units are being switched on an ongoing basis.

SUPPLIER ENVIRONMENTAL PROGRAMS

The Group runs a series of environmental programs as a part of its Green Procurement Policy. Contracts with suppliers incorporate compliance with environmental regulations and adherence to legal standards. In key areas, suppliers must prove external certifications that help assess the environmental impact of their activities and end products. The Group participates in industry initiatives in order to improve on services delivered and the environmental impact on the stakeholders involved.

Aroundtown also actively encourage suppliers to innovate and present better systems, technologies and methods in order to improve the overall environmental performance of the supply chain.

Dortmund

ESG - ENVIRONMENTAL, SOCIAL AND GOVERNANCE

SOCIAL RESPONSIBILITY

The Group strongly believes that investing responsibly is a mark of quality and puts emphasis on good employment conditions, qualifications and professional development as well as reduction of negative environmental impacts.

RESPONSIBLE EMPLOYER

The Group is running high profile programs with regard to Human Capital Development which are outlined in our Commitment to Human Capital Development. A main part of the Group's success lies in its ability to attract, develop and retain qualified and motivated employees. To this extent the Group aims to fulfil employees, have great leaders at all levels, and encourage the individual pursuit of work/life balance. The Company believes that a diverse workforce brings value to the team and therefore constantly invests in developing and growing the value of its human capital by providing people with the means for success and keeping a focus on internal promotion.

The Group has put policies, operating guidelines and monitoring systems in place to support its responsible approach and ensure that its employees act upon its responsible approach statement.

ECONOMIC AND SOCIAL DEVELOPMENT

Aroundtown's goal is to contribute to the economic and social development of the communities in which it operates. The Company's focus is to support initiatives which benefit directly the well-being, health, safety and economic development of its customers/tenants. The Community Involvement & Development Program includes strategic development of relationships with local stakeholders and to conduct operations as a responsible corporate citizen. The Group engages in a number of activities that address regional needs and generate economic and social development in its operating locations. The Group includes economic and social factors in the investment strategy and due diligence process. Policies and procedures contain social and environmental impact assessments as well as periodic reviews of existing operations and stakeholder engagement. The management team reports regularly on economic and social development.

Berlin

ESG – ENVIRONMENTAL, SOCIAL AND GOVERNANCE

CORPORATE GOVERNANCE

The Group places a strong emphasis on corporate governance, executed responsibly by the Board of Directors and the management teams. The Group directs its efforts in maintaining the high trust it received from its shareholders to balance interests. The Group is proud of the high confidence of its investors, which is reflected in the impressive placement of funds by major global investment banks. AT's shares and bonds were issued to many international leading institutional investors and major global investment and sovereign funds.

The Group follows a very strict code of conduct which applies to all its employees and main suppliers, such as Anti-Bribery Policy, Anti-Corruption Policy, Conflict of Interest and others.

EXTRAORDINARY GENERAL MEETING

Aroundtown held an Extraordinary General Meeting on September 13th, 2017. All agenda items were approved with an absolute majority, including, among others, the finalisation of the Company's re-domiciliation to Luxembourg and continuation as a Luxembourg corporation, and the appointment to the Board of Directors of three additional Directors of whom two are Independent Directors.

ANNUAL GENERAL MEETING

The Annual General Meeting of the shareholders of Aroundtown SA will be held on December 11, 2017 in Luxembourg. Agenda items will include, the proposal of a dividend distribution for the 2016 fiscal year of €0.163 per share to be distributed to shareholders.

BOARD OF DIRECTORS

The Board of Directors makes decisions solely in the Group's best interests and independently of any conflict of interest. The Group is administered by a Board of Directors that is vested with the broadest powers to perform in the Group's interests. All powers not expressly reserved by the Luxembourg Companies Act or by the articles of incorporation to the general meeting of the shareholders fall within the competence of the Board of Directors.

On a regular basis, the Board of Directors evaluate the effective fulfilment of their remit and compliance with corporate governance procedures implemented by the Group. This evaluation is also performed by the Audit and Risk Committees. The Board of Directors currently consists of a total of seven members, of which three are independent, and resolves on matters on the basis of a simple majority, in accordance with the articles of incorporation.

The Board of Directors is provided with regular training on regulatory and legal updates, sector-specific and capital markets subjects and ESG/CSR matters.

MEMBERS OF THE BOARD OF DIRECTORS

Name	Position
Mr. Andrew Wallis	Director
Mr. Frank Roseen	Director
Mr. Oschrie Massatschi	Director
Ms. Jelena Afxentiou	Director
Mr. Markus Leininger	Independent Director
Mr. Markus Kreuter	Independent Director
Dr. Axel Froese	Independent Director

SENIOR AND KEY MANAGEMENT

Name	Position
Mr. Shmuel Mayo	CEO
Mr. Eyal Ben David	CFO
Mr. Markus Neurauter	Head of Commercial Operations
Mr. Philipp Von Bodman	Head of Hotel Operations


Mainz

ESG – ENVIRONMENTAL, SOCIAL AND GOVERNANCE

CORPORATE GOVERNANCE

AUDIT COMMITTEE

The Board of Directors established an Audit Committee. The Board of Directors decides on the composition, tasks and term of the Audit Committee as well as the appointment and dismissal of its members. The responsibilities of the Audit Committee relate to the integrity of the financial statements, including reporting to the Board of Directors on its activities and the adequacy of internal systems controlling the financial reporting processes and monitoring the accounting processes, including reviewing accounting policies and updating them regularly. The Audit Committee recommends to the shareholders a nomination for the statutory auditor and provides guidance to the Board of Directors on the auditing of the annual financial statements of the Company and, in particular, shall monitor the independence of the approved independent auditor, the additional services rendered by such auditor, the issuing of the audit mandate to the auditor, the determination of auditing focal points and the fee agreement with the auditor.

ADVISORY BOARD

The Board of Directors established an Advisory Board to provide expert advice and assistance to the Board of Directors. The Board of Directors decides on the composition, tasks and term of the Advisory Board as well as the appointment and dismissal of its members. The Advisory Board has no statutory powers under the Luxembourg Companies Act or the articles of incorporation of the Company, but applies rules adopted by the Board of Directors. The Advisory Board is an important source of guidance for the Board of Directors when making strategic decisions.

RISK COMMITTEE

The Board of Directors established a Risk Committee tasked with assisting and providing expert advice to the Board of Directors in fulfilling its oversight responsibilities, relating to the different types of risks, recommending a risk management structure including its organization and its process as well as assessing and monitoring the effectiveness of risk management systems. The Risk Committee provides advice on actions of compliance, in particular by reviewing the Group's procedures for detecting risk, the effectiveness of the Group's risk management and internal control system and by assessing the scope and effectiveness of the systems established by the management to identify, assess and monitor risks. The Board of Directors decides on the composition, tasks and term of the Risk Committee and the appointment and dismissal of its members.

INTERNAL CONTROLS AND RISK MANAGEMENT SYSTEMS

The Group closely monitors and manages any potential risk and sets appropriate measures in order to mitigate the occurrence of any possible failure to a minimum. The risk management is led by the Risk Committee, which constructs the risk management structure, organization and processes, and coordinates risk-related training.

The Risk Committee monitors the effectiveness of risk management functions throughout the organization, ensures that infrastructure, resources and systems are in place for risk management and are adequate to maintain a satisfactory level of risk management discipline. The Group categorizes the risk management systems into two main categories; internal risk mitigation and external risk mitigation.

INTERNAL RISK MITIGATION

Internal controls are constructed from five main elements:

- Risk assessment – set by the Risk Committee and guided by an ongoing analysis of the organizational structure and by identifying potential weaknesses. Further, the committee assesses control deficiencies in the organization and executes issues raised by internal audit impacting the risk management framework.
- Control discipline – based on the organizational structure and supported by employee and management commitments. The discipline is erected on the foundations of integrity and ethical values..
- Control features – the Group sets physical controls, compliance checks and verifications such as cross departmental checks. The Group puts strong emphasis on separation of duties, as approval and payments are done by at least two separate parties. Payment verifications are cross checked and confirmed with budget and contract. Any payment exceeding a certain set threshold amount requires additional approval by the head of the department as a condition for payment.
- Monitoring procedures – the Group monitors and tests unusual entries, mainly through a detailed monthly actual vs. budget analysis and checks. Strong and sustainable control and organizational systems reduce the probability of errors and mistakes significantly. The management sees high importance in constantly improving all measures, adjusting to market changes and organizational dynamics..
- ESG risk-related expenditures – the Group has included identification of potential financial liabilities and future expenditures linked to ESG risks in the organizational risk assessment. Future expenditures on ESG matters and opportunities are included in the financial budget. ESG matters and opportunities are included in the financial budget.

EXTERNAL RISK MITIGATION

As ordinary course of business, the Group is exposed to various external risks. The Risk Committee is constantly determining whether the infrastructure, resources and systems are in place and adequate to maintain a satisfactory level of risk. The potential risks and exposures are related, inter alia, to volatility of interest risks, liquidity risks, credit risk, regulatory and legal risks, collection and tenant deficiencies, the need for unexpected capital investments and market downturn risk. The Group sets direct and specific guidelines and boundaries to mitigate and address each risk, hedging and reducing to a minimum the occurrence of failure or potential default.

NOMINATION COMMITTEE

The Board of Directors established a Nomination Committee to identify suitable candidates for director positions and examine their skills and characteristics.

REMUNERATION COMMITTEE

The Board of Directors established a Remuneration committee to determine and recommend to the Board the remuneration policy for the Chairman of the Board, the Executive Directors and Senior Management including evaluation of short term performance-related remuneration to senior executives.

ESG/CSR COMMITTEE

The Board of Directors established an ESG/CSR Committee to review shareholder proposals and recommendations that relate to matters of Corporate Social Responsibility. In addition, the ESG/CSR Committee reviews and assesses the Company's CSR strategy, initiatives and practices for Environmental, Social and Governance practices and reviews policies with respect to CSR subjects.

SHAREHOLDERS' RIGHTS

The Group respects the rights of all shareholders and ensures that they receive equal treatment. All shareholders have equal voting rights and all corporate publications are transmitted through general publication channels as well as on a specific section on its website. The shareholders of Aroundtown SA exercise their voting rights at the Annual General Meeting of the shareholders, whereby each share is granted one vote. The Annual General Meeting of the shareholders takes place at such place and time as specified in the notice of the meeting. At the Annual General Meeting of the shareholders the Board of Directors presents, among others, the directors report as well as consolidated financial statements to the shareholders.

The Annual General Meeting resolves, among others, on the financial statements of Aroundtown, the appointment of the auditor of the Company and the discharge to and appointment or re-election of the members of the Board of Directors.

NOTES ON BUSINESS PERFORMANCE

Frankfurt am Main (Eschborn)

NOTES ON BUSINESS PERFORMANCE

SELECTED CONSOLIDATED INCOME STATEMENT DATA

	For the 9 months ended September 30,	
	2017	2016
	In millions of euro	
Rental and operating income	373.7	183.1
Net rental income	320.3	159.3
Revaluations, capital gains and other income	976.1	588.1
Share in profit from investment in equity-accounted investees	133.5	153.4
Property operating expenses	(104.2)	(48.4)
Administrative and other expenses	(10.8)	(5.2)
Operating profit	1,368.3	871.0
EBITDA	1,370.0	872.0
ADJUSTED EBITDA 1)	303.4	183.9
Net Finance expenses	(48.0)	(32.9)
Other financial results	(16.6)	(22.5)
Current tax	(26.5)	(12.9)
Deferred tax expenses	(195.5)	(87.1)
PROFIT FOR THE PERIOD	1,081.7	715.6
FFO I 2)	204.1	113.6
FFO II	238.8	113.6

1) including AT's share in GCP's adjusted EBITDA and net of contribution of assets held for sale. See page 55.
2) including AT's share in GCP's FFO I (after perpetual notes attribution) and net of consolidated minorities and contributions of assets held for sale. See page 56.

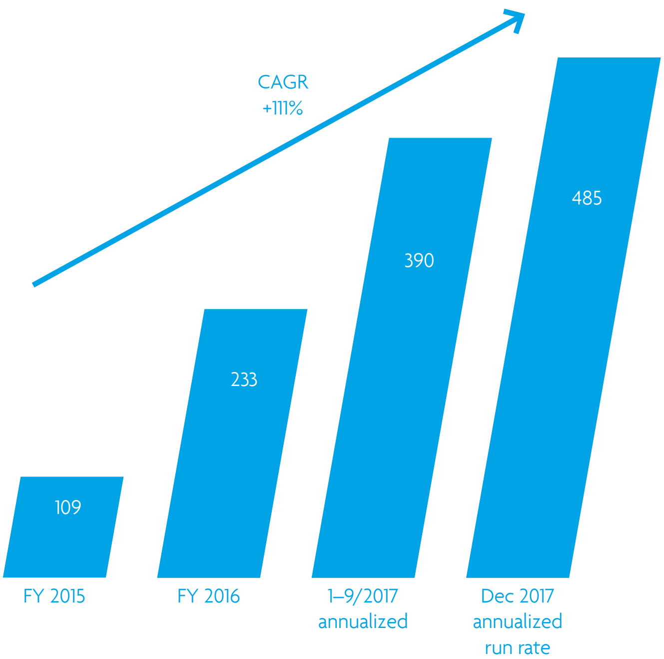

Rheinsberg

REVENUE

	For the 9 months ended September 30, 2017	2016
	In millions of euro	
RECURRING LONG-TERM NET RENTAL INCOME	292.7	159.3
Rental income related to properties marked for disposal	27.6	-
NET RENTAL INCOME	320.3	159.3
Operating and other income	53.4	23.8
RENTAL AND OPERATING INCOME	373.7	183.1
REVENUE	373.7	183.1

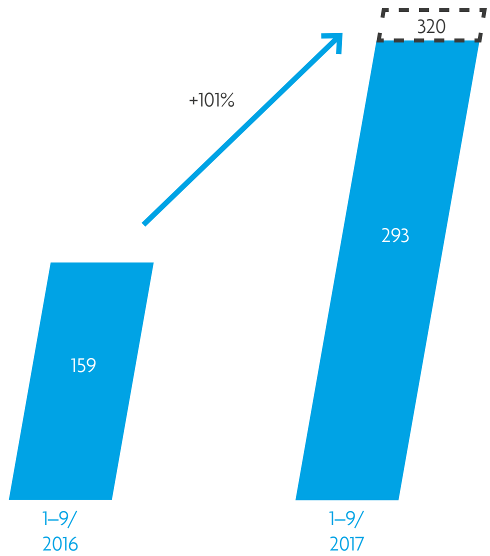
AT generated rental and operating income of €374 million in the first nine months of 2017, representing an increase of 104% from €183 million in the comparable period in 2016. Net rental income amounted to €320 million, reflecting an increase of 101% from €159 million in the first nine months of 2016, owing mainly to the significant increase in the portfolio size. Further contributing to the increase is the strong internal rent growth experienced over the past twelve months with a like-for-like net rental income growth of 5.8% as of September 2017, with 2.3% from occupancy like-for-like and 3.4% from in-place rent like-for-like increases. Excluding rent contribution from properties marked for disposal in the amount of €28 million, as they are expected to be sold in the coming periods, the long-term recurring net rental income amounted to €293 million.

NET RENTAL INCOME, RECURRING LONG-TERM DEVELOPMENT (IN € MILLIONS)



To capture the full year impact of acquisitions completed throughout and after the reporting period and only partially contributing to the reported figures, AT provides the monthly annualized run rate figure of the current portfolio. As of December 2017, AT's commercial portfolio generates an annualized net rental income run rate (excluding contributions from properties marked for disposal) of €485 million, representing an increase of 24% over the nine months 2017 annualized rental income of €390 million excluding properties marked for disposal.

NET RENTAL INCOME, PERIODIC DEVELOPMENT (IN € MILLIONS)



SHARE IN PROFIT FROM INVESTMENT IN EQUITY-ACCOUNTED INVESTEES

	For the 9 months ended September 30, 2017	2016
	In millions of euro	
SHARE IN PROFIT FROM INVESTMENT IN EQUITY-ACCOUNTED INVESTEES	133.5	153.4

Share in profit from investment in equity-accounted investees reflects AT's share of earnings from investments in companies over which it does not exercise control and that are not consolidated in the financial statements. The balance relates mostly to the Company's residential portfolio through its holding in GCP, as well as other entities. The Company recorded a share in profit from investment in equity-accounted investees in the amount of €134 million for the first nine months of 2017, a decrease from €153 million recorded in the respective period in 2016, owing to the lower net profit recorded by GCP for this period. While GCP continues to deliver exceptional operational results with double-digit growth in adjusted EBITDA and FFO I year-over-year, the increase in operational profits was offset by the lower revaluation gains recorded by GCP in the period in comparison to the comparable period in 2016.

NOTES ON BUSINESS PERFORMANCE

REVALUATIONS, CAPITAL GAINS AND OTHER INCOME

For the 9 months ended September 30, In millions of euro	2017	2016
REVALUATIONS, CAPITAL GAINS AND OTHER INCOME	976.1	588.1

Revaluations, capital gains, and other income amounted to €976 million in the first nine months of 2017, reflecting an increase of 66% from the €588 million recorded in the same period in 2016. This profit is almost entirely attributable to strong property revaluation gains and is reflective of AT's sustainable and proven track record of value generation through management knowledge and experience in selecting the right assets with upside potential. Aroundtown's vast deal network continues to result in access to a large pipeline of attractive deals, which are translated into value creation down the line. The Company's efficient operational platform materializes the upside potential of the assets through repositioning and operational improvements, reflected in like-for-like results, stronger tenant and asset quality, and synergies from economies of scale. As of September 2017, the portfolio was valued at €1,829/sqm with a rental yield of 5.5%. The Group's portfolio is appraised on an ongoing basis, at least once a year by qualified and independent external valuators, mainly Jones Lang LaSalle (JLL) as well as Knight Frank, Cushman & Wakefield (CW), NAI Apollo, and Geraldeve.

PROPERTY OPERATING EXPENSES

For the 9 months ended September 30, In millions of euro	2017	2016
PROPERTY OPERATING EXPENSES	(104.2)	(48.4)

Property operating expenses consist mostly of ancillary costs recoverable from tenants (such as heating, water and energy costs), as well as maintenance and personnel expenses attributable to property operations and other non-recoverable costs. These costs amounted to €104 million in the first nine months of 2017, increasing from €48 million in the respective period in 2016 and reflecting the growth of the portfolio between the two periods. It should be noted that while the increase is consistent with the growth in the portfolio, the varying nature of the different commercial property types, tenants, and lease structures (e.g. single vs. multi-tenant, full vs. partial pass-through of expenses) and the associated operating and maintenance structures can result in expense ratio fluctuations between periods when the asset type and/or lease structure composition of the portfolio changes notably.

ADMINISTRATIVE AND OTHER EXPENSES

For the 9 months ended September 30, In millions of euro	2017	2016
ADMINISTRATIVE AND OTHER EXPENSES	(10.8)	(5.2)

The Company's administrative and other expenses in the first nine months of 2017 totalled to €10.8 million, compared to €5.2 million in the same period in 2016. These refer to overhead operating costs and are comprised of expenses for management and administrative personnel, accounting, legal, marketing, and other expenses, including one-off items. The year-over-year increase in overhead expenses is the result of the Company's significant growth over the past twelve months, both operationally with a property portfolio nearly double in size and particularly on the corporate front, with the up-listing to the Prime Standard of the Frankfurt Stock Exchange and the migration of the Company's seat to Luxembourg, both of which were completed in the first nine months of 2017, as well as expenses related to AT's extensive capital market activities during the period.

FINANCE EXPENSES

	For the 9 months ended September 30,	
	2017	2016
	In millions of euro	
FINANCE EXPENSES	(48.0)	(32.9)

AT's finance expenses in the first nine months of 2017 amounted to €48 million, increased from €33 million in the first nine months of 2016. The increase is the result of the higher balances of financial debt carried by the Company throughout the current period as compared to the respective period in 2016, with the debt used to fuel the Company's growth between the two periods. AT is able to continuously take advantage of its strong access to capital, conservatively low leverage and established creditworthiness as a borrower, including an investment-grade credit rating from S&P, to source low-cost debt capital, with a low average cost of debt of 1.7% currently. The low cost of debt allows AT to benefit from a very high spread to operational yields which is a key driver to the Company's strong value generation. The Company's strong Interest Coverage Ratio of 5.6x for the first nine months of 2017 increased from 4.4x for the same period in 2016 and highlights AT's strong operational results relative to its low cost of debt.

OTHER FINANCIAL RESULTS

	For the 9 months ended September 30,	
	2017	2016
	In millions of euro	
OTHER FINANCIAL RESULTS	(16.6)	(22.5)

Other financial results, which amounted to an expense of €17 million in the first nine months of 2017 compared to an expense of €23 million in the comparable period in 2016, relate to non-cash items such as changes in the fair value of financial derivatives and traded securities, as well as other costs including capital issuance costs, bank fees, and prepayment fees. These expenses are the result of the substantial amount of capital markets activity undertaken during the reporting period, which saw the Company issue various securities to finance its growth, the conversion and redemption of the Series B bonds, and the redemption of the Series A bonds and PCI convertible bonds.

NOTES ON BUSINESS PERFORMANCE

PROFIT FOR THE PERIOD

	For the 9 months ended September 30,	
	2017	2016
	In millions of euro	
PROFIT FOR THE PERIOD	**1,081.7**	**715.6**
Profits attributable to:		
Owners of the company	905.4	562.6
Perpetual notes investors	22.8	-
Non-controlling interests	153.5	153.0

In the first nine months of 2017, the Company generated a profit of €1.08 billion, representing an increase of 51% from €716 million in the respective period in 2016. This increase continues to highlight AT's ability to consistently generate high profits driven by both external growth through accretive acquisitions, and internal growth through asset repositioning and achieving operational efficiencies. The profit attributable to shareholders of the Company amounted to €905 million, increased from €563 million in the first nine months of 2016. Profits attributable to perpetual notes investors resulted to €23 million for the period, resulting from the €500 million perpetual notes issued in October 2016, their €100 million tap in January 2017, and the USD 700 million perpetual notes issued during the period. The comprehensive income from the period amounted to €1.05 billion, with the difference resulting from the cash flow and currency hedging in place relating to the non-Euro denominated financial instruments of the Company.

TAXATION

	For the 9 months ended September 30,	
	2017	2016
	In millions of euro	
Current tax	(26.5)	(12.9)
Deferred tax expenses	(195.5)	(87.1)
TAX AND DEFERRED TAX EXPENSES	**(222.0)**	**(100.0)**

The Company's total tax expense for the first nine months of 2017 amounted to €222 million, compared to €100 million for the first nine months of 2016, with most of the increase attributable to deferred taxes. Current taxes, which consist of property and corporate income taxes and relate directly to the Company's recurring operational revenues, amounted to €27 million and reflect the growth in the scale of AT's operations in the past twelve months.

Deferred taxes are a non-cash item resulting from the property revaluation gains recorded during the period. In the first nine months of 2017 deferred taxes amounted to €196 million, increased from €87 million in the respective period in 2016, and relate directly to the strong revaluation gains recognized in the current period. AT employs a conservative accounting method for the treatment of deferred taxes, assuming the theoretical future disposal of properties in the form of asset deals, triggering the full real estate tax rate. In practice, AT generally conducts disposals via share deals as the assets are mainly held in separate SPV's, significantly reducing the effective tax rate on capital gains.

EARNINGS PER SHARE

	For the 9 months ended September 30,	
	2017	2016
Basic earnings per share (in €)	1.15	0.87
Diluted earnings per share (in €)	0.99	0.66
Weighted average basic shares (in millions)	785.7	645.4
Weighted average diluted shares (in millions)	901.2	823.3

AT recorded earnings per share (basic) for the first nine months of 2017 of €1.15, reflecting an increase of 32% compared to €0.87 in the comparable period in 2016. The strong increase in profits between the two periods was diluted by an increased share count resulting from the equity increase in May 2017 and the conversion of the Series B convertible bonds into equity earlier in the period, nonetheless generating high double-digit growth on a per share. Diluted earnings per share for the current period amounted to €0.99, an increase of 50% from €0.66 in the comparable period in 2016.

ADJUSTED EBITDA

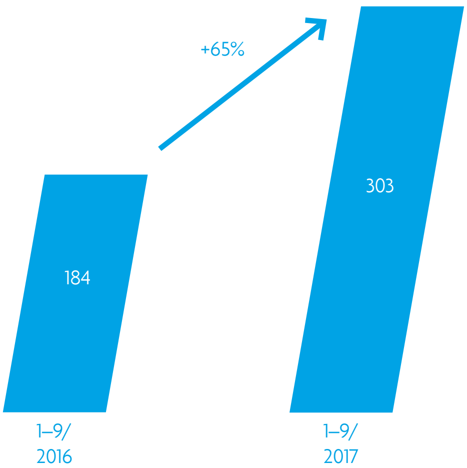
	For the 9 months ended September 30,	
	2017	2016
	In millions of euro	
Operating profit	1,368.3	871.0
Total depreciation and amortization	1.7	1.0
EBITDA	1,370.0	872.0
Revaluations, capital gains and other income	(976.1)	(588.1)
Share in profit from investment in equity-accounted investees	(133.5)	(153.4)
Other adjustments	1.4	-
ADJUSTED EBITDA COMMERCIAL	261.8	130.5
Adjusted EBITDA relating to properties marked for disposal	(24.5)	-
ADJUSTED EBITDA COMMERCIAL, RECURRING LONG-TERM	237.3	130.5
Adjustment for GCP adjusted EBITDA contribution*	66.1	53.4
ADJUSTED EBITDA	303.4	183.9

* the adjustment is to reflect AT's share in GCP's adjusted EBITDA. GCP generated an adjusted EBITDA of €183 million in 9M 2017 and €165 million in 9M 2016

The adjusted EBITDA is a performance measure used to evaluate the operational result of the Company, derived by deducting from the EBITDA non-operational items such as revaluations, capital gains, result from disposal of properties and other adjustments. Additionally, in order to mirror the recurring operational results of the Group, the share in profit from investment in equity-accounted investees is subtracted, as it also include AT's share in non-operational profits generated by the equity-accounted investees. Due to the nature of its strategic investment in GCP, AT includes in its adjusted EBITDA calculation the adjusted EBITDA generated by GCP in the relevant period according to its holding rate over the period. AT's holding rate in GCP increased during the first nine months of 2017 to 36%. AT's holding in GCP increased to 37.6% as of the day of this report.

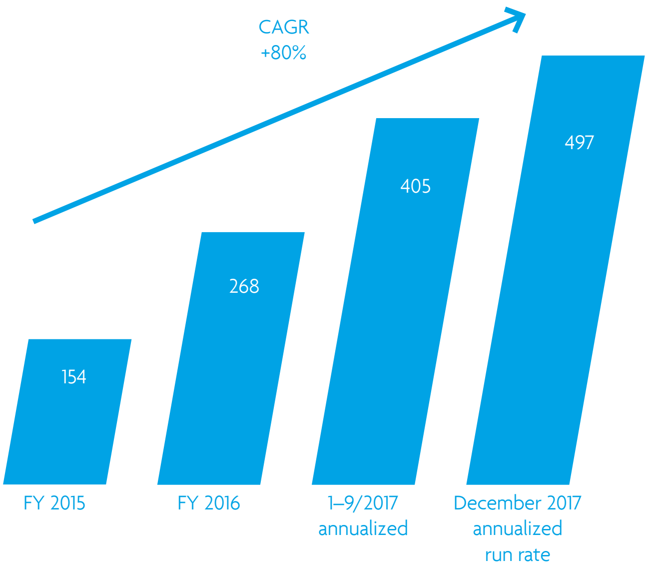
The Group's adjusted EBITDA for the first nine months of 2017 amounted to €303 million, increased 65% from the €184 million recorded in the first nine months of 2016 as a result of the high growth achieved between the two periods, both external through acquisitions and internal through strong like-for-like results and positive repositioning effects. The accretive acquisitions sourced by AT's long established deal network are coupled with the specialized knowledge and experience of the asset and property management teams to realize on the upside potential of the acquired properties, maximizing asset's operational performance and quality over the long term. The GCP share in AT's adjusted EBITDA likewise reflects the strong value generation abilities and track record of GCP's management, and represents the residential portfolio's share of Aroundtown's operational results. The adjusted EBITDA does not include a contribution of €25 million generated from properties marked for disposal, as these assets are intended for sale and as such not considered as recurring long-term earnings. When including these earnings, the Group's total adjusted EBITDA for the period amounted to €328 million, reflecting a year-over-year increase of 78%.

ADJUSTED EBITDA PERIODIC DEVELOPMENT (IN € MILLIONS)



Due to Aroundtown's continuous growth throughout the period, the above reported adjusted EBITDA figure only partially includes earnings from acquired properties, particular those purchased towards the end of the reporting period. As such, the Company additionally presents a monthly annualized run rate figure to provide the most up-to-date picture of its portfolio's profit generation, including the effects of assets acquired and deals concluded following the reporting period, as well the increase of AT's stake in GCP from 36% to 37.6%. The December 2017 adjusted EBITDA annualized run rate amounted to €497 million, representing an increase of 23% over the nine months 2017 annualized figure of €405 million.

ADJUSTED EBITDA ANNUALIZED DEVELOPMENT (IN € MILLIONS)



NOTES ON BUSINESS PERFORMANCE

FUNDS FROM OPERATIONS I (FFO I)

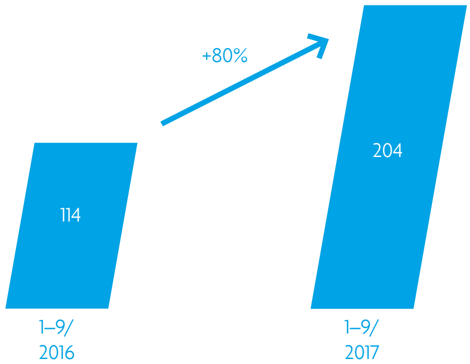
	For the 9 months ended September 30,	
	2017	2016
	In millions of euro	
ADJUSTED EBITDA COMMERCIAL PORTFOLIO	261.8	130.5
Finance expenses	(48.0)	(32.9)
Current tax expenses	(26.5)	(12.9)
Contribution to minorities	(7.2)	(4.3)
FFO I COMMERCIAL PORTFOLIO	180.1	80.4
FFO relating to properties marked for disposal	(16.4)	-
FFO I COMMERCIAL PORTFOLIO, RECURRING LONG-TERM	163.7	80.4
Adjustment for GCP FFO I contribution*	40.4	33.2
FFO I	204.1	113.6
Weighted average basic shares (in millions)	785.7	645.4
FFO I PER SHARE (IN €)	0.26	0.18

* the adjustment is to reflect AT's share in GCP's FFO I. GCP generated an FFO I after perpetual notes attribution of €112 million in 9M 2017 and €103 million in 9M 2016

Funds from Operations I (FFO I) is an industry standard performance indicator, reflective of the Company's recurring operational profits after deductions of finance expenses and current tax expenses from the adjusted EBITDA. The calculation further includes adjustments to consider minorities and the relative share of AT in GCP's reported FFO I (after perpetual notes attribution), which are not consolidated in AT's accounts. In this way, we reconcile the calculation of the Group's FFO I to reflect the actual holding rate of AT in GCP and adjusting for minorities in FFO, providing a better indication for the operational profit attributed to the owners of the Company.

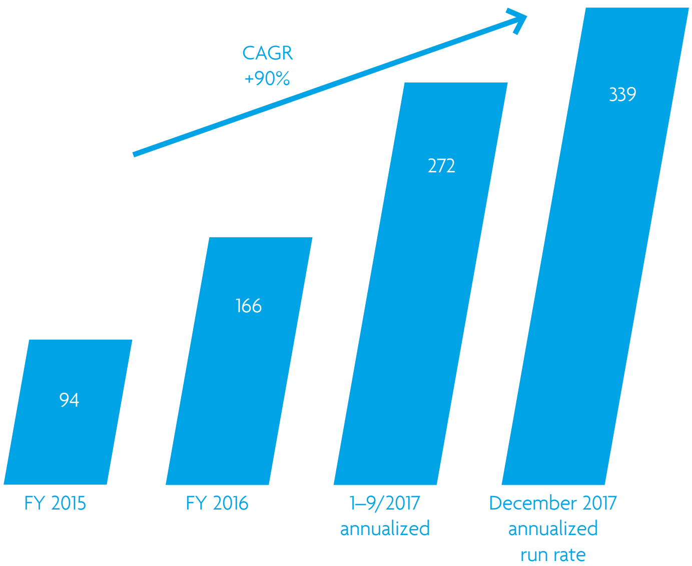
Aroundtown generated in the first nine months of 2017 an FFO I of €204 million, an increase of 80% from the €114 million recorded in the respective period in 2016. This strong year-over-year growth is the result of the impressive increase in operational profits as mirrored in the adjusted EBITDA growth between the two periods, combined with the increased profitability resulting from lower financing costs achieved as a result of the decrease in the average cost of debt to 1.7% currently, owing to the Company's high creditworthiness and enabling AT to refinance maturing debt ahead of time and at decreased rates. The Group's residential portfolio continues to deliver growing operational results as well through the continuing strong profitability and performance of GCP. The FFO I figure does not include an additional contribution of €16 million generated from properties marked for disposal, as these assets are intended for sale and as such not considered as recurring long-term profits. When including this amount, the Group's total FFO I for the period amounted to €221 million, reflecting a year-over-year increase of 94%.

FFO I PERIODIC DEVELOPMENT (IN € MILLIONS)



In line with the reporting of net rental income and adjusted EBITDA, Aroundtown likewise presents a monthly annualized FFO I run rate that fully represents the portfolio's current bottom-line profit generation. The December 2017 annualized FFO I run rate of €339 million reflects the full-year performance of properties acquired throughout the first nine months of 2017 and following the reporting period, as well as AT's updated holding rate in GCP, and represents a 25% increase over the nine months 2017 annualized figure of €272 million.

FFO I ANNUALIZED DEVELOPMENT (IN € MILLIONS)



FFO I PER SHARE PERIODIC DEVELOPMENT

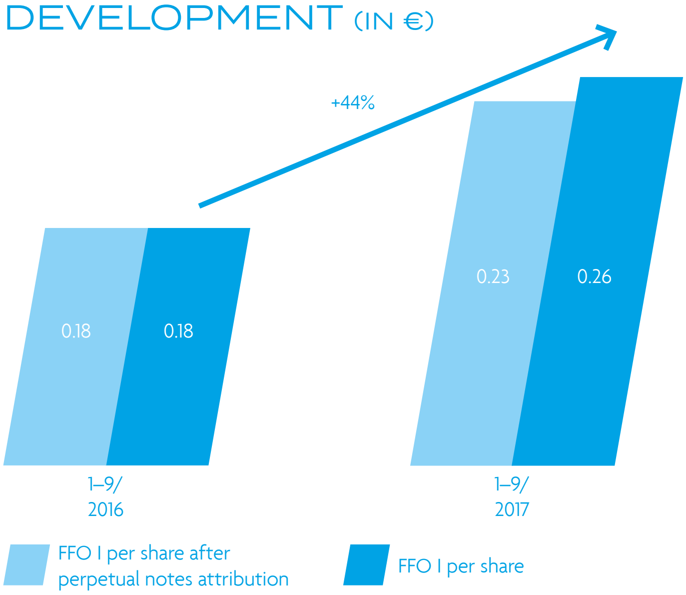
Aroundtown generated in the first nine months of 2017 an FFO I per share of €0.26, increased 44% from €0.18 in the first nine months of 2016, and reflecting a nine months annualized FFO I per share of €0.35 per share. This improvement on a per share basis was achieved despite the increased number of shares outstanding compared to 2016 as a result of the conversion into equity of Series B convertible bonds and the equity increase completed in May 2017. The Company's impressive growth on all levels during the year, driven by its proven business strategy and its effective implementation by management, continues to be reflected in ongoing shareholder value generation.

FFO I PER SHARE AFTER PERPETUAL NOTES ATTRIBUTION

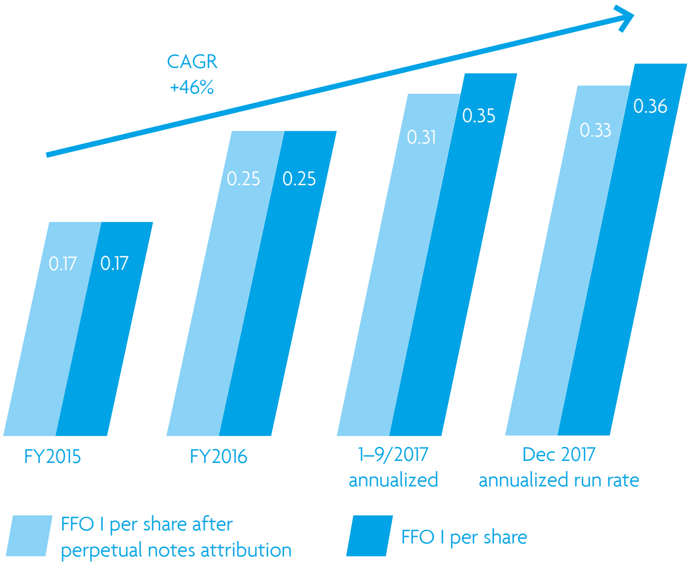
Per IFRS treatment, contributions to perpetual notes are recorded through changes in equity and not as a financial expense in the P&L. In order to ensure a high level of transparency, AT additionally presents an adjusted FFO I per share figure considering these accrued distributions. Including the perpetual notes attribution, the FFO I for the first nine months of 2017 amounted to €0.23, representing an increase of 28% from €0.18 in the first nine months of 2016.

	For the 9 months ended September 30,	
	2017	**2016**
	In millions of euro	
FFO I	204.1	113.6
Adjustment for accrued perpetual notes attribution	(22.8)	-
FFO I AFTER PERPETUAL NOTES ATTRIBUTION	181.3	113.6
Weighted average basic shares (in millions)	785.7	645.4
FFO I PER SHARE (IN €), AFTER PERPETUAL NOTES ATTRIBUTION	0.23	0.18

FFO I PER SHARE PERIODIC DEVELOPMENT (IN €)



FFO I PER SHARE ANNUALIZED DEVELOPMENT (IN €)



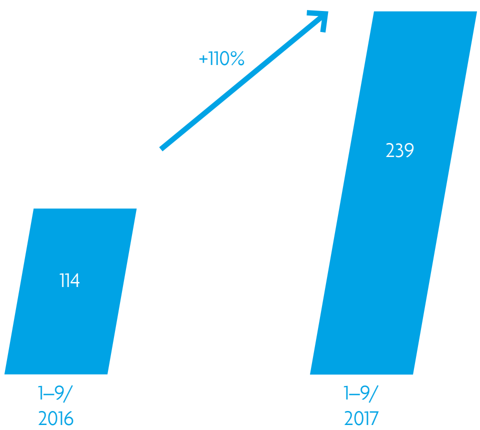
FFO II

FFO II is an additional real estate performance metric and incorporates in addition to the FFO I the profits from asset disposals. Disposal profits amounted to €35 million in the reporting period, realized through the sale of assets above their purchase costs as the Company has decided to capitalize on the high value creation and upside captured, resulting in an FFO II of €239 million in the first nine months of 2017, compared to €114 million in the respective period in 2016. The disposals were either of non-core properties or of properties on which the company has decided to capitalize the high capital gains. The disposals were located mainly in Frankfurt, Dresden and Hamburg.

	For the 9 months ended September 30,	
	2017	**2016**
	In millions of euro	
FFO I	204.1	113.6
Result from disposal of properties*	34.7	-
FFO II	238.8	113.6

* the excess amount of the sale price to cost price plus capex of the disposed properties

FFO II PERIODIC DEVELOPMENT (IN € MILLIONS)



NOTES ON BUSINESS PERFORMANCE


Rotterdam

CASH FLOW

	For the 9 months ended September 30,	
	2017	2016
	In millions of euro	
Net cash provided by operating activities	265.1	133.3
Net cash used in investing activities	(2,126.2)	(1,357.5)
Net cash provided by financing activities	1,631.6	1,245.1
NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS	**(229.5)**	**20.9**

Aroundtown's operating activities in the first nine months of 2017 resulted in an increase of net cash provided by operating activities of 99% to €265 million from €133 million in the first nine months of 2016. The increase results mainly from the increase in rental revenues which were primarily driven by the high amount of acquisitions in the past twelve months, with the value of investment property increased to €8.4 billion as of September 2017, and strongly supplemented internally by organic growth with a like-for-like net rents increase of 5.8%.

Net cash used in investing activities increased from €1.4 billion in the first nine months of 2016 to €2.1 billion in the first nine months of 2017, mirroring the Company's strong pace of growth as it continues to seize on the attractive opportunities generated by its vast and well-established deal sourcing network, as well as capex investments that result in increased asset quality and rental rates. Aroundtown continues to leverage its strong and scalable operational platform and expert management skills to identify the upside potential and value drivers in target assets prior to acquisition, establishing a business plan that is ready for implementation immediately post-acquisition, successfully integrating the asset into the existing platform, and successfully repositioning the asset to unlock its value potential. In line with its proven business model, the acquired assets must meet a host of requirements that dictate the Company's accretive nature of growth and drive its value creation.

Net cash provided by financing activities amounted to €1.6 billion in the first nine months of 2017, compared to €1.2 billion in the comparable period in 2016, driven by the extensive amount of capital markets activities during the current period in order to finance the Company's continued growth. These include the USD 400 million Series H straight bonds issued in March, the €426 million equity capital raise in May, the €500 million Series I straight bonds issued in July 2017, and the USD 700 million perpetual notes issued during the period. Additionally, the Company tapped its Series F straight bonds in the amount of €50 million and its EUR perpetual notes in the amount of €100 million, both in January 2017. These fundraising activities were partially offset by the bank loans repaid during the period, redemption of the remaining Series A straight bonds, partial repurchase of the Series B convertible bonds, and full redemption of the PCI convertible bonds.

The net change in cash and cash equivalents in the first nine months of 2017 is a decrease of €230 million, compared to an increase of €21 million in the comparable period in 2016. Despite this decrease, the Company's liquidity position remains very strong with cash and liquid assets in the amount of €506 million as of September 30, 2017, providing for strong financial flexibility and allowing for the quick execution of acquisitions.

ASSETS

	Sep 2017	Dec 2016
	In millions of euro	
NON-CURRENT ASSETS	10,855.3	6,988.9
Investment property	8,399.5	5,016.2
Equity-accounted investees, holding in GCP SA	1,522.3	1,316.7
Equity-accounted investees, other	363.9	240.3
CURRENT ASSETS	1,238.1	1,100.1
Assets held for sale*	562.6	152.9
Cash and liquid assets**	506.2	835.8
TOTAL ASSETS	12,093.4	8,089.0

* excluding cash and liquid assets held for sale
** including cash and liquid assets held for sale

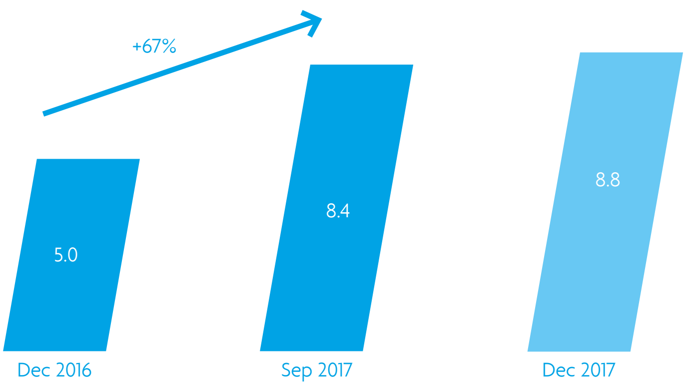
Aroundtown's sustained rapid growth in recent years continued steadily through 2017 and is reflected in a total assets balance of €12.1 billion as of September 2017, an increase of 50% from €8.1 billion in December 2016.

The majority of the growth is reflected in the balance of investment property, which increased to €8.4 billion as of September 2017 from €5.0 billion in December 2016. This growth of 67% is driven by acquisitions throughout the period in the amount of over €2.7 billion, completed at an average multiple of 16x on in-place rents, and spanning across the portfolio's strategic locations including Berlin, Frankfurt, Munich, Stuttgart, Cologne, Düsseldorf, Dresden, Dortmund, Leipzig, Mannheim, Hamburg, Amsterdam and Rotterdam. The rental yield over the investment property value as of September 2017 is 5.5%. This external growth was strongly supplemented by revaluation gains recorded during the period, which continue to affirm the management's ability to successfully translate the embedded upside potential of the acquired assets into realized value and affirm the quality of the deal pipeline sourced from the Group's vast network. Including further acquisitions and signed deals carried out following the reporting period, the balance of investment property amounted to €8.8 billion as of December 2017.

Investment in equity-accounted investees, which increased to €1.9 billion as of September 2017 from €1.6 billion in December 2016, represents the Company's positions in companies not consolidated in its financials. The majority of this balance is attributed to Aroundtown's residential portfolio in the form of its 36% holding in Grand City Properties S.A. as of September 2017 and amounting to €1.5 billion. AT's interest in GCP further increased to 37.6% following the reporting period, which constitutes a key element of Aroundtown's portfolio diversification. GCP continues to maintain strong profitability owing to strong management expertise, and record impressive milestones: following its uplisting to Prime Standard in May 2017 and inclusion in the SDAX in June 2017, GCP was further notched up to Deutsche Börse's mid-cap MDAX index in September 2017, ranking it among the 80 largest and most liquid stocks in the Prime Standard of the Frankfurt Stock Exchange.

Current assets amounted to €1.2 billion as of September 2017, compared to €1.1 billion in December 2016, with the balance consisting primarily of cash and liquid assets and assets held for sale. Cash and liquid assets, which amounted to €506 million as of September 30, 2017, are maintained at a high level to provide for strong liquidity and financial flexibility, providing acquisition firepower to quickly complete accretive acquisitions and allowing the Company to repay maturing debt ahead of schedule at its convenience. After the reporting period, the balance of cash and liquid assets increased by €1.7 billion from equity and debt issuances, providing additional firepower. Assets held for sale represent properties that have been determined by management as non-core assets with the intention to dispose of them on an ongoing basis. As of September 2017 these assets totalled €563 million, with the increase from €153 million in December 2016 attributable mainly to properties that were purchased as part of larger portfolios.

INVESTMENT PROPERTY DEVELOPMENT (IN € BILLIONS)



NOTES ON BUSINESS PERFORMANCE

LIABILITIES

	Sep 2017	Dec 2016
	In millions of euro	
Total loans and borrowings*	1,698.5	1,150.6
Straight bonds	2,614.7	1,714.0
Convertible bonds	292.9	708.7
Deferred tax liabilities**	678.9	379.5
Other long-term liabilities and derivative financial instruments	104.3	48.4
Current liabilities***	232.9	146.7
TOTAL LIABILITIES	5,622.2	4,147.9

* including short-term loans and borrowings, credit lines, loan redemption and financial debt held for sale
** including deferred tax under assets held for sale
*** excluding short-term loans and borrowings, credit lines, loan redemption and liabilities held for sale

The growth in Aroundtown's liabilities, which increased by 36% to €5.6 billion as of September 2017 from €4.1 billion in December 2016, reflect the Company's continued growth in 2017 and were driven by non-current liabilities, which increased by 33% since year-end 2016, driven by loans from financial institutions and debt issued in order to finance acquisitions in the first nine months of the year.

Loans from banks and financial institutions increased over the first nine months of 2017 by a net amount of €548 million, as the Company continues to take advantage of the strong banking relationships established for over a decade to obtain optimal financing rates, and as a result of bank debt acquired through portfolio acquisitions via share deals. The balance of the Company's straight and convertible bonds, which make up an integral part of the Company's financial structure, increased by a net amount of €485 million in the first nine months of 2017. This increase was driven by the various straight bond issuances during the reporting period including the €500 million Series I in July 2017, USD 400 million Series H in March 2017, as well as the €50 million Series F tap in January 2017. Largely offsetting this increased debt balance is the conversion into equity of €349 million of the Series B convertible bonds (with only €6 million remaining outstanding as of the day of this report, and the rest repurchased), the full redemption of the outstanding Series A straight bonds, and the redemption of the remaining PCI convertible bonds during the period. Additionally, the €300 million Series C convertible bonds (conversion price of €5.7) were in-the-money as of the end of the reporting period. These capital markets activities and debt optimization increased AT's average debt maturity to 7 years and decreased the average cost of debt to 1.7%, resulting in an increased profitability margin spread. AT further accessed the debt market twice following the reporting period in October 2017, issuing GBP 500 million Series J straight bonds due 2029 (full currency hedge to maturity) at an effective euro coupon of 1.5% until 2022, and €700 million Series K straight bonds due 2025 at AT's lowest coupon yet of 1%, both issued under the EMTN programme.

Deferred tax liabilities, which are a non-cash item resulting directly from of the revaluation gains recorded in the current and previous periods, increased to €679 million as of September 2017 from €380 million at year-end 2016. AT adopts a conservative accounting approach in this regard, assuming the theoretical future property disposal through asset deal structures and incurring the full real estate tax rate as a result. In practice, as the Company's assets are mainly held in separate SPV's, sales can be structured as share deals which thus reduces the effective capital gain tax to be paid to less than 1%.

NET FINANCIAL DEBT

	Sep 2017	Dec 2016
	In millions of euro	
Total financial debt	4,606.1	3,573.3
Cash and liquid assets*	(506.2)	(835.8)
NET FINANCIAL DEBT	4,099.9	2,737.5
Effect of equity capital raised October 2017**	(444.0)	-
NET FINANCIAL DEBT PRO FORMA	3,655.9	2,737.5

* including cash and liquid assets held for sale
**net of transaction cost

The Company's net financial debt increased to €4.1 billion as of September 30, 2017, up from €2.7 billion at year-end 2016. The increase is the result of the increase in total financial debt by over €1 billion since the end of 2016 to €4.6 billion, as well as a decrease in the balance of cash and liquid assets, which remain consistently high and amounted to €506 million as of September 2017. The financial debt increase is in line with AT's successful growth strategy, which has witnessed its total assets increase by €4 billion from €8.1 billion in December 2016 to €12.1 billion as of September 2017. The increase in debt during the current period was considerably offset by the conversion into equity of the Series B convertible bonds, full redemption of the remaining Series A straight bonds, and redemption of the outstanding PCI convertible bonds. Additionally, taking into consideration the equity capital increase conducted in October 2017, the net financial debt on a pro forma basis amounted to €3.7 billion. The low level of net debt versus total assets results in low leverage, as mandated in the Company's conservative financial policy, resulting in a strong financial and credit position. Furthermore, the maintenance of a consistently high level of cash and liquid assets results in great financial flexibility and the ability to quickly seize on attractive investment opportunities.

LOAN-TO-VALUE

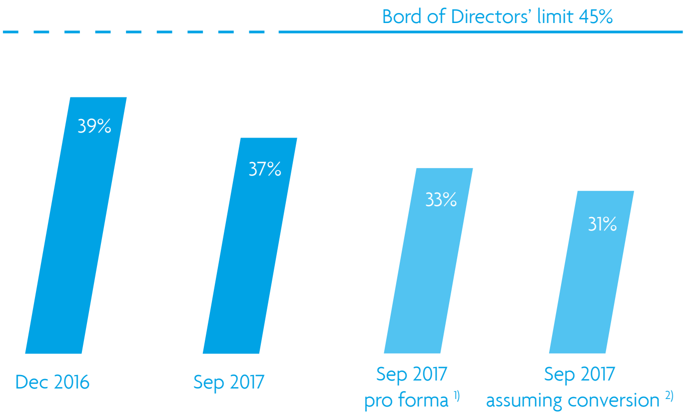
	Sep 2017	Dec 2016
	In millions of euro	
Investment property*	8,545.1	5,259.8
Investment properties of assets held for sale	550.8	148.6
Investment in equity-accounted investees	1,886.2	1,557.0
TOTAL VALUE	10,982.1	6,965.4
NET FINANCIAL DEBT	4,099.9	2,737.5
LTV	37.3%	39.3%
NET FINANCIAL DEBT PRO FORMA**	3,655.9	2,737.5
LTV PRO FORMA	33.3%	39.3%
LTV PRO FORMA AND ASSUMING CONVERSION***	30.6%	33.6%

* including advanced payments for investment properties
** including the equity capital increase in October 2017
*** assuming also the conversion of the remaining Series B convertible bonds and full conversion of the Series C convertible bonds, both of which are in-the-money

Loan-to-Value ("LTV") is the ratio of the financial debt, net of cash and liquid assets, to the value of investment property, including advance payments and investments in equity-accounted investees. Maintaining a conservative level of leverage is a key aspect of the Company's financial policy, with an LTV limit of 45% set by the Board of Directors, and results in a strong financial and credit profile.

Aroundtown's LTV as of September 30, 2017 stood at 37%, decreased from 39% at year-end 2016 and comfortably below the established policy limit of 45%. The decrease is the result of the equity capital raise in May 2017, conversion into shares of the Series B bonds during the period, the USD perpetual notes issued in June 2017 as well as their subsequent tap in September 2017. On a pro forma basis, taking into account the most recent equity capital increase in October 2017, the LTV decreased further to 33%. Additionally, assuming the full conversion into shares of the remaining Series B (€3.38 conversion price) and Series C (€5.69 conversion price) convertible bonds, the LTV decreases even further to 31%. Management believes that the current low leverage provides for a large cushion against a potential market downturn, and the opportunity to comfortably raise further debt to finance future growth.

LOAN-TO-VALUE



1) including the equity capital increase in October 2017
2) assuming also the conversion of the remaining Series B convertible bonds and full conversion of the Series C convertible bonds, both of which are in-the-money

EQUITY

	Sep 2017 pro forma*	Sep 2017	Dec 2016
	In millions of euro		
TOTAL EQUITY	6,921.2	6,471.2	3,941.1
of which equity attributable to the owners of the Company	5,146.5	4,696.5	3,090.2
of which equity attributable to perpetual notes investors	1,203.5	1,203.5	478.3
of which non-controlling interests	571.2	571.2	372.6
EQUITY RATIO	55.2%	53.5%	48.7%

* including the equity capital increase in October 2017

The Company's total equity amounted to €6.5 billion as of September 2017, representing an increase of 64% from €3.9 billion at year-end 2016, driven by the profit for the period and the capital markets activities undertaken during the first nine months of 2017. These include the equity capital increase in May 2017, the conversion into equity of the majority of the Series B convertible bonds, the USD perpetual notes, as well as the tap of the EUR perpetual notes in January 2017. Following IFRS accounting treatment, perpetual notes are classified as equity as these notes do not have a repayment date, coupon payments are deferred at the Company's discretion, are subordinated to debt and do not have any default rights nor covenants. As a result of the above, the Company's equity ratio increased to 54% as of September 2017. Taking into account the most recent equity capital increase in October 2017, the equity ratio increased further to 55% on a pro forma basis.

NOTES ON BUSINESS PERFORMANCE

EPRA NAV

EPRA NAV is defined by EPRA as the net asset value adjusted by including properties and other investment interests at fair value and excluding certain items not expected to crystallize in a long-term investment property business model. The purpose of the EPRA NAV performance measure is to adjust the IFRS NAV in order to provide stakeholders with the most relevant information on the fair value of the Group's assets and liabilities in the context of a true real estate investment company with a long-term investment strategy.

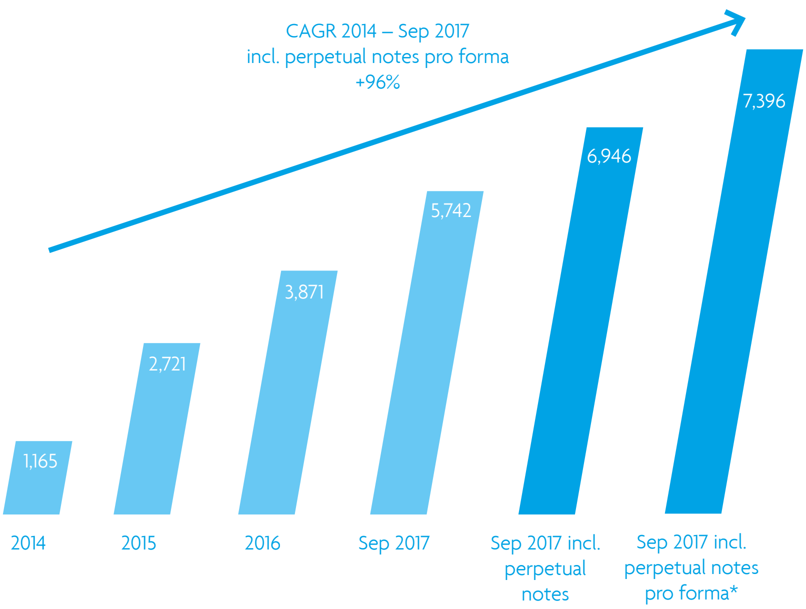
	Sep 2017		Dec 2016	
	In millions of euro	Per share	In millions of euro	Per share
NAV per the financial statements	6,471.2		3,941.1	
Equity attributable to perpetual notes investors	(1,203.5)		(478.3)	
NAV excluding perpetual notes	5,267.7		3,462.8	
Effect of conversion of in-the-money convertible bond	292.9		394.0	
Fair value measurements of derivative financial instruments*	73.9		7.1	
Deferred tax liabilities*	678.9		379.5	
NAV	6,313.4	€6.8	4,243.4	€5.3
Non-controlling interests	(571.2)		(372.6)	
EPRA NAV	5,742.2	€6.2	3,870.8	€4.9
Equity attributable to perpetual notes investors	1,203.5		478.3	
EPRA NAV INCLUDING PERPETUAL NOTES	6,945.7	€7.5	4,349.1	€5.4
EPRA NNNAV	5,499.9	€5.9	3,776.4	€4.7
Number of shares, including in-the-money dilution effects (in millions)	927.9		798.1	
EPRA NAV	5,742.2	€6.2	3,870.8	€4.9
Pro forma effect**	450.0		-	
EPRA NAV PRO FORMA	6,192.2	€6.2	3,870.8	€4.9
Pro forma number of shares, including in-the-money dilution effects (in millions)	1,002.9		798.1	

* including balances in assets held for sale
** including the equity capital increase in October 2017

Aroundtown's EPRA NAV increased with the increase in total equity, up 48% to €5.7 billion as of September 2017 from €3.9 billion at year-end 2016, as the Company continues on its sustainable growth path. EPRA NAV per share increased by 27% to €6.2 per share from €4.9 per share at year-end 2016, with the growth in net asset value during the period being partially offset by the higher share base resulting from the equity increase in May 2017, the conversion into shares of the Series B convertible bonds, and the in-the-money dilution effects of the remaining Series B and full amount of Series C convertible bonds. Nonetheless, the strong double-digit growth achieved on a per share basis in the first nine months of 2017 highlights the Company's sustained shareholder value generation abilities. The pro forma EPRA NAV per share, considering the October 2017 equity capital increase, is unchanged at €6.2 per share.

Additionally, AT presents the EPRA NAV including perpetual notes as they are classified as equity according to IFRS accounting treatment. As of September 2017, EPRA NAV including perpetual notes amounted to €6.9 billion and €7.5 per share, increased from €4.3 billion and €5.4 per share at year-end 2016, respectively. The increase is the result of the USD 500 million perpetual notes issued June 2017, their subsequent USD 200 million tap in September 2017, as well as the €100 million EUR perpetual notes tap issuance in January 2017.

EPRA NAV DEVELOPMENT 2014 – SEPTEMBER 2017 (IN € MILLIONS)



* including the equity capital increase in October 2017

Berlin

RESPONSIBILITY STATEMENT

To the best of our knowledge, the condensed financial statements of Aroundtown SA, prepared in accordance with the applicable reporting principles for financials statements, The Consolidated financial statements gives a true and fair view of the assets, liabilities, financial position and profit and loss of the Group, and the management report of the Group includes a fair review of the development of the business, and describes the main opportunities, risks, and uncertainties associates with the Group.

DISCLAIMER

The financial data and results of the Group are affected by financial and operating results of its subsidiaries. Significance of the information presented in this report is examined from the perspective of the Company including its portfolio with the joint ventures. In several cases, additional information and details are provided in order to present a comprehensive representation of the subject described, which in the Group's view is essential to this report.

By order of the Board of Directors,
November 27, 2017

Andrew Wallis Director	Frank Roseen Director	Oschrie Massatschi Director	Jelena Afxentiou Director

INTERIM CONSOLIDATED STATEMENTS

Frankfurt am Main

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Nine months ended September 30,		Three months ended September 30,	
	2017	2016	2017	2016
	In millions of euro			
REVENUE	373.7	183.1	136.5	73.1
Property revaluations, capital gains, and other income	976.1	588.1	228.4	178.4
Share in profit from investment in equity-accounted investees	133.5	153.4	56.8	32.4
Property operating expenses	(104.2)	(*) (48.4)	(40.6)	(*) (19.7)
Administrative and other expenses	(10.8)	(*) (5.2)	(3.7)	(*) (2.1)
OPERATING PROFIT	1,368.3	871.0	377.4	262.1
Finance expenses	(48.0)	(32.9)	(18.2)	(14.1)
Other financial results	(16.6)	(22.5)	1.7	(16.2)
PROFIT BEFORE TAX	1,303.7	815.6	360.9	231.8
Current tax expenses	(26.5)	(12.9)	(8.0)	(5.0)
Deferred tax expenses	(195.5)	(87.1)	(48.6)	(21.3)
TAX AND DEFERRED TAX EXPENSES	(222.0)	(100.0)	(56.6)	(26.3)
PROFIT FOR THE PERIOD	1,081.7	715.6	304.3	205.5
PROFIT ATTRIBUTABLE TO:				
Shareholders of the Company	905.4	562.6	250.0	184.5
Perpetual notes investors	22.8	-	11.3	-
Non-controlling interests	153.5	153.0	43.0	21.0
PROFIT FOR THE PERIOD	1,081.7	715.6	304.3	205.5
NET EARNINGS PER SHARE ATTRIBUTABLE TO THE SHAREHOLDERS OF THE COMPANY (IN EURO)				
Basic earnings per share	1.15	0.87	0.29	0.27
Diluted earnings per share	0.99	0.66	0.26	0.22

(*) Reclassified.

 The notes on pages 76 to 95 form an integral part of these interim consolidated financial statements.

	Nine months ended September 30,		Three months ended September 30,	
	2017	2016	2017	2016
	In millions of euro			
PROFIT FOR THE PERIOD	1,081.7	715.6	304.3	205.5
OTHER COMPREHENSIVE INCOME (LOSS):				
Items that are or may be reclassified subsequently to profit or loss				
Results of cash flow hedges	(43.3)	-	(34.2)	-
Tax related to the other comprehensive income component	10.9	-	7.2	-
TOTAL OTHER COMPREHENSIVE INCOME (LOSS)	(32.4)	-	(27.0)	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	1,049.3	715.6	277.3	205.5
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Shareholders of the Company	873.0	562.6	223.0	184.5
Perpetual notes investors	22.8	-	11.3	-
Non controlling interests	153.5	153.0	43.0	21.0
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	1,049.3	715.6	277.3	205.5

The notes on pages 76 to 95 form an integral part of these interim consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	September 30, 2017 Unaudited	December 31, 2016 Audited
		In millions of euro	
ASSETS			
Equipment and intangible assets		25.2	22.8
Investment property	5	8,399.5	5,016.2
Advance payments for real estate transactions		145.6	243.6
Investment in equity-accounted investees		1,886.2	1,557.0
Derivative financial instruments assets		0.9	-
Other non-current assets		373.0	133.8
Deferred tax assets		24.9	15.5
NON-CURRENT ASSETS		10,855.3	6,988.9
Cash and cash equivalents		409.9	641.4
Short term deposits		9.4	11.2
Traded securities at fair value through profit or loss		82.5	180.8
Derivative financial instruments assets		6.1	-
Trade and other receivables		163.2	111.4
Assets held for sale	10	567.0	155.3
CURRENT ASSETS		1,238.1	1,100.1
TOTAL ASSETS		12,093.4	8,089.0

The notes on pages 76 to 95 form an integral part of these interim consolidated financial statements.

	Note	September 30, 2017 Unaudited	December 31, 2016 Audited
		In millions of euro	
EQUITY			
Share capital	7	8.7	6.8
Retained earnings and capital reserves	7	4,687.8	3,083.4
EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE COMPANY		4,696.5	3,090.2
Equity attributable to Perpetual notes investors	7	1,203.5	478.3
EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE COMPANY AND PERPETUAL NOTES INVESTORS		5,900.0	3,568.5
Non controlling interests		571.2	372.6
TOTAL EQUITY		6,471.2	3,941.1
LIABILITIES			
Loans and borrowings	6	1,393.9	962.0
Convertible bonds	6.2, 6.4–6.5	292.9	708.7
Straight bonds	6.3, 6.6–6.10	2,614.7	1,714.0
Derivative financial instruments		80.3	6.9
Other non-current liabilities		24.0	41.5
Deferred tax liabilities		650.2	365.9
NON-CURRENT LIABILITIES		5,056.0	3,799.0
Loans and borrowings	6	76.7	(*) 160.0
Trade and other payables		173.4	107.7
Tax payable		10.1	6.7
Provisions and current liabilities		37.5	28.0
Liabilities held for sale	10	268.5	46.5
CURRENT LIABILITIES		566.2	348.9
TOTAL LIABILITIES		5,622.2	4,147.9
TOTAL EQUITY AND LIABILITIES		12,093.4	8,089.0

(*) Reclassified.

The Board of Directors of Aroundtown SA authorized these condensed interim consolidated financial statements for issuance on November 27, 2017.

Andrew Wallis
Director

Frank Roseen
Director

Oschrie Massatschi
Director

Jelena Afxentiou
Director

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

 The notes on pages 76 to 95 form an integral part of these interim consolidated financial statements.

	Attributable to the shareholders of the Company								
	Share capital	Share Premium and other capital reserves	Hedging reserves	Retained earnings	Total	Equity attributable to Perpetual notes investors	Equity attributable to shareholders of the Company and Perpetual notes investors	Non-controlling interests	Total equity
	In millions of euro								
BALANCE AS AT DECEMBER 31, 2016 (AUDITED)	6.8	633.2	-	2,450.2	3,090.2	478.3	3,568.5	372.6	3,941.1
Profit for the period	-	-	-	905.4	905.4	22.8	928.2	153.5	1,081.7
Other comprehensive income (loss) for the period, net of tax	-	-	(32.4)	-	(32.4)	-	(32.4)	-	(32.4)
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	-	-	(32.4)	905.4	873.0	22.8	895.8	153.5	1,049.3
Issuance of ordinary shares	0.9	418.9	-	-	419.8	-	419.8	-	419.8
Issuance of shares related to conversion of convertible bonds	1.0	310.2	-	-	311.2	-	311.2	-	311.2
Issuance of Perpetual notes	-	-	-	-	-	703.4	703.4	-	703.4
Amount attributed to Perpetual notes investors	-	-	-	-	-	(1.0)	(1.0)	-	(1.0)
Non-controlling interests arising from initially consolidated companies and other transactions	-	-	-	0.9	0.9	-	0.9	45.1	46.0
Equity settled share-based payment	-	1.4	-	-	1.4	-	1.4	-	1.4
BALANCE AS AT SEPTEMBER 30, 2017 (UNAUDITED)	8.7	1,363.7	(32.4)	3,356.5	4,696.5	1,203.5	5,900.0	571.2	6,471.2

	Attributable to the shareholders of the Company								
	Share capital	Share Premium and other capital reserve	Hedging reserves	Retained earnings	Total	Equity attributable to Perpetual notes investors	Equity attributable to shareholders of the Company and Perpetual notes investors	Non-controlling interests	Total equity
	Premium and other capital reserves								
BALANCE AS AT DECEMBER 31, 2015 (AUDITED)	6.0	332.7	-	1,766.7	2,105.4	-	2,105.4	320.1	2,425.5
Profit for the period	-	-	-	562.6	562.6	-	562.6	153.0	715.6
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-	-	-	562.6	562.6	-	562.6	153.0	715.6
Issuance of ordinary shares	0.7	262.2	-	-	262.9	-	262.9	-	262.9
Issuance of shares related to conversion of convertible bonds	0.1	36.3	-	-	36.4	-	36.4	-	36.4
Non-controlling interests arising from initially consolidated companies and other transactions	-	-	-	(24.8)	(24.8)	-	(24.8)	(42.9)	(67.7)
BALANCE AS AT SEPTEMBER 30, 2016 (UNAUDITED)	6.8	631.2	-	2,304.5	2,942.5	-	2.942.5	430.2	3,372.7

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Nine months ended September 30,	
	2017	2016
	In millions of euro	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the period	1,081.7	715.6
Adjustments for the profit:		
Depreciation and amortization	1.7	1.0
Property revaluations, capital gains and other income	(976.1)	(588.1)
Share in profit from investment in equity-accounted investees	(133.5)	(153.4)
Finance expenses, net	64.6	55.4
Tax and deferred tax expenses	222.0	100.0
Equity settled share-based payment	1.4	-
	261.8	130.5
Changes in:		
Trade and other receivables	(37.3)	(21.9)
Trade and other payables	24.9	27.2
Provisions for other liabilities and charges	0.4	(8.6)
	249.8	127.2
Dividend received	40.7	17.5
Tax paid	(25.4)	(11.4)
NET CASH PROVIDED BY OPERATING ACTIVITIES	265.1	133.3
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of equipment and intangible assets, net	(4.6)	(2.2)
Investments and acquisitions of investment property, capex and advances paid, net	(562.2)	(798.9)
Acquisition/disposals of investees and loans, net of cash acquired/disposed	(1,446.5)	(780.7)
Proceeds from traded securities and other financial assets, net	(112.9)	224.3
NET CASH USED IN INVESTING ACTIVITIES	(2,126.2)	(1,357.5)

The notes on pages 76 to 95 form an integral part of these interim consolidated financial statements.

	Nine months ended September 30,	
	2017	2016
	In millions of euro	
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of ordinary shares	419.8	262.9
Proceeds from issuance of straight bonds, net	923.1	1,037.7
Proceeds from Perpetual notes investors, net	698.7	-
Redemption and buy-back of convertible bonds	(114.4)	(140.1)
Proceeds (repayments) from/(of) loans from financial institutions and others, net	(203.7)	304.3
Amortizations of loans from financial institutions	(27.6)	(11.4)
Transactions with non-controlling interests	(11.7)	(174.0)
Interest and other financial expenses, net	(52.6)	(34.3)
NET CASH PROVIDED BY FINANCING ACTIVITIES	1,631.6	1,245.1
NET CHANGES IN CASH AND CASH EQUIVALENTS	(229.5)	20.9
Assets held for sale – cash	(2.0)	-
Cash and cash equivalents as at January 1	641.4	121.2
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	409.9	142.1

The notes on pages 76 to 95 form an integral part of these interim consolidated financial statements.

CONDENSED NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2017

1. GENERAL

(A) INCORPORATION AND PRINCIPAL ACTIVITIES

Aroundtown SA ("Aroundtown" or "the Company") was incorporated on May 7, 2004 as a private limited liability company under the Cyprus Companies Law, Cap. 113. On September 13, 2017, the Company transferred its registered office and principal place of business from Cyprus to Luxembourg, and continued as a public limited liability company (société anonyme), incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 1, Avenue du Bois, L-1251, Luxembourg. The Company's name was changed from "Aroundtown Property Holdings Plc" to "Aroundtown SA".

Aroundtown is a specialist real estate company, with a focus on value-add and income generating properties primarily in the German and Dutch real estate markets. Aroundtown invests in commercial and residential real estate which benefits from strong fundamentals and growth prospects. The commercial properties are held by Aroundtown and in addition Aroundtown holds a substantial interest of currently 37.6% in Grand City Properties S.A., a publicly traded real estate company that focuses on investing in value-add opportunities in the German residential real estate market. Aroundtown's investment in Grand City Properties S.A. is accounted for as equity-accounted investee in its financials.

These condensed interim consolidated financial statements ("interim financial statements") for the nine month period ended September 30, 2017 consist of the financial statements of the Group.

(B) LISTING ON STOCK EXCHANGE

Since 2015, the Company's shares are listed on the Euronext Paris Stock Exchange. On June 2, 2017 the Company's shares were up-listed to the Prime Standard of the Frankfurt Stock Exchange.

(C) CAPITAL AND BONDS INCREASES

Since December 2014, the Company undertook several capital market transactions which include the issuance of straight bonds, convertible bonds, perpetual notes and equity. In addition, the Company established an EMTN program in March 2017. For further information please see notes 6 and 7.

(D) GROUP RATING

On June 16 2016, S&P upgraded its credit rating of the company to 'BBB' with a stable outlook from its initial rating of 'BBB-' assigned in December 2015. The rating upgrade also applies to the Company's straight and convertible bonds. The perpetual notes were assigned a rating of BB+.

(E) DEFINITIONS

Throughout these notes to the interim financial statements:

THE COMPANY	Aroundtown SA
THE GROUP	The Company and its investees
SUBSIDIARIES	Companies that are controlled by the Company (as defined in IFRS 10) and whose financial statements are consolidated with those of the Company
ASSOCIATES	Companies over which the Company has significant influence (as defined in IAS 28) and that are not subsidiaries. The Company's investment therein is included in the consolidated financial statements of the Company using equity method of accounting
INVESTEES	Subsidiaries, jointly controlled entities and associates
GCP S.A.	Grand City Properties S.A. (an associate of the Company)
PCI, CAMELBAY, ATF, ATS	Primecity Investment PLC, Camelbay Limited, ATF Netherlands BV and AT Securities B.V. (subsidiaries of the Company)
RELATED PARTIES	As defined in IAS 24
THE REPORTING PERIOD	The nine months ended on September 30, 2017

Brussels

2. BASIS OF PREPARATION

(A) STATEMENT OF COMPLIANCE

These condensed interim consolidated financial statements have been prepared in accordance with IAS 34 interim financial reporting. They do not include all the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant for an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements as at and for the year ended December 31, 2016. These condensed interim consolidated financial statements have not been reviewed by an auditor.

For further information on the accounting and measurement policies used, please refer to the consolidated financial statements as at December 31, 2016, which are the basis for these condensed interim consolidated financial statements.

These condensed interim consolidated financial statements were authorized for issuance by the Company's Board of Directors on November 27, 2017.

(B) JUDGMENTS AND ESTIMATES

In preparing these condensed interim consolidated financial statements, management applies judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty are consistent with those that applied to the consolidated financial statements as at and for the year ended December 31, 2016.

(C) OPERATING SEGMENTS

The Group meets the definition of operating in one operating segment. An operating segment is a component of the Group that meets the following three criteria:

— Is engaged in business activities from which it may earn revenues and incur expenses, including revenues and expenses relating to intragroup transactions;
— Whose operating results are regularly reviewed by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance; and
— For which separate financial information is available.

(D) SEASONALITY OF OPERATIONS

Rental income, other revenues and costs are received and incurred smoothly over the accounting period. Therefore no additional disclosures are made in the condensed interim consolidated financial statements..

(E) GOING CONCERN

These condensed interim consolidated financial statements are prepared on a going concern basis.


Amsterdam

(F) FUNCTIONAL AND PRESENTATION CURRENCY

The consolidated financial statements are presented in euro, which is also the functional currency of the Group, and reported in millions of euros with rounded to one decimal point, except when otherwise indicated. As at September 30, 2017, the Company has financial instruments in US Dollars (USD). The exchange rates versus the euro are as follows:

	Exchange rates of USD/EUR
AS OF SEPTEMBER 30, 2017	**1.174**
As of September 30, 2016	1.121
As of December 31, 2016	1.054
As of December 31, 2015	1.093
INCREASE (DECREASE) DURING THE YEAR/PERIOD	
NINE MONTHS ENDED SEPTEMBER 30, 2017	**11.39%**
Nine months ended September 30, 2016	2.56%
Year ended December 31, 2016	(3.57%)

Rotterdam

3. SIGNIFICANT ACCOUNTING POLICIES

The following standard has been adopted by the Company during the reporting period and affected these consolidated financial statements:

IAS 39 – FINANCIAL INSTRUMENTS: RECOGNITION AND MEASUREMENT

DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING – CASH FLOW HEDGES

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in OCI and accumulated in the hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in profit or loss.
The amount accumulated in equity is retained in OCI and reclassified to profit or loss in the same period or periods during which the hedged forecast cash flows affect profit or loss or the hedged item affects profit or loss.
If the forecast transaction is no longer expected to occur, the hedge no longer meets the criteria for hedge accounting, the hedging instrument expires or is sold, terminated or exercised, or the designation is revoked, then hedge accounting is discontinued prospectively. If the forecast transaction is no longer expected to occur, then the amount accumulated in equity is reclassified to profit or loss.

Leipzig

The following new and revised standards and interpretations are in issue and have been endorsed by the EU but are not yet effective for these consolidated financial statements:

(I) IFRS 9 – FINANCIAL INSTRUMENTS (2009, 2010)

IFRS 9 (2009) introduces new requirements for the classification and measurement of financial assets. Under IFRS 9 (2009), financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. IFRS 9 (2010) introduces additional changes relating to financial liabilities. The IASB currently has an active project to make limited amendments to the classification and measurement requirements of IFRS 9 and to add new requirements to address the impairment of financial assets and hedge accounting. IFRS 9 is effective for annual reporting periods beginning on or after January 1, 2018, with early adoption permitted.

(II) IFRS 15 – REVENUE FROM CONTRACTS WITH CUSTOMERS

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaces existing revenue recognition guidance, including IAS 18 Revenue, IAS 11 Construction Contracts and IFRIC 13 Customers Loyalty Programs. IFRS 15 is effective for annual reporting periods beginning on or after January 1, 2018, with early adoption permitted.

The following new and revised standards and interpretations are in issue but have not yet been endorsed by the EU and are hence not yet effective for these financial statements:

(III) IFRS 16 – LEASES

IFRS 16 introduces a single, on balance sheet approach to lease accounting for lessees with optional exemptions for short-term leases and leases of low value items.

(IV) IFRS 2 – CLASSIFICATIONS AND MEASUREMENT OF SHARE-BASED PAYMENT TRANSACTION

The Group has considered the above new standards, interpretations and amendments to published standards and will continue to evaluate the impact on the Group's consolidated financial statements. At this time, the impact of the above publications is not expected to be material to the Group's consolidated financial statements.

4. ACQUISITION OF SUBSIDIARIES AND NON-CONTROLLING INTERESTS

a. In January 2017, the Group obtained control of 94.9% of the issued share capital of a retail property portfolio located in Germany for a purchase price of approximately €174.5 million (the Portfolio). As of the date of the acquisition, the Portfolio was fully let to an investment grade tenant (rated "BBB-" by S&P) with a WALT of approximately 10 years and generated approximately €59.5 million in annual net rent.

The purchase of the entities was treated as a purchase of a group of assets and liabilities. Therefore the total purchase costs were allocated to the assets and liabilities based on their relative fair value at the purchase date without the recognition of goodwill.

The aggregated identifiable assets and liabilities acquired as at the date of each transaction were as follows:

	In millions of euro
Investment property	789.4
Working capital, net	7.8
Cash and Cash equivalents	9.1
	806.3
Bank loans	(599.5)
Other liabilities, net	(23.1)
	(622.6)
TOTAL IDENTIFIABLE NET ASSETS	**183.7**
Non-controlling interests arising from initial consolidation	(9.2)
Consideration paid	(174.5)

Since the date whereby the Group obtained control over the above entities and until the end of the reporting period, the Group recorded aggregated revenues and results from operation in the amount of €46.1 million and €42.7 million, respectively.

4. ACQUISITION OF SUBSIDIARIES AND NON-CONTROLLING INTERESTS (CONTINUED)

b. During the reporting period, the Group obtained control over several companies. The purchase of these entities was treated as a purchase of a group of assets and liabilities. Therefore the total purchase costs were allocated to the assets and liabilities based on their relative fair value at the purchase date without the recognition of goodwill.

The aggregated identifiable assets and liabilities acquired as at the date of each transaction were as follows:

	In millions of euro
Investment property	1,543.4
Working capital, net	8.8
Cash and Cash equivalents	28.8
	1,581.0
Bank loans	(201.3)
Other liabilities, net	(118.0)
	(319.3)
TOTAL IDENTIFIABLE NET ASSETS	**1,261.7**
Non-controlling interests arising from initial consolidation	(56.5)
Consideration paid	(1,205.2)

Since the date whereby the Group obtained control over the above entities and until the end of the reporting period, the Group recorded aggregated revenues and results from operation in the amount of €28.3 million and €20.6 million, respectively.

Had all the above acquisitions been carried out at the beginning of the reporting period, the Group's revenues would have been increased by €54.3 million, and the Group's results from operation would have been increased by €33.7 million.


Frankfurt am Main

5. INVESTMENT PROPERTY

	Nine months ended September 30,	Year ended December 31,
	2017	2016
	Unaudited	Audited
	In millions of euro	
Balance as at January 1	5,016.2	2,430.6
Acquisitions of investment property and capex	577.3	822.1
Investment property arising from initial consolidations	2,332.8	1,452.6
Disposal of investment property	(100.3)	(195.3)
Transfer to Assets held for sale	(402.2)	(148.6)
Fair value adjustment	975.7	654.8
BALANCE AS AT SEPTEMBER 30 / DECEMBER 31	**8,399.5**	**5,016.2**

6. LOANS, BORROWINGS AND BONDS

6.1 COMPOSITION

	September 30, 2017	December 31, 2016
	Unaudited	Audited
	In millions of euro	
NON-CURRENT		
Bank loans (a)	1,393.9	962.0
TOTAL NON-CURRENT BANK LOANS	1,393.9	962.0
Convertible bond series A in PCI	-	30.4
Straight bond series A	-	37.5
Convertible bond series B	5.9	394.0
Convertible bond series C	287.0	284.3
Straight bond series D	575.1	571.4
Straight bond series E	619.2	616.1
Straight bond series F	539.8	489.0
Straight bond series H	319.0	-
Straight bond series NOK	78.3	-
Straight bond series I	483.3	-
TOTAL NON-CURRENT PORTION OF STRAIGHT AND CONVERTIBLE BONDS	2,907.6	2,422.7
CURRENT		
Bond and financial credit	30.0	130.5
Bank loans	40.9	29.5
Loan redemption	5.8	-
TOTAL CURRENT LOANS	76.7	160.0

(a) All bank loans are non-recourse loans from banks with the related assets serving as their only security. As of September 30, 2017 under the existing loan agreements, the Group is fully compliant with its obligations (including loan covenants) to the financing banks. For the security condition over the Bonds please see note 6 (11).
(b) The weighted average interest rate on the outstanding loans, borrowings and bonds is 1.7%.

6.2 PCI CONVERTIBLE BONDS SERIES A

On November 13, 2014, PCI successfully completed the placement of a €100 million convertible bond maturing in 2019, convertible into ordinary shares of PCI at an issue price of 100% of its principle amount. On February 13, 2015, the bond series was tapped in additional €50 million nominal value at an issue price of 105% of its principal amount. The convertible bond bore a coupon of 4% p.a., payable semi-annually in arrears, and was redeemable at maturity at 110% of its principle amount. The initial conversion price was fixed at €3.00.

On March 13, 2017, PCI fully early redeemed the outstanding amount of its convertible bond series A at its accreted principal amount (as defined in the bond's Terms and Conditions) together with the accrued but unpaid interest for total consideration of €22.5 million.

Since the issuance of the convertible bond and until its full redemption, a total amount of €128.7 million nominal value of the convertible bond was converted into PCI shares (out of which €8.2 million during the reporting period).

	Nine months ended Septemeber 30, 2017	Year ended December 31, 2016
	Unaudited	Audited
	In millions of euro	
Balance at the beginning of the period / year	31.2	112.4
Expenses for the period / year	(1.0)	1.0
Expenses paid	-	(2.4)
Conversion to ordinary shares of PCI	(8.3)	(79.8)
Redemption of outstanding amount	(21.9)	-
Carrying amount of liability at the end of the period / year	-	31.2
Non-current portion of Convertible bond of PCI	-	30.4
Accrued interest	-	0.1
Total Convertible bond of PCI	-	30.5
Deferred income	-	0.7

6.3 STRAIGHT BOND SERIES A

On December 9, 2014, the Company successfully completed the placement of a €161 million (nominal value) unsubordinated, senior secured straight bond maturing in December 2021 bearing a coupon of 3% p.a., payable semi-annually in arrears, for a price of 94% of its principal amount. In January 2015, the Company tapped the series A bonds in an additional principal amount of €39 million (nominal value) for a price at 94% of the principal amount, resulting in a total nominal amount of €200 million.

During 2016, the Group repurchased €160.4 million nominal value of the straight bond series A for total consideration of €166.5 million, with trading cancelled thereafter.

On May 4, 2017, the Company fully redeemed its outstanding Straight bond series A at its accreted principal amount (as defined in the bond's Terms and Conditions), together with accrued but unpaid interest for total consideration of €39.5 million.

	Nine months ended Septemeber 30,	Year ended December 31,
	2017	2016
	Unaudited	Audited
	In millions of euro	
Balance at the beginning of the period / year	37.6	188.3
Transaction costs	-	(0.4)
Net proceeds during the period / year	-	(0.4)
Expenses for the period / year	0.5	7.3
Expenses paid	-	(3.6)
Cancelation of nominal amounts	-	(154.0)
Full redemption of outstanding nominal amounts	(38.1)	-
Carrying amount of liability at the end of the period / year	-	37.6
Non-current portion of straight bond series A	-	37.5
Accrued interest	-	0.1
Total straight bond series A	-	37.6

6.4 CONVERTIBLE BOND SERIES B

On May 5, 2015, the Company successfully completed the placement of a €450 million (nominal value) senior, unsecured convertible bond convertible into ordinary shares of the Company and maturing in May 2020. The bond was placed by the Company with institutional investors, bearing a coupon of 3% p.a., payable semi-annually in arrears, at an issue price of 95.68% of its principal amount, and will be redeemed at maturity at par value. The initial conversion price was set at €3.53 per share. Due to capital increase in July 2015 as well as dividend distribution in December 2016, the conversion price was adjusted to €3.4395 and then to €3.3763, respectively.

As of the date of this report, €6.1 million nominal value of the Company's convertible bond series B remains outstanding (excluding the €56.3 million nominal value which is held by the Company).

	Nine months ended Septemeber 30,	Year ended December 31,
	2017	2016
	Unaudited	Audited
	In millions of euro	
Balance at the beginning of the period / year	395.9	428.0
Transaction costs	-	(0.3)
Net proceeds during the period / year	-	(0.3)
Expenses for the period / year	6.5	17.6
Expenses paid	(5.9)	(13.0)
Conversion to ordinary shares	(334.3)	(36.4)
Buy-back of 563 units by the Company (a)	(56.2)	-
Carrying amount of liability at the end of the period / year	6.0	395.9
Non-current portion of Convertible bond series B	5.9	394.0
Accrued interest	0.1	1.9
Total Convertible bond series B	6.0	395.9

(a) During the reporting period, the Company bought-back 563 nominal units for consideration of €78.9 million. The surplus arise was deducted from the equity.

6. LOANS, BORROWINGS AND BONDS (CONTINUED)

6.5 CONVERTIBLE BOND SERIES C

On December 15, 2015, the Company successfully completed the placement of a €300 million (nominal value) senior, unsecured convertible bond convertible into ordinary shares of the Company and maturing in January 2021. The bond was placed by the Company to institutional investors, bearing a coupon of 1.5% p.a., payable semi-annually in arrear, at an issue price of 97.05% of its principal amount, and will be redeemed at maturity at par value. The initial conversion price was set at €5.79 per share. Due to the dividend distribution in December 2016, the conversion price was adjusted to €5.6862 per share.

	Nine months ended Septemeber 30,	Year ended December 31,
	2017	2016
	Unaudited	Audited
	In millions of euro	
Balance at the beginning of the period / year	286.3	281.8
Transaction costs	-	(1.0)
Net proceeds during the period / year	-	(1.0)
Expenses for the period / year	6.1	8.1
Expenses paid	(4.5)	(2.6)
Carrying amount of liability at the end of the period / year	287.9	286.3
Non-current portion of Convertible bond series C	287.0	284.3
Accrued interest	0.9	2.0
Total Convertible bond series C	287.9	286.3

At the issuance date of the convertible bond, a total amount of a €7.1 million was accounted as equity and presented in the other reserves, and €3.4 million constituted as issuance expanses. The amount recognized as equity is classified to the premium on shares, following conversions of the convertible bond into ordinary shares of the Company.

6.6 STRAIGHT BOND SERIES D

On April 26, 2016, the Company successfully completed the placement of a €600 million (nominal value) senior, unsecured straight bond maturing in May 2022, bearing a coupon of 1.5% p.a., payable annually in arrears, for a consideration that reflected 95.542% of its principal amount.

On November 1, 2016, the Company's fully owned subsidiary ATF Netherlands BV was substituted for the Company as the primary obligor under the bond, and the Company granted an unconditional and irrevocable guarantee of all payments under the bond.

	Nine months ended Septemeber 30,	Year ended December 31,
	2017	2016
	Unaudited	Audited
	In millions of euro	
Balance at the beginning of the period / year	577.3	-
Proceeds from issuance of Bond series D (6,000 notes at €100,000 par value)	-	573.3
Transaction costs	-	(5.2)
Net proceeds during the period / year	-	568.1
Expenses for the period / year	10.5	9.2
Expenses paid	(9.0)	-
Carrying amount of liability at the end of the period / year	578.8	577.3
Non-current portion of straight bond series D	575.1	571.4
Accrued interest	3.7	5.9
Total straight bond series D	578.8	577.3

6.7 STRAIGHT BOND SERIES E

On July 11, 2016, the Company successfully completed the placement of a €500 million (nominal value) senior, unsecured straight bond maturing in July 2024, bearing a coupon of 1.5% p.a., payable annually in arrears, for a consideration that reflected 95.312% of its principal amount.

On November 1, 2016, the Company's wholly owned subsidiary ATF Netherlands BV was substituted for the Company as the primary obligor under the bond, and the Company granted an unconditional and irrevocable guarantee of all payments under the bond.

On November 2, 2016, ATF successfully completed a tap up placement of an additional €150 million (nominal value) of straight bond series E, for a consideration that reflected 96.297% of its principal amount. As a result, the aggregated principal amount of the straight bond series E increased to €650 million (nominal value).

	Nine months ended Septemeber 30,	Year ended December 31,
	2017	2016
	Unaudited	Audited
	In millions of euro	
Balance at the beginning of the period / year	619.9	-
Proceeds from issuance of Bond series E (6,500 notes at €100,000 par value)	-	621.0
Transaction costs	-	(6.6)
Net proceeds during the period / year	-	614.4
Expenses for the period / year	10.3	5.5
Expenses paid	(9.0)	-
Carrying amount of liability at the end of the period / year	621.2	619.9
Non-current portion of straight bond series E	619.2	616.1
Accrued interest	2.0	3.8
Total straight bond series E	621.2	619.9

6. LOANS, BORROWINGS AND BONDS (CONTINUED)

6.8 STRAIGHT BOND SERIES F

On December 6, 2016, ATF successfully completed the placement of a €500 million (nominal value) senior, unsecured straight bond maturing in March 2023, bearing a coupon of 2.125% p.a., payable annually in arrears, for a consideration that reflected 99.003% of its principal amount. The bond was issued by ATF and is unconditionally and irrevocably guaranteed by the Company.

On January 13, 2017, ATF successfully completed a tap placement of its straight bond series F by an additional €50 million (nominal value) for a consideration that reflected of 99.458% of its principal amount. The new tranche was placed as a private placement with a single investor who had not previously participated in ATF credit. Following settlement, the aggregated principal amount of the straight bond series F was increased to €550 million.

	Nine months ended Septemeber 30,	Year ended December 31,
	2017	2016
	Unaudited	Audited
	In millions of euro	
Balance at the beginning of the period / year	489.5	-
Proceeds from issuance of straight bond series F (5,000 notes at €100,000 par value)	-	495.0
Proceeds from issuance of straight bond series F (500 notes at €100,000 par value)	49.7	-
Transaction costs	(0.1)	(6.1)
Net proceeds during the period / year	49.6	488.9
Expenses for the period / year	10.0	0.6
Expenses paid	(2.8)	-
Carrying amount of liability at the end of the period / year	546.3	489.5
Non-current portion of straight bond series F	539.8	489.0
Accrued interest	6.5	0.5
Total straight bond series F	546.3	489.5

6.9 STRAIGHT BOND SERIES G

During December 2016, ATF successfully completed the placement of a €30 million (nominal value) senior, unsecured coupon-free short term note maturing in December 2017, for a consideration that reflected 99.98% of its principal amount. The bond was issued by ATF and is unconditionally and irrevocably guaranteed by the Company. The bond is presented under the current loans and borrowings account in the consolidated statement of financial position.

6.10 EMTN PROGRAMME

On March 10, 2017, the Group announced the establishment of a €1.5 billion (later increased to €4.0 billion) Euro Medium Term Notes Programme ("the EMTN Programme"). The EMTN Programme will facilitate the issuance by ATF of senior notes over time in various currencies and maturities as a continuing element of Aroundtown's financing strategy. Notes issued under the EMTN Programme will be guaranteed by the Company and will rank pari passu with ATF's outstanding senior notes. The EMTN notes were admitted to trading on the regulated market of the Irish Stock Exchange.

6.10.1 STRAIGHT BOND SERIES H

On March 20, 2017, ATF successfully completed the placement of a USD 400 million (€372.4 million) (nominal value) maturing in 2032 for a consideration that reflected 94.651% of its principal amount, and implemented full currency-hedge to the euro until maturity. This note forms the first placement under the EMTN Programme, and was issued in a private placement with a single investor in Asia who had not previously invested in the Company. The annual coupon is payable in arrears and has been swapped into 1.365%, subject to adjustments in CPI.

	Nine months ended Septemeber 30,	Year ended December 31,
	2017	2016
	In millions of euro	
Proceeds from issuance of EMTN Bond (1,600 notes at USD 250,000 par value)	352.5	-
Transaction costs	(1.8)	-
Net proceeds during the period	350.7	-
Expenses for the period	3.2	-
Results of foreign exchange (hedged via OCI)	(26.7)	-
Carrying amount of liability at the end of the period	327.2	-
Non-current portion of straight bond series H	319.0	-
Accrued interest	8.2	-
Total straight bond series H	327.2	-

6.10.2 STRAIGHT BOND NOK

On July 5, 2017, the Company through ATF successfully completed the placement of a NOK (Norwegian Krone) 750 million (€79.3 million) (nominal value) fixed rate straight bond maturing in 2027. The bond was placed under the EMTN programme. The currency risk inherent in the bond has been hedged by swap resulting in an effective coupon of 0.818%, linked to the CPI, until maturity.

	Nine months ended Septemeber 30,	Year ended December 31,
	2017	2016
	In millions of euro	
Proceeds from issuance of EMTN Bond (750 notes at NOK 1,000,000 par value)	78.1	-
Transaction costs	(0.3)	-
Net proceeds during the period	77.8	-
Expenses for the period	0.2	-
Results of foreign exchange (through OCI)	0.9	-
Carrying amount of liability at the end of the period	78.9	-
Non-current portion of straight bond NOK	78.3	-
Accrued interest	0.6	-
Total straight bond NOK	78.9	-

6.10.3 STRAIGHT BOND SERIES I

On July 12, 2017, the Company through ATF successfully completed the placement of a €500 million (nominal value) straight bond series I maturing in January 2026, bearing a coupon of 1.875% p.a., payable annually in arrears starting from January 2018 (short first coupon), for a consideration that reflected 97.087% of its principal amount. The bond was issued by ATF as part of the EMTN Programme and is unconditionally and irrevocably guaranteed by the Company.

	Nine months ended Septemeber 30,	Year ended December 31,
	2017	2016
	In millions of euro	
Proceeds from issuance of EMTN Bond (5,000 notes at EUR 100,000 par value)	485.4	-
Transaction costs	(2.4)	-
Net proceeds during the period	483.0	-
Expenses for the period	2.2	-
Carrying amount of liability at the end of the period	485.2	-
Non-current portion of straight bond series I	483.3	-
Accrued interest	1.9	-
Total straight bond series I	485.2	-

6. LOANS, BORROWINGS AND BONDS (CONTINUED)

6.11 MAIN SECURITY, PLEDGE AND NEGATIVE PLEDGE AS DEFINED IN THE BONDS' TERMS AND CONDITIONS

This note provides an overview of certain of the covenants applicable to the Company under its outstanding series of bonds. The complete terms and conditions of each series of bonds are set forth in the relevant bond documentation. Capitalized terms used in this note have the meanings set forth in the terms and conditions of the relevant series of bond.

Under the terms of its outstanding series of bonds, the Company has undertaken that it will not, and will procure that none of its Restricted Subsidiaries will, incur any Indebtedness if, immediately after giving effect to the incurrence of such additional Indebtedness and the application of the net proceeds of such incurrence: the sum of:

(i) the Consolidated Indebtedness (less Cash and Cash Equivalents) as at the Last Reporting Date; and (ii) the Net Indebtedness (less Cash and Cash Equivalents) incurred since the Last Reporting Date would exceed 50 per cent or 60 per cent. (depending on the relevant series of bonds) of the sum of (without duplication): (i) the Total Assets (less Cash and Cash Equivalents) as at the Last Reporting Date; and (ii) the purchase price of any Real Estate Property acquired or contracted for acquisition by the Group since the Last Reporting Date; and (iii) the proceeds of any Indebtedness incurred since the Last Reporting Date (but only to the extent that such proceeds were not used to acquire Real Estate Property or to reduce Indebtedness); and

(i) the Consolidated Secured Indebtedness (less Cash and Cash Equivalents) as at the Last Reporting Date; and (ii) the Net Secured Indebtedness (less Cash and Cash Equivalents) incurred since the Last Reporting Date shall not exceed 45 per cent. of the sum of (without duplication): (i) the Total Assets (less Cash and Cash Equivalents) as at the Last Reporting Date; (ii) the purchase price of any Real Estate Property acquired or contracted for acquisition by the Group since the Last Reporting Date; and (iii) the proceeds of any Indebtedness incurred since the Last Reporting Date (but only to the extent that such proceeds were not used to acquire Real Estate Property or to reduce Indebtedness).

The Company has also undertaken that the sum of: (i) the Unencumbered Assets (less Cash and Cash Equivalents) as at the Last Reporting Date; and (ii) the Net Unencumbered Assets (less Cash and Cash Equivalents) newly recorded since the Last Reporting Date will at no time be less than 125 per cent. of the sum of: (i) the Unsecured Indebtedness (less Cash and Cash Equivalents) at the Last Reporting Date; and (ii) the Net Unsecured Indebtedness (less Cash and Cash Equivalents) incurred since the Last Reporting Date.

The Company has also undertaken that on each Reporting Date, the Interest Coverage Ratio will be at least 1.5, 1.8, 1.86 or 2.0 (depending on the relevant series of bond).

In addition, under the Series A Bonds, the Company has undertaken that it will, up to and including the Final Discharge Date, procure that Net Debt shall not exceed: (a) at any time, 55% of the Portfolio Value; and (b) 50% of the Portfolio Value for a period of more than six (6) months;

The Company's outstanding series of bonds also generally prohibit the Company from issuing additional bonds with the benefit of security interests unless the same security is granted to the Company's outstanding unsecured bonds equally and rateably.

Certain of the Company's bond series also limit the ability of Restricted Subsidiaries to encumber or restrict their ability to (i) pay dividends to the Company, (ii) make payments on indebtedness owed to the Company, (iii) make loans or advances to the Company or other Restricted Subsidiaries, or (iv) transfer their properties or assets to the Company or any other Restricted Subsidiaries, subject, in each case, to certain carve-outs without respect to, among other things, (a) Subsidiary Project Financing, (b) Project Financing Debt, (c) purchase money obligations for property acquired in the ordinary course of business, (d) customary provisions in joint venture, asset sale and other types of agreements, (e) security granted in connection with Relevant Indebtedness, and (f) the granting of guarantees or indemnities in connection with the issue of Further Bonds by other members of the Group.

Berlin

7. EQUITY
A. SHARE CAPITAL

	September 30, 2017		December 31, 2016	
	Unaudited		Audited	
	Number of shares	In millions of euro	Number of shares	In millions of euro
AUTHORIZED				
Ordinary shares of €0.01 each	2,000,000,000	20.0	1,500,000,000	15.0
ISSUED AND FULLY PAID				
Balance as at January 1	676,268,473	6.8	600,141,641	6.0
Capital increase in April 2016	-	-	65,000,000	0.7
Capital increase in May 2017	93,000,000	0.9	-	-
Exercise of Convertible bond series B into shares during the period / year	103,337,947	1.0	11,126,832	0.1
BALANCE AT THE END OF THE PERIOD / YEAR	872,606,420	8.7	676,268,473	6.8

B. ISSUED CAPITAL

1. In February 2015, as part of a capital restructuring process, the Company increased its authorized ordinary shares to 1,500,000,000, of which the issued and fully paid was increased to 500,000,000, with an adjusted par value of €0.01 for each share.
2. On July 13, 2015, the Company successfully issued an additional 100,000,000 ordinary shares (of €0.01 nominal value each) for €3.2 each, by way of a private placement with institutional investors. The gross proceeds from the issuance of the shares amounted to €320 million.
3. On April 12, 2016 the Company issued an additional 65,000,000 ordinary shares (of €0.01 nominal value each) for €4.1 each, by way of a private placement to institutional investors. The gross proceeds from the issuance of the shares amounted to €266.5 million.
4. On May 9, 2017, the Company successfully placed 93,000,000 new ordinary shares (of €0.01 nominal value each) through a capital increase at a placement price of €4.58 per share, resulting in an issue volume of approximately €426 million.
5. In September 2017, the Company increased its authorized ordinary shares to 2,000,000,000, with a par value of €0.01 for each share.
6. Since the issuance of Convertible bond series B and until September 30, 2017, a total amount of €387.6 million nominal value of the Convertible bond series B was converted into shares (thereof 348.9 million during the reporting period). According to the convertible bond's terms, 114.6 million shares were issued (thereof 103.3 million during the reporting period).

C. ISSUANCE OF PERPETUAL NOTES

(a) On October 17, 2016, ATF successfully placed €500 million (nominal value) of Perpetual notes. These notes were issued at a price of 96.392% of the principal amount, are of unlimited duration and can only be called back by the Company on certain contractually fixed dates or occasions. Up until the first call date in January 2023, the Perpetual notes shall bear a coupon rate of 3.75% p.a. In case the Company does not exercise its call right at that point, the coupon rate applied until the next call date (January 2028) shall correspond to the five-year swap rate plus a margin of 437.5 basis points p.a. The mark-up will increase by 25 basis points (to 462.5 basis points p.a.) as of January 2029 and by another 75 basis points (to 537.5 basis points p.a.) commencing on January 2044. On January 17, 2017, ATF successfully tapped its Perpetual notes by additional €100 million (nominal value) at a price of 96.297% of its principal amount.

(b) On June 14, 2017, ATS successfully placed USD 500 million (€443.38 million) (nominal value) of Perpetual notes and implemented full currency-hedge to the euro until the first call date. These notes were issued at a price of 98.725% of the principal amount, are of unlimited duration and can only be called back by the Company on certain contractually fixed dates or occasions. Up until the first call date in July 2023, the Perpetual notes shall bear a coupon rate of 2.345% p.a. (currency swapped to euro). In case the Company does not exercise its call right at that point, the coupon rate applied until the next call date (July 2028) shall correspond to the five-year swap rate plus a margin of 354.6 basis points p.a. The mark-up will increase by 25 basis points (to 379.6 basis points p.a.) as of July 2043 and by another 100 basis points (to 454.6 basis points p.a.) commencing on July 2043. On September 26, 2017, ATS successfully tapped its Perpetual notes by additional USD 200 million (€168.9 million) (nominal value) at a price of 99.3% of its principal amount.

D. SHARE PREMIUM AND OTHER CAPITAL RESERVES

The capital reserves include share premium derived directly from the capital increases that took place since the date of incorporation and from conversions of convertible bonds into ordinary shares, which can be distributed at any time. The account also consist the equity components of convertible bonds, the share-based payment reserves which temporarily cannot be distributed, and the other comprehensive income components arise by the hedge accounting.

E. RESOLUTION OF DIVIDEND DISTRIBUTION

On November 18, 2016, the shareholders' Annual General Meeting resolved upon the distribution of a cash dividend in the amount of €0.051 per share (total gross amount of €34.5 million) in accordance with the proposal of the Board of Directors. The ex-date and payment date were set on November 22, 2016 and December 23, 2016, respectively.


Amsterdam

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

FAIR VALUE HIERARCHY

The table below analyzes financial instruments carried at fair value, by the levels in the fair value hierarchy. The different levels have been defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

	Level 1	Level 2	Level 3	Total
	In millions of euro			
SEPTEMBER 30, 2017 (UNAUDITED)				
Traded securities at fair value through profit or loss	82.5	-	-	82.5
Derivative financial instruments	-	7.0	-	7.0
TOTAL ASSETS	82.5	7.0	-	89.5
Derivative financial instruments	-	80.3	-	80.3
TOTAL LIABILITIES	-	80.3	-	80.3
DECEMBER 31, 2016 (AUDITED)				
Traded securities at fair value through profit or loss	180.8	-	-	180.8
TOTAL ASSETS	180.8	-	-	180.8
Derivative financial instruments	-	6.9	-	6.9
TOTAL LIABILITIES	-	6.9	-	6.9

8. RELATED PARTY TRANSACTIONS

The transactions with related parties are as follows:

	Nine months ended September 30,	
	2017	2016
	In millions of euro	
Rental and operating expenses to related party during the period	0.2	-

During the reporting period, the lease expenses between the Group and its related entities amounted to €0.2 million. As of September 30, 2017, all payments related to the lease agreements have been carried out.

Except for the above mentioned transaction and the management share incentive plan there are no further transactions with related parties.

10. DISPOSAL GROUP HELD FOR SALE

The Group resolved an intention to sell several properties, some of them through the sale of subsidiaries. Accordingly, assets and liabilities relating to this disposal group are presented as a disposal group held for sale.

Efforts to sell the disposal group have started and a sale is expected within twelve months. No impairment loss was recognized on the reclassification of the disposal group as held for sale.

The major classes of assets and liabilities comprising the disposal group classified as held for sale are as follows:

	September 30, 2017	December 31, 2016
	Unaudited	Audited
	In millions of euro	
ASSETS CLASSIFIED AS HELD FOR SALE		
Investment property	550.8	148.6
Cash and cash equivalents	4.4	2.4
Other assets	11.8	4.3
Total assets classified as held for sale	567.0	155.3
LIABILITIES CLASSIFIED AS HELD FOR SALE		
Loans and borrowings	227.9	28.6
Deferred tax liabilities	28.7	13.6
Other liabilities	11.9	4.3
Total liabilities classified as held for sale	268.5	46.5

11. COMMITMENTS

During and after the reporting period, the Group signed several real estate transactions which as at September 30, 2017 were not yet completed and are subject to standard condition precedents.

12. CONTINGENT ASSETS AND LIABILITIES

The Group had no significant contingent assets and liabilities as at September 30, 2017.

13. EVENTS AFTER THE REPORTING PERIOD

a) On October 11, 2017, the Company successfully completed the placement of a GBP (British Pound) 500 million (€557.2 million) (nominal value) fixed rate straight bond maturing in 2029, at an issue price of 97% of the principal amount. The bond was placed under the EMTN programme. The currency risk inherent in the bond has been hedged by swap, resulting in an effective coupon of 1.5% payable annually until 2022 and thereafter 1.21% plus Euribor (6M), payable semi-annually in arrears, until maturity.

b) On October 20, 2017, the Company successfully placed 75,000,000 new ordinary shares (of €0.01 nominal value each) through a capital increase at a placement price of €6 per share, resulting in an issue volume of approximately €450 million.

c) On November 2, 2017, the Company successfully completed the placement of a €700 million (nominal value) 1.00% fixed rate straight bond maturing in 2025, at an issue price of 97% of the principal amount. The bond was placed under the EMTN programme.

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