



**2017  
FINANCIAL RESULTS  
PRESENTATION**

**MARCH 2018**

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## Corporate achievements:

Up-listing to Prime Standard of Frankfurt Stock Exchange (June 17)

Sustainalytics outperformer in ESG disclosure in Environmental, Social and Governance ranking in the 88th percentile globally (August 17)

EPRA Gold award for highest reporting disclosure (September 17)

Migration to Luxembourg (September 17)

Major index inclusions: MDAX, FSTE/EPRA, STOXX, GPR 250 (March 18)

## Portfolio Highlights:

Almost doubling the portfolio to €9.8bn (December 17) to over €10bn (April 18)

Highest L-F-L rent increase amongst peers with 5.1%

Net Rental Income at €415m (+78% YoY from €233m)

Adjusted EBITDA at €429m (+60% YoY from €268m)

FFO I at €293m (+77% from €165m), €0.36 per share (+44% YoY from €0.25)

Dividend per share at €0.23 (+44%, subject to AGM approval)

EPRA NAV at €6.5 per share (+33% YoY)

## Financial Profile Highlights:

S&P Long Term Rating upgrade to BBB+ (December 17), best rated commercial real estate company in Germany

Debt Average Maturity extended to 7.8 years from 5.5 years

Average cost of debt reduced to 1.6% from 2.0%

Unencumbered ratio increased to 71% or €7.1bn in value, up from 56% or €2.9bn

ICR of 5.4x

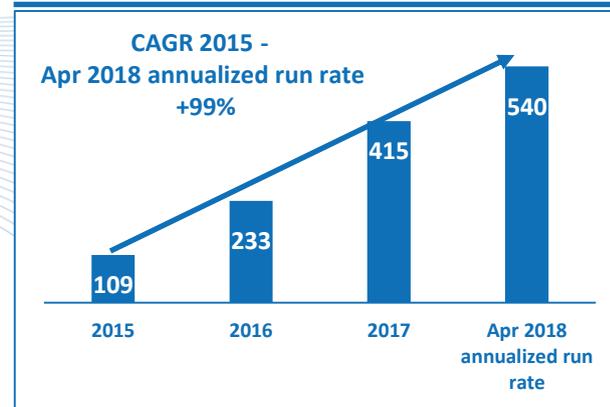
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# FINANCIAL RESULTS

# PROFIT AND LOSS

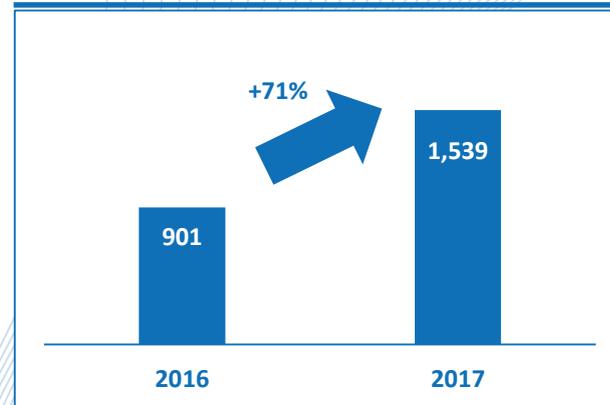
	1-12/2017	1-12/2016
	€ million	
<b>NET RENTAL INCOME, RECURRING LONG-TERM</b>	415.2	233.4
<i>of which relating to properties marked for disposal</i>	33.8	-
<b>NET RENTAL INCOME</b>	449.0	233.4
<b>RENTAL AND OPERATING INCOME</b>	527.1	273.7
<b>FAIR VALUE ADJUSTMENTS, CAPITAL GAINS AND OTHER</b>	1,326.6	719.5
Share in profit from investment in equity-accounted investees	228.4	197.1
Property operating expenses	(147.1)	(75.4)
Administrative and other expenses	(14.7)	(7.9)
<b>EBITDA</b>	<b>1,922.3</b>	<b>1,109.0</b>
Finance expenses	(69.7)	(47.4)
Other financial results	(15.0)	(35.9)
Current tax expenses	(33.5)	(19.9)
Deferred tax expenses	(263.1)	(102.7)
<b>PROFIT FOR THE PERIOD</b>	<b>1,539.0</b>	<b>901.1</b>
<b>EARNINGS PER SHARE IN € (basic)</b>	<b>1.56</b>	<b>1.11</b>
Earnings per share in € (diluted)	1.35	0.87

Net rental income, recurring long-term\* (in €M)



\*excl. net rent from assets held for sale

Profit for the period (in €M)



ACHIEVING STRONG OPERATIONAL GROWTH FROM BOTH INTERNAL AND EXTERNAL SOURCES

In-place rent  
**LIKE-FOR-LIKE +3.3%**

**TOTAL LIKE-FOR-LIKE +5.1%**

Occupancy  
**LIKE-FOR-LIKE +1.8%**

# ADJUSTED EBITDA

	1-12/2017	1-12/2016
	€ million	
Operating profit	1,920.3	1,107.0
Depreciation and amortization	2.0	2.0
<b>EBITDA</b>	<b>1,922.3</b>	<b>1,109.0</b>
Revaluations, capital gains and other income	(1,326.6)	(719.5)
Share in profit from investment in equity-accounted investees	(228.4)	(197.1)
Other adjustments	1.8	2.1
<b>ADJUSTED EBITDA COMMERCIAL PORTFOLIO</b>	<b>369.1</b>	<b>194.5</b>
Adjusted EBITDA relating to properties marked for disposal	(30.1)	-
<b>ADJUSTED EBITDA COMMERCIAL PORTFOLIO, recurring long term</b>	<b>339.0</b>	<b>194.5</b>
Adjustment for GCP operational contribution*	90.3	73.7
<b>ADJUSTED EBITDA</b>	<b>429.3</b>	<b>268.2</b>

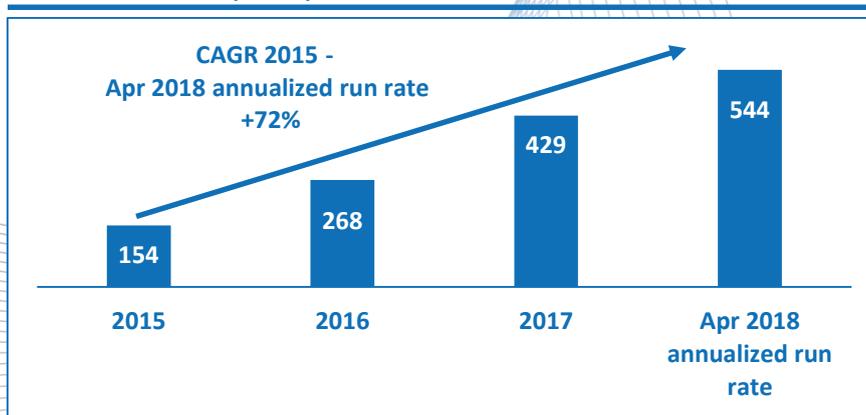
subtracted as these profits include AT's share in non-operational profits generated by the equity accounted investees

The impact from properties held for sale are deducted, showing the long-term recurring Adjusted EBITDA of the commercial portfolio

Adding back the contribution from GCP's operations, resulting from Arowntown's strategic investment of currently 38%

\*the adjustment is to reflect AT's share in GCP's adjusted EBITDA. GCP generated an adjusted EBITDA of €248 million in 2017 and €225 million in 2016

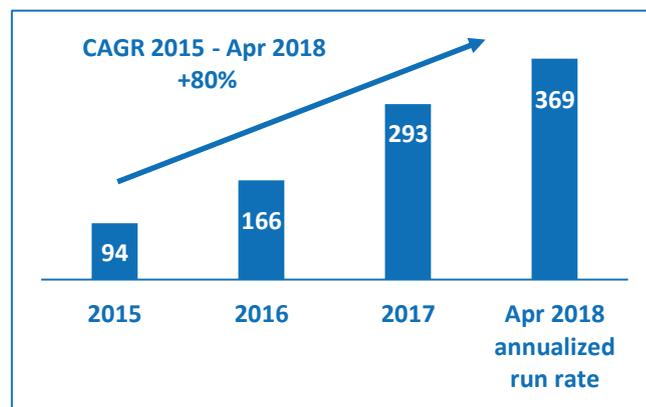
## ADJUSTED EBITDA (in €m)



# FFO I

	1-12/2017	1-12/2016
	€ million	
<b>ADJUSTED EBITDA COMMERCIAL PORTFOLIO</b>	<b>369.1</b>	<b>194.5</b>
Finance expenses	(69.7)	(47.4)
Current tax	(33.5)	(19.9)
Contribution to minorities	(8.9)	(7.5)
<b>FFO I COMMERCIAL PORTFOLIO</b>	<b>257.0</b>	<b>119.7</b>
FFO relating to properties marked for disposal	(20.0)	-
<b>FFO I COMMERCIAL PORTFOLIO, recurring long term</b>	<b>237.0</b>	<b>119.7</b>
Adjustment for GCP FFO I contribution	56.0	45.9
<b>FFO I</b>	<b>293.0</b>	<b>165.6</b>
<b>FFO I per share in €</b>	<b>0.36</b>	<b>0.25</b>
FFO I per share after perpetual attribution in €	0.32	0.25
Results from disposal of properties	46.2	-
<b>FFO II</b>	<b>339.2</b>	<b>165.6</b>

## FFO I (in €m)



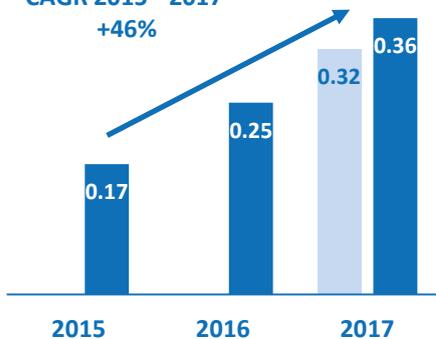
\*the adjustment is to reflect AT's share in GCP's FFO I. GCP generated an FFO I of €178 million in 2017 and €160 million in 2016

## FFO I PER SHARE (in €)

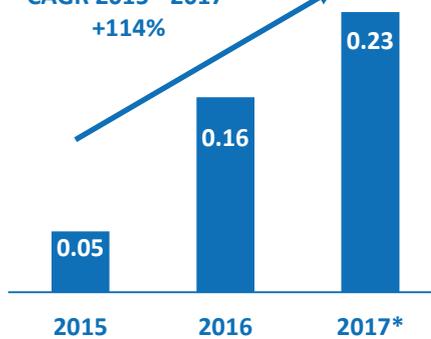
## DIVIDEND PER SHARE (in €)

## FFO II (in €m)

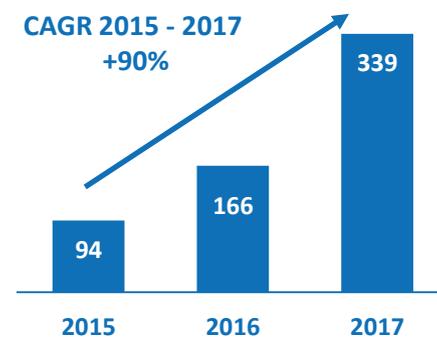
CAGR 2015 - 2017  
+46%



CAGR 2015 - 2017  
+114%



CAGR 2015 - 2017  
+90%



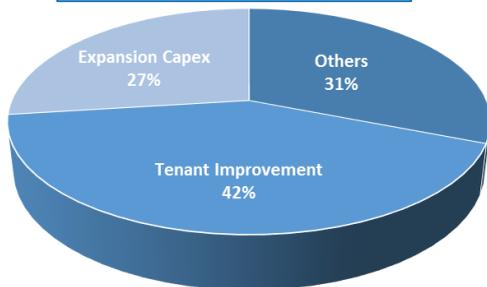
FFO I yield: 5.8%  
Dividend yield: 3.7%

Based on a share price of €6.17

\*subject to AGM approval

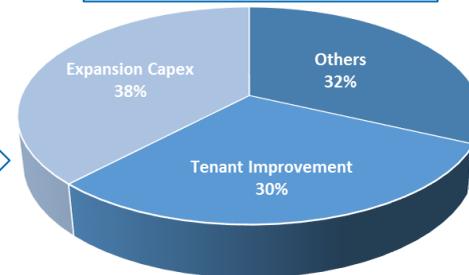
# MAINTENANCE, CAPEX AND AFFO

**2016 capex: €30.5m**  
**Ratio of investment**  
**property: 0.6%**



Due to **strong landlord position** tenant improvement ratio decreased in 2017, thus higher relative costs are born by the tenants

**2017 capex: €73.4m**  
**Ratio of investment**  
**property: 0.7%**



## Expansion Capex:

Investments aimed to provide additional income drivers and value generation

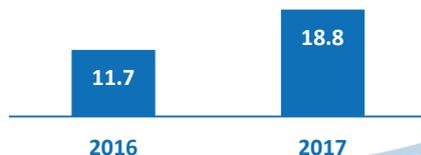
## Tenant Improvement:

Attracting new tenants and retaining existing tenants

## Others:

Ongoing expenditures to retain the quality of the asset

## Maintenance in €m



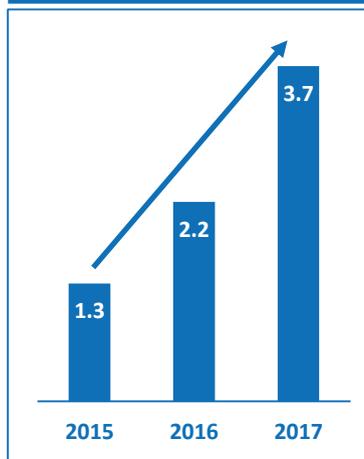
Maintenance ratio of investment property was 0.2% in both years

	1-12/2017	1-12/2016
	€ million	
FFO I	293.0	165.6
Capex	23.5	9.5
AFFO	269.5	156.1

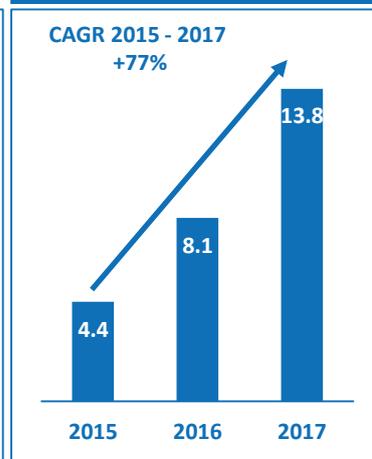
# TOTAL ASSETS

	Dec 2017	Dec 2016
	€ million	
Investment property	9,804.1	5,016.2
Equity accounted-investees, holding in GCP SA	1,609.7	1,316.7
Equity accounted-investees, other	295.9	240.3
<b>Non-current assets</b>	<b>12,247.3</b>	<b>6,988.9</b>
Assets held as held for sale	500.6	152.9
Cash and liquid assets	848.7	835.8
<b>Current assets</b>	<b>1,523.1</b>	<b>1,100.1</b>
<b>Total Assets</b>	<b>13,770.4</b>	<b>8,089.0</b>

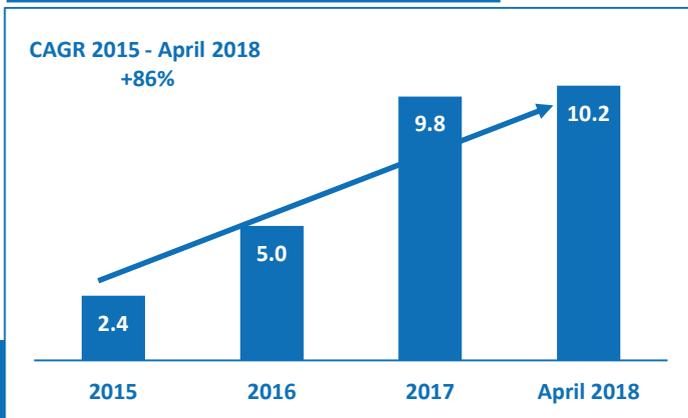
## ACQUISITIONS (in €bn)



## TOTAL ASSETS (in €bn)



## INVESTMENT PROPERTY (in €bn)



The 2017 acquisitions have been acquired at an average multiple of 16x and a vacancy of approx. 15%.

### Additions in key strategic locations, including:

- Berlin
- Frankfurt
- Munich
- Stuttgart
- Cologne
- Düsseldorf
- Other top tier Western European cities
- Mannheim
- Hannover
- Dresden
- Leipzig
- Amsterdam
- Rotterdam

Additions in key strategic locations

Solid like-for-like gains

Extensive deal sourcing

Accretive growth through acquisitions

Internal value creation

	Dec 2017		Dec 2016	
	€ million	Per share	€ million	Per share
<b>NAV per the financial statements</b>	<b>7,249.9</b>		<b>3,941.1</b>	
Equity attributable to perpetual notes investors	(1,173.3)		(478.3)	
<b>NAV excluding perpetual notes</b>	<b>6,076.6</b>		<b>3,462.8</b>	
Effect of in-the-money convertible bonds	293.8		394.0	
Fair value of derivative financial instruments*	10.4		7.1	
Deferred tax liabilities*	776.5		379.5	
<b>NAV</b>	<b>7,157.3</b>	<b>€7.1</b>	<b>4,243.4</b>	<b>€5.3</b>
Non-controlling interests	(674.3)		(372.6)	
<b>EPRA NAV</b>	<b>6,483.0</b>	<b>€6.5</b>	<b>3,870.8</b>	<b>€4.9</b>
Equity attributable to perpetual notes investors	1,173.3		478.3	
<b>EPRA NAV including perpetual notes</b>	<b>7,656.3</b>	<b>€7.6</b>	<b>4,349.1</b>	<b>€5.4</b>
Basic amount of shares, including in-the-money dilution effects (in millions)	1,004.5		798.1	
<b>Pro forma effect**</b>	<b>1,006.1</b>		<b>4,349.1</b>	<b>€5.4</b>
<b>EPRA NAV including perpetual notes pro forma</b>	<b>8,662.4</b>	<b>€7.9</b>	<b>4,349.1</b>	<b>€5.4</b>
Pro forma amount of shares, including in-the-money dilution effects (in millions)	1,099.5		798.1	

\* including balances in assets held for sale

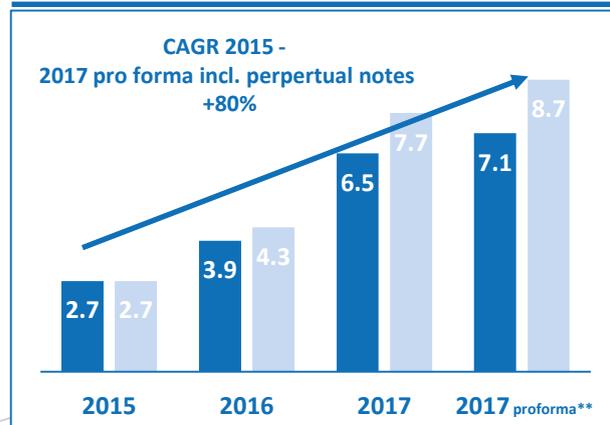
\*\*including the perpetual notes issued in January 2018 and equity capital increase in March 2018

	NAV	EPRA NAV	EPRA NAV including perpetual notes	EPRA NNAV
in € million unless otherwise indicated				
<b>DEC 2017 PRO FORMA<sup>1)</sup></b>	<b>7,763.4</b>	<b>7,089.1</b>	<b>8,662.4<sup>2)</sup></b>	<b>6,849.2</b>
Dec 2017	7,157.3	6,483.0	7,656.3	6,243.1
Dec 2017 per share (in €)	7.1	6.5	7.6	6.2
<b>PER SHARE GROWTH</b>	<b>+34%</b>	<b>+33%</b>	<b>+41%</b>	<b>+32%</b>
Dec 2016	4,243.4	3,870.8	4,349.1	3,776.3
Dec 2016 per share (in €)	5.3	4.9	5.4	4.7

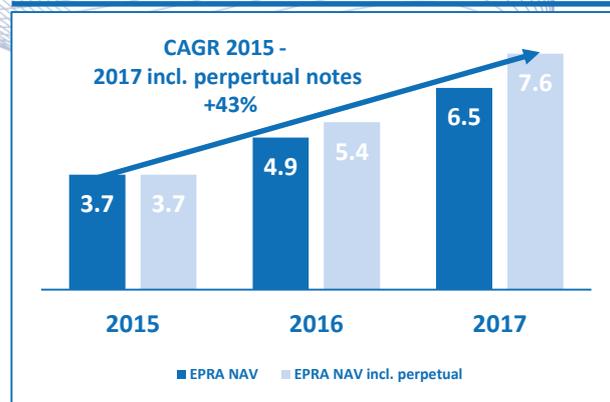
1) Including the equity capital increase in March 2018

2) Additionally including the perpetual notes issued January 2018

## EPRA NAV (in €bn)



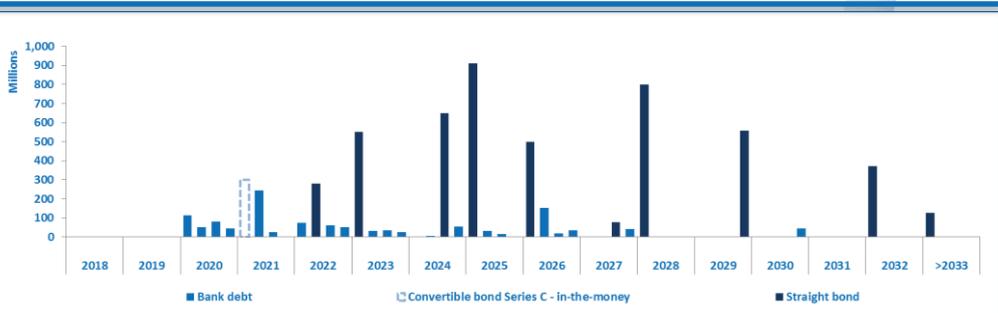
## EPRA NAV per share (in €)



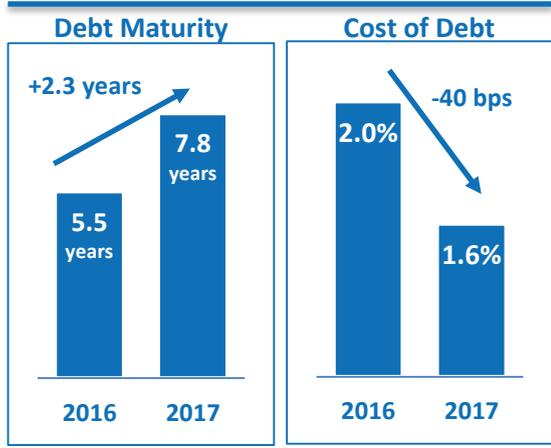
# CONSERVATIVE CAPITAL STRUCTURE



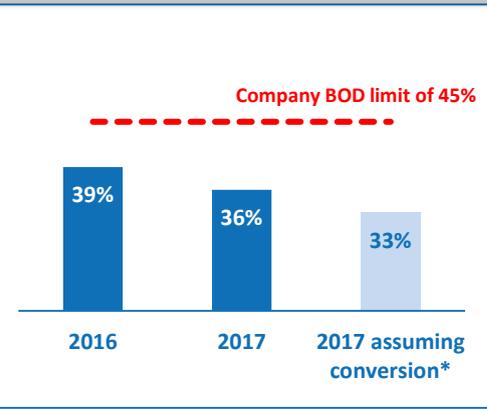
## Debt maturity profile



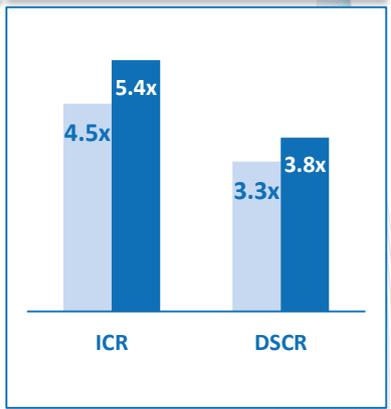
## Proactive debt management



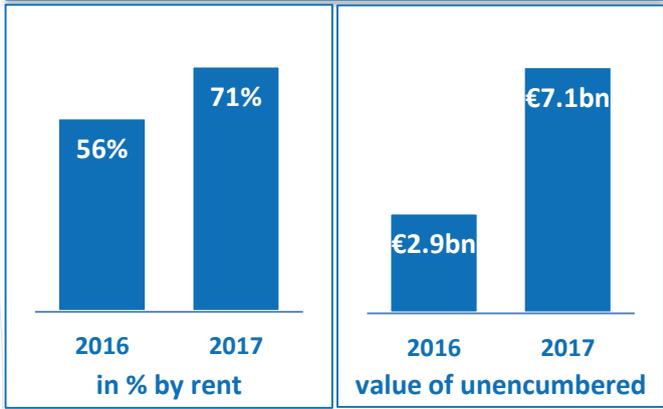
## Loan-to-Value



## Strong cover ratios



## Unencumbered assets



\* assuming conversion of Series B and Series C convertible bonds which are deep in-the-money

# I. BEST IN CLASS FINANCIAL RATIOS AMONG PEERS

# II. HIGHEST RATED IN GERMAN COMMERCIAL REAL ESTATE

## Financial risk profile

	1 Minimal	2 Modest	3 Intermediate	4 Significant	5 Aggressive	6 High Leveraged
1 Excellent	aaa/ aa+	aa	a+/a	a-	bbb	bbb- /bb+
2 Strong	aa/ aa-	a+/a	(DW) <b>A</b> (Klepierre) <b>← (Aaroundtown) BBB+ (GCP) (Icade) (Gecina)</b> (Vonovia- BBB+)* <b>BBB (FDR)</b>		bb+	bb
3 Satisfactory	a/a-	bbb+	(Alstria) <b>BBB/BBB-</b>	bbb-/bb+	bb	b+
4 Fair	bbb/ bbb-	bbb-	bb+	bb	bb-	b
5 Weak	bb+	bb+	bb	bb-	b+	b/b-
Vulnerable	bb-	bb-	bb-	b+	b	b-

\*rating anchor of Vonovia is BBB, their final rating, after the effect of modifiers is BBB+

## 'BBB+' Investment Grade rating from S&P



## Financial policy:

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 strong ICR

Unencumbered assets above 50% of total assets

Long debt maturity profile

Good mix of long term unsecured bonds & non-recourse bank loans

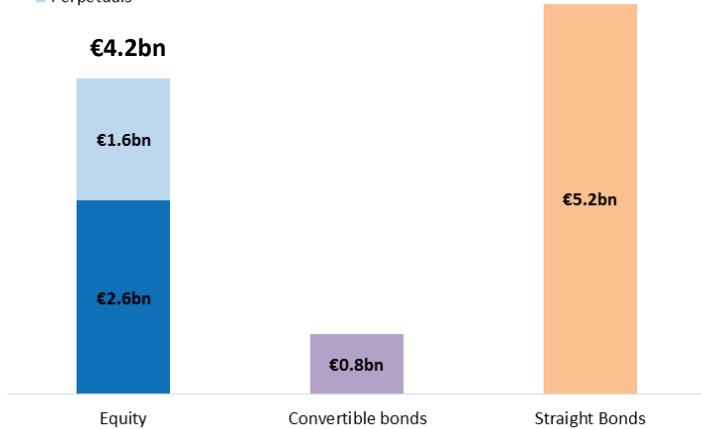
Support convertible bond holders to convert into equity

Dividend of 65% of FFO I per share

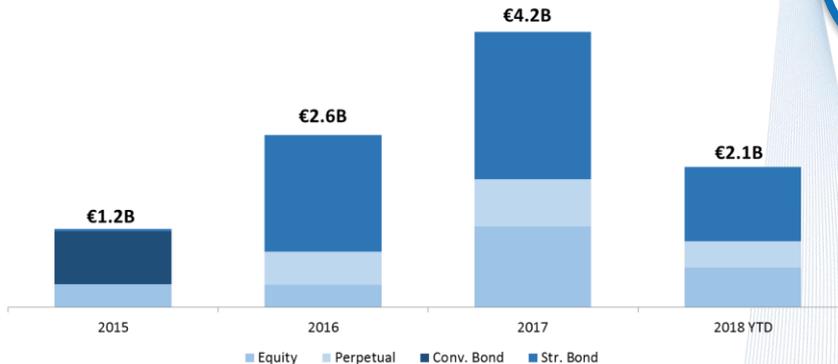
# CAPITAL MARKET ACTIVITY

## Capital market activity per issuance type 2015-2018 YTD

- Equity (including 0.5bn bond conversions into equity)
- Perpetuals



## Capital market activity per year



Largest European real estate issuer in 2016 and 2017

## Major index inclusions in 2017/2018

## Equity and bond bookrunners

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# OPERATIONS AND PORTFOLIO

# COMMERCIAL INVESTMENT PROPERTIES (DEC 2017)

## Portfolio breakdown per asset type

	Investment properties (in €M)	Area (in 000' sqm)	EPRA vacancy	Annualized net rent (in €M)	In-place rent per sqm (in €)	Value per sqm (in €)	Rental yield
Office	5,935	2,578	11.2%	300	10.5	2,302	5.2%
Hotel	1,817	758	3.4%	87	10.7	2,395	4.8%
Retail	927	541	12.7%	61	10.1	1,715	6.7%
Logistics/Wholesale/Other	1,125	1,220	5.1%	66	4.7	922	5.8%
<b>TOTAL DECEMBER 2017</b>	<b>9,804</b>	<b>5,097</b>	<b>9.4%</b>	<b>514</b>	<b>9.0</b>	<b>1,923</b>	<b>5.2%</b>

## Portfolio breakdown per region

	Investment properties (in €M)	Area (in 000' sqm)	EPRA vacancy	Annualized net rent (in €M)	In-place rent per sqm (in €)	Value per sqm (in €)	Rental yield
Berlin	1,837	714	7.5%	77	9.4	2,575	4.2%
Frankfurt	1,364	529	16.9%	57	10.9	2,576	4.2%
Munich	868	284	7.8%	38	11.1	3,058	4.4%
NRW	1,355	983	10.1%	86	7.4	1,379	6.3%
Hamburg	643	258	7.7%	23	8.7	2,488	4.5%
Amsterdam	356	132	9.0%	21	14.3	2,694	6.0%
Hannover	385	261	7.9%	23	8.0	1,474	6.1%
Wiesbaden/Mainz/Mannheim	354	168	6.4%	22	10.6	2,101	6.1%
Stuttgart/BB	345	177	2.4%	21	10.1	1,948	6.2%
Dresden/Leipzig	246	141	5.3%	14	8.6	1,751	5.7%
Rotterdam	251	130	6.8%	20	13.4	1,932	8.2%
Utrecht	182	86	3.7%	13	11.2	2,126	6.9%
Other	1,618	1,234	11.2%	99	7.7	1,311	6.1%
<b>TOTAL DECEMBER 2017</b>	<b>9,804</b>	<b>5,097</b>	<b>9.4%</b>	<b>514</b>	<b>9.0</b>	<b>1,923</b>	<b>5.2%</b>

**TOTAL APRIL 2018**

**10,200**

**5,300**

**9.3%**

**540**

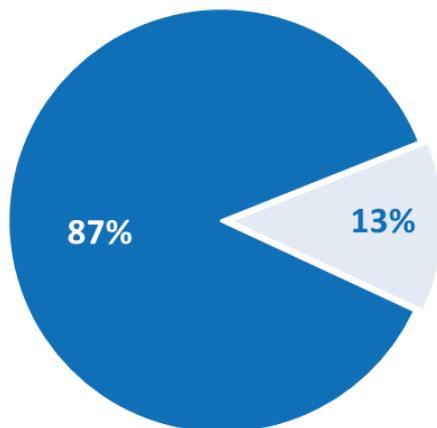
**9.1**

**1,925**

**5.3%**

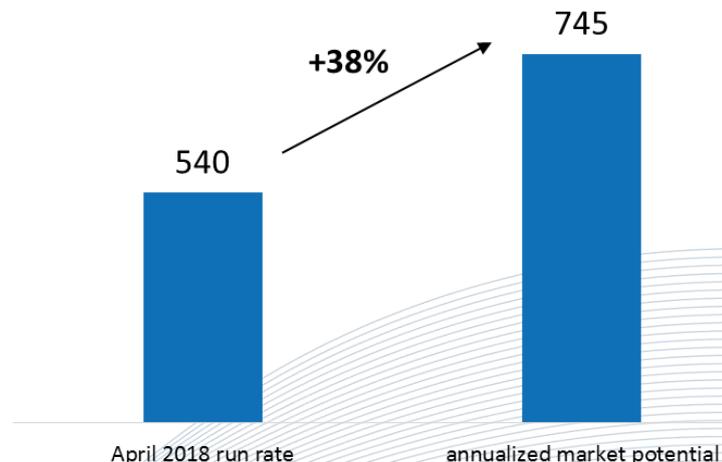
# COMMERCIAL PORTFOLIO – POTENTIAL TO COME

Commercial in-place rent  
compared to market rent prices



■ below market rent   ■ at market rent

Commercial current annualized Rental Income vs.  
Market potential including vacancy reduction



Large upside potential from rent increases to market levels with very limited downside risk

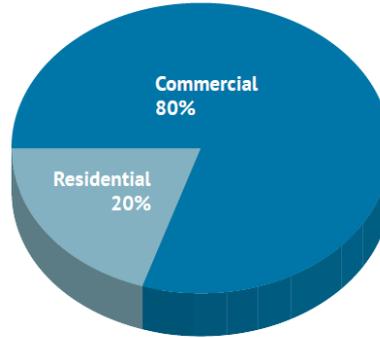


Long lease terms with a WALT of 7 years as of April 2018



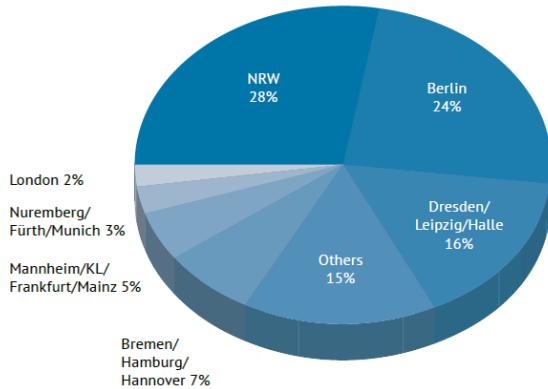
Upside in value – conservative property valuations with current values at less than half of replacement costs

## Asset Type Breakdown

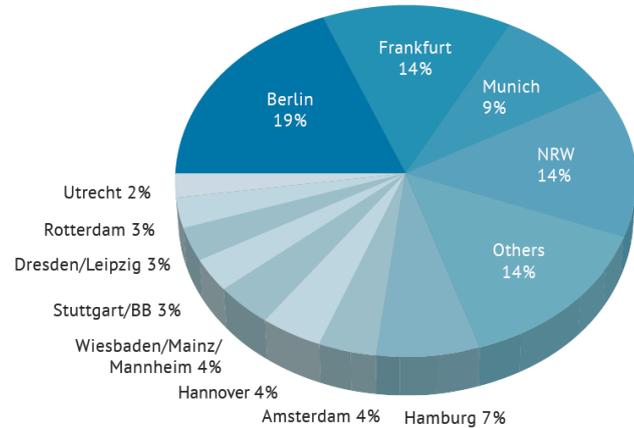


accounting for 38% holding in GCP

## Residential geographical breakdown



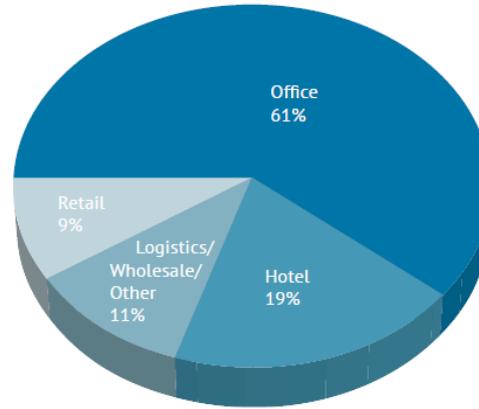
## Commercial geographical breakdown



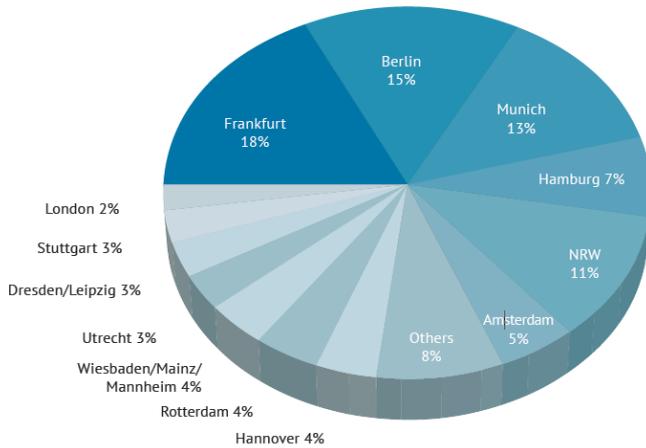
\* all breakdowns are by value

# TOP TIER CITIES WITHIN ASSET CLASSES (DEC 2017)\*

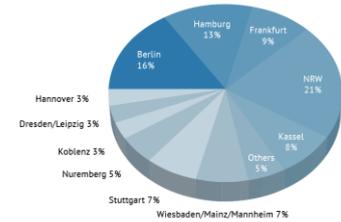
## Commercial asset type breakdown



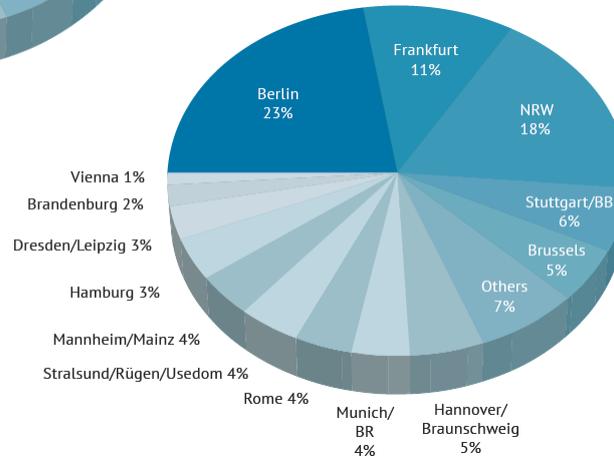
## Office geographical breakdown



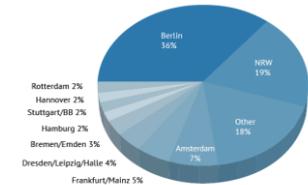
## Logistic/Wholesale/Other geographical breakdown



## Hotel geographical breakdown



## Retail geographical breakdown



\* all breakdowns are by value

## 88% of the commercial portfolio is located in top tier neighborhoods

- Charlottenburg, Wilmersdorf, Mitte, Kreuzberg, Lichtenberg, Schöneberg, Neukölln, Steglitz and Potsdam
- strongly benefiting from the unique dynamics and growth of Berlin's most in demand neighborhoods, business areas and tourist centres

12% of the commercial portfolio is well located primarily in Spandau, Reinickendorf, Hellersdorf/Marzahn and Treptow/Köpenick



◆ Commercial properties

◆◆ Residential properties

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

# Berlin

## Quality Berlin assets around Potsdamer Platz

landmark  
property

Checkpoint  
Charlie

Checkpoint Charlie  
*Office*

Berlin Potsdamer Platz  
*Office*

Berlin Potsdamer Platz  
*Office*

Crowne Plaza Potsdamer Platz  
*Hotel*

Berlin Potsdamer Platz  
*Office*

Berlin Potsdamer Platz  
*Office*

Potsdamer  
Platz

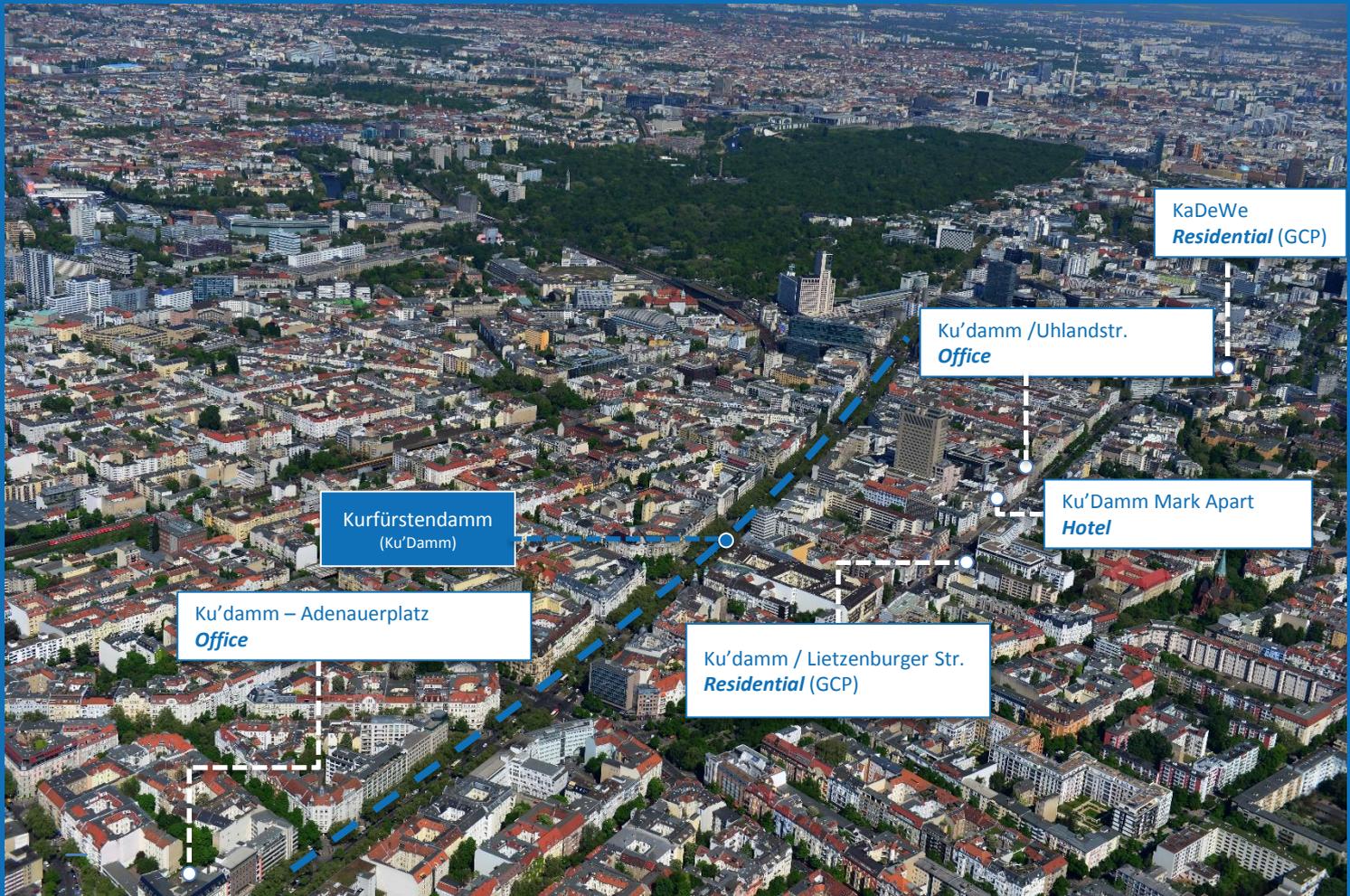


# Berlin

landmark

## Quality Berlin assets around Kurfürstendamm (Ku'Damm)

property



Kurfürstendamm  
(Ku'Damm)

Ku'damm – Adenauerplatz  
*Office*

Ku'damm / Lietzenburger Str.  
*Residential (GCP)*

Ku'damm / UHlandstr.  
*Office*

Ku'Damm Mark Apart  
*Hotel*

KaDeWe  
*Residential (GCP)*

# Frankfurt

## Quality Frankfurt assets in central locations



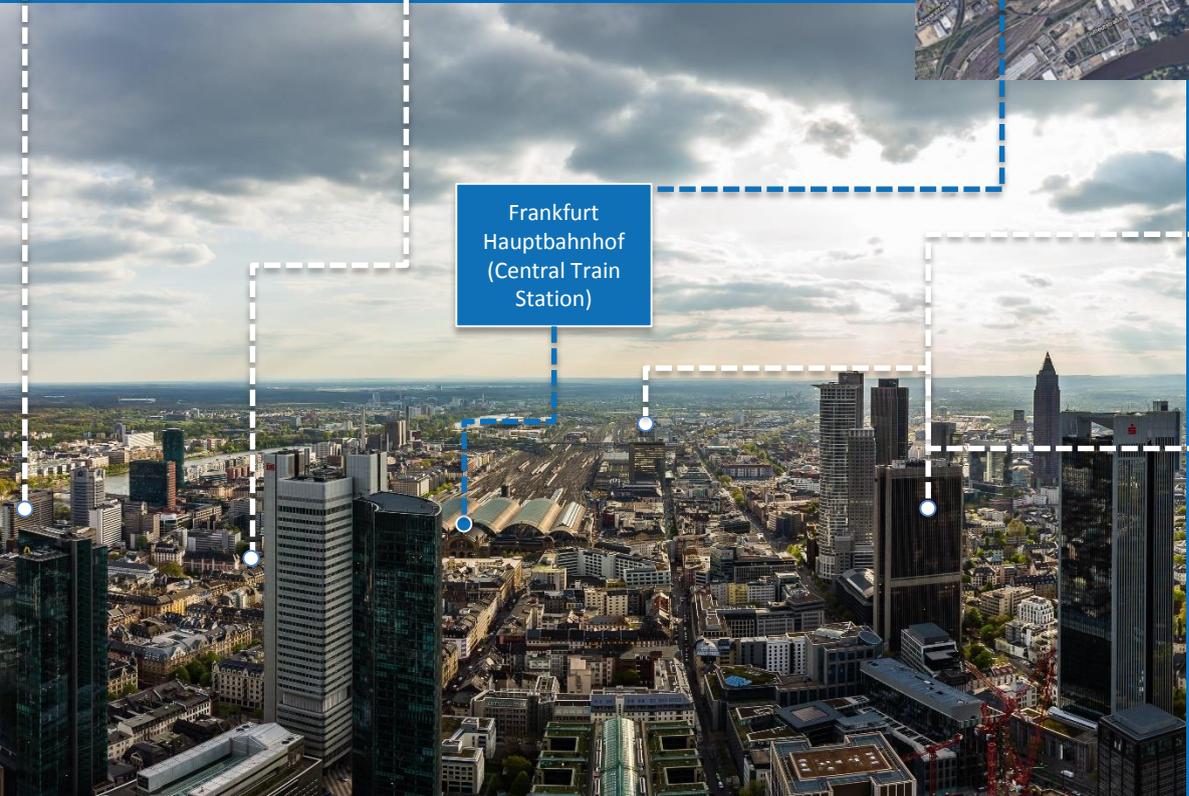
InterContinental Frankfurt  
*Hotel*

Frankfurt am Main HBF  
*Offices*

Frankfurt  
Hauptbahnhof  
(Central Train  
Station)

Frankfurt am Main  
Frankfurt Büro Center (FBC)  
*Office*

Frankfurt am Main  
Deutsche Bahn  
*Office*



landmark

property

# DEFENSIVE PORTFOLIO WITH STRONG TENANT STRUCTURE

-Limited dependency on single tenants due to large tenant base of over 2,700 tenants

-Top 10 tenants represent less than 20% of rent

-Long lease terms

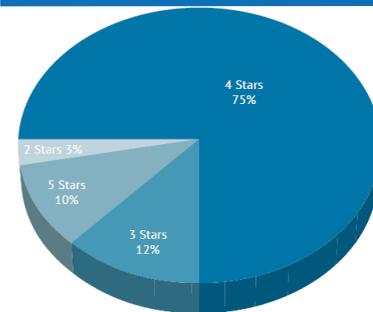
-Portfolio WALT as of December 2017:

Office	Hotel	Retail	Logistics/Whole sale/Other	Total
4.8 years	16.8 years	5.0 years	7.3 years	7.2 years



# HIGHLY PERFORMING HOTEL LOCATIONS

82 hotels by category (by value)



Well diversified portfolio of branded hotels totaling €1.8 bn and 758k sqm as of December 2017

Strategic additions:

- InterContinental Frankfurt center (473 Rooms)
- ex-Sheraton Brussels center (533 Rooms)
- Sheraton Rome (640 Rooms)
- Marriott/Moxy Berlin Mitte (231 Rooms)
- Crowne Plaza Berlin center Potsdamer platz (256 Rooms)
- Double Tree by Hilton London center Angel/King's Cross (373 Rooms)\*

High proportion (75%) in 4 star hotels, meeting the rising market demand from tourism and business travel

Long-term and fixed leases to third party hotel operators

\* In closing process

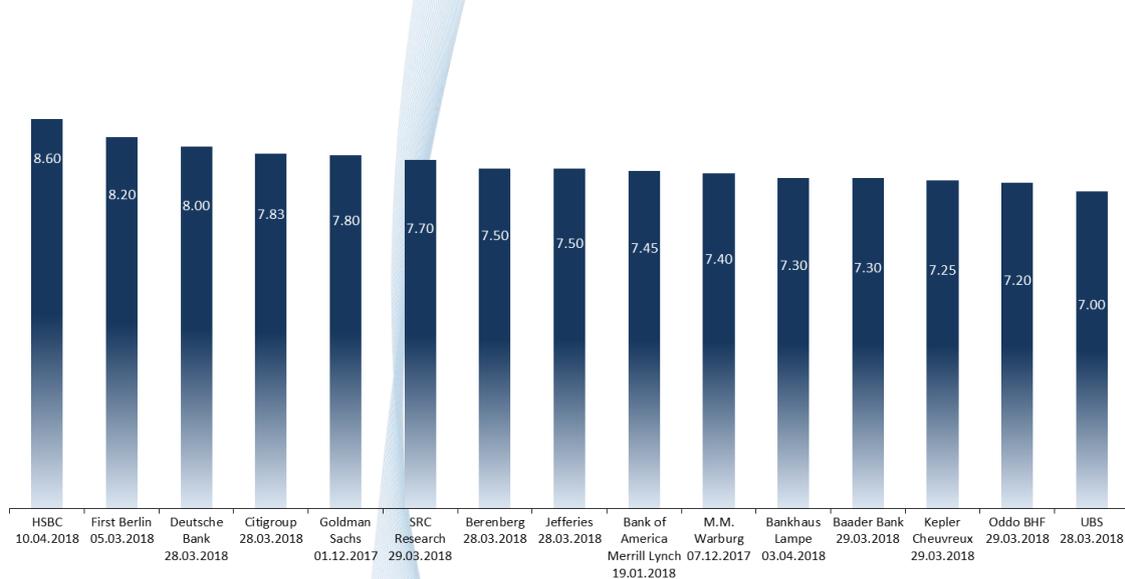


# APPENDIX

# EQUITY ANALYST RESEARCH COVERAGE

## Covering Analysts

## Analyst Research Target Price



### Key index inclusions:

- MDAX
- FTSE EPRA/NAREIT
- STOXX Europe 600
- GPR 250
- DIMAX

- Global Developed
- Europe Developed
- Eurozone
- Germany

**MDAX**

FTSE Russell

EPRA  
EUROPEAN PUBLIC  
REAL ESTATE ASSOCIATION

**STOXX**

Global property research  
Solutions for customized property indices

# AROUNDTOWN'S SHARE

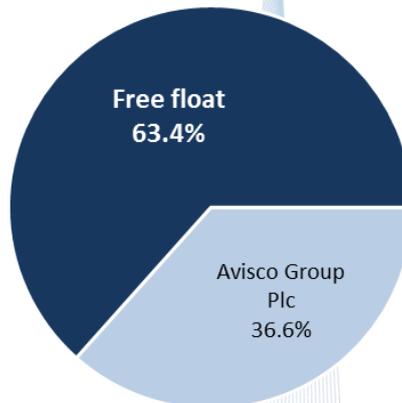
## Share performance and total return since initial placement of capital (13.7.2015)



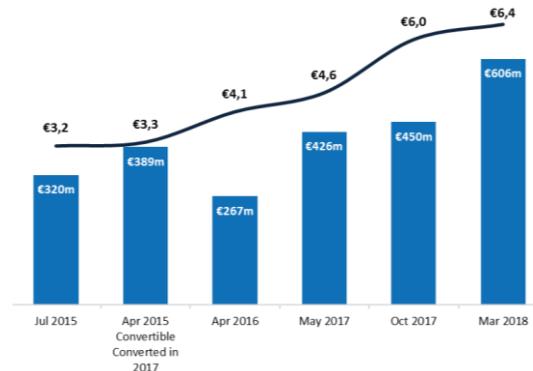
### The share

Placement	Frankfurt Stock Exchange (Prime Standard)
First equity issuance	13.07.2015 (€3.2 per share)
Number of shares (basic)	1,043,205,635
Number of shares incl. dilution effect of Series B (conversion price of €3.27)	1,061,833,864
Number of shares fully diluted (Series C conversion price €5.51)	1,116,925,564
Free float	63.4%
Free float including conversion of Series B	64.1%
Fully diluted free float	65.8%
Symbol (Xetra)	AT1
Market cap (27/03/18)	€6.4 bn

### Shareholder structure



### Share issue price/volume development



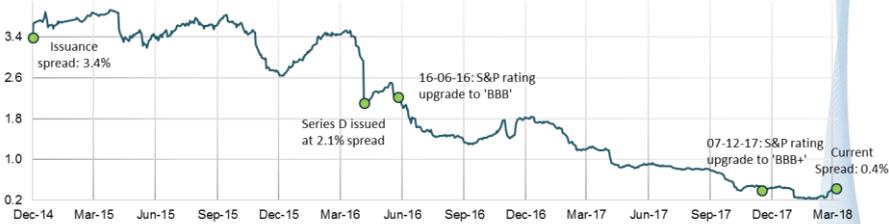
# AROWNTOWN'S BOND PERFORMANCE

Convertible bond Series C performance since placement (15.12.2015)

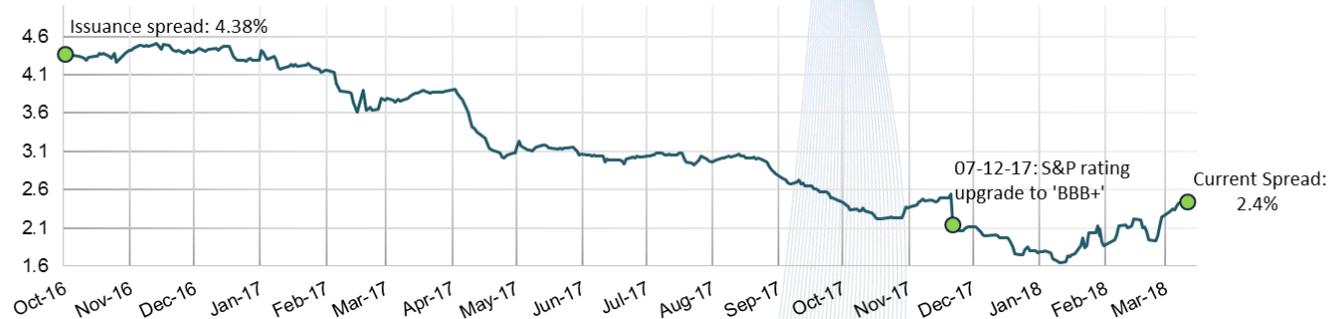


Spread over mid-€-swap for straight bonds A and D, remaining 4 years

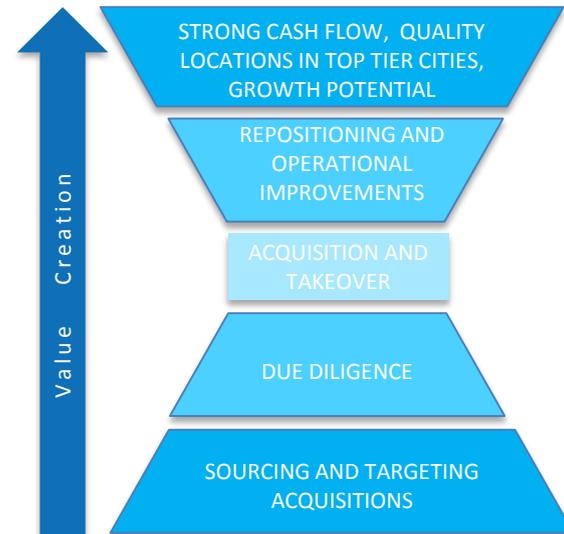
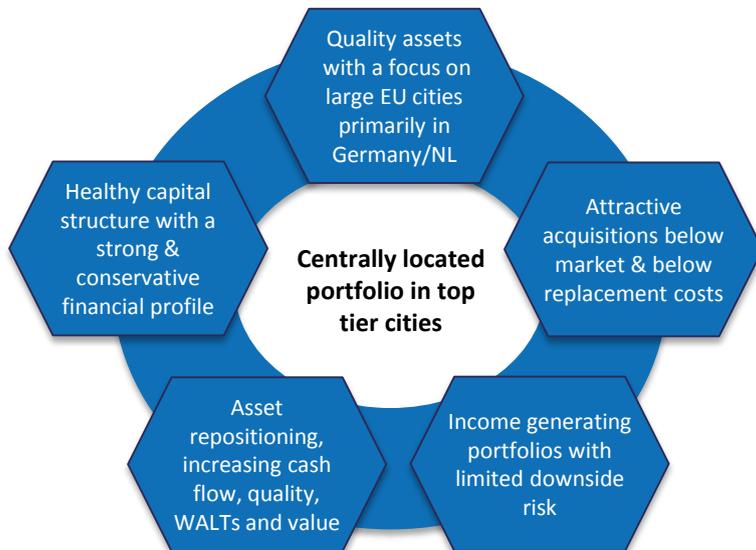
Spread over mid-€-swap for straight bond F, remaining 5 years



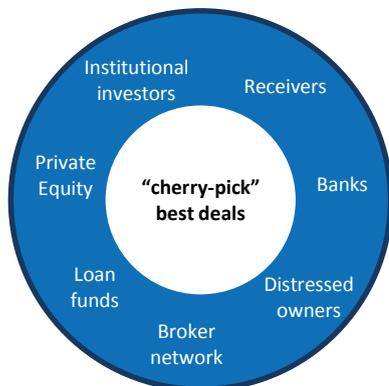
Spread over mid-€-swap for Euro Perpetual Notes



# STRATEGY AND BUSINESS MODEL



## Diversified and large base deal sources



## Acquisition criteria

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

## CEO and CFO

<b>Shmuel Mayo</b>		<p><b>CEO</b> of Arowntown. Since 2006 in the management of Arowntown and its subsidiaries. Previously, was the CEO of a leading international investment conglomerate. BA in Economics and Accounting, Law and CPA.</p>
<b>Eyal Ben David</b>		<p><b>CFO</b> of Arowntown. Since 2008 in the management of Arowntown and its subsidiaries. Previously, held a private practice of Certified Public Accountants focused on infrastructure and real estate industries. Since 2008 in the management of Arowntown. Mr. Ben David is a certified public accountant (CPA) and holds an MBA.</p>

## Board of Directors

<b>Andrew Wallis</b>		<p><b>Director.</b> Since 2014 in the management of Arowntown and its subsidiaries. Former owner and CEO of a large German property management company. Previously he spent 10 years as an investment banker in the city of London for Merrill Lynch and JP Morgan. MBA and a CFA.</p>
<b>Frank Roseen</b>		<p><b>Director.</b> Highly experienced with a track record of 30 years. Held various senior management positions, including, CEO of Germany &amp; Central Eastern Europe of GE Capital and Real Estate. MBA.</p>
<b>Oschrie Massatschi</b>		<p><b>Director.</b> Since 2013 in the management of Arowntown and its subsidiaries. International professional experience in banking, management consultancy and corporate finance in Australia, UK and Germany. BA Honours in International Business.</p>
<b>Jelena Afxentiou</b>		<p><b>Director.</b> Since 2011 in the management of Arowntown and its subsidiaries and has 20 year of experience in the real estate and the hotel business, specializing in finance and accounting.</p>
<b>Markus Leininger</b>		<p><b>Independent Director.</b> Former senior banker with a focus on financing, private equity and real estate. Served as Head of Operations with Eurohypo AG and Rheinhyp AG (Commerzbank) and a Member of the Advisory Board and Investment Committee of Revetas Capital Advisors. Diploma in B.A.</p>
<b>Markus Kreuter</b>		<p><b>Independent Director.</b> Specialized in real estate debt advisory through his over 18 years of experience in among others National Director Debt Advisory at JLL, Head of German commercial real estate lending at Deutsche Bank, Group Head of Debt Funding at CA Immo. Degree in real estate economics.</p>
<b>Dr. Axel Froese</b>		<p><b>Independent Director.</b> Founder and managing partner at Froese Asset Management GmbH. Previous positions were Head of Asset Management at Cordea Savills GmbH, founder and managing partner at IPAM GmbH, Head of European Real Estate Group -Germany- of the Bank of Scotland. He is an MRICS member and holds a PhD.</p>

## Advisory Board

<b>Yakir Gabay</b>		<p><b>Chairman of the Advisory Board.</b> Founder of the Group in 2004. Was previously the chairman &amp; managing partner of an investment company which managed over \$30 billion of assets, and before that the CEO of the investment banking of Bank Leumi. Mr. Gabay holds an MBA , BA in Accounting/Economics, and CPA.</p>
<b>Claudio Jarczyk</b>		<p><b>Advisory Board Member.</b> Joined the Group's advisory board since 2013. Served as an Executive Director at BerlinHyp Bank specializing in real estate financing with a focus on international clients, as a Chief International Executive at Landesbank Berlin and as an International Division-Department Manager at Bayerische Vereinsbank Munich. Dipl.Kfm. / MBA at Munich University.</p>

**Audit Committee – consists of the three independent directors Markus Leininger, Markus Kreuter and Axel Froese**

**Markus Neurauter**



Head of commercial operations. Before joining the Group he was a board member of Strabag AG and CEO of Raiffeisen evolution, responsible for project development on 11 European countries with a development volume of more than €2bn. Mr. Neurauter holds a masters in economics from the university of Innsbruck and covers more than 30 years of experience in real estate.

**Philipp von Bodman**



Head of Hotels. Since 2008 in the management of Aroundtown and its subsidiaries and has 20 years of experience in the hotel industry. Prior positions include: Director of Operations for the GCH Hotel Group, Hotel Feasibility Studies with HVS in London, Hotel Asset Management in London, Hotel Quality Performance Checks in Asia, and numerous international hotel operational positions. MBA in International Hospitality Management from Cornell University & ESSEC Business School (IMHI).

**Nikolai Walter**



Head of Asset & Property Management. 20 years' experience in the real estate industry. Before joining the Group, was a Managing Director of Fortress Investment Group, responsible for the asset management of the German commercial with a market value of € 5.6 bn. Prior to that, held positions at Deutsche Bank Group where his last role was Head of Asset Management Germany at Deutsche Asset and Wealth Management. MBA and degree in real estate economics.

**Brigitte Schmitt**



Head of Shopping Mall division. Before joining the group Mrs. Schmitt has been 12 Years with ECE - European market leader for Shopping Centers and with DTZ where her Team was twice awarded the CEE Property Management Team of the Year Award. Degree in Business Management and Administration - from the University of Würzburg.

**Alfred Kandl**



Head of Construction Management. He has 35 years' experience in the real estate and building industry. He worked in Strabag AG, one of Austria's leading building companies, and further worked in controlling positions at large construction sites all over Austria and Central and Eastern Europe. From 2003 worked as Head of Construction at Raiffeisen Evolution. Degree in engineering

**Guido Pütz**



Senior Asset Manager. Originally trained at Hochtief AG, Guido has spent the last 15 years steering real estate of all asset types for big players in the market such as Hudson Advisors, Cushman & Wakefield and Catella. MBA

**Norman Lindner**



Head of Industrial & Logistics Division. Originally trained as a banker, Norman spent two years in risk management before going into controlling, finance and accounting as an asset manager. He gained his experience at Habacker Holding, Dawnay Day Property Investment and IKB Deutsche Industriebank. MBA

**Jelena Ebner**



Head of Transaction Management and Property Management. Jelena worked for Hudson Advisors and later at Dundee International as an Asset Manager. Coming from a property management background, Jelena has experience in all asset types. BA and training as Real Estate Manager

**Christian Hupfer**



Financial officer. Since 2008 in the management of Aroundtown and its subsidiaries. Is specialized in tax structuring, financial statement and cash flow analysis. Mr. Hupfer worked for RöverBrönner KG Steuerberatungs und Wirtschaftsprüfungsgesellschaft in the Audit and Tax department. Mr. Hupfer has a Diploma of Economics with a focus on tax and financial auditing

**Idan Kaplan**



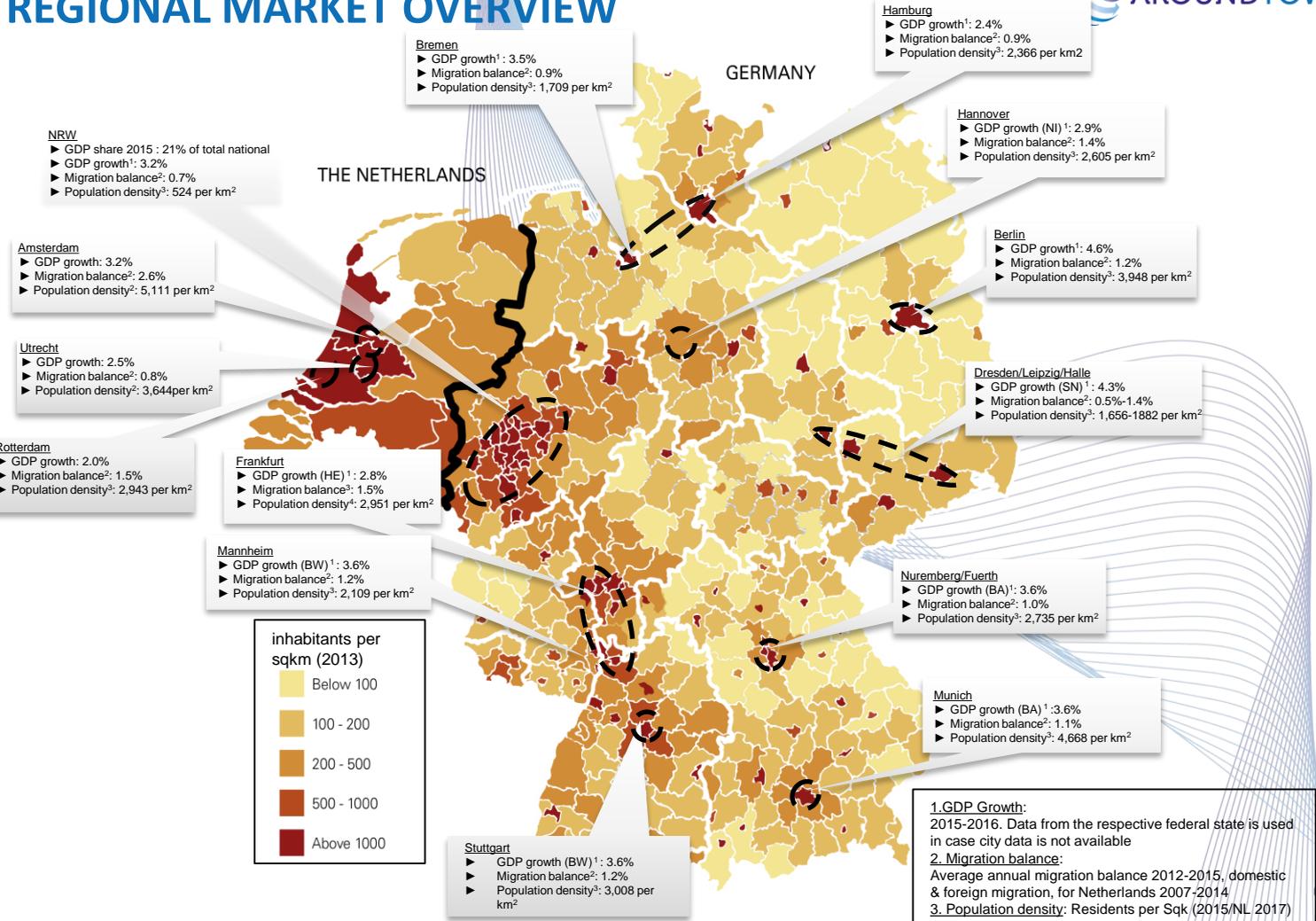
Senior Financial Manager. Before joining Aroundtown, Mr. Kaplan served as an auditor in an accounting firm. He holds a BA in Accounting and Business Administration.

**Sylvie Lagies**



Head of ESG. Held positions as Hotel General Manager, Corporate Project Manager and Head of Training and Development. Former roles were Head of Franchise Development and Training for Domino's Pizza Germany, Director of Business Development for Precise Hotel Collection in Germany.

# REGIONAL MARKET OVERVIEW



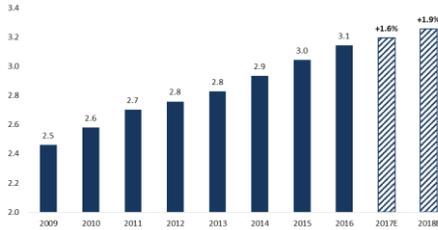
**1. GDP Growth:**  
2015-2016. Data from the respective federal state is used in case city data is not available

**2. Migration balance:**  
Average annual migration balance 2012-2015, domestic & foreign migration, for Netherlands 2007-2014

**3. Population density:** Residents per Sqk (2015/NL 2017)

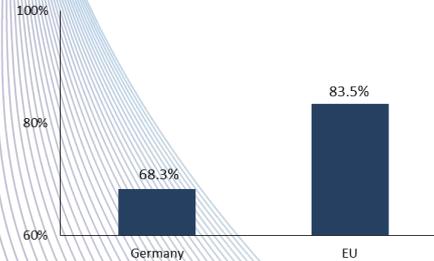
# GERMANY – GROWING AND STRONG ECONOMY

## German GDP Development (€ trillion)



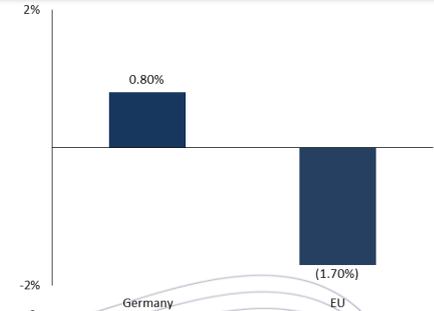
Source: eurostat, forecast based on the European Commission, Spring 2017 forecast

## Debt/GDP 2016



Source: Eurostat

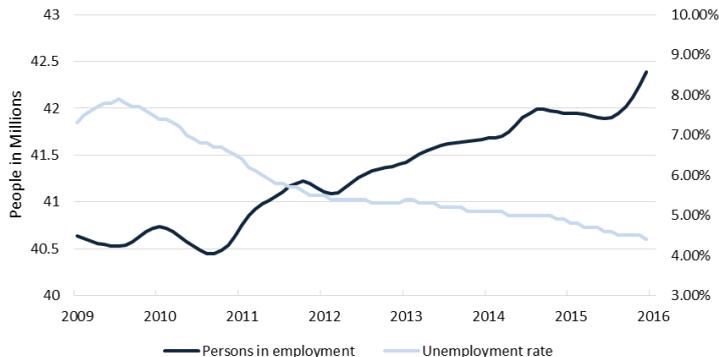
## Budget Surplus/Deficit 2016



Source: eurostat

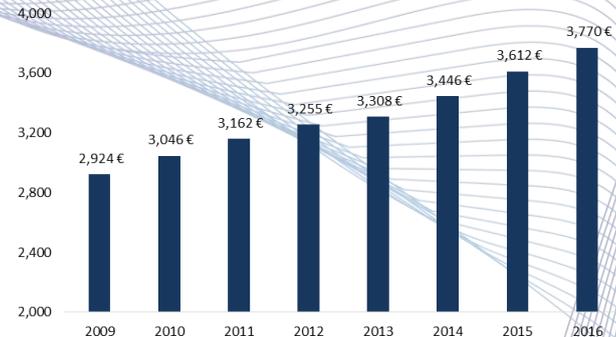
**Germany has a growing GDP paired with a strong budget discipline...**

## People in employment and unemployment rate



Source: destatis

## Development of real wages (in €)



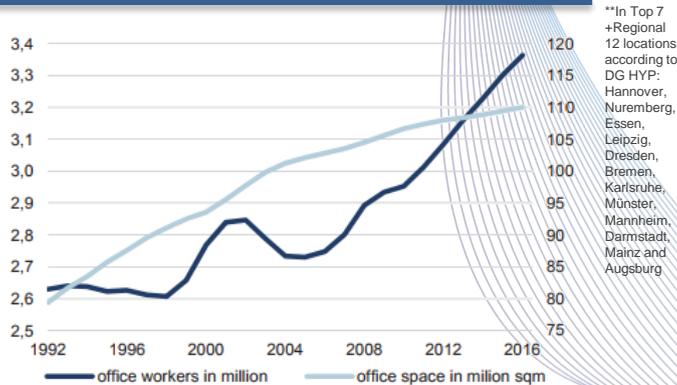
Source: destatis, industry and service sector excluding bonuses

**... and a strong labour market, especially compared to the rest of the EU**

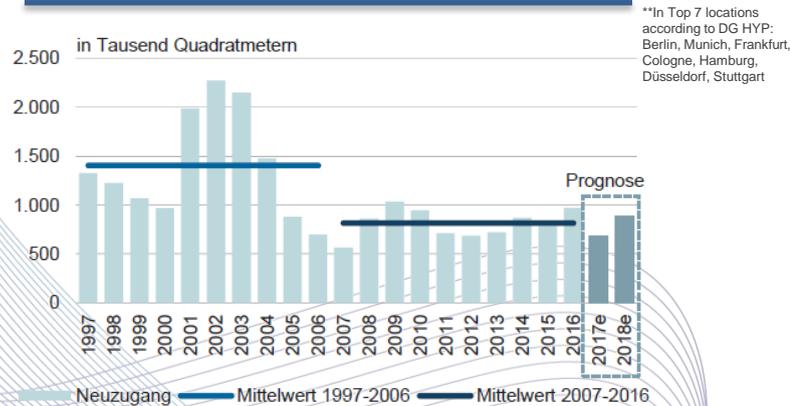
# GERMAN OFFICE MARKET

## LOW SUPPLY AND STRONG DEMAND...

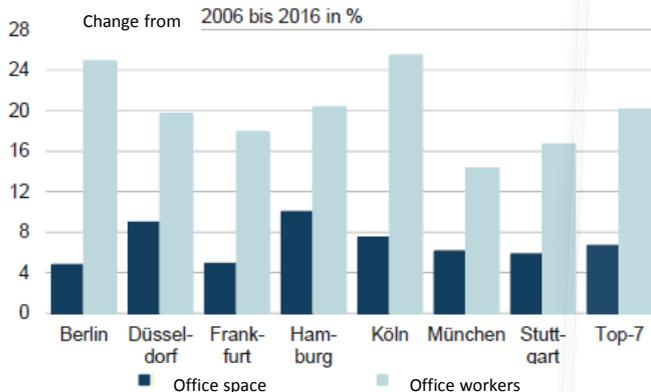
### Office employment outpaces office space\*\*



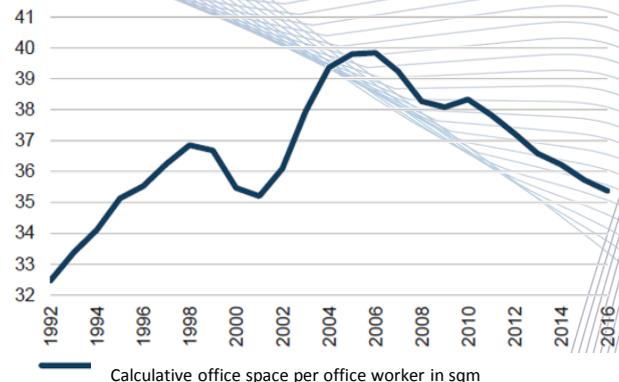
### Low addition of new office space\*\*



### Continuously strong demand at low supply...



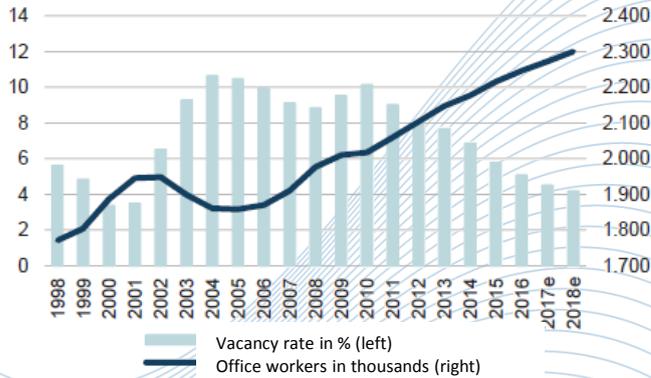
### ...resulting in less available space per employee...



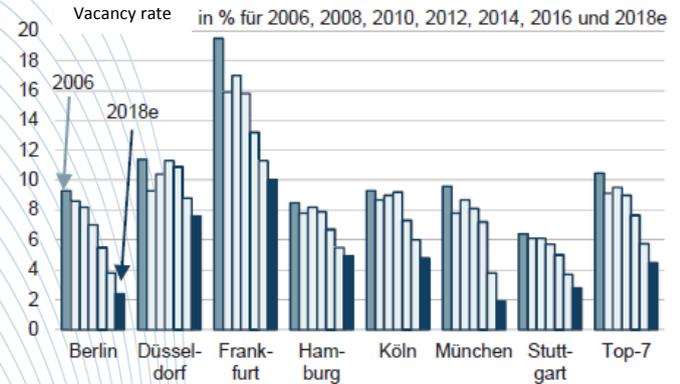
# GERMAN OFFICE MARKET

## ...LEAD TO INCREASING RENTS AND OCCUPANCY

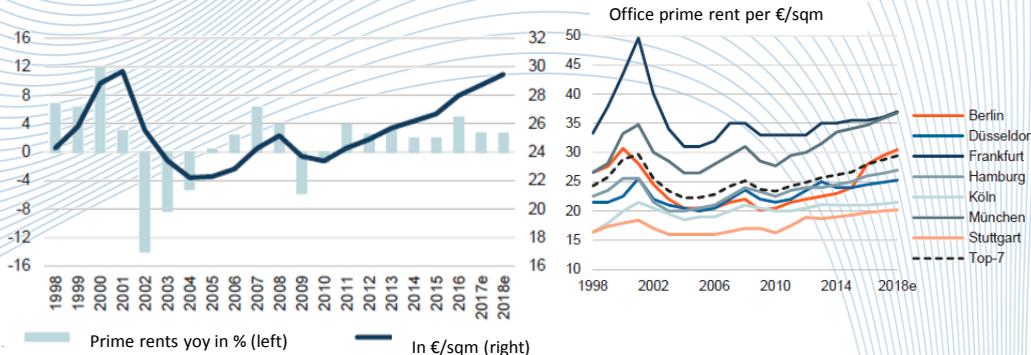
...reducing vacancy...



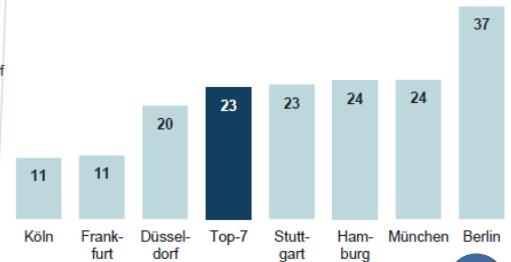
...across Germany...



...putting upward pressure on rents



Increase in prime rents 2006 bis 2016 in Prozent



# NETHERLANDS OFFICE MARKET

## ...RESULTING FROM FAVOURABLE DEVELOPMENTS

Current trends show very favourable market developments...

Office Employment  
2015 -> 2016



Office take-up  
H1 2016 -> H1 2017



Total Office Space  
2016 - H1 2017



Vacant space  
2016 - H1 2017



Passing rents\*  
2016 - H1 2017



\*Excl. incentives

The Netherlands' office market provides further diversification opportunities. Furthermore, there is benefit from exposure to varied property markets that are less correlated and are at different stages of the cycle.

...especially in Amsterdam

Office Employment  
2015 -> 2016



Office take-up  
H1 2016 -> H1 2017



Total Office Space  
2016 - H1 2017



Vacant space  
2016 - H1 2017



Passing rents\*  
2016 - H1 2017



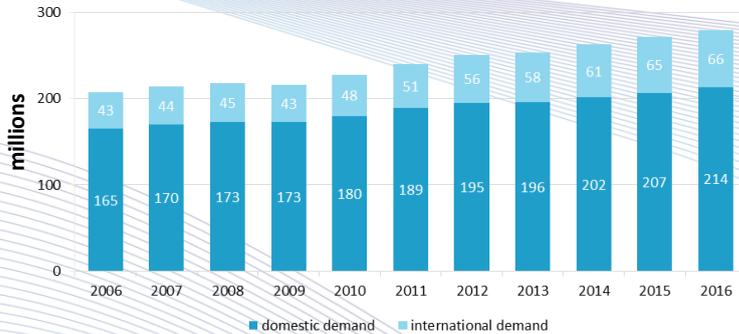
\*Excl. incentives

Office Prime Yield  
Q1 2017 - Q2 2017

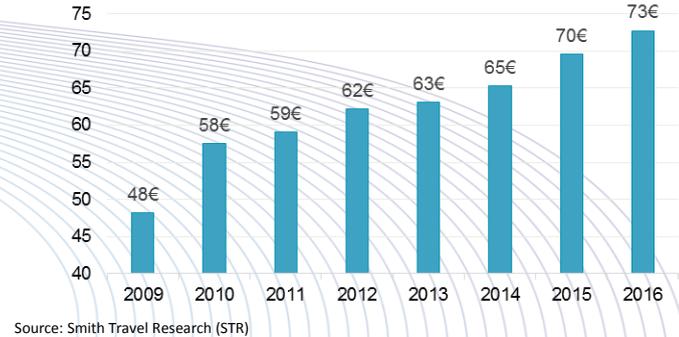


# HOTEL MARKET OVERVIEW

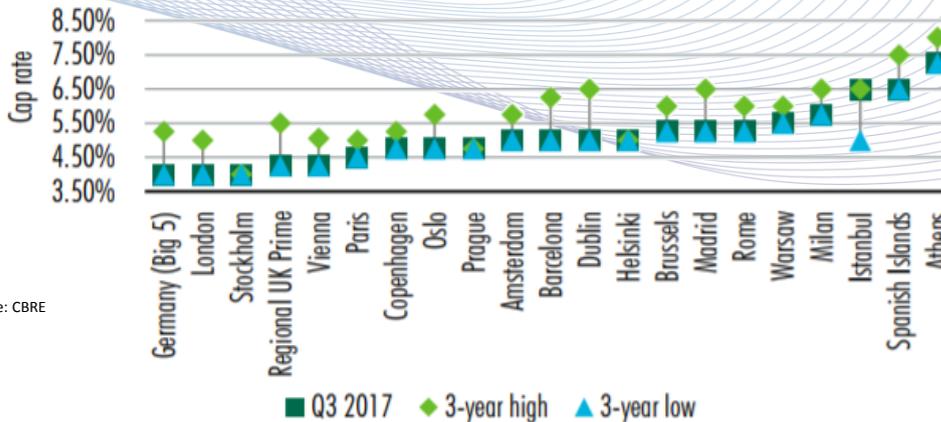
## Overnight stays across all hotel accommodation types in Germany



## RevPar development in Germany



## Hotel operational leases yields across Europe

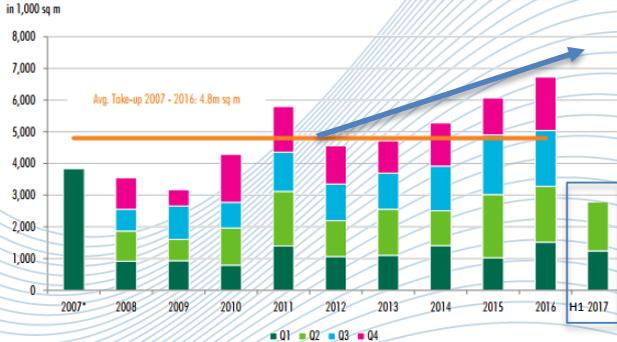


Source: CBRE

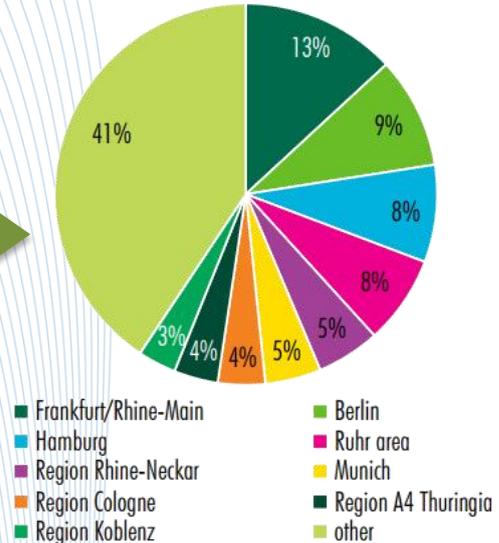
# GERMANY WHOLESALE AND LOGISTICS BENEFITING FROM IMPROVED MARKET CONDITIONS

Strong consumer climate provides strong benefits to wholesale and logistics, economic metrics such as Germany's strong export position provide further benefits, increasing take-up

Increasing take-up of logistics space...

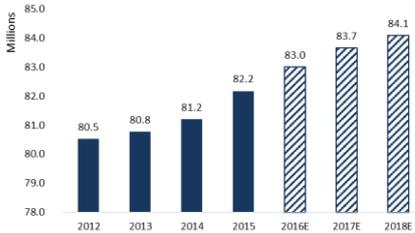


...H1 2017 logistic take-up:  
focused on AT's main portfolio areas, H1 2017



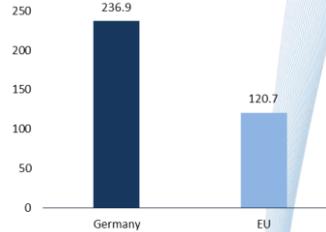
# MACRO FUNDAMENTALS SUPPORT GCP

## Population development



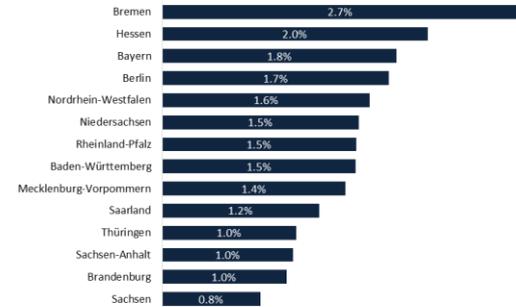
Source: destatis 2012-2015, forecast based European Commission spring 2017 forecasted growth rates

## Population density 2016 (persons per sqkm)



Source: destatis

## Annualized growth in rent price index\*

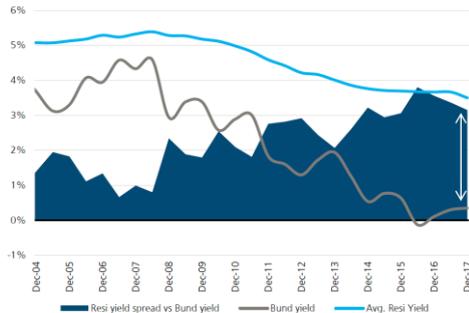


\* 2013-September/2017  
Source: destatis

➔ From 1991 to 2015 the amount of households increased by 15.7%

➔ International and domestic immigration trends to cities also support the stronger forecasted increase in the amount of households in cities, reflected in high rent and price increases mainly in German large cities

## German rental yields vs. German 10 year government bond yields

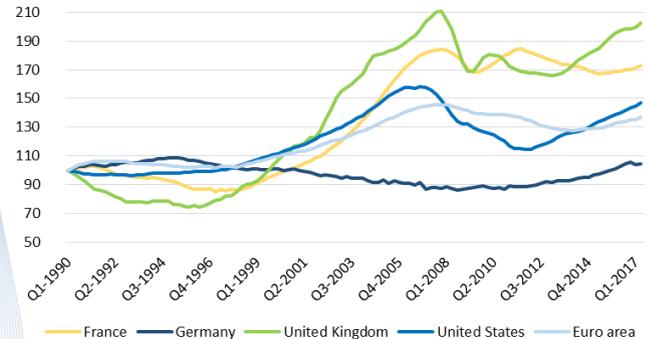


Source: UBS

Source: Datastream, JLL // Note: resi yield is simple average of Berlin Dusseldorf, Frankfurt Hamburg and Munich

With 10 years German bond yielding below 0.5% the German real estate market represents a unique opportunity to generate attractive adjusted risk return

## House price index in real terms for Germany vs. US, UK, and France



Source: OECD

Negative bond yields on one hand coupled with the prospect for rising property prices makes the German Residential sector very attractive from a risk reward perspective



Frankfurt



Mainz



Düsseldorf



Nuremberg



Rotterdam



Stuttgart





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Rotterdam



Frankfurt



Munich



Leipzig



Amsterdam



Berlin

