AROUNDTOWN SA

FULL YEAR 2019 PRELIMINARY FINANCIAL RESULTS

MAR 2020

FY 2019 PRELIMINARY RESULTS

in € millions	2019	2018
Revenue	**894.8**	747.1
Net rental income	**765.7**	633.0
Adjusted EBITDA	**772.7**	606.0
FFO I	**503.4**	405.7
FFO I per share	**0.43**	0.39
FFO I per after perpetual notes attribution (in €)	**0.38**	0.34
FFO II	**814.3**	574.6
ICR	**4.8x**	4.7x
Profit for the year	**1,709.1**	1,827.8
EPS (basic) (in €)	**1.12**	1.54
EPS (diluted) (in €)	**1.11**	1.49
Dividend per share (in €)	**0.28***	0.25

*2019 dividend distribution is subject to the next AGM approval and based on a payout ratio of 65% of FFO I per share

in € millions	Dec 2019	Dec 2018
Total Assets	**25,444.7**	19,040.8
Total Equity	**13,378.9**	9,944.3
Cash and liquid assets	**3,043.8**	1,600.6
Unencumbered assets ratio	**81%**	72%
Equity Ratio	**53%**	52%
Loan-to-Value	**34%**	35%

SOLID ORGANIC GROWTH FROM INTERNAL SOURCES

OCCUPANCY L-F-L **+0.6%** 2019

TOTAL LIKE-FOR-LIKE **+4.2%** 2019

IN-PLACE RENT L-F-L **+3.6%** 2019

in € millions unless otherwise indicated	NAV	EPRA NAV	EPRA NAV including perpetual notes
Dec 2019	11,942.8	10,633.4	13,117.4
Dec 2019 per share (in €)	**9.8**	**8.7**	**10.7**
Per share growth (dividend adjusted)	**+23%**	**+16%**	**+20%**
Dec 2018	9,309.5	8,742.4	10,290.1
Dec 2018 per share (in €)	8.2	7.7	9.1

2019 full audited financial results will be published on March 26th, 2020

Berlin

AROUNDTOWN SA

AROUNDTOWN BENEFITS FROM STRONG CAPITAL STRUCTURE WITH BEST IN CLASS METRICS AND HIGH CASH BALANCE

- Substantial amount of **cash balance of €2.8bn** (March 2020, incl. TLG)
- Low leverage sustained on a long term basis
- Double layered headroom:
  - Headroom to limits of internal conservative financial policy
  - Each of the bond covenants is met with a significant headroom
- High unencumbered ratio of 73% **(€16.2bn)**
- Long standing track record of successfully accessing the capital markets in several different instruments (straight bonds, convertible, mandatory convertible, perpetual, equity) in many different countries and currencies (all hedged to Euro)
- Longstanding relationships with large range of financial institutions, providing further capital sources
- Long average debt maturity of 6.8 years with no significant maturities in upcoming years

BEST IN CLASS RATIOS AND METRICS (INCLUDING TLG)

€16.2bn
Unencumbered assets
73%
by rent

6.8
years Ø maturity

94%
interest hedged

1.6%
Ø cost of debt

SIGNIFICANT HEADROOM TO ALL ITS COVENANTS

Frankfurt

VERY STRONG EXCESS LIQUIDITY TO PROVIDE STABILITY AND ABILITY TO CAPTURE ATTRACTIVE OPPORTUNITIES

AROUNDTOWN SA

Overview for the next 24 months			
Liquidity Sources		**Liquidity Uses**	
Cash balance – March 2020	~€2,800 million	Debt repayments	€387 million
FFO – Aroundtown* (Q4 19 Annualized for 2 years)	€1,058 million	Group dividend**	€830 million
		Dividend for perpetual and mandatory convertibles holders	€207 million
FFO – TLG (AT's share)* (Q3 19 Annualized for 2 years)	€225 million	Committed acquisitions and capex	€150 million
Total of €4,083 million		**Total of €1,574 million**	

Total excess liquidity of over €2.5 billion

Substantial cash position provides strength and firepower to capture attractive acquisitons opportunities

In addition, the group currently has **a high pool of unencumbered assets of €16.2bn** which is **not included** above and is another source of **additional potential liquidity**

*Based on last published quarterly results. 2020 guidance will be published with full year results

** 65% of the annualized FFO of AT and TLG, subject to AGM approval

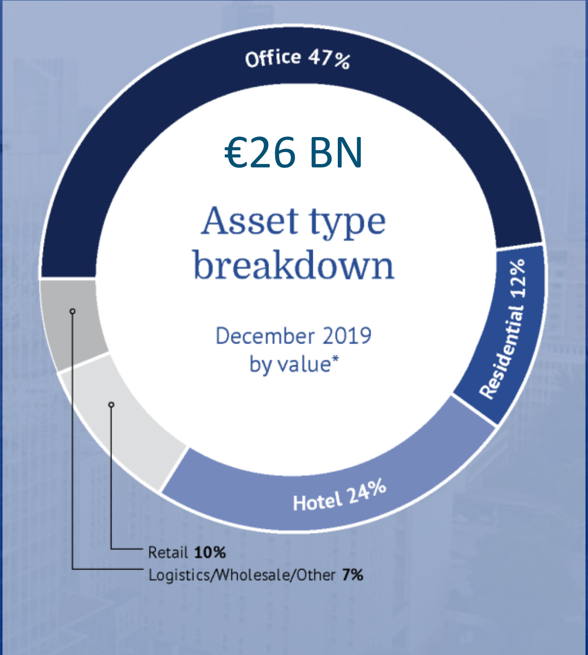
Hamburg

HIGHLY DIVERSIFIED OVERVIEW PROVIDES STABILITY

The combined portfolio of AT and TLG provides additional strength and diversification

- Aroundtown is showing the highest asset type diversification among the commercial real estate market. The largest asset type is office which together with the resilient German residential makes up around 60% of the portfolio.
- The portfolio is focused on the strongest economies in Europe, Germany and the Netherlands, both AAA rated countries
- Focus on central locations of top tier cities (Top 3 cities are Berlin, Munich, Frankfurt)
- Within each asset class, Aroundtown focuses on a very high tenant diversification, as well as industry diversification of its tenants. Aroundtown has of over 4,000 tenants and the Top 10 tenants make up only 20% of rent
- Focus on top tier locations which embeds potential for asset type conversion when market dynamics shift
- Most diverse and longest lease structure with a long WALT of 7.9 years

STRONG DIVERSIFICATION AMONG ASSET CLASSES WITH DIFFERENING FUNDAMENTAL DRIVERS



*Proforma including TLG portfolio and proportion in GCP including land for development & other rights

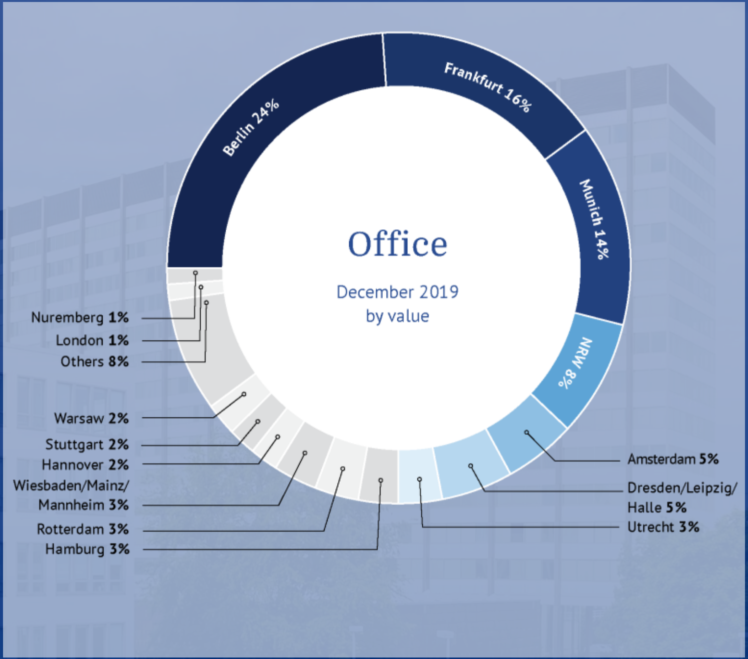
Frankfurt

HIGHLY DIVERSIFIED OFFICE PORTFOLIO

- Each of the top office locations has different key industries driving the business demand. Therefore, AT's tenants have strong presence in a diverse universe of key sectors.

- Highly diversified and thus low dependency in terms of
  - Locations (Top 3 cities are Berlin, Frankfurt, Munich)
  - Strong tenants from various different industries
    - Very diversified industry sectors. Top industries are Governmental, Insurance & Banking, IT, Health Care, Energy, Infrastructure, Telecommunications, Professional services
    - Insignificant amount of office tenants with high sensitivity to the COVID-19 outcomes, such as air travel, oil and tourism
    - Diverse tenant base with strong top tenants, such as German and Dutch Government, Deutsche Bundesbank, Siemens, Deutsche Bahn, Orange, Allianz etc.
    - Diversified lease structure with long WALT of of 4.5 years

WELL LOCATED OFFICES IN TOP TIER CITIES MAINLY IN GERMANY AND NETHERLANDS (INCL. TLG)

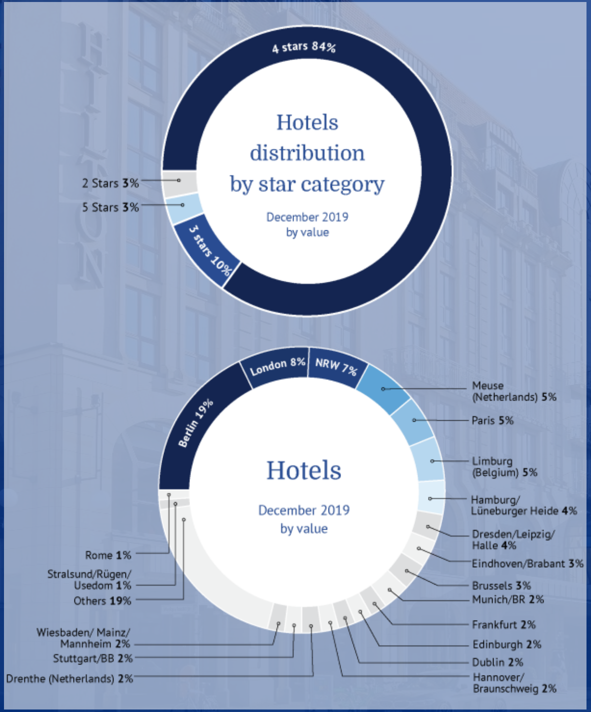


Cologne

HOTEL PORTFOLIO

- Hotel portfolio consisting of 24% of the total portfolio
- Portfolio including 177 hotels well distributed mainly in top tier cities in Europe
- The rental agreements are double or triple net, fixed plus CPI linked. The lease agreements are fixed and have no variable element or links to operational results of the hotel. Lease periods are long-term (up to 25 years). WALT of hotels is 14.8 years
- Lease agreements include set of strong securities, ranging from bank guarantee, parent guarantee, pledge over bank accounts, pledge over FF&E, and more
- 84% of the hotels are branded 4 star hotels, benefiting from the largest diverse market segment, including business and leisure – which is expected to recover fastest
- Options to convert hotels to micro apartments in case of long term travel shut down

WELL DISTRIBUTED HOTEL PORTFOLIO ACROSS EUROPE WITH A FOCUS ON THE 4 STAR CATEGORY (INCL. TLG)



Berlin

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Current update from our hotel tenants

- Hotel operators have insurances which are expected to cover business interruptions, which is expected to cover losses from the current situation
- Hotels which were forced to shut down by the government can claim for government compensation and/or business interruption insurance
- 7 Center Parcs were forced to shut down two weeks until the 6th of April
- 2 hotels located in Germany were forced to shut down
- 4 hotels closed down voluntarily and use the opportunity to accelerate the capex works planned for 2020
- All tenants are taking extreme cost savings measures

Frankfurt

TENANTS AND BRANDS

AROUNDTOWN SA

Fixed of 10-25 years (WALT of 15 years incl. TLG) leases to over 30 different strong third party hotel operators, operating with high profitability for many years

Hilton group

Hilton Hotels & Resorts, Hilton Garden Inn, DoubleTree by Hilton

Marriott group

Marriott, Moxy Hotels, Sheraton

Wyndham Brands

Wyndham Hotels and Resorts, Wyndham Garden, Days Inn, Tryp by Wyndham, Ramada

Radisson brands

Radisson Blu, Radisson Hotel Group

IHG brand

InterContinental Hotels & Resorts, Holiday Inn, Crowne Plaza Hotels & Resorts

Accor group

Mercure, ibis, AccorHotels

Hyatt Regency, Motel One, Novum Hospitality, Meliá Hotels International, Steigenberger Hotels and Resorts, Dorint Hotels & Resorts, NH Hotels, GCH Hotel Group, H-Hotels.com, Best Western, Center Parcs, Place Value, Zech Hotels, Seminaris, Amaris Hospitality, Penta Hotels, Precise Hotel Collection, Arabella Hospitality, Everland

No dependency on any single tenant

No single tenant with more than 5% of the group's rental income

Paris

FURTHER DIVERSIFICATION THROUGH ADDITIONAL ASSET TYPES

ADDITIONAL ASSET CLASSES INCLUDE RESIDENTIAL, RETAIL, WHOLESALE AND LOGISTICS

- 12% of the portfolio (through GCP) includes affordable residential properties, mainly in Germany, considered the most resilient real estate asset type in Europe
    - No material direct impact from COVID 19 on the underlying business operations
    - This segment is very resilient in the current market disruption

- Limited exposure to retail properties, which comprises only 10% of the total portfolio
    - Largest retail portfolio is focused on food-anchored properties catering strong stable demand from local residential neighbourhoods. Food anchored properties are mainly long-leased retail boxes in locations with limited competition, such as EDEKA, NETTO, REWE, PENNY, LIDL and Kaufland
    - This segment is resilient in the current market disruption

- Logistic and wholesale portfolio consist of 7% of the total portfolio. This segment includes mainly last mile wholesale and logistic properties which are well located for these purposes. This segment is very resilient in the current market disruption.

Cologne

SUBSTANTIAL HEADROOM TO COVENANTS

- ✓ Each of the bond covenants is met with a significant headroom. Internal financial policy is set at stricter levels
- ✓ ECB eligibility: Bonds issued under the EMTN Programme (Listed in the EU)*
- ✓ The bonds are unsecured and have the below covenant package:

Overview of Covenant Package

Covenant Type		EMTN programme covenants
1	*Limitation on Debt*	✓
	Total Debt / Total Assets	<=60%[1]
2	*Limitation on Secured Debt*	✓
	Secured Debt / Total Assets	<=45%[2]
3	*Maintenance of Unencumbered Assets*	✓
	Unencumbered Assets/Unsecured Debt	>= 125%[3]
4	*Maintenance of Coverage Ratio*	✓
	Adjusted EBITDA / Net Cash Interest	>=1.8x
5	Change of Control Protection	✓

Notes: 1) Total Net Debt / Total Net Assets
2) Secured Net Debt / Total Assets
3) Net Unencumbered Assets / Net Unsecured Indebtedness

* Excluding the NOK & HKD issuances

Amsterdam

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