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**AROUNDTOWN ANNOUNCES PRELIMINARY FY 2019 FINANCIALS  
WITH STRONG PERFORMANCE FROM DIVERSIFIED PORTFOLIO  
MAINTAINS SIGNIFICANT CASH BALANCE AND STRONG FINANCIAL POSITION**

- **Net rental income increased 21% to €766 million**, from €633 million in 2018.
- **Adjusted EBITDA grew to €773 million**, an increase of **28%** compared to €606 million in 2018.
- **Strong FFO I growth, increasing by 24% YOY to €503 million** (in line with increased guidance from Q3 2019), underlining the strong and stable operational profitability.
- **FFO I per share** resulted in **€0.43** for 2019 (in line with increased guidance from Q3 2019), **10%** higher than in 2018, reflecting an FFO yield of 12% based on the current share price.
- **FFO I per share after perpetual notes attribution** of €0.38 (in line with increased guidance from Q3 2019) an increase of 12% YOY.
- Proposed **dividend of €0.28** for 2019, following the dividend policy of 65% of FFO I per share, higher by **10%** compared to 2018 and reflecting a **dividend yield of 8%** based on the current share price
- Successful disposals resulted in an **FFO II** of 2019 to **€814 million**, up by **42%** compared to 2018.
- **Net Profit** amounting to **€1.7 billion**, compared to €1.8 billion in 2018 underlining the Company's strong value creation. **EPS (basic)** amounted to **€1.12**.
- **Strong EPRA NAV** growth, increasing to **€10.6 billion** as of year-end 2019, an increase of **22%** compared to year-end 2018, **EPRA NAV per share** grew by **13%** to **€8.7** as of year-end 2019. Including dividend payment in 2019 the total shareholder return amounted to 16%.
- Very strong cash position amounting to **€2.2 billion** and **€14.2 billion** of **unencumbered assets**. As of mid-March 2020 the cash position increased to €2.8 billion and unencumbered assets increased to over €16 billion (including TLG).
- **EPRA NAV including perpetual notes** amounting to **€13.1 billion** or **€10.7 per share** as of December 2019.
- **Total Equity** amounted to **€13.4 billion** as of December 2019, reflecting an increase of **35%** compared to year-end 2018, representing an **equity ratio of 53%**.
- **Investment property** increased to **€18.1 billion** as of year-end 2019, increasing **28%** from year-end 2018.
- Aroundtown's conservative financial structure has been strengthened with a **low LTV of 34%** as of December 2019 remaining well below the 45% Board of Directors' limit and well below the EMTN bond covenants of 60%.
- **Secure** debt profile with a strong **ICR of 4.8x**, **long average debt maturity** period of **7.2 years with no material debt repayments in the coming 4 years**, **low average cost of debt** of **1.7%**
- Consistently strong internal growth supported by the **total net rent LFL growth** of **4.2%** (in line with guidance), with 3.6% from in-place rent increases and 0.6% as a result of occupancy increases.
- **Full year 2019 guidance met**
- **Merger with TLG was fully finalized and completed February 19, 2020. Aroundtown currently controls 78% of TLG.**

## **STRONG OPERATING PERFORMANCE BENEFITTING FROM A STRONGLY DIVERSIFIED PORTFOLIO**

2019 has been another very successful year for Aroundtown. As of February 19, 2020, the merger with TLG Immobilien AG was finalized and completed and Aroundtown owns 78% in TLG.

The cash balance remains to be very strong and further increased to €2.2 billion. As of mid-March 2020, the actual cash balances (including TLG) further increased to €2.8 billion.

The operational performance with an increase in FFO I by 24% was achieved on the back of the strongly performing diversified portfolio with its different economic characteristics with a focus on the strongest economies in Europe, Germany and the Netherlands. Aroundtown remains to have among the highest asset type diversification within the European commercial real estate market which was further strengthened by the merger with TLG. Post merger with TLG, the portfolio's largest asset type is offices which makes up around 47% of Aroundtown's portfolio. The hotel portfolio makes up 24% which have all fixed long-term leases with strong tenants with no dependency on the hotel's operational results. For all its properties, Aroundtown has fixed long term lease structures without any connection to operational profits of its tenants. This also applies to its hotel portfolio which are leased to third party hotel operators at fixed long-term (10 to 25 years) double or triple net leases, fixed plus linked to CPI with no operational dependency on the results of the hotel. The third largest segment with 12% is German residential through Aroundtown's holding in Grand City Properties. Within each asset class Aroundtown focuses on a very high tenant diversification and diversification of the industries that its tenants operate in. Aroundtown (incl TLG) has a strongly diversified tenant structure with over 4,000 tenants, of which the top 10 tenants make up only 20% of the total rental income, and very long lease structures with a long-term WALT of 7.9 years.

## **CORPORATE ACHIEVEMENTS IN 2020**

Aroundtown successfully fully finalized the merger with TLG Immobilien AG by mid-February 2020 and now owns ca. 78% of TLG. TLG will be fully consolidated starting from the Q1 2020 financial reporting. Furthermore, Aroundtown was added to the newly launched DAX 50 ESG Index and ranked as the highest ESG ranked real estate constituent of the index and 10<sup>th</sup> highest among all constituents.

In addition, Aroundtown improved its ranking from Sustainalytics to 94<sup>th</sup> percentile from the 93<sup>rd</sup> previously.

Aroundtown will publish its full year 2019 financials including an updated forecast guidance for the year 2020 on March 26, 2020 and will host an analyst call in the morning of publication.

## **About the Company**

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

## CORPORATE NEWS

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

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## CORPORATE NEWS

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