AROUNDTOWN
PROPERTY HOLDINGS PLC

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six month period ended June 30, 2017

Berlin

Frankfurt am Main

CONTENT

KEY FINANCIALS

in € millions unless otherwise indicated	1-6 2017	change	1-6 2016
RENTAL AND OPERATING INCOME	**237.2**	116%	110.0
NET RENTAL INCOME	**203.5**	115%	94.5
ADJUSTED EBITDA 1)	**194.5**	71%	113.5
FFO I	**129.8**	83%	70.9
FFO I PER SHARE (IN €)	**0.18**	64%	0.11
FFO I PER SHARE, AFTER PERPETUAL NOTES ATTRIBUTION (IN €)	**0.16**	45%	0.11
FFO II	**155.9**	120%	70.9

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

in € millions unless otherwise indicated	1-6 2017	change	1-6 2016
EBITDA	**991.9**	63%	609.7
NET PROFIT	**777.4**	52%	510.1
EPS (BASIC) (IN €)	**0.88**	47%	0.60
EPS (DILUTED) (IN €)	**0.74**	61%	0.46

in € millions unless otherwise indicated	Jun 2017	Dec 2016	Dec 2015
TOTAL ASSETS	**10,821.1**	8,089.0	4,440.1
TOTAL EQUITY	**6,005.8**	3,941.1	2,425.5
EQUITY RATIO	**56%**	49%	55%
LOAN-TO-VALUE	**36%**	39%	35%

NET ASSET VALUE

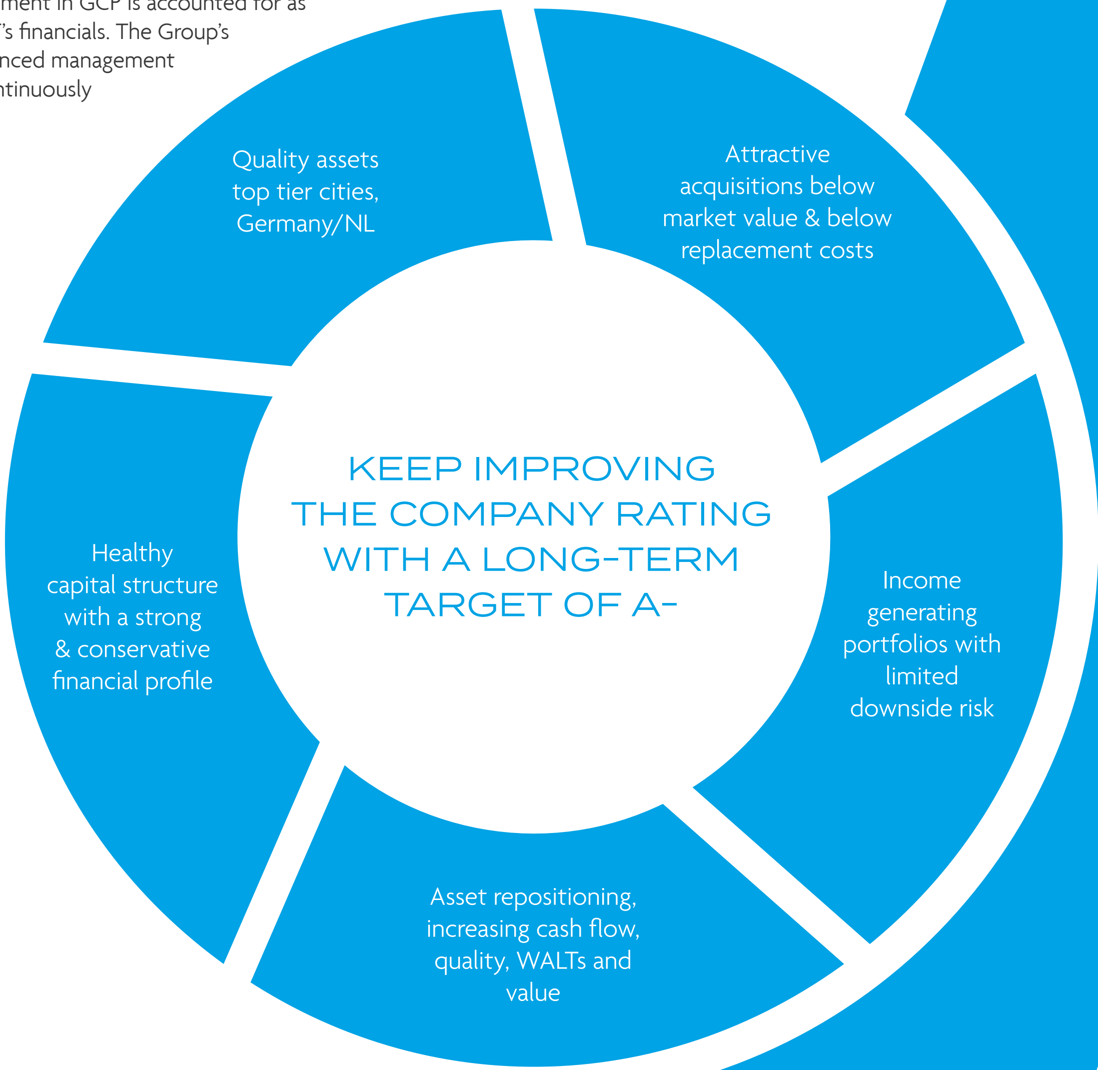
in € millions unless otherwise indicated	NAV	EPRA NAV	EPRA NAV including perpetual notes	EPRA NNNAV
JUN 2017	**5,649.3**	**5,137.6**	**6,159.5**	**4,908.8**
JUN 2017 PER SHARE (IN €)	**6.5**	**5.9**	**7.0**	**5.6**
PER SHARE GROWTH	**+23%**	**+20%**	**+30%**	**+19%**
DEC 2016	4,243.4	3,870.8	4,349.1	3,776.4
DEC 2016 PER SHARE (IN €)	5.3	4.9	5.4	4.7


Leipzig

THE COMPANY

The Board of Directors of Aroundtown Property Holdings PLC and together with its investees (the "Company" or "AT"), including associates over which the Company has significant influence as defined in IAS 28 and that are not subsidiaries, in particular Grand City Properties S.A. ("GCP") (the "Group") hereby submits the interim report as of June 30, 2017. The figures presented are based on the interim consolidated financial statements as of June 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/NL 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 in addition Aroundtown holds a substantial interest of currently 36% in Grand City Properties S.A. ("GCP"), 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 GCP is accounted for as an equity-accounted investee in AT's financials. The Group's unique business model and experienced management team led the Company to grow continuously for 13 years.



Berlin

FINANCIAL POSITION HIGHLIGHTS

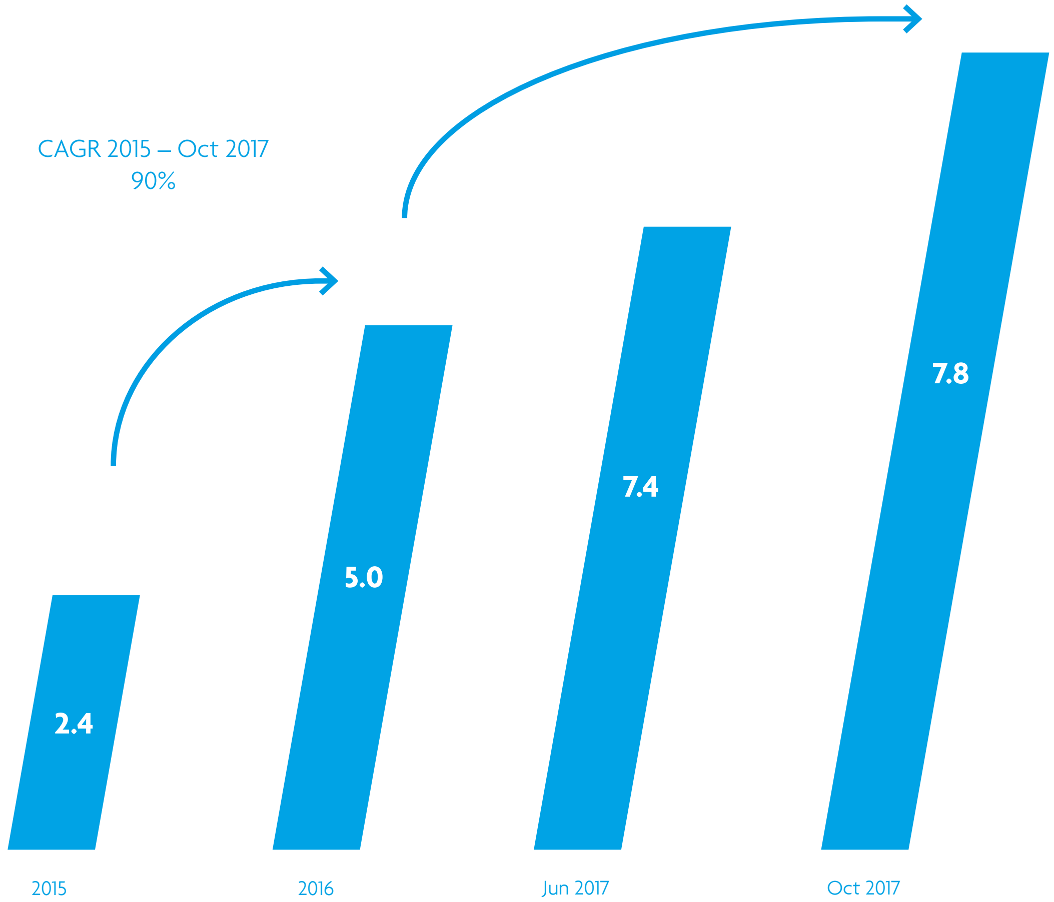
in € millions As of	Jun 2017	Dec 2016
CASH AND LIQUID ASSETS	**326.3**	835.8
INVESTMENT PROPERTY	**7,436.5**	5,016.2
TOTAL ASSETS	**10,821.1**	8,089.0
TOTAL EQUITY	**6,005.8**	3,941.1
CONVERTIBLE BONDS	**292.9**	708.7
STRAIGHT BONDS	**2,061.6**	1,714.0
TOTAL LOANS AND BORROWINGS	**1,573.3**	1,150.6

Amsterdam

ACHIEVEMENTS

ACCELERATED GROWTH CONSISTENTLY SUPPORTED BY CAPITAL MARKETS ...

RAPID PORTFOLIO GROWTH
(INVESTMENT PROPERTY IN € BN)



…AS DIVERSIFICATION AND FLEXIBILITY RESULTS IN EXPANDED INVESTOR BASE

€2.3 BILLION ISSUED IN 2017 YEAR-TO-DATE TO FUND CONTINUOUS ACCRETIVE GROWTH

EQUITY – OVER €1.3 BILLION ISSUANCE OF NEW EQUITY IN 2017

€426 million issuance of equity capital in May 2017

USD 500 million perpetual notes issuance in June 2017

Conversion of Series B 3% convertible bonds due 2021 - **€387 million has been converted** and €55 million has been repurchased

Tap issuance of **€100 million** perpetual notes

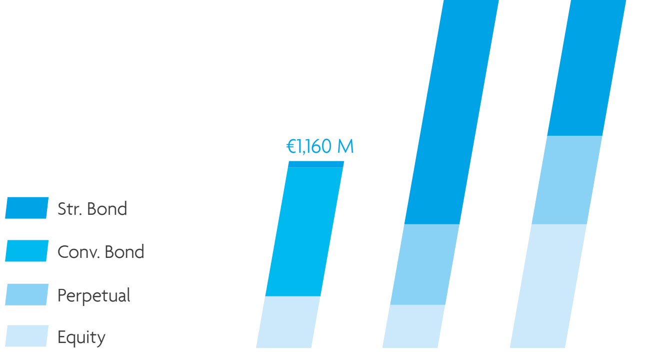
DEBT – €1.5 BILLION EMTN PROGRAMME ESTABLISHED MARCH 2017

USD 450 million straight bonds issued in Q1 2017 and placed with anchor investors in Asia

€500 million Series I straight bonds issued in July 2017

LARGEST EUROPEAN REAL ESTATE ISSUER IN 2016

CONFIRMING LEADING PRESENCE IN CAPITAL MARKETS*



*excluding GCP

ACHIEVEMENTS

ACHIEVEMENT OF STRATEGIC TARGETS...

TRADING TICKER:

AT1

LISTING UPGRADE

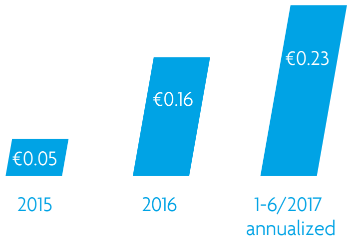
ON JUNE 2ND 2017, AROUNDTOWN WAS LISTED TO THE PRIME STANDARD OF THE FRANKFURT STOCK EXCHANGE

MIGRATION TO LUXEMBOURG

AROUNDTOWN IS IN THE FINAL STAGES OF REDOMICILING TO LUXEMBOURG, SUBJECT TO THE EGM ON SEPTEMBER 13, 2017

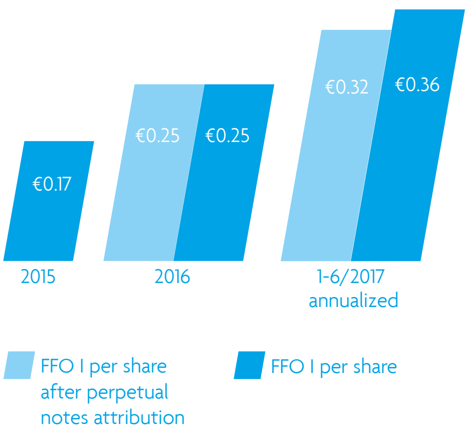
OPPORTUNITY FOR INCLUSION IN MAJOR STOCK INDICES, SUCH AS THE DAX FAMILY AND EPRA INDICES

DIVIDEND PER SHARE



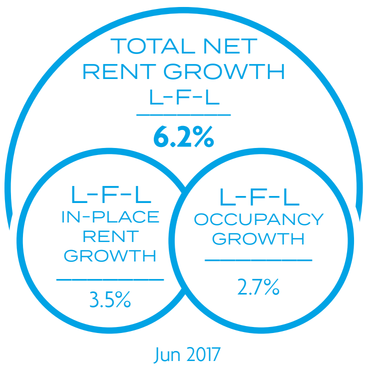
4.3%
Dividend yield
based on a share price of €5.35 and payout ratio of 65%

FFO I PER SHARE



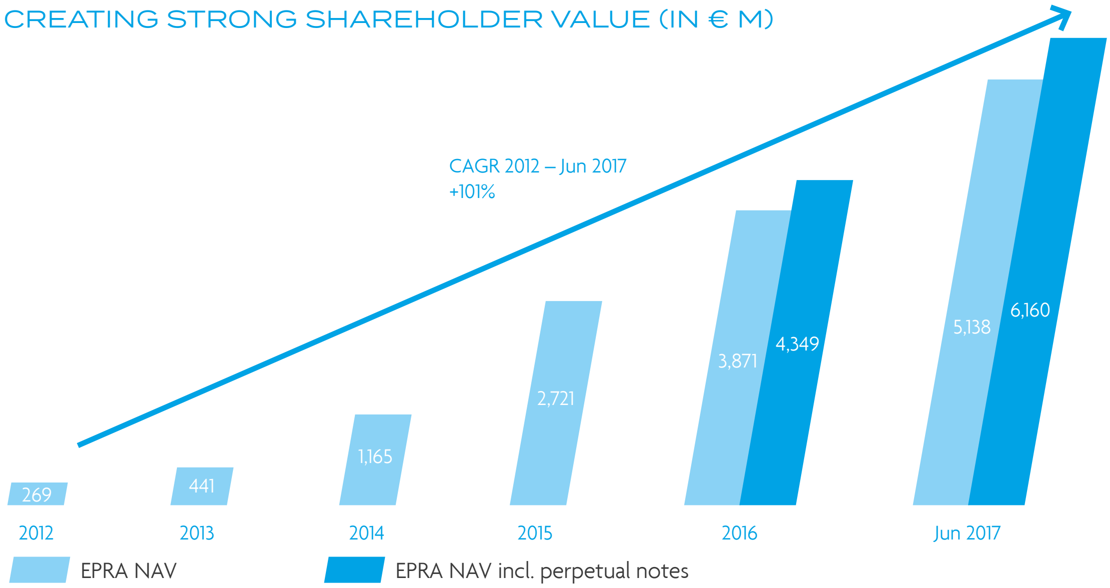
6.7%
FFO yield
based on a share price of €5.35

STRONG LIKE-FOR-LIKE GROWTH



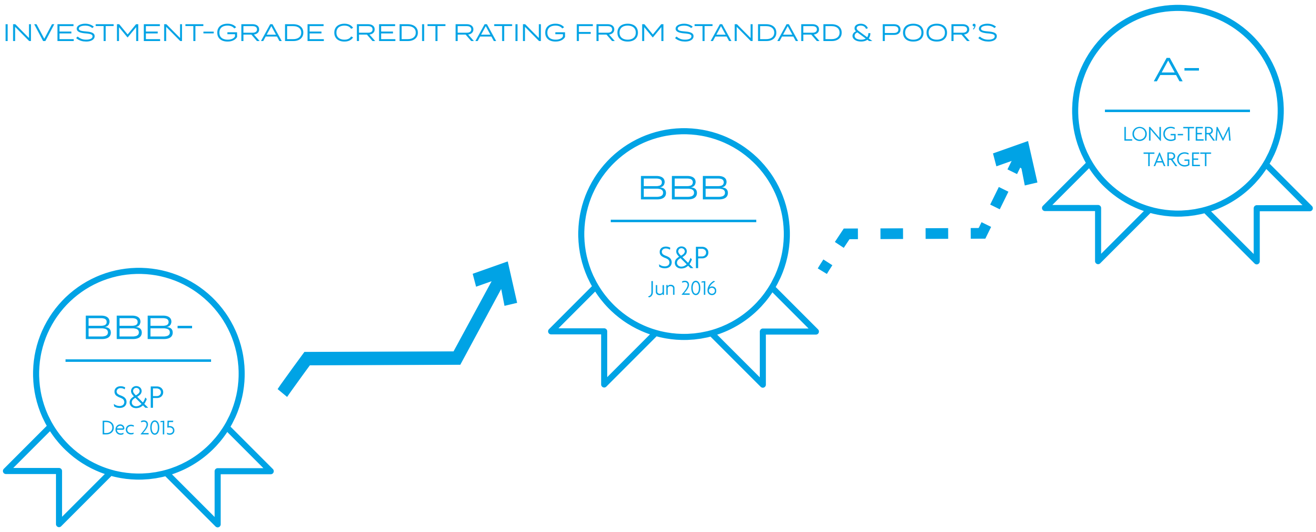
...AS THE COMPANY CONTINUES TO GROW ON ALL FRONTS

CREATING STRONG SHAREHOLDER VALUE (IN € M)



SUSTAINED FINANCIAL STABILITY

INVESTMENT-GRADE CREDIT RATING FROM STANDARD & POOR'S



STRONG FINANCIAL RATIOS (H1 2017)

LETTER OF THE MANAGEMENT BOARD

DEAR SHAREHOLDERS,

We hereby present to you our financial reports for the first half of 2017, as we reflect on a very active period filled with positive developments all across the Company. We continue to grow at a rapid pace with acquisitions of approximately €2.3 billion year-to-date as of October – bringing our commercial portfolio up to €7.8 billion. Our strong financial position and access to capital markets enables us to continuously seize upon the attractive opportunities sourced by our vast deal network. Importantly, the acquired assets are of high quality and located across the Company's key strategic locations, resulting in further synergy gains whilst maintaining a highly diversified portfolio. Furthermore, the new acquisitions embody upside potential which will be realized through vacancy reduction, operational and cost improvements, stronger tenants and longer leases. Building on the track record we established in the last years and owing to our experienced management teams, we have the resources required to achieve further synergies through the effective integration of the new assets into our existing scalable asset management platform. Meanwhile, our operational effectiveness within our existing portfolio is once again visible with stable like-for-like rent and occupancy growth of 3.5% and 2.7% as of June 2017, respectively, for a total like-for like net rent growth of 6.2%.

To support our rapid portfolio growth, we have once again accessed capital markets extensively throughout the past quarter, taking advantage of our strong financial profile, creditworthiness, and established track record. We increased our equity base in May 2017 with a €426 million equity capital raise, and in June 2017 by issuing USD 500 million in perpetual notes swapped into euro. With a further three equity research houses having initiated coverage of the AT share recently we are currently covered by 13 analysts, all of which have assigned a Buy rating with a target price above the current price. On the debt side, we once again made use of the €1.5 bn EMTN programme established in March by issuing €500 million straight bonds in July at a coupon of 1.875%. Additionally, we converted into equity or repurchased over 98% of the Series B 3.0% convertible bonds, while also fully repaying the higher-coupon Series A straight bonds. In aggregate, Aroundtown issued a total of nearly €1.8 billion since the start of the second quarter of 2017, yet again confirming our strong investor demand and value perception, as well as our ability to raise low cost capital in a short timeframe. This brings our total issuance volume year-to-date to €2.3 billion, nearly matching the €2.5 billion raised in 2016, when we were the most active issuer in the European listed real estate market.

As we have grown to become the largest publicly-listed commercial real estate company in Germany, it is of paramount importance to us that we also grow and improve on aspects other than our portfolio and the operational side of things. We achieved the uplisting of the AT shares to the Prime Standard of the Frankfurt Stock Exchange in early June, and we are currently finalizing our corporate migration to Luxembourg, as we seek to maintain our leading position in capital markets, ensure strong share liquidity, increase visibility and expand our investor reach. These strategic step-ups are also set to open the door for inclusion in major stock indices, such as the DAX family and EPRA indices, which would represent another important milestone for us. Such a wide scope of activity has also resulted in an increased headcount, and we are proud that over 230 employees are now part of the Aroundtown family.

In that same context, we realize that as an enterprise we have many various stakeholders to whom we are accountable, as our activities have a wide-reaching impact due to the large scale of our operations. Whether it is our investors, tenants, employees, or the communities in which we operate, we have the responsibility of ensuring the sustainability of our business. To this end, we have increased our ESG (Environmental, Social, and Governance) reporting and disclosures, while establishing a dedicated ESG team to monitor and improve on our ESG measures. We are currently working with leading sustainability research providers on having our ESG efforts assessed, with Sustainalytics having recently ranked us in the 88th percentile among nearly 300 real estate peers worldwide. Sustainability has become a key aspect of our business, and we are working tirelessly to improve our processes and continue integrating it throughout our operations.

We are very proud of the continuous and successful development of the Company quarter-by-quarter, the result of hard work on all levels of the Company. At the same time, we are fully focused on the concentrated effort required to reach the full potential of our portfolio, and continue generating sustainable shareholder value. 2017 is shaping out to be another highly successful year for Aroundtown, and we look to continue in the same stride in the remainder of the year.

Andrew Wallis
Director

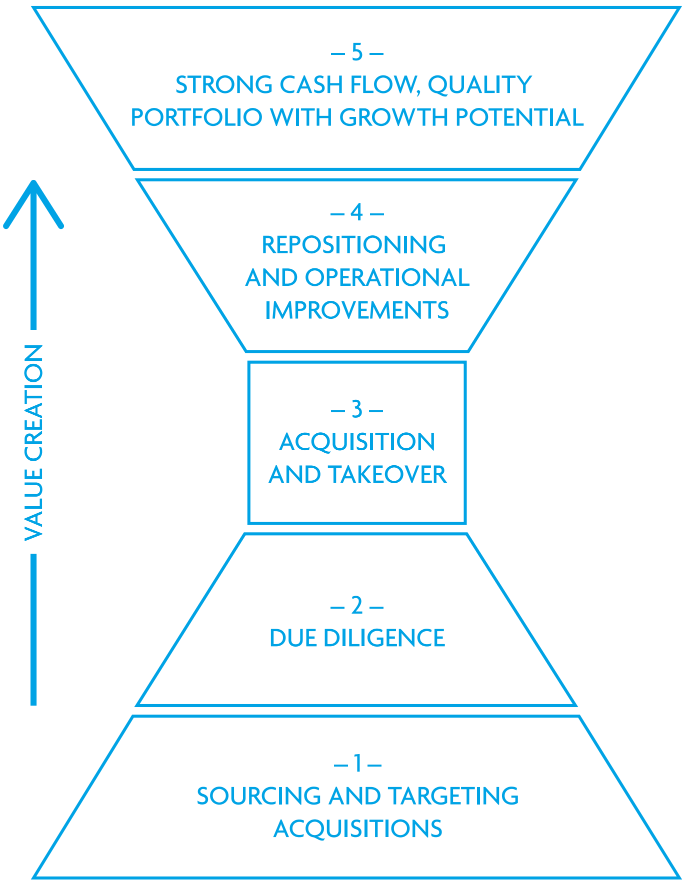
Jelena Afxentiou
Director

Oschrie Massatschi
Director

Hamburg

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.


Berlin

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.


Dortmund

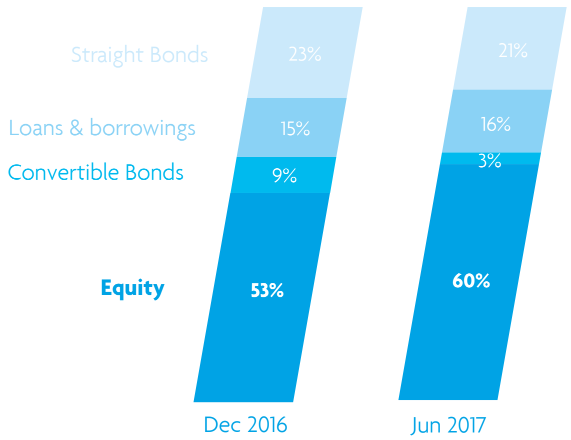
KEY STRENGTHS

CONSERVATIVE FINANCING STRUCTURE

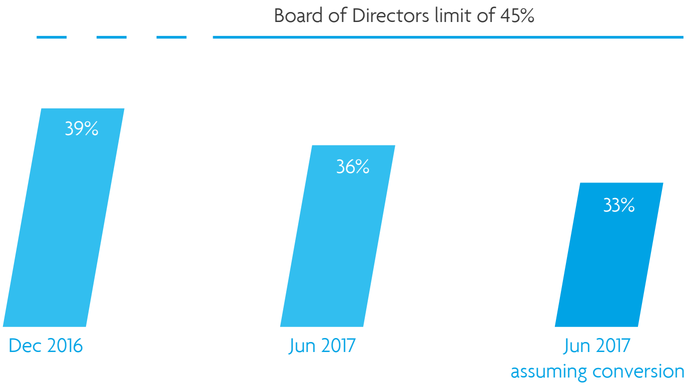
AT's conservative capital structure approach is reflected in an LTV of 36% as of June 30, 2017, well below the limit of 45% established by the Board of Directors. Additionally, when considering the full conversion into equity of the Series B convertible bonds and Series C convertible bonds, the LTV is further decreased to 33%.

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.

FINANCING SOURCES MIX

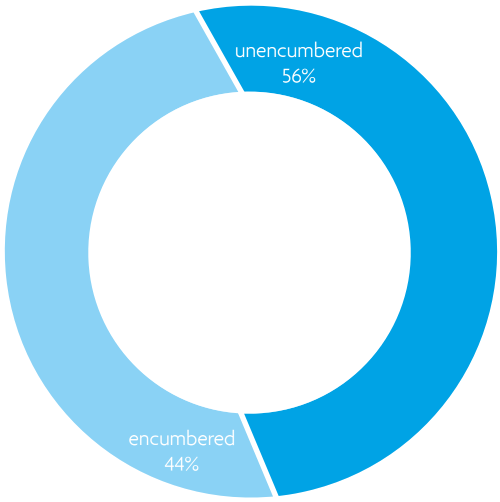


LOAN-TO-VALUE



In addition to its conservative capital structure and vast experience in accessing capital markets that enable 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 June 30, 2017 amounted to €326 million. Additionally, the high ratio of unencumbered assets of 56% as of June 2017 provides for additional financial flexibility.

UNENCUMBERED ASSETS AS OF JUNE 2017



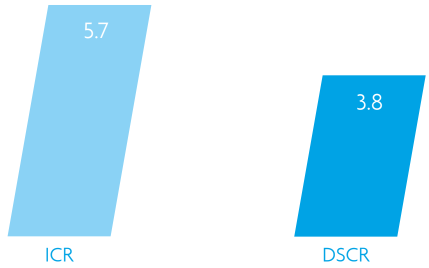

Dresden

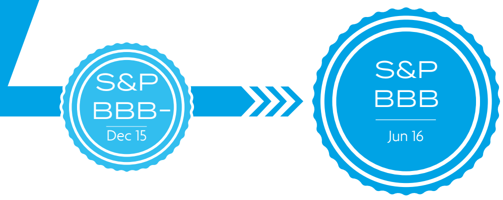
FINANCIAL POLICY

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-cap ratio at 45% (or lower) on a sustainable basis
- Maintaining conservative financial ratios
- 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 – H1 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.

Hannover

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)

AS OF JUNE 2017

Number of shares	872,310,238
Total number of shares incl. dilution effect of Series B*	891,088,194
Number of shares on a fully diluted basis	944,920,506
Free Float	56%
Free float including conversion of Series B* in the money	57%
Fully diluted free float	60%
Market Cap	€4.1 bn

* Convertible bond Series B is in-the-money and as of the day of this report €7.1 million nominal value are outstanding; €56.3 million are in treasury

AS OF AUGUST 29, 2017

Market Cap	€4.7 bn

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.

Having announced the intention to uplist the Company's shares to the regulated market at the end of February 2017, the Company worked diligently to execute this move in a timely manner. 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 DAX family and EPRA indices.

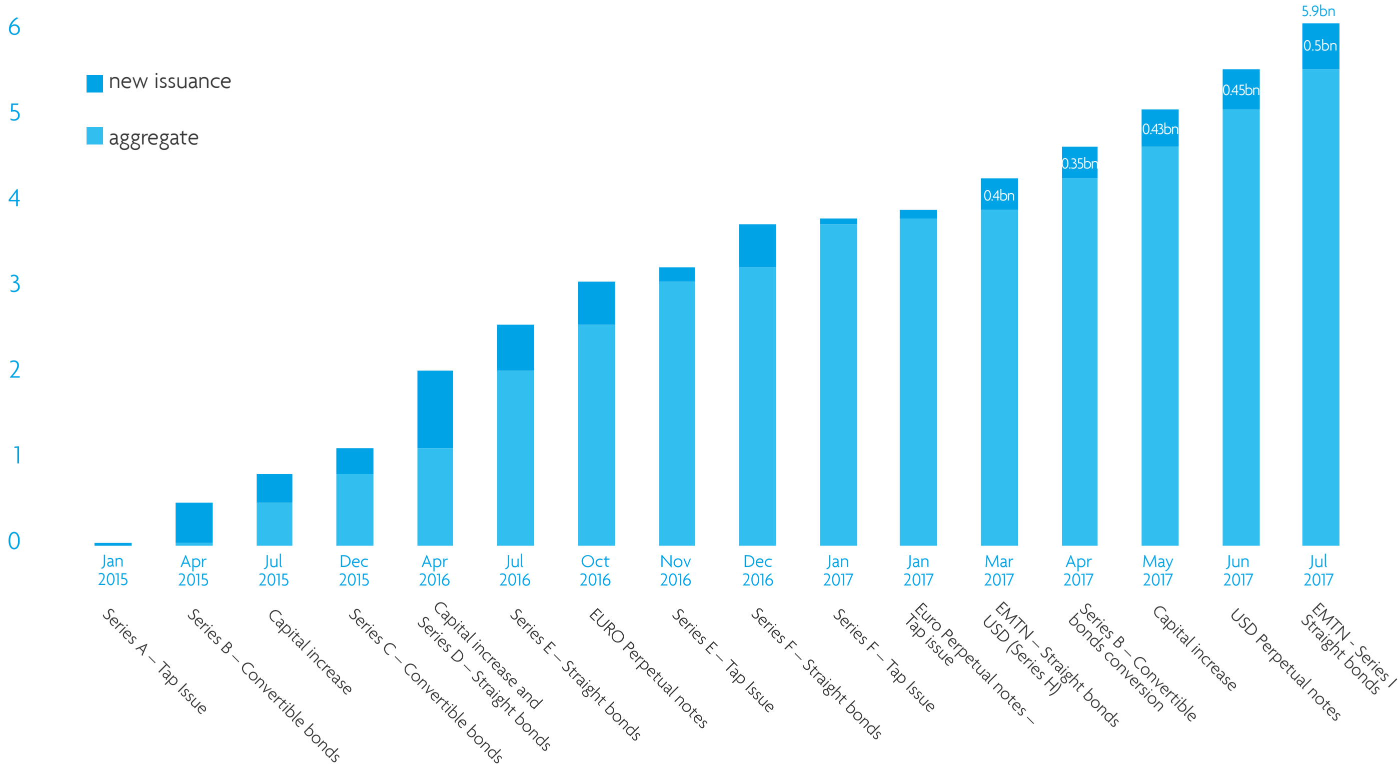
Together with the Company's planned migration of the corporate seat from Cyprus to Luxembourg and continuation as a Luxembourg company, expected to be finalized following the EGM on September 13, 2017, Aroundtown believes that these changes will serve to further increase the Company's transparency, accessibility and the investor base, and support Aroundtown's position as the largest publicly-listed commercial real estate player in Germany.

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 13 different research analysts on an ongoing basis, with reports updated and published regularly.

AROUNDTOWN HAS PROVEN ABILITY TO ACCESS THE CAPITAL MARKETS

STRENGTH IN CAPITAL MARKETS: NEARLY €5 BILLION RAISED SINCE 2016 THROUGH DIVERSE ISSUANCES



CAPITAL MARKETS

EQUITY AND BOND BOOKRUNNERS

J.P.Morgan
UBS
citi
Goldman Sachs
BERENBERG
Morgan Stanley
Deutsche Bank
SOCIETE GENERALE

Frankfurt am Main (Eschborn)

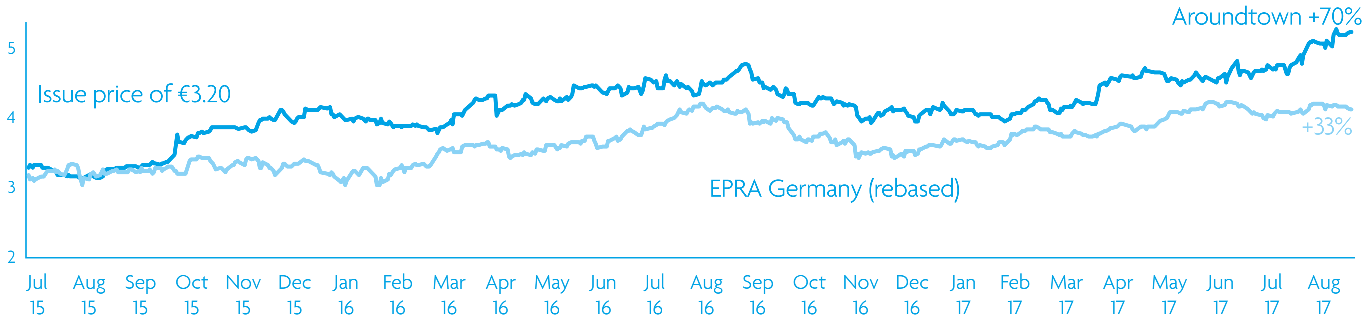
AROUNDTOWN'S TRACK RECORD REFLECTS STRONG ACCESS TO CAPITAL MARKETS*

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 USD 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 USD 400 million, 2032 straight bonds, under its EMTN programme to a single Asian investor
MAR 2017	Establishment of €1.5 billion 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
DEC 2015	Issuance of Series C, 2021 convertible bond of €300 million, coupon 1.5% p.a., current conversion price: €5.69
JUL 2015	First equity capital increase of €320 million at €3.2 per share
APR 2015	Issuance of 2020 convertible bond Series B of €450 million, coupon 3% p.a., current conversion price: €3.38
JAN 2015	Tap issuance of €39 million of Series A bond to a total aggregate amount of €200 million
DEC 2014	Issuance of Series A straight bonds of €161 million with a coupon of 3% p.a.

* Aroundtown stand-alone, exluding GCP issuances

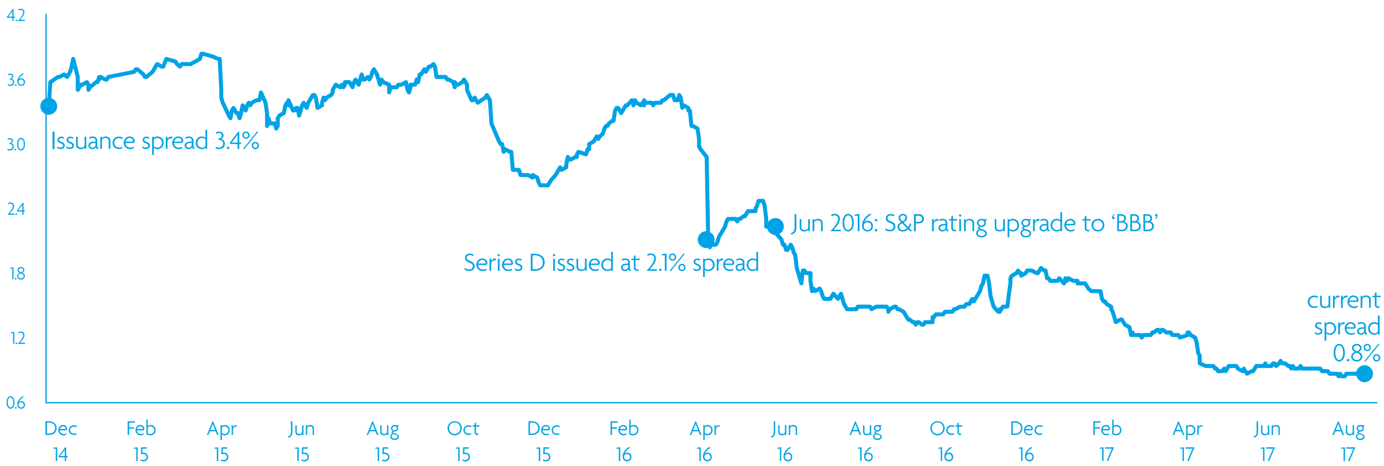
CAPITAL MARKETS

SHARE PRICE PERFORMANCE SINCE INITIAL PLACEMENT OF CAPITAL (13.07.2015)

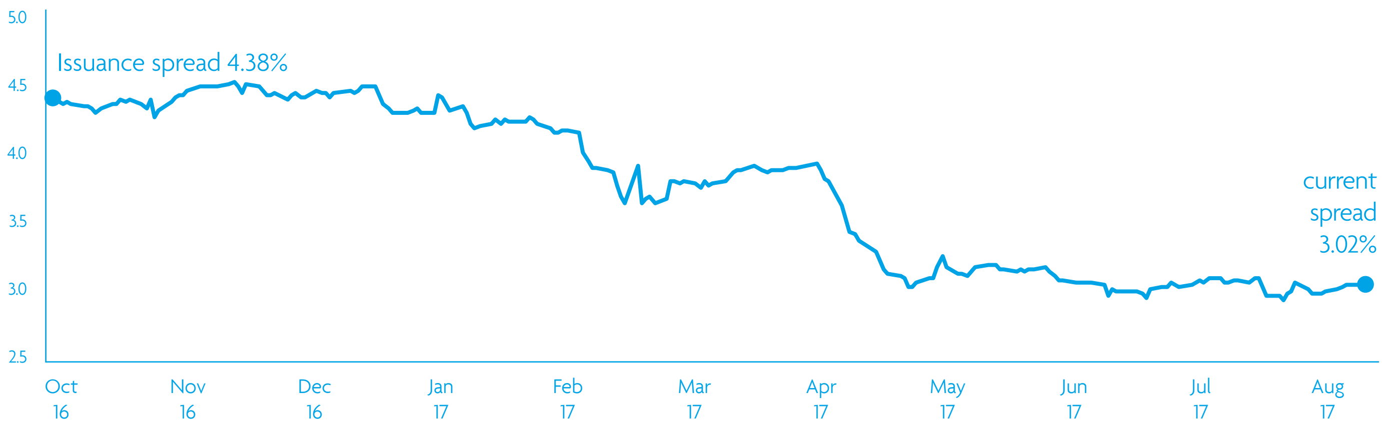


CONVERTIBLE BOND SERIES C PERFORMANCE SINCE PLACEMENT (15.12.2015)

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



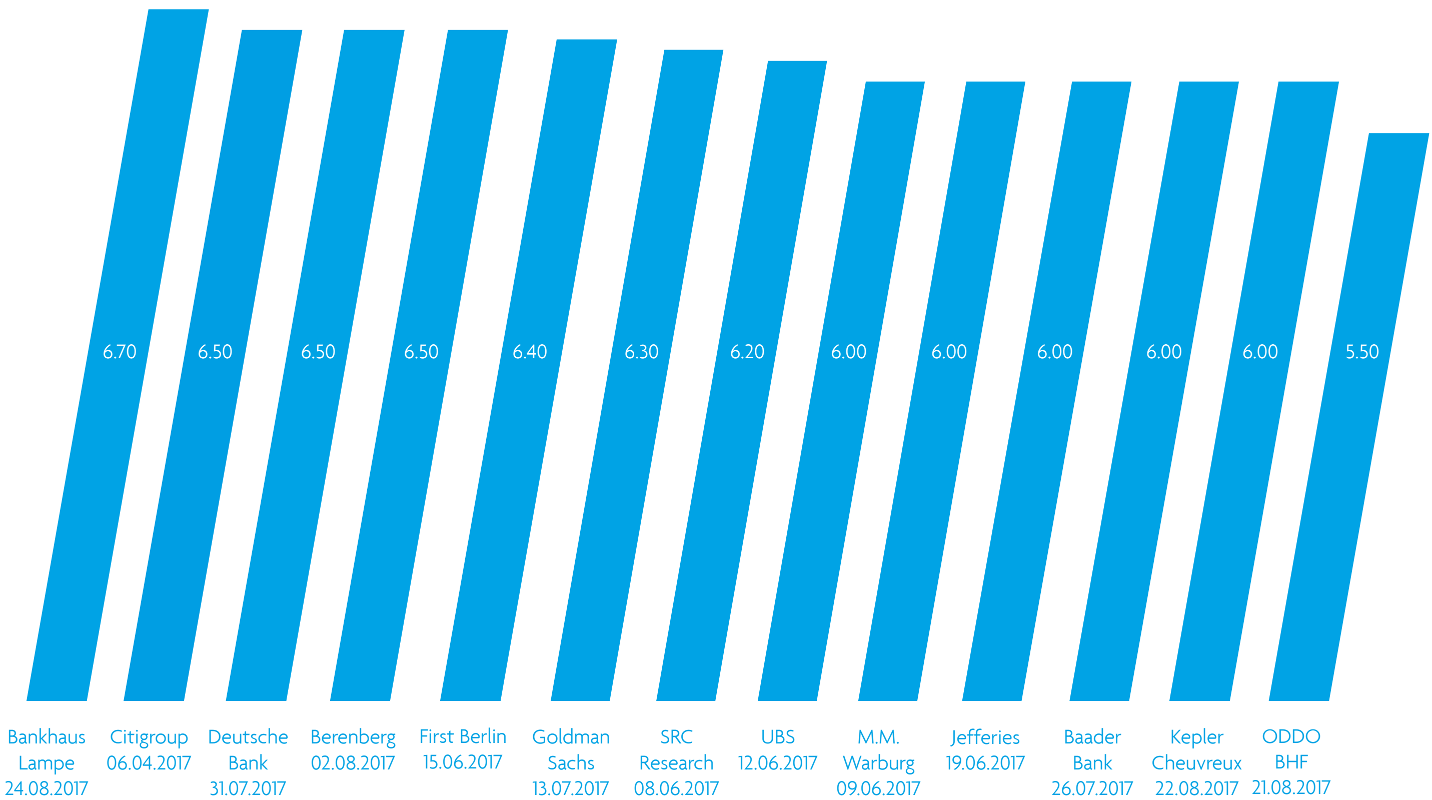
SPREAD OVER MID-€-SWAP FOR 3.75% PERPETUAL NOTES



CAPITAL MARKETS

AROUNDTOWN IS CONTINUOUSLY COVERED BY LEADING EQUITY RESEARCH HOUSES

ANALYST RESEARCH TARGET PRICE




Stuttgart

AROUNDTOWN
PROPERTY HOLDINGS PLC

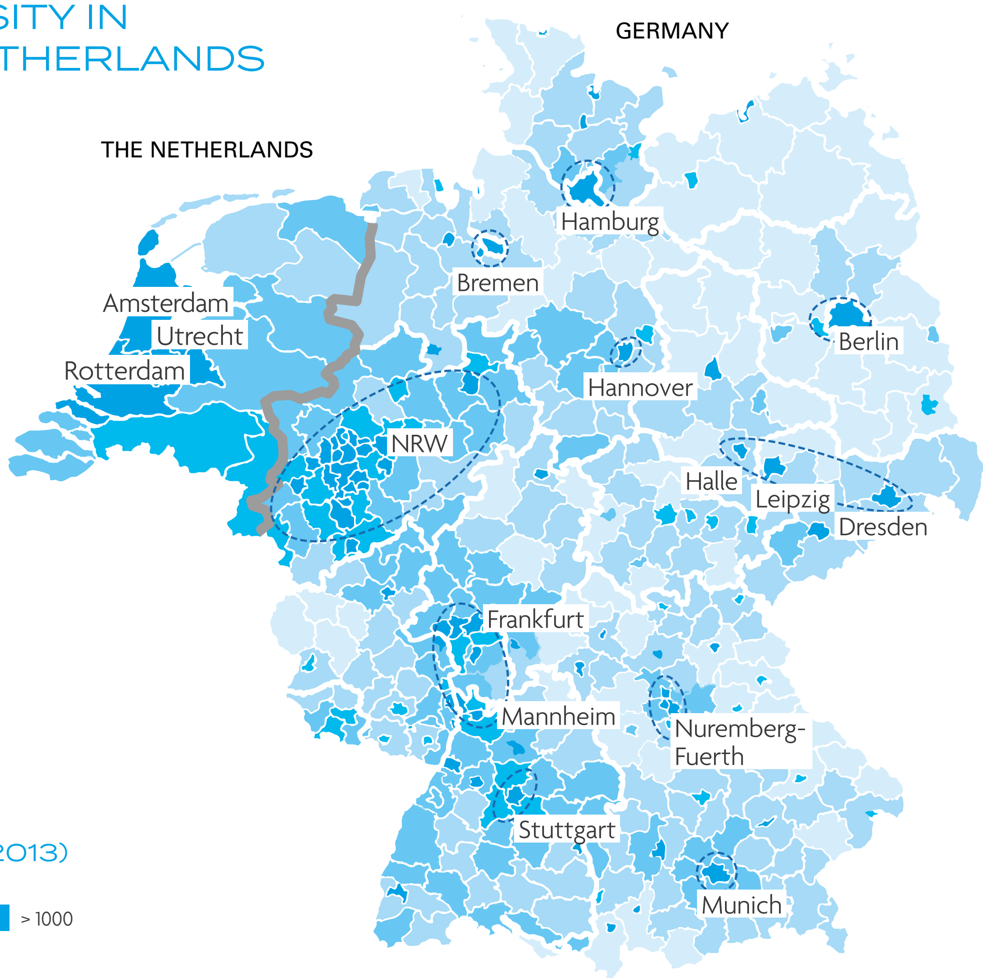
COMMERCIAL PORTFOLIO
€7.4bn

RESIDENTIAL PORTFOLIO
36% IN GCP


Berlin

AROUNDTOWN'S QUALITY PORTFOLIO

POPULATION DENSITY IN GERMANY AND NETHERLANDS



AS OF JUN 2017

IN-PLACE RENT
7.8 €/SQM

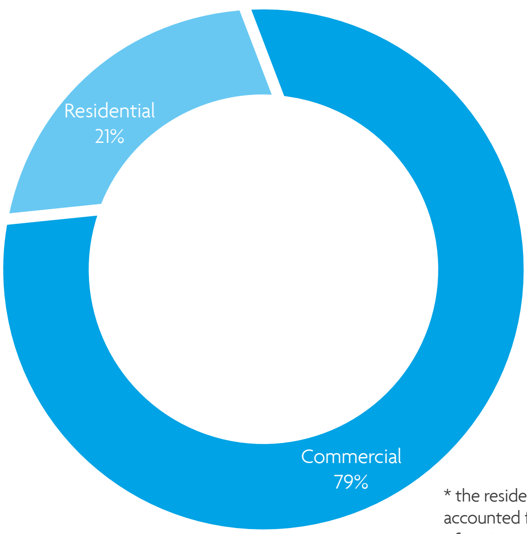
EPRA VACANCY
8.0%

INHABITANTS PER SQKM (2013)

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

GROUP ASSET TYPE BREAKDOWN

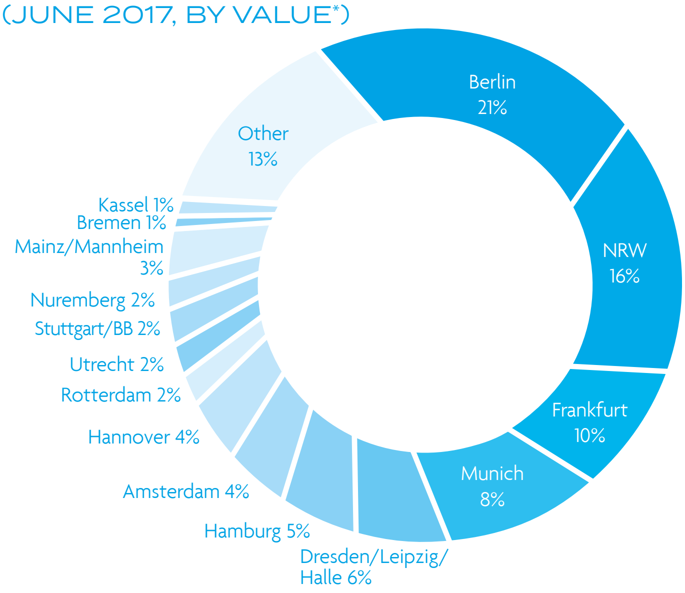
(JUNE 2017, BY VALUE*)



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

GROUP REGIONAL DISTRIBUTION

(JUNE 2017, BY VALUE*)



COMMERCIAL PORTFOLIO – TOP TIER CITIES

Aroundtown owns a diverse portfolio of commercial assets which focuses on various top tier cities with strong demographics and favourable economic fundamentals. The commercial portfolio is diversified over several different asset types including office, hotel, retail, logistics and other properties covering 4.3 million sqm.

As of October 2017 and excluding assets held for sale, the Group's commercial portfolio with a value of €7.8 billion operates at an in-place rent of 8.9 €/sqm and an EPRA vacancy of 8.8%. The portfolio embodies strong growth potential through rent and occupancy increases as well as cost efficiency improvements, generating as of the October 2017 run rate an annualized net rental income of €435 million resulting in an annualized adjusted EBITDA of €364 million and an annualized bottom-line FFO I of €249 million. Furthermore, AT's portfolio is well diversified and has a limited dependency on single tenants, with a tenant base of approx. 2,500 tenants spread across a wide range of sustainable market sectors which further reduces cluster risk. A long portfolio WALT of 7.2 years offers long-term cash flow stability and security.

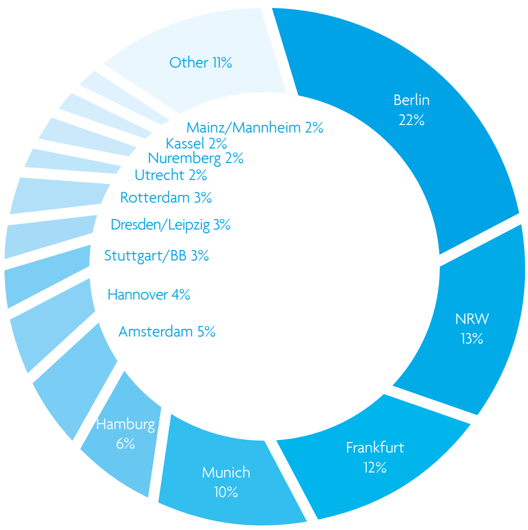
The management believes that its business platform benefits from its skilled personnel, its experience and track record, and reliable practices that enable the Company to perform strongly and to further expand in the commercial property market. The Company also believes that the business environment 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 further upside potential for the future.

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

(JUNE 2017, BY VALUE)



REGIONAL OVERVIEW

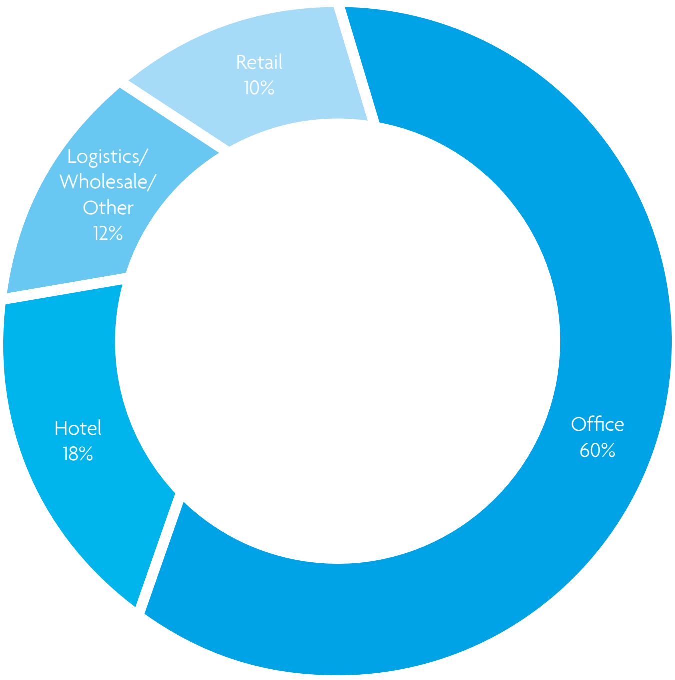
June 2017	Investment properties (in €M)	Area (in k sqm)	EPRA vacancy	Annualized net rent (in €M)	In-place rent per sqm (in €)	Value per sqm (in €)	Rental yield
Berlin	1,613	658	8.2%	69	9.3	2,452	4.3%
NRW	937	767	7.5%	63	6.8	1,223	6.7%
Frankfurt	915	354	9.9%	45	11.2	2,581	4.9%
Munich	720	240	8.9%	31	10.9	2,996	4.3%
Hamburg	472	244	5.8%	22	8.0	1,939	4.6%
Amsterdam	351	133	8.1%	22	14.9	2,644	6.4%
Hannover	289	199	6.6%	18	7.9	1,448	6.2%
Stuttgart/BB	227	120	6.1%	14	10.4	1,891	6.2%
Dresden/Leipzig	205	123	11.1%	12	8.7	1,674	5.7%
Rotterdam	191	105	8.5%	16	13.6	1,816	8.5%
Utrecht	177	85	4.7%	13	12.2	2,068	7.6%
Other	1.340	986	8.8%	86	8.0	1,359	6.4%
TOTAL JUNE 2017	**7,437**	**4,014**	**8.1%**	**411**	**9.0**	**1,853**	**5.5%**
TOTAL OCTOBER 2017	**7,800**	**4,300**	**8.8%**	**435**	**8.9**	**1,814**	**5.6%**

ASSET TYPE OVERVIEW

June 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	4,451	1,935	10.0%	237	10.8	2,300	5.3%
Hotel	1,347	632	2.2%	72	10.3	2,132	5.4%
Retail	756	424	10.4%	51	10.5	1,783	6.8%
Logistics/Wholesale/Other	883	1,023	4.7%	51	4.3	863	5.8%
TOTAL	**7,437**	**4,014**	**8.1%**	**411**	**9.0**	**1,853**	**5.5%**

ASSET TYPE BREAKDOWN

(JUNE 2017, BY VALUE)



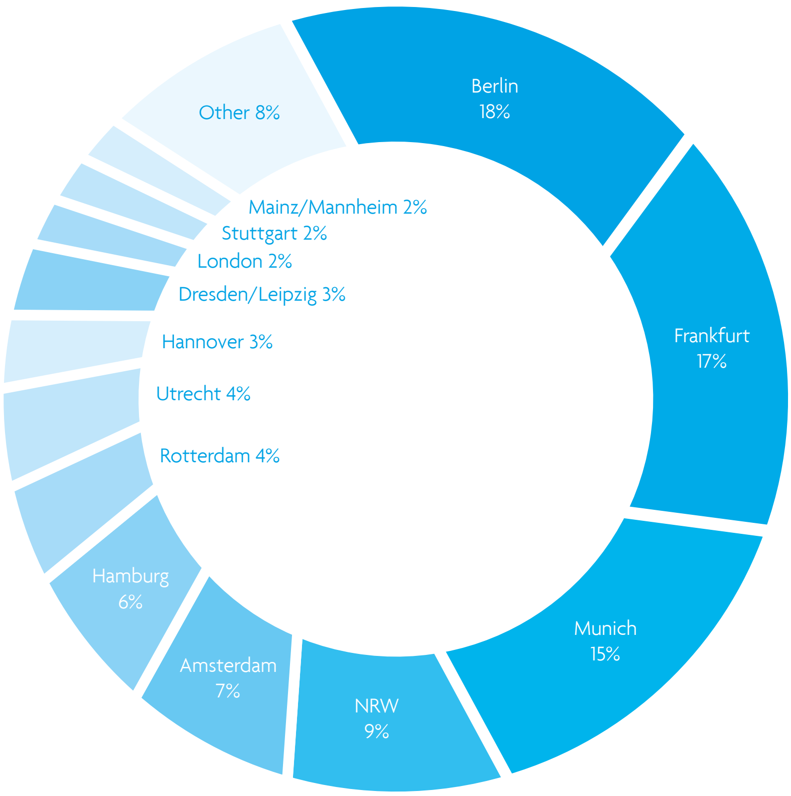
WALT

7.5 years

REGIONAL DISTRIBUTION

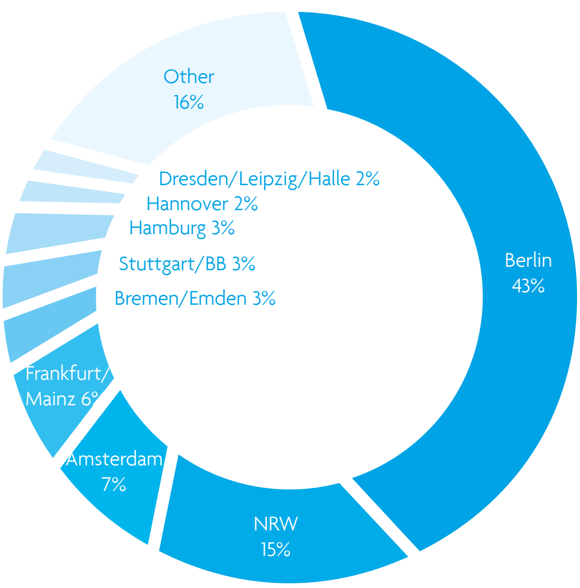
OFFICE – REGIONAL DISTRIBUTION

(JUNE 2017, BY VALUE)



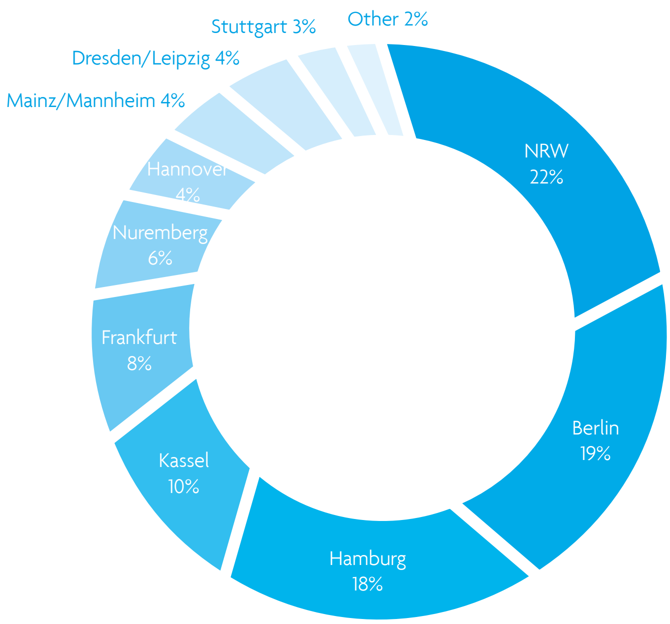
RETAIL – REGIONAL DISTRIBUTION

(JUNE 2017, BY VALUE)



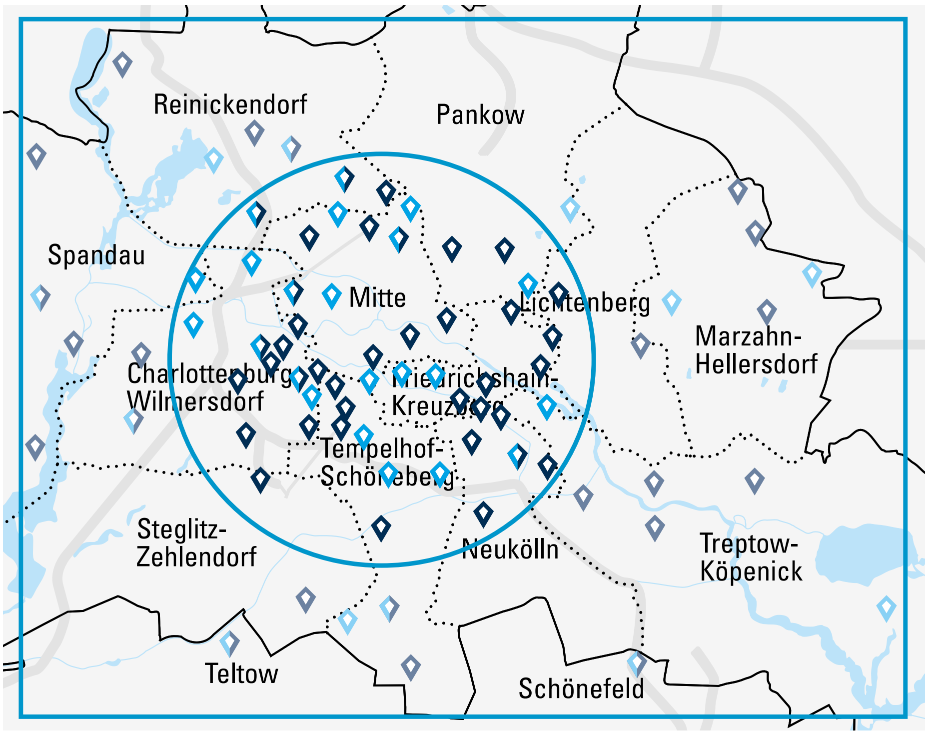
LOGISTICS/WHOLESALE/OTHER – REGIONAL DISTRIBUTION

(JUNE 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

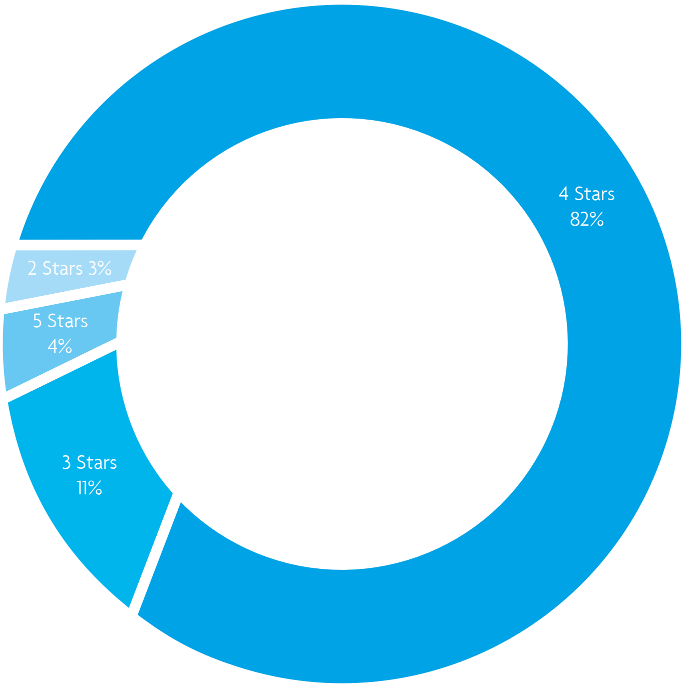
HOTEL PORTFOLIO

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 €1.3 billion as of June 2017, is well diversified and covers a total of 632,000 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.

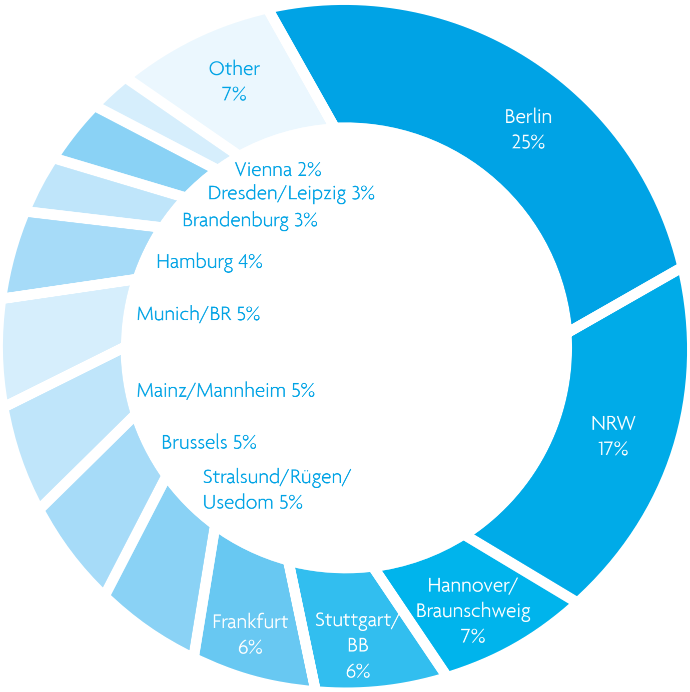
HOTEL PORTFOLIO – COMPOSITION BY CATEGORY

(JUNE 2017, BY VALUE)



HOTEL – REGIONAL DISTRIBUTION

(JUNE 2017, BY VALUE)




Duisburg

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

Baden-Baden

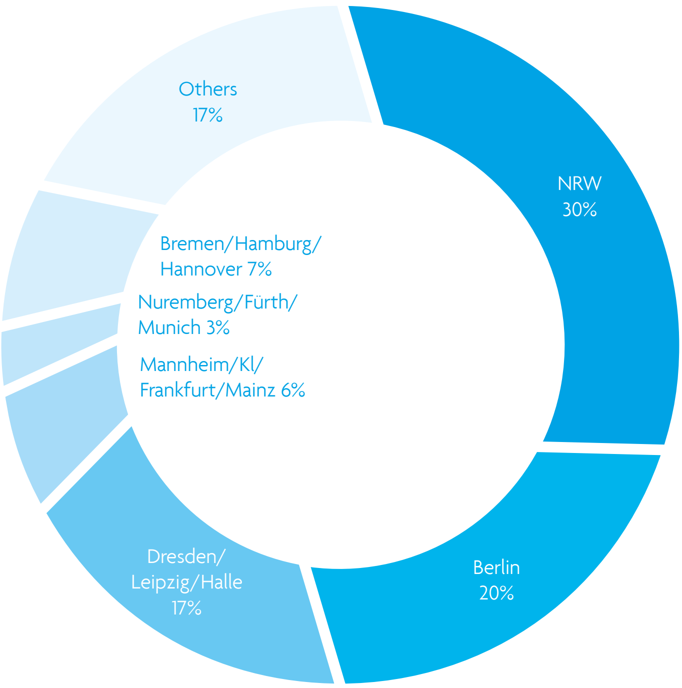
RESIDENTIAL PORTFOLIO (GCP)

The residential portfolio is held through a 36% 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 64% are widely distributed and held mainly by many international leading institutional investors. There is no major single shareholder except for AT. As of August 2017, GCP holds 87k 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

June 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	1,643	1,861	8.0%	108	5.1	28,029	883	6.6%
Berlin	1,077	536	5.2%	44	7.0	6,934	2,009	4.1%
Dresden/Leipzig/Halle	904	1,133	9.1%	60	4.9	19,921	798	6.6%
Mannheim/KL/Frankfurt/Mainz	293	243	4.1%	17	6.0	3,981	1,206	5.8%
Nuremberg/Fürth/Munich	183	102	5.1%	9	7.6	1,471	1,787	5.1%
Bremen/Hamburg/Hannover	381	332	5.5%	23	5.9	5,032	1,147	5.9%
Others	944	1,226	8.1%	70	5.4	20,467	771	7.4%
TOTAL JUNE 2017	**5,425**	**5,433**	**7.4%**	**331**	**5.45**	**85,835**	**998**	**6.1%**
TOTAL AUGUST 2017	**5,500**	**5,516**	**7.5%**	**338**	**5.5**	**86,960**	**997**	**6.1%**

REGIONAL DISTRIBUTION
(JUNE 2017, BY VALUE)



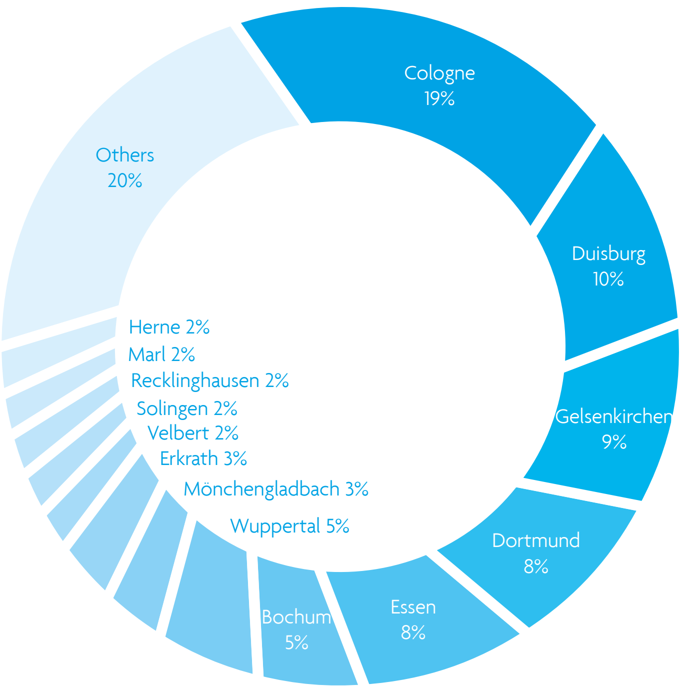
QUALITY BERLIN LOCATIONS

- 68% of the Berlin portfolio is located in top tier neighborhoods: Charlottenburg, Wilmersdorf, Mitte, Kreuzberg, Lichtenberg, Schöneberg, Neukölln, Schönefeld, Steglitz and Potsdam
- 32% is well located primarily in Reinickendorf, Treptow, Köpenick and Marzahn-Hellersdorf

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

(JUNE 2017, BY VALUE)

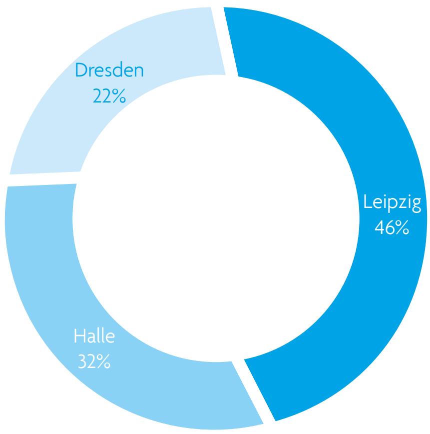
GCP's NRW residential portfolio distribution is focused on cities with strong fundamentals within the region. 19% of the NRW portfolio is located in Cologne, the largest city in NRW, 10% in Duisburg, 9% in Gelsenkirchen, 8% in Dortmund and 8% in Essen.



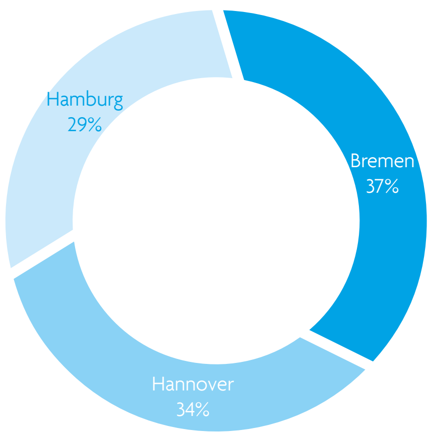
WELL DIVERSIFIED EAST AND NORTH PORTFOLIOS

(JUNE 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 €338 million and bottom line FFO I of €177 million as of the August 2017 run rate. The current portfolio has an in-place rent of 5.5 €/sqm at an EPRA vacancy rate of 7.5%.

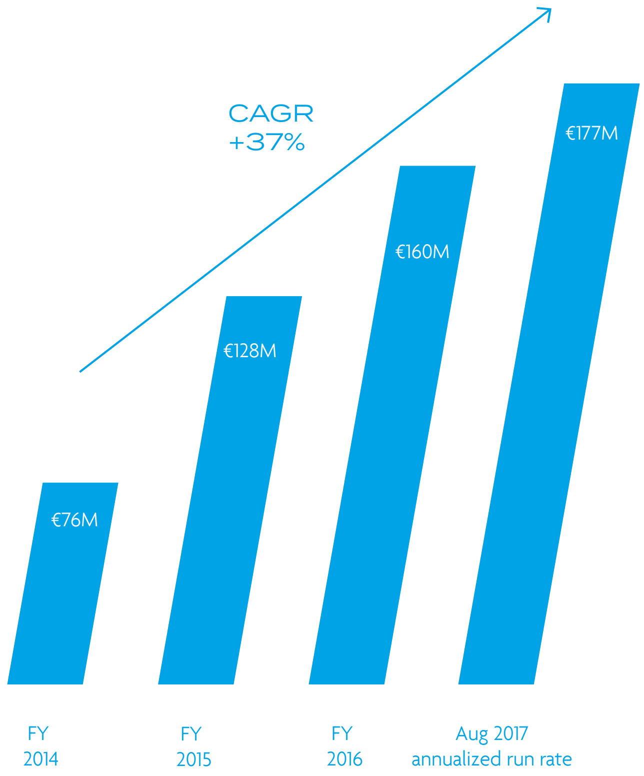
In May 2017, GCP's shares were uplisted to the Prime Standard of the Frankfurt Stock Exchange, a milestone achievement that is reflective of continued success through experienced and efficient management. Subsequently, GCP joined the DAX index family in June 2017 when it was added to the SDAX index, another notable landmark in the Company's continued success story, 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%.

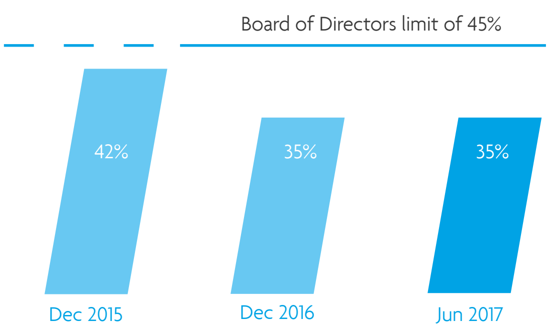
GCP holds investment grade credit ratings from Standard & Poor's Rating Services at BBB+ and from Moody's Investors Service at Baa2 with a positive outlook, and as part of its strategy aims to achieve a rating of A- in the long-term. GCP is listed on the Prime Standard of the Frankfurt Stock Exchange and has a market cap of €3 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 SDAX 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.

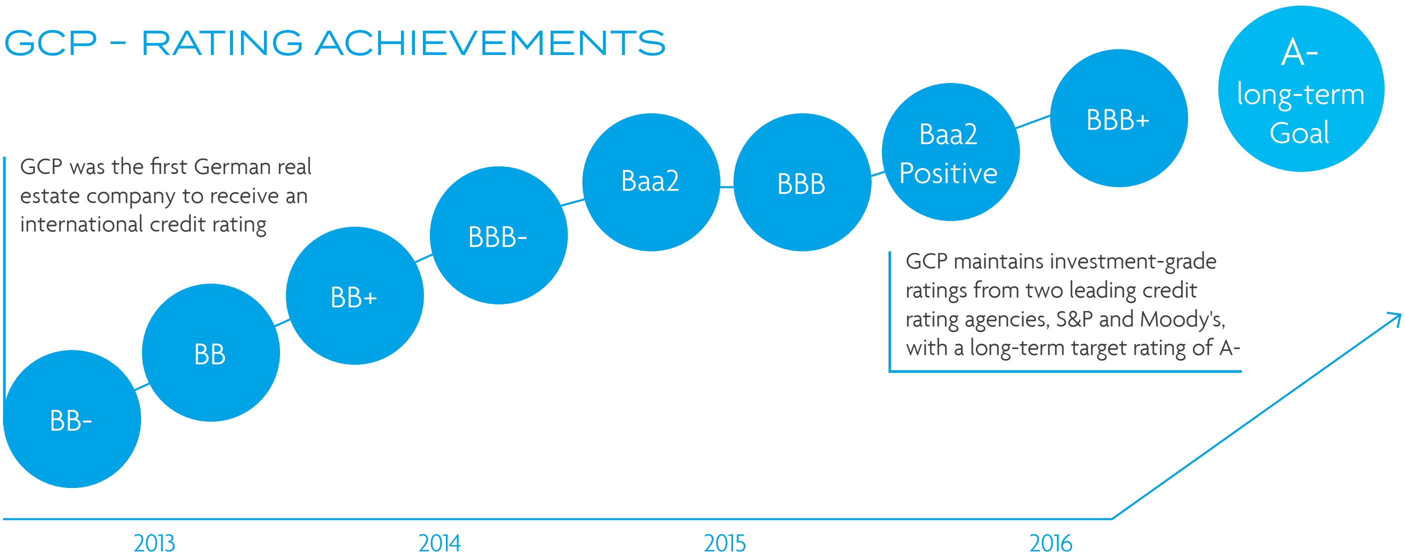
GCP - INCREASING FUNDS FROM OPERATIONS



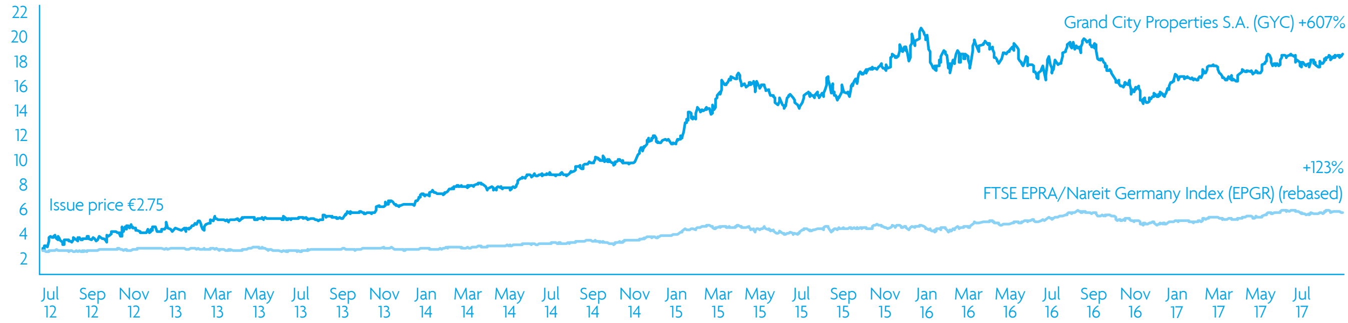
GCP - CONSERVATIVE LOAN-TO-VALUE



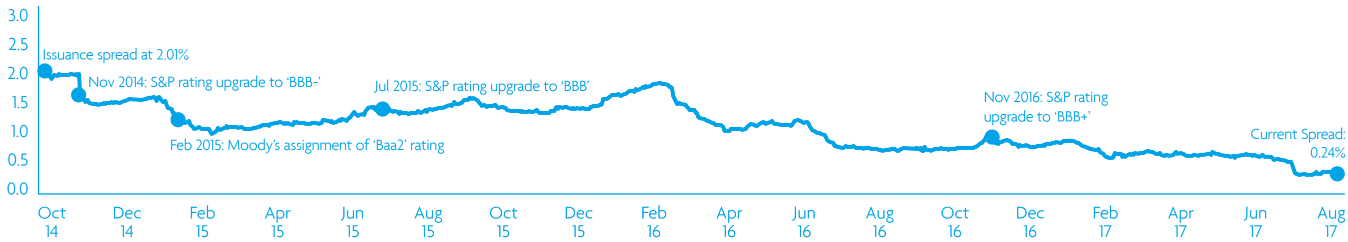
GCP - RATING ACHIEVEMENTS



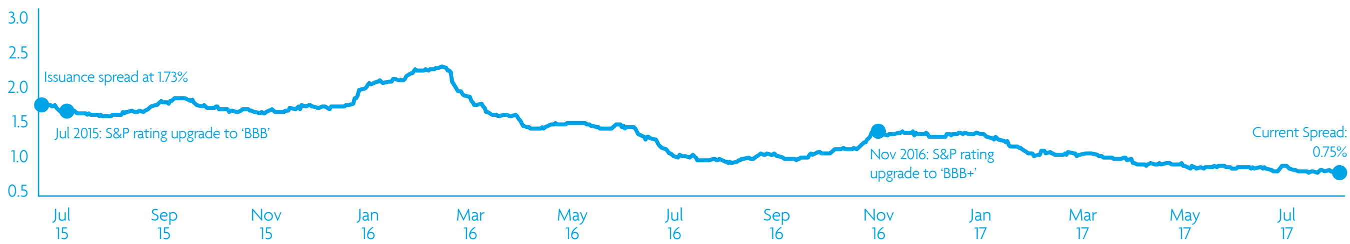
SHARE PRICE PERFORMANCE COMPARISON SINCE FIRST EQUITY PLACEMENT (19.07.2012)



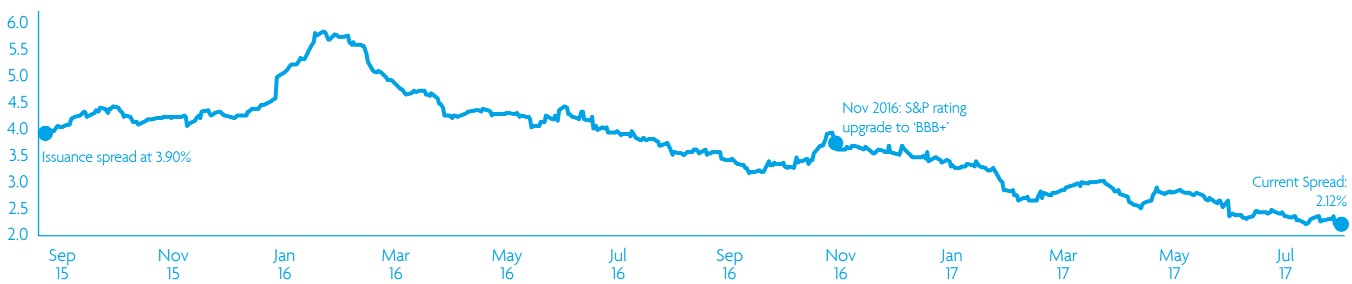
STRAIGHT BOND SERIES D – SPREAD OVER MID-€-SWAP, REMAINING 4 YEARS



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

Aroundtown is a specialist real estate company, with a focus on value-add income generating properties primarily in the German/NL real estate markets. Our vision is to create shareholder value and deliver best-in-class tenant service while maintaining conservative financial policy and low risk profile, resulting in a strong debt structure and improved rating. Our strong fundamentals, our exceptional team of experts and our clear strategy and business plans are the drivers towards achieving our company mission. 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. While continuously preparing our business for the future challenges we are aligning ourselves with the major social, environmental and economic changes that society is facing. The Group has structured a corporate governance which balances the interests of management and shareholders while maintaining conservative financial policy. We integrate ESG factors that contribute to the profitability and positive reputation of the company wherever we see opportunities to do so.

Management and the board are driving the continuous improvement of already high standards on ESG matters and have initiated the process of implementing further external review and certification, and participation in industry initiatives. CSR, compliance and risk related matters are monitored by the Group's internal control systems and discussed at board meetings on a regular basis.

With its fully integrated value chain the Group is able to design, implement, monitor and control ESG activities throughout various processes and provide clear interfaces to third parties. Suppliers and contract partners are obliged and encouraged to meet highest ESG standards and adopt any ongoing changes as part of our continuous improvement programs.

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 has achieved a Sustainalytics score of 70 points as of August 2nd, 2017, which positions the Company at the 88th percentile among nearly 300 real estate peers worldwide.

Additionally, Aroundtown is working on its first sustainability report to be published for the fiscal year 2017. 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 April 2018.

Environmental Responsibility

Aroundtown sees environmental responsibility as an integral part of its business strategy. The Group aims 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.

Aroundtown is committed to the use natural energy resources, reduce emissions, releases and waste and to monitor the Company's environmental performance on an ongoing basis. The management team consults with stakeholders on environmental issues and includes environmental subjects in the reporting.

The implementation of environmentally friendly measures is both an important environmental issue as well as an integral part of optimizing the cost structure. As such, the Group has a defined strategy which constitutes a catalogue of various measures and initiatives. The main goals are to reduce environmental pollution by improving or installing sustainable energy systems, switching to renewable energy sources, and reducing our carbon footprint.

IN-HOUSE ENVIRONMENTAL POLICY AND GROUP ENERGY AUDIT

The Group established a comprehensive environmental policy that reflects all aspects of energy management and environmental responsibility. The company is working with providers who monitor energy consumption and environmental performance, and who fully offset CO2 emissions through the use of emission-offsetting certificates, resulting in a total energy balance that is carbon-neutral.

ENVIRONMENTAL MANAGEMENT SYSTEM

The property portfolio is regularly monitored and examined for environmental compliance with standards and regulations, the potential for improvement on the consumption of energy and water, as well as reduction of the level of carbon emissions. Employees dealing with the properties are trained to assess and document environmental performance in their respective area of responsibility. The Group operates technical departments that overview the environmental impact of its operations, and review possibilities to implement new technologies that are both compliant with the applicable regulations and improve the environmental footprint.

Rotterdam

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.

SUPPLIER ENVIRONMENTAL CERTIFICATIONS

As part of the supplier management review, the Group pays attention to the environmental responsibility of our suppliers. 97% of the suppliers contracted in the second quarter of 2017 are environmentally certified as per ISO 14001.

REAL ESTATE LCA (LIFE CYCLE ASSESSMENT)

Real Estate life cycle assessment considerations play an important role in the investment process as well as the subsequent operation of the properties. The Group engages industry experts to assess the environmental costs and impacts of an investment from repositioning through to daily operation. Furthermore, considerations as to the change of use or conversion potential of a property form part of the investment process, as does the resulting environmental impact should a property have to be demolished.

The pre-investment due diligence and underwriting processes contain a commercial and energy balance assessment. Where properties do not meet certain environmental or sustainability standards, a strategy to optimize energy efficiency and environmental repositioning needs to be in place and budgeted for as part of the investment decision.

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. All relevant certifications and statistics can be provided and are ready for review. The statistical data provided to the Group covers not only energy consumption – which has been increasing in absolute terms due to the rapid portfolio growth – but also forecasts as to the tons of GHG saved and offset as part of the agreement with them.

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.

PRODUCTS AND SERVICE SAFETY

Aroundtown is committed to an outstanding service culture and with the goal of remaining an industry leader. The Company is committed to the highest level of customer service and the satisfaction of its tenants. Through residential affiliate GCP, the Group employs a 24/7 double TÜV-certified Service Center which is available for tenants in multiple languages. The 24 hours response policy ensures all tenant requests and inquiries are resolved in a timely manner. The Group undertakes regular reviews of tenant satisfaction, while employees are trained on a regular basis in customer service and product and safety-related matters.

We understand our responsibility for our tenants' well-being within our assets and are committed to ensuring a high health and safety standard. Aroundtown continuously monitors social impacts and risks of current products and services. Regular tests on emergency response systems are conducted through internal and external audits. Safety-related incidents are investigated and corrective actions are handled with highest sense of urgency. Regular monitoring and reporting is conducted on managerial as well as board level.

DIVERSITY PROGRAMS

The Group actively promotes diversity within its workforce and believes that its cultural diversity is one of the pillars to its success. With its multi-national activities and operational headquarters in Berlin there is already a strong natural diversity.

The Group is working with its own HR management software program in which the Company gathers and analyzes relevant data in order to proactively foster diversity. The managerial responsibility for diversity initiatives lies with the HR manager.

HEALTH AND SAFETY MANAGEMENT SYSTEM

The Group is actively promoting employee health and safety as part of its commitment to its employees. It is mandatory for every employee to participate in health and safety online training once a year. In accordance with EU regulatory requirements, the Company has two safety officers as well as defined processes on how work accidents need to be reported.


Essen

RESPONSIBLE PRODUCTS AND SERVICE

The Group prioritizes investments which improve the safety and well-being of its tenants as part of the asset repositioning strategy. These actions are regularly monitored and audited with focus on both beneficial and cost-effective outcome. For the Group's residential tenants, there is a double TÜV-certified 24/7 Service Center available for requests and inquiries in various languages, operated by our affiliate GCP. The service center measures tenant satisfaction through tenant calls and conducts permanent monitoring of satisfaction levels as customers, stakeholders and tenants making service requests are asked for their opinion on their overall satisfaction after their request has been dealt with.

CONTRACTOR SAFETY PROGRAM

Contractors operate in a tightly knit legal framework of health and safety standards. As part of the contracts with suppliers there needs to be a formal commitment and, where there are significant risks identified, e.g. handling of hazardous material, the submission of current certifications and statutory permissions.

The Group is using internal and external consultants regularly checking the health and safety standards as well as the application of said standards on site.

SCOPE OF SOCIAL SUPPLIER STANDARDS

In 2017 Aroundtown placed greater emphasis on its social responsibility within business partnerships and supply chain. The Group has updated its Code of Conduct for Business Partners which has already been implemented in contracting procedures. In addition, the Group is currently in the process of updating existing business partnerships with the new Code of Conduct.

COMMUNITY INVOLVEMENT AND DEVELOPMENT

The Group actively develops relationships with its local stakeholders, tenants and communities. As part of the investment strategy the Company assesses the impact of the investment on the community in its due diligence process. The Company believes that good relationships and support of local communities results in long-term success in reducing vacancy rates and increasing support for local redevelopments. Aroundtown is in constant communication with community representatives to develop proactive relationships.


Frankfurt am Main

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. Aroundtown's Code of Conduct has been recently updated with a focus on improved transparency within internal reporting lines which are now supported by the Compliance Department. The Group has updated its existing policies and implemented supporting policies and guidelines such as a whistleblower policy and a confidential internal reporting system.

EXTRAORDINARY GENERAL MEETING

Aroundtown will hold an Extraordinary General Meeting on September 13th, 2017 for the finalisation of the Company's re-domiciliation process to Luxembourg and continuation of business as a Luxembourg corporation. This strategic decision on the migration of the corporate seat was previously approved by the shareholders with a great majority of votes at the Extraordinary General Meeting held on April 7th, 2017. Aroundtown believes that the move, in conjunction with the recent uplisting of Aroundtown's shares to the Prime Standard on the Frankfurt Stock Exchange, will increase the visibility of Company and its shares.

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 Cyprus Companies Law 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 five members, of which two 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.

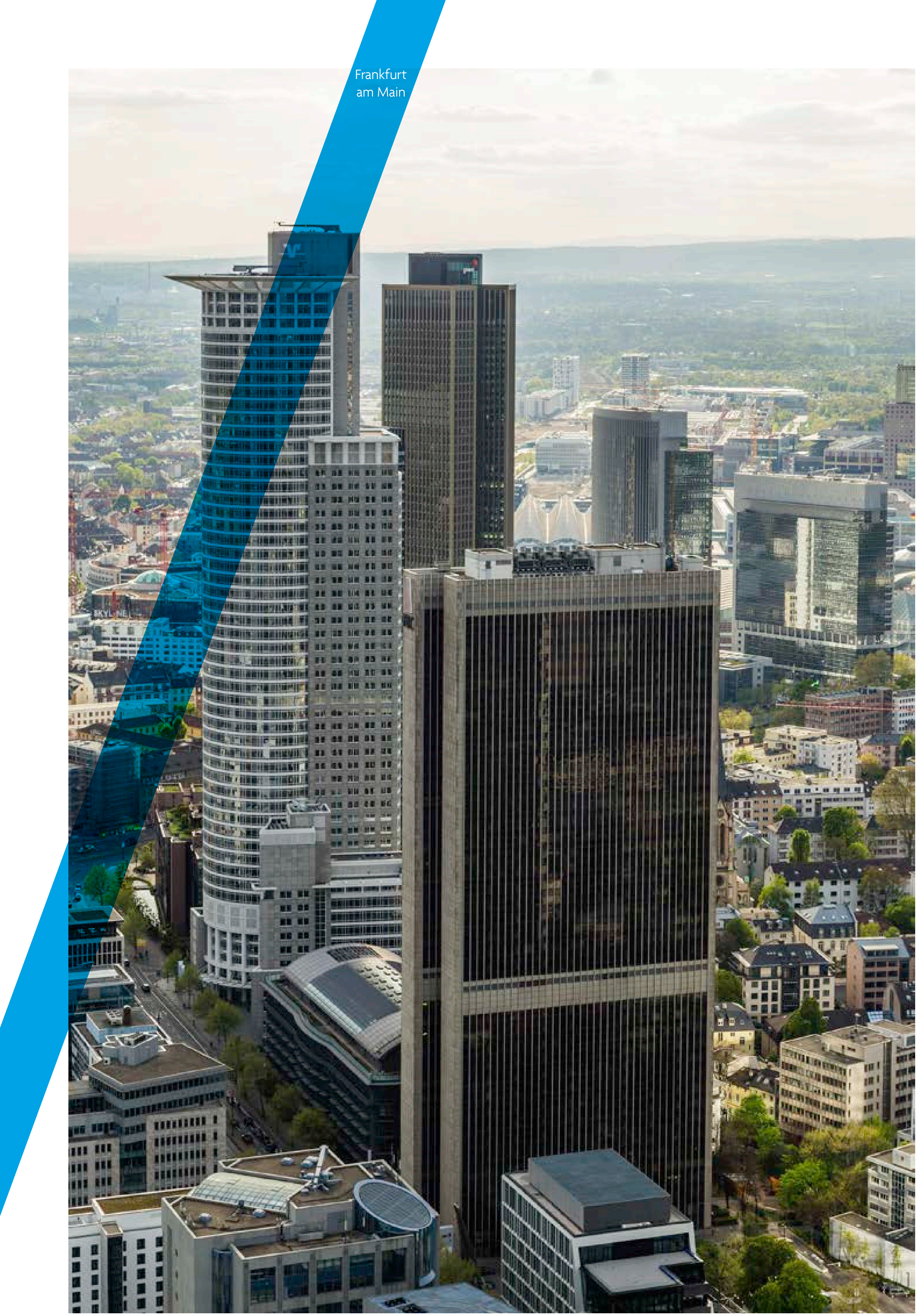
MEMBERS OF THE BOARD OF DIRECTORS

Name	Position
Mr. Andrew Wallis	Director
Mr. Oschrie Massatschi	Director
Ms. Jelena Afxentiou	Director
Ms. Elena Koushos	Independent Director[1)]
Mr. Markus Leininger	Independent Director
Mr. Frank Roseen	Director[2)]
Mr. Markus Kreuter	Independent Director[2)]
Dr. Axel Froese	Independent Director[2)]

1) until September 2017 2) to be appointed in September 2017

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


Frankfurt
am Main

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 Cyprus Companies Law 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.

Mannheim

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 Property Holdings PLC 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

Cologne

NOTES ON BUSINESS PERFORMANCE

SELECTED CONSOLIDATED INCOME STATEMENT DATA

	For the 6 months ended June 30, 2017	2016
	In millions of euro	
Rental and operating income	237.2	110.0
Net rental income	203.5	94.5
Revaluations, capital gains and other income	747.7	409.7
Share in profit from investment in equity-accounted investees	76.7	121.0
Property operating expenses	(63.6)	(28.8)
Administrative and other expenses	(7.1)	(3.0)
Operating profit	990.9	608.9
EBITDA	991.9	609.7
ADJUSTED EBITDA [1]	**194.5**	**113.5**
Finance expenses	(29.8)	(18.8)
Other financial results	(18.3)	(6.3)
Current tax	(18.5)	(7.9)
Deferred tax expenses	(146.9)	(65.8)
PROFIT FOR THE PERIOD	**777.4**	**510.1**
FFO I [2]	**129.8**	**70.9**
FFO II	**155.9**	**70.9**

1) including AT's share in GCP's adjusted EBITDA, net of contributions from properties marked for disposal. See page 57.
2) including AT's share in GCP's FFO I. FFO I is net of consolidated minorities and contributions from properties marked for disposal. See page 58.

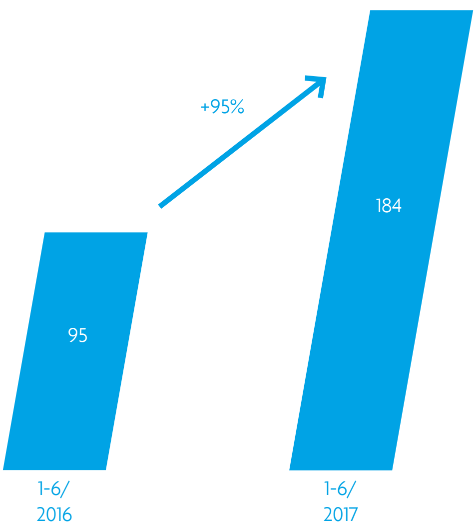

Rheinsberg

REVENUE

	For the 6 months ended June 30, 2017	2016
	In millions of euro	
Net rental income	203.5	94.5
of which relating to properties marked for disposal	19.2	-
NET RENTAL INCOME, RECURRING LONG-TERM	**184.3**	**94.5**
Operating and other income	33.7	15.5
RENTAL AND OPERATING INCOME	**237.2**	**110.0**
REVENUE	**237.2**	**110.0**

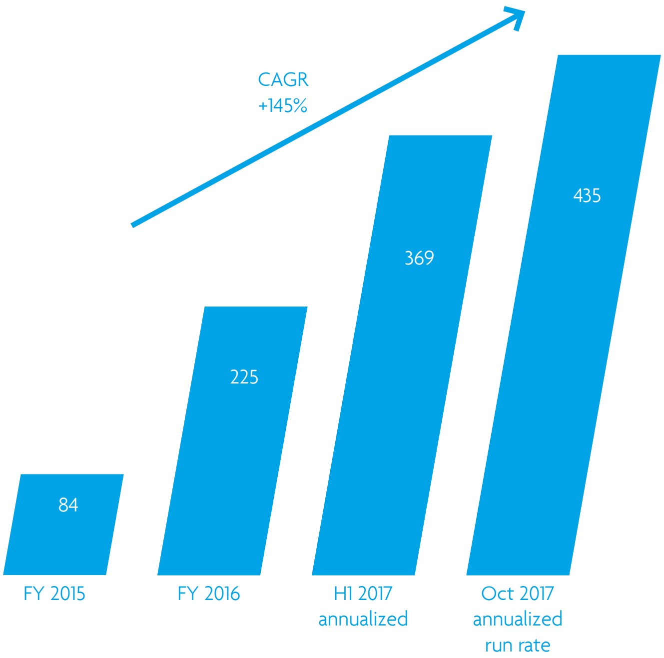
The Company recorded rental and operating income of €237 million in the first half of 2017, reflecting an increase of 116% from €110 million in the first six months of 2016. Of that total, net rental income amounted to €204 million, reflecting a similar increase of 115% compared to the first six months of 2016. The long-term recurring net rental income, which excludes contributions from properties marked for disposal, totalled €184 million. This top-line growth was primarily externally driven through acquisitions as the property portfolio grew by over 80% between the two periods, and further supplemented by organic growth with like-for-like occupancy and in-place rent increases of 2.7% and 3.5% respectively, for a total like-for-like net rent of 6.2%.

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



The rapid growth experienced by the Company in recent months is not fully reflected in the periodic rental and operating income figure above, as it only partially captures the revenues from properties acquired throughout the reporting period, particularly in the second half of H1 2017. The October 2017 annualized run rate, which captures the full impact of recent acquisitions as well as those closed or signed following the reporting period, amounts to €435 million and represents the rental income generated by the portfolio on a full-year basis (excluding contributions from properties marked for disposal), reflecting a 18% increase over the H1 2017 annualized figure of €369 million excluding assets held for sale.

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



SHARE IN PROFIT FROM INVESTMENT IN EQUITY-ACCOUNTED INVESTEES

	For the 6 months ended June 30, 2017	2016
	In millions of euro	
SHARE IN PROFIT FROM INVESTMENT IN EQUITY-ACCOUNTED INVESTEES	**76.7**	**121.0**

Share in profit from investment in equity-accounted investees reflects the Company's share of earnings from investments in companies over which it does not exercise control and that are not consolidated in the financial statements. These profits mostly relate to the bottom line earnings attributable to the residential portfolio through the holding in GCP, as well as non-controlling positions in several other entities. The share in profit from investment in equity-accounted investees amounted to €77 million in the first half of 2017, decreased from €121 million in the first six months of 2016 which is the result of the lower profits from GCP. Whereas the recurring operational profits of GCP increased between the two periods, the profit was offset by lower revaluation gains as very strong gains were recorded in H1 2016. GCP continues to generate strong operational results through external growth and solid like-for-like improvements, with double-digit year-over-year increases in adjusted EBITDA and FFO I recorded during the period.

NOTES ON BUSINESS PERFORMANCE

REVALUATIONS, CAPITAL GAINS AND OTHER INCOME

	For the 6 months ended June 30, 2017	2016
	In millions of euro	
REVALUATIONS, CAPITAL GAINS AND OTHER INCOME	747.7	409.7

AT recorded revaluations, capital gains, and other income in the amount of €748 million in the first six months of 2017, an increase of 82% compared to the €410 million recorded in the respective period in 2016. This income is attributable to property revaluations, which totalled €747 million in the first half of the year, and symbolize the Company's strength in continuously extracting the value-add potential embedded in its portfolio. This is achieved through the ongoing acquisitions primarily through off-market deals of high quality properties entailing value-add aspects and their subsequent repositioning and operational improvements, such as bringing rents up to market levels, decreasing vacancies, increasing WALTs, and optimizing costs, which are the results of skilful and experienced management on all levels. 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 others. As of June 2017, the portfolio stood at a value/sqm of €1,853 and a yield of 5.5%.

PROPERTY OPERATING EXPENSES

	For the 6 months ended June 30, 2017	2016
	In millions of euro	
PROPERTY OPERATING EXPENSES	(63.6)	(28.8)

Property operating expenses mostly consist 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 increase proportionally with the portfolio growth and as such amounted to €64 million in the first half of 2017, compared to €29 million in the first half of 2016. Though generally the increase is consistent with the growth in the portfolio, it should be noted that the varying nature of the different commercial property types, tenants, and lease structures (ex. 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 changed notably.

ADMINISTRATIVE AND OTHER EXPENSES

	For the 6 months ended June 30, 2017	2016
	In millions of euro	
ADMINISTRATIVE AND OTHER EXPENSES	(7.1)	(3.0)

Administrative and other expenses refer to overhead operating costs and are comprised mainly of expenses for management and administrative personnel, accounting, legal, marketing, and other expenses, including any one-off items. AT recorded administrative and other expenses of €7.1 million in the first six months of 2017, compared to €3.0 million in the first six months of 2016. The increased expenses are the result of the continued rapid growth of the Company on various fronts, including the extensive capital market activities, the up-listing to the Prime Standard of the Frankfurt Stock Exchange which was completed during the period, and the ongoing efforts related to the migration of the Company's seat to Luxembourg, which is on the verge of completion.

Frankfurt am Main

FINANCE EXPENSES

	For the 6 months ended June 30,	
	2017	2016
	In millions of euro	
FINANCE EXPENSES	**(29.8)**	**(18.8)**

In the first six months of 2017 finance expenses totalled €30 million, an increase of 59% compared to €19 million in the first half of 2016. This higher amount results from the greater amount of debt and borrowings held by the Company compared to last year in order to finance its significant growth, as AT is able to take advantage of the favourable borrowing environment and its established creditworthiness to continuously source low-cost debt. At the same time, AT maintains a conservative financing structure and a prudent financial policy as set out by management, resulting in a LTV of 36% as of June 2017 and allowing headroom for further growth. This conservative financial approach, supported by an investment-grade rating of BBB from S&P, is a key pillar of AT's business strategy and an important contributor to its overall success. AT's current average cost of debt is 1.8%, decreased from 2% during the first half of 2016, as the Company continues to reap the rewards of its conservative leverage and strong relationships with financial institutions. The low cost of debt enables the Company to benefit from a very high spread to operational yields and add to the accretive value generated to shareholders. The Company's low cost of financing relative to its strong operational results is consistently evidenced in its strong interest coverage ratio, with a cover of 5.7x for the first half of the year, an increase from 4.6x for the comparable period in 2016, the joint result of decreased borrowing costs and growing operational profits.

OTHER FINANCIAL RESULTS

	For the 6 months ended June 30,	
	2017	2016
	In millions of euro	
OTHER FINANCIAL RESULTS	**(18.3)**	**(6.3)**

Other financial results relate mostly to non-recurring and/or 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. The Company recorded other financial expenses of €18 million in the first six months of 2017, compared to €6.3 million in the first half of 2016. In the first half of 2017 AT accessed capital markets extensively, issuing securities through various equity and debt offerings, the conversion and redemption of nearly all Series B convertible bonds, as well as the redemption of the Series A bonds and the PCI convertible bonds, resulting in financial expenses associated with these activities. The redemption of bonds with relatively expensive coupons and short maturities follows AT's conservative financial policy and will further increase the profitability in the upcoming periods. Further one-off expenses were incurred in the first half of 2017 related to the listing of the Company's shares on the Prime Standard of the Frankfurt Stock Exchange.

NOTES ON BUSINESS PERFORMANCE

PROFIT FOR THE PERIOD

	For the 6 months ended June 30, 2017	2016
	In millions of euro	
PROFIT FOR THE PERIOD	**777.4**	**510.1**
Owners of the company	655.4	378.1
Perpetual notes investors	11.5	-
Non-controlling interests	110.5	132.0

AT recorded a profit of €777 million in the first six months of 2017, up by 52% from €510 million in the first six months of 2016, reiterating the Company's consistently strong profitability and value creation ability through accretive growth and operational achievements. Of that amount, €655 million is attributable to shareholders of the Company, increased from €378 million in the first half of 2016. The profit share attributable to perpetual notes investors for the period is €12 million, and is the result of the €500 million perpetual notes issued in October 2016 and their €100 million tap in January 2017, as well as the USD 500 million perpetual notes issued towards the end of the reporting period. The comprehensive income for the period was €772 million, with the difference arising from the cash flow currency hedging in place relating to the non-Euro denominated financial instruments of the Company.

TAXATION

	For the 6 months ended June 30, 2017	2016
	In millions of euro	
Corporation tax	(11.1)	(4.1)
Property tax	(7.4)	(3.8)
Deferred tax expenses	(146.9)	(65.8)
TAX AND DEFERRED TAX EXPENSES	**(165.4)**	**(73.7)**

Total tax expenses, consisting of current taxes for the period and deferred taxes, increased to €165 million for the first six months of 2017 compared to €74 million in the first half of 2016. Current taxes, which consist of property and corporate income taxes and correspond to the recurring operational revenues of the Company, increased to €19 million as the result of the accompanying proportional increase in AT's operational results.

Deferred taxes, which are a non-cash item resulting from the strong revaluation gains recorded during the period, accounted for most of the tax expenses during the period at €147 million, increased from €66 million in H1 2016. 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 6 months ended June 30, 2017	2016
Basic earnings per share (in €)	0.88	0.60
Diluted earnings per share (in €)	0.74	0.46
Weighted average basic shares in millions	741.3	630.3
Weighted average diluted shares in millions	878.8	782.6

Earnings per share (basic) for the first half of 2017 grew to €0.88 from €0.60 in the first half of 2016, representing an increase of 47%. This strong shareholder value generation was achieved despite the significantly higher share count compared to the first half of 2016 resulting from the conversion of the Series B convertible bonds into new shares during the reporting period and the capital increase in May 2017. On a fully diluted basis, earnings per share increased to €0.74, representing growth of 61% compared to €0.46 in the first half of 2016.

ADJUSTED EBITDA

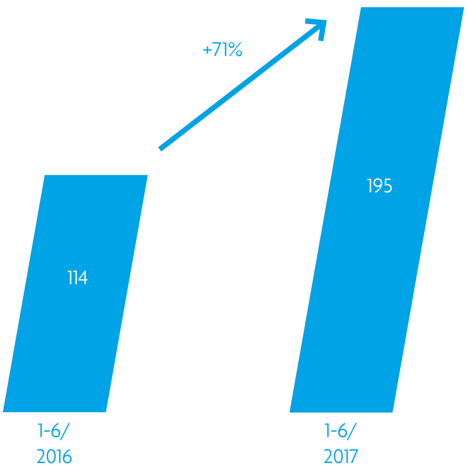
	For the 6 months ended June 30, 2017	2016
	In millions of euro	
Operating profit	990.9	608.9
Total depreciation and amortization	1.0	0.8
EBITDA	**991.9**	**609.7**
Revaluations, capital gains and other income	(747.7)	(409.7)
Share in profit from investment in equity-accounted investees	(76.7)	(121.0)
Management long term share incentive plan	0.7	-
ADJUSTED EBITDA COMMERCIAL	**168.2**	**79.0**
Adjusted EBITDA relating to properties marked for disposal	(17.2)	-
ADJUSTED EBITDA COMMERCIAL, RECURRING LONG-TERM	**151.0**	**79.0**
Adjustment for GCP Adj. EBITDA*	43.5	34.5
ADJUSTED EBITDA	**194.5**	**113.5**

* the adjustment is to reflect AT's share in GCP's adjusted EBITDA. GCP generated an adjusted EBITDA of €121 million in H1 2017 and €108 million in H1 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 provisions for the management long term share incentive plan. 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 in the first six months of 2017 to 36% compared to 32% in the first six months of 2016.

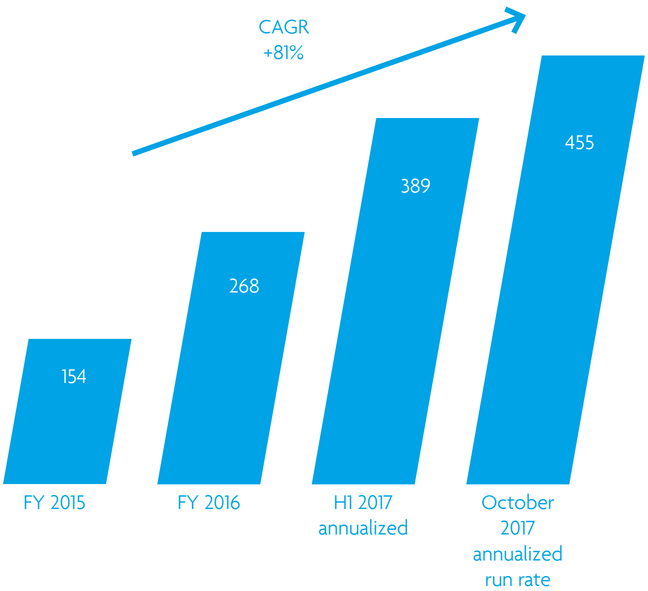
Aroundtown recorded an adjusted EBITDA of €195 million in the first six months of 2017, representing growth of 71% over the €114 million earned in the comparable period in 2016. This strong year-over-year growth reflects the Company's demonstrated abilities in generating value both externally through accretive acquisitions and internally through operational achievements, such as like-for-like gains and cost optimization, as well as similar achievements by GCP between the two periods. Conservatively, AT is not including in its adjusted EBITDA an additional €17 million generated from properties marked for disposal, as they are intended for sale and therefore not considered as recurring long-term earnings. Including these contributions, the Group's total adjusted EBITDA amounted to €212 million in the first half of 2017.

ADJUSTED EBITDA PERIODIC DEVELOPMENT (IN € MILLIONS)



Owing to Aroundtown's rapid pace of growth, the periodic adjusted EBITDA figure presented above does not fully reflect the operational results of the Group as a large amount of assets were acquired in the latter half of the reporting period and only partially contributed to the results, as well as those acquired or signed after the reporting period. The October 2017 annualized adjusted EBITDA run rate, which reflects the full-year effect of all recent acquisitions and signed deals, amounts to €455 million and represents an additional 17% increase over the H1 2017 annualized figure of €389 million.

ADJUSTED EBITDA ANNUALIZED DEVELOPMENT (IN € MILLIONS)



NOTES ON BUSINESS PERFORMANCE

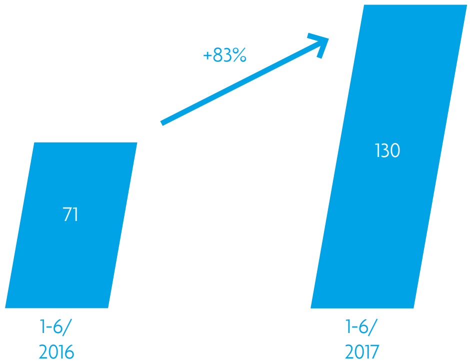
FUNDS FROM OPERATIONS I (FFO I)

	For the 6 months ended June 30, 2017	2016
	In millions of euro	
ADJUSTED EBITDA COMMERCIAL PORTFOLIO	**168.2**	**79.0**
Finance expenses	(29.8)	(18.8)
Current tax expenses	(18.5)	(7.9)
Contribution to minorities	(4.4)	(2.8)
FFO I COMMERCIAL PORTFOLIO	**115.5**	**49.5**
FFO relating to properties marked for disposal	(12.0)	-
FFO I COMMERCIAL PORTFOLIO, RECURRING LONG-TERM	**103.5**	**49.5**
Adjustment for GCP FFO I contribution*	26.3	21.4
FFO I	**129.8**	**70.9**
Weighted average basic shares in millions	741.3	630.3
FFO I PER SHARE (IN €)	**0.18**	**0.11**

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.

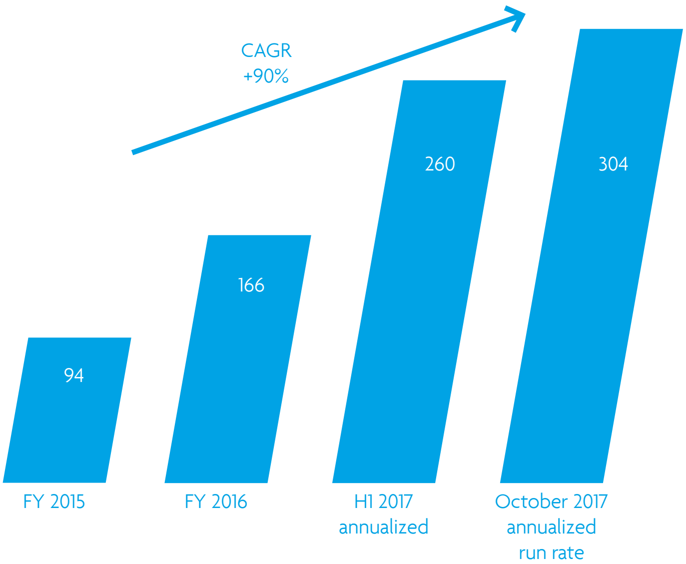
Aroundtown's FFO I for the first six months of 2017 amounted to €130 million, representing an increase of 83% from €71 million recorded in the first half of 2016. This demonstrated increase in bottom-line operational earnings is the result of continued successful growth through acquisitions, operational excellence on all levels of the Company and a low cost of debt, which has further decreased between the two periods to 1.8%. Similarly, AT's strategic shareholding in GCP continues to result in growing bottom-line profits from residential activities, as GCP continues to generate value from a mature yet growing property portfolio, with 87k units as of August 2017 compared to 82k units in August 2016. AT follows a conservative approach and does not include in the Group's FFO I an additional €12 million generated from properties marked for disposal, as they are intended for sale and therefore not considered as recurring long-term earnings. Including these contributions, the Group's total FFO I for the first half of 2017 amounted to €142 million.

FFO I PERIODIC DEVELOPMENT (IN € MILLIONS)



As with the net rental income and adjusted EBITDA, the Group FFO I presented above is not fully reflective of the Company's recent growth. The October 2017 annualized FFO I run rate, which reflects the full effect of recent acquisitions, increased by a further 17% over the H1 2017 annualized figure to €304 million, displaying AT's abilities to take advantage of its strong financial position and translate its deal pipeline into accretive growth over a short timeframe.

FFO I ANNUALIZED DEVELOPMENT (IN € MILLIONS)



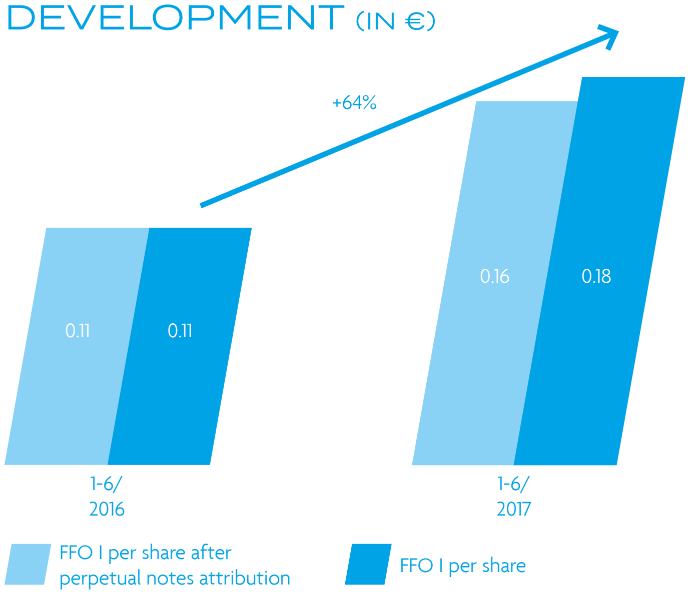
FFO I per share for the first six months of 2017 amounted to €0.18, an increase of 64% from €0.11 per share in the comparable period in 2016. This strong year-over-year gain, achieved despite a largely increased share count due to the Series B bond conversions and equity capital raise in May 2017, reaffirms the Company's ability to translate its established business model into growing bottom-line operational profits, and continue generating increasing shareholder value on a per share basis.

FFO I PER SHARE AFTER PERPETUAL NOTES ATTRIBUTION

Per IFRS treatment, contributions to perpetual notes are accounted for as dividends. In order to enhance 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 half of 2017 amounted to €0.16.

	For the 6 months ended June 30,	
	2017	2016
	In millions of euro	
FFO I	**129.8**	**70.9**
Adjustment for accrued perpetual notes attribution	(11.5)	-
FFO I AFTER PERPETUAL NOTES ATTRIBUTION	**118.3**	**70.9**
Weighted average basic shares in millions	741.3	630.3
FFO I PER SHARE (IN €), AFTER PERPETUAL NOTES ATTRIBUTION	**0.16**	**0.11**

FFO I PER SHARE PERIODIC DEVELOPMENT (IN €)



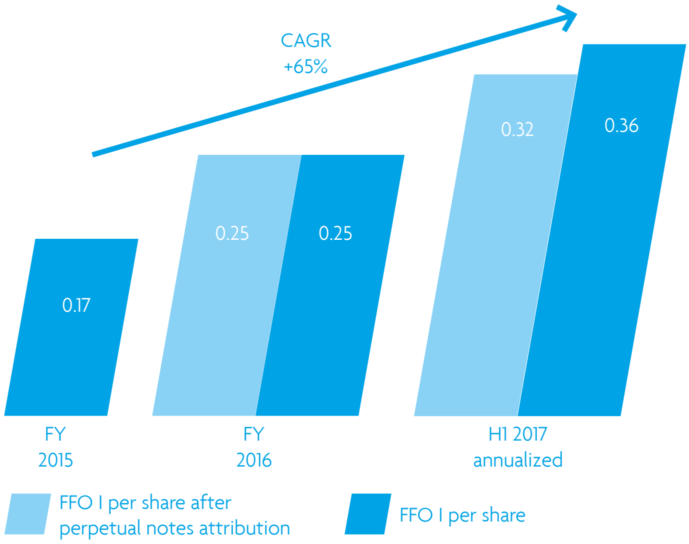
FFO II

FFO II is an additional real estate performance metric and incorporates in addition to the FFO I the disposal profits realised on the sales of investment properties. Disposal profits amounted to €26 million in the reporting period, realized through the sale of properties 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 €156 million in the first half of 2017.

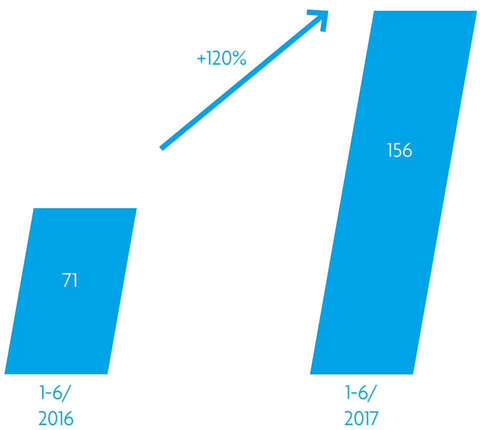
	For the 6 months ended June 30,	
	2017	2016
	In millions of euro	
FFO I	129.8	70.9
Result from disposal of properties*	26.1	-
FFO II	**155.9**	**70.9**

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

FFO I PER SHARE ANNUALIZED DEVELOPMENT (IN €)



FFO II PERIODIC DEVELOPMENT (IN € MILLIONS)



NOTES ON BUSINESS PERFORMANCE

Munich

CASH FLOW

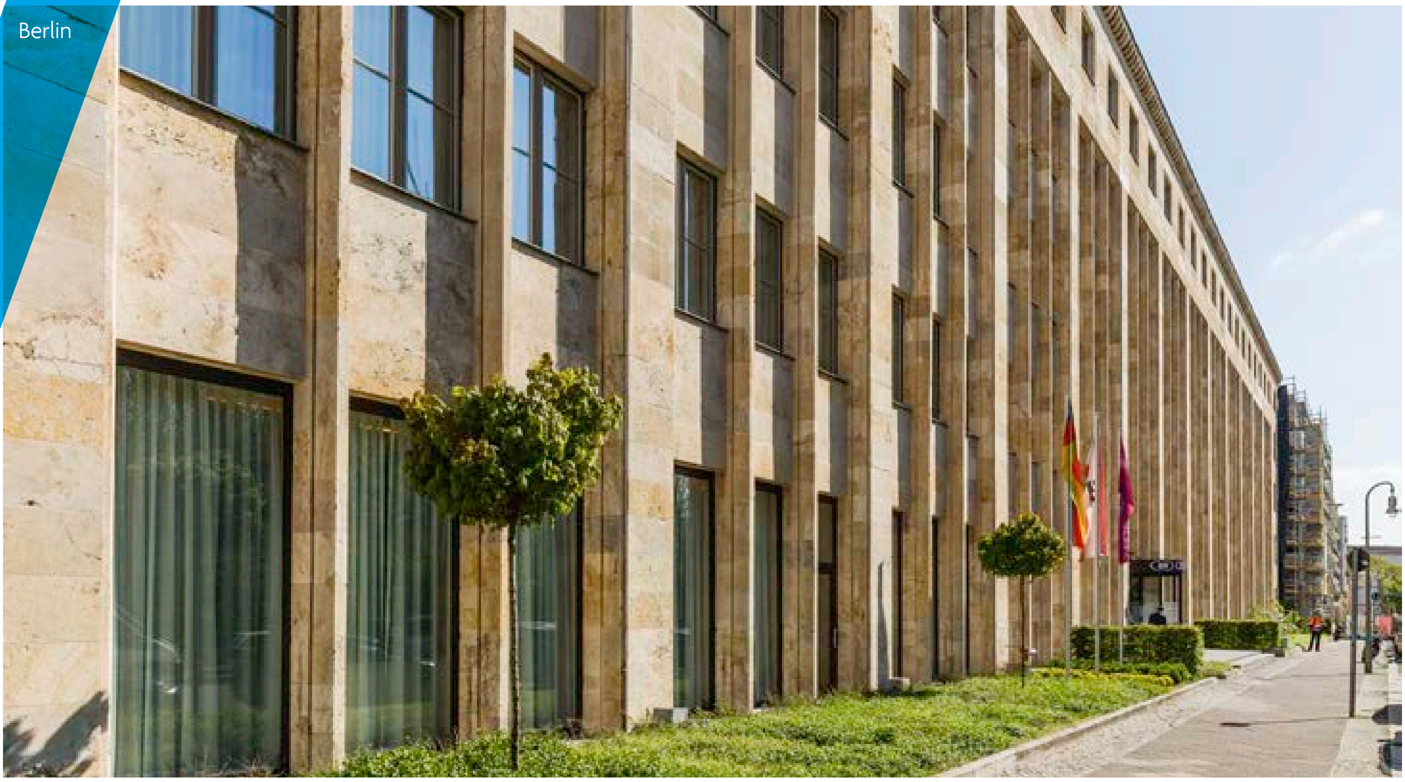
	For the 6 months ended June 30, 2017	2016
	In millions of euro	
Net cash provided by operating activities	134.5	70.5
Net cash used in investing activities	(1,399.1)	(1,013.9)
Net cash provided by financing activities	874.2	926.4
NET INCREASE IN CASH AND CASH EQUIVALENTS	**(390.4)**	**(17.0)**

Net cash and cash equivalents decreased by €390 million in the course of the first half of 2017, as AT used year-end 2016 cash balances to finance part of its investing activities. The decrease in cash balances during the period is the result of a proportionally higher amount of acquisitions financed through internal sources, making use of the high amount of cash balances available.

Net cash provided by operating activities amounted to €135 million in the first six months of 2017, an increase of 91% compared to €71 million in the respective period in 2016. This development reflects the year-over-year growth in rental revenues achieved both externally through acquisitions, with the portfolio having grown to €7.4 billion as of the end of the reporting period and organically through increases in occupancy and in-place rental rates, among other operational improvements.

Aroundtown invested a net cash amount of €1.4 billion in its property portfolio during the first half of 2017, surpassing by 38% the €1 billion invested in the first half of 2016, relating mainly to the acquisitions closed during the period. Such consistently strong growth is achieved by realizing on an extensive deal pipeline sourced through the vast network established by the Company over the past 13 years, such as off-market deals at attractive prices. Such a large investment volume is further notable given the strict acquisition criteria established by the Board and management, as potential targets are filtered to ensure that acquired assets are of high quality, well located within strong markets, complement the existing portfolio and contain upside value potential that can be unlocked through the Company's experienced asset management and specialized staff.

Net cash provided by financing activities amounted €874 million in the first half of 2017, similar to the €926 million raised in the first half of 2016. This large amount is primarily the result of AT's extensive capital markets activities during the period as the Company raised funds to finance its acquisitions through the issuance of various securities. This included the €426 million equity capital raise in May 2017, USD 500 million perpetual notes issued in June 2017, and USD 400 million in Series H straight bonds issued March 2017 under the EMTN programme established during the period and used again in July 2017. Additionally, the Company tapped up 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. The amounts raised during the period were offset by over €400 million which were used to repay bank debt, fully redeem the Series A straight bonds, partially repurchase the Series B convertible bonds, and fully redeem the PCI convertible bonds.



Berlin

ASSETS

	Jun 2017	Dec 2016
	In millions of Euro	
NON-CURRENT ASSETS	**9,697.6**	**6,988.9**
Investment property	7,436.5	5,016.2
Equity-accounted investee, holding in GCP SA	1,438.7	1,316.7
Equity-accounted investee, other	344.3	240.3
CURRENT ASSETS	**1,123.5**	**1,100.1**
Assets held for sale*	610.8	152.9
Cash and liquid assets**	326.3	835.8
TOTAL ASSETS	**10,821.1**	**8,089.0**

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

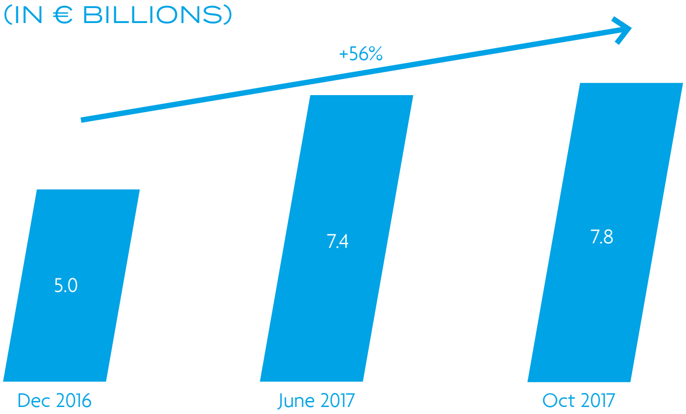
The Company has continued its strong growth momentum from the previous year into 2017, as total assets increased to €10.8 billion during the second quarter of 2017, representing growth of 34% from €8.1 billion at year-end 2016.

The growth experienced during the first half of 2017 is reflected in the value of investment property, which grew to €7.4 billion as of June 2017 from €5.0 billion at year-end 2016, reflecting an increase of nearly 50%. This growth was driven primarily by acquisitions of over €2 billion during the period, as well as by the strong revaluation gains recorded during the period. Acquisitions were undertaken at an average multiple of 15x on in-place rents across strategic portfolio locations such as Berlin, Frankfurt, Stuttgart, Cologne, Düsseldorf, Dresden, Mannheim, Munich, Amsterdam and Rotterdam, and were subject to the acquisition criteria set in place by management, ensuring acquired properties are of high quality and contain value enhancing drivers such as vacancy reduction potential, rent increase to market levels, cost optimizations and/or repositioning potential. Management's ability to continuously materialize on such value drivers through its asset management expertise and strong operational platform is reflected in the strong revaluation gains recorded. Further acquisitions were finalized and new deals signed following the reporting period, bringing the value of the investment property as of October 2017 to €7.8 billion.

Investment in equity-accounted investees, which represents the Company's positions in companies not consolidated in the financials, increased by 15% from €1.6 billion at year-end 2016 to €1.8 billion as of June 2017. This balance reflects for the most part AT's residential portfolio investment through the strategic position in Grand City Properties S.A., which amounted to €1.4 billion as of June 2017. AT maintains a 36% holding in GCP after increasing its position during the period from 35% at year-end 2016. AT's share in GCP's market cap as of June 30, 2017 was over €1 billion. In May 2017, GCP's shares were up-listed to the Prime Standard segment of the Frankfurt Stock Exchange, improving the liquidity and tradability of the shares and facilitating GCP's subsequent inclusion in the SDAX index in June 2017. These achievements represent important milestones for GCP, which continues to display sustainable growth and generate increasing earnings.

Current assets remained in line with year-end 2016 at €1.1 billion as of the end of the period, comprising mainly assets held for sale and cash and liquid assets. Assets held for sale represent properties that have determined by management as non-core assets with the intention to dispose them going forward, and as of the end of June 2017 totalled €611 million, with the increase from €153 million at year-end 2016 attributable to properties that were purchased as part of a larger portfolio. Cash and liquid assets at the end of June 2017 amounted to €326 million as AT consistently maintains sufficient cash balances that provide for strong liquidity and flexibility, enabling it to seize on attractive opportunities rapidly and without the need to secure financing beforehand.

INVESTMENT PROPERTIES DEVELOPMENT (IN € BILLIONS)



NOTES ON BUSINESS PERFORMANCE

LIABILITIES

	Jun 2017	Dec 2016
	In millions of Euro	
Total loans and borrowings*	1,573.3	1,150.6
Straight bonds	2,061.6	1,714.0
Convertible bonds	292.9	708.7
Deferred tax liabilities**	612.0	379.5
Other long term liabilities and derivative financial instruments	69.3	48.4
Current liabilities***	206.2	146.7
TOTAL LIABILITIES	**4,815.3**	**4,147.9**

* including short-term loans and borrowings, credit lines, loan redemption and financial debt held for sale

** including deferred tax under held for sale

*** excluding short-term loans and borrowings, credit lines, loan redemption and financial debt held for sale

Total liabilities increased to €4.8 billion as of June 2017 from €4.1 billion at year-end 2016, an increase of 17% during the first half of 2017. In comparison with previous periods, the level of liabilities grew at a much smaller magnitude than the increase in total assets, which increased by 34% during the period, as a substantial share of the growth was financed with cash and newly issued equity capital. Nonetheless, Aroundtown maintained a visible presence in debt capital markets with the establishment of the €1.5 billion EMTN programme in March 2017 and the subsequent USD 400 million issuance of straight bonds Series H which are fully currency hedged over the full maturity of 15 years, enabling long-term planning security. Additionally, AT carried out a €50 million tap up of the Series F straight bond earlier in the period. Following the reporting period, AT once more accessed the debt market with the issue of €500 million in straight bonds Series I in July 2017 at a coupon of 1.875%.

Debt instruments and loans from financial institutions continue to make up an integral part of AT's financial structure and sustainable growth, and increased by a net amount of over €350 million in the first six months of 2017. This includes the nearly full conversion of the €450 million Series B convertible bonds into shares, with over 98% of the bonds having been converted or repurchased andonly €7.1 million remaining outstanding as of June 2017, the full redemption of the outstanding Series A straight bonds, and the redemption of remaining PCI convertible bonds. Additionally, the retirement of these debt issues has resulted in a decrease in AT's average cost of debt to 1.8% as the Series A and Series B bonds were placed prior to the Company going public and assignment of the investment-grade rating from S&P, and as such carried relatively higher coupons, while the recent issues carry significantly lower effective coupon rates.

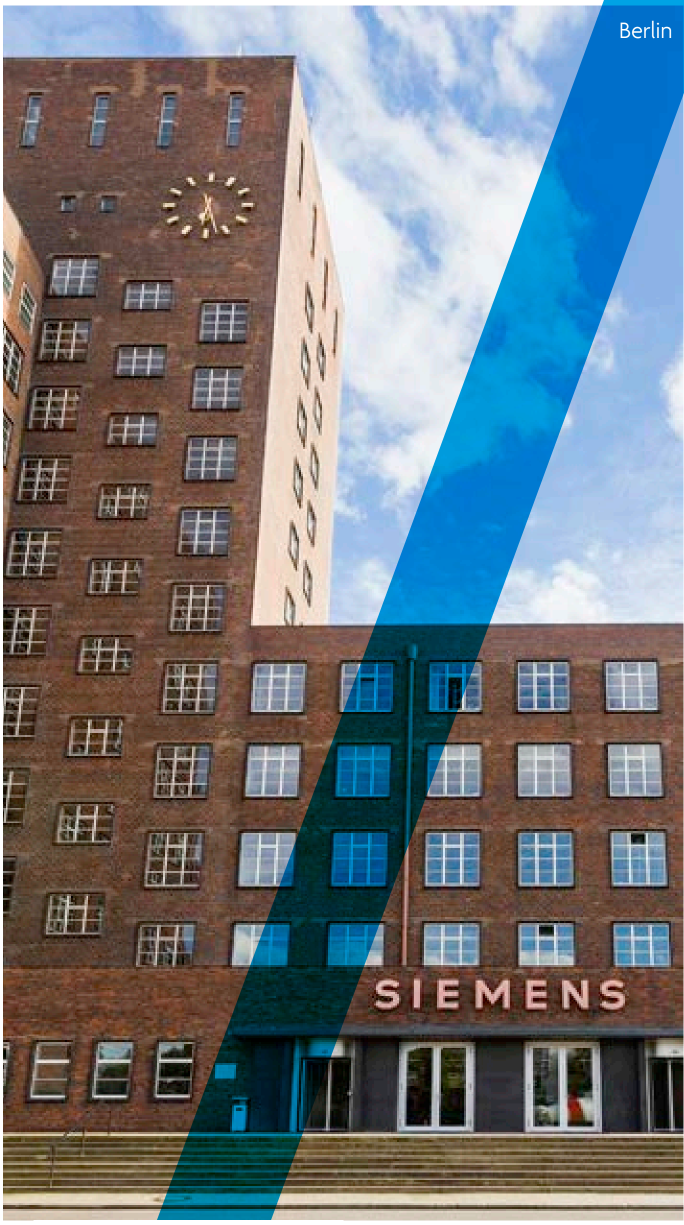
Deferred tax liabilities, which are a non-cash item resulting directly from of the revaluation gains, increased to €612 million during the current period. AT has adopted a conservative accounting approach in this regard, assuming the theoretical future property disposal through asset deal structures 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%.

Hamburg

NET FINANCIAL DEBT

	Jun 2017	Dec 2016
	In millions of Euro	
Total financial debt	3,927.8	3,573.3
Cash and liquid assets	326.3	835.8
TOTAL NET FINANCIAL DEBT	**3,601.5**	**2,737.5**

Aroundtown's net financial debt as of June 2017 stood at €3.6 billion, up 32% from €2.7 billion at year-end 2016 as a combined result of an increased amount of total financial debt and a decrease in the cash balance, as AT substantially realized on its deal pipeline in the past twelve months to nearly double its portfolio from €4.0 billion at end of June 2016 to €7.4 billion as of the end of the current period. The increase in net debt during the period was largely offset by the conversion of the Series A and Series B convertible bonds and the redemption of the remaining PCI convertible bonds. The Company's low net debt amount in relation to its total assets, as well as the consistent availability of high liquidity, positions the Company in a strong financial and bargaining position as it can quickly realize on attractive opportunities without delay.



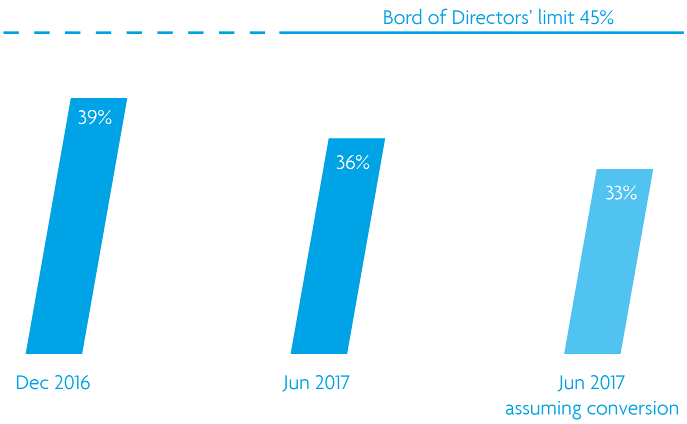
LOAN-TO-VALUE

	Jun 2017	Dec 2016
	In millions of Euro	
Investment property*	7,602.2	5,259.8
Investment properties of assets held for sale	597.4	148.6
Investment in equity-accounted investees	1,783.0	1,557.0
TOTAL VALUE	**9,982.6**	**6,965.4**
NET FINANCIAL DEBT	**3,601.5**	**2,737.5**
LTV	**36%**	**39%**
LTV ASSUMING CONVERSION**	**33%**	

* including advance payments for investment properties
** assuming conversion of the remaining Series B bonds, which are deep-in-the-money, and full conversion of the Series C bonds which are out-of-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. As of June 2017, Aroundtown's LTV stood at 36%, decreased from 39% at year-end 2016, and well below the established policy limit. The decrease is mainly the result of the equity capital raise in May 2017, conversion of the Series B bonds during the period, the USD perpetual notes issued in June 2017, as well as the redemption of the remaining PCI convertible bonds. The current low leverage provides for a large cushion against a potential market downturn, as well as the opportunity to increase the amount of outstanding debt to fuel further growth. Furthermore, the LTV when assuming the conversion of the remaining Series B convertible bonds which are deep-in-the-money and the Series C convertible bonds (conversion price of €5.69) is further reduced to 33%.

LOAN-TO-VALUE



EQUITY

	Jun 2017	Dec 2016
	In millions of Euro	
TOTAL EQUITY	**6,005.8**	**3,941.1**
of which equity attributable to the owners of the Company	4,472.2	3,090.2
of which equity attributable to perpetual notes investors	1,021.9	478.3
of which non-controlling interests	511.7	372.6
EQUITY RATIO	**56%**	**49%**

The total equity increased during the first half of 2017 to over €6 billion, an increase of over 50% from €3.9 billion at year-end 2016. The increase in equity is the result of several factors, primarily the retained earnings recorded during the period, the equity capital increase in May 2017, the conversion during the period of most of the Series B convertible bonds, and the USD perpetual notes issued June 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. Additionally, impacting the equity level is the EUR perpetual notes tap in January 2017. As a result, the Company's equity ratio increased to 56% as of the end of June 2017.

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.

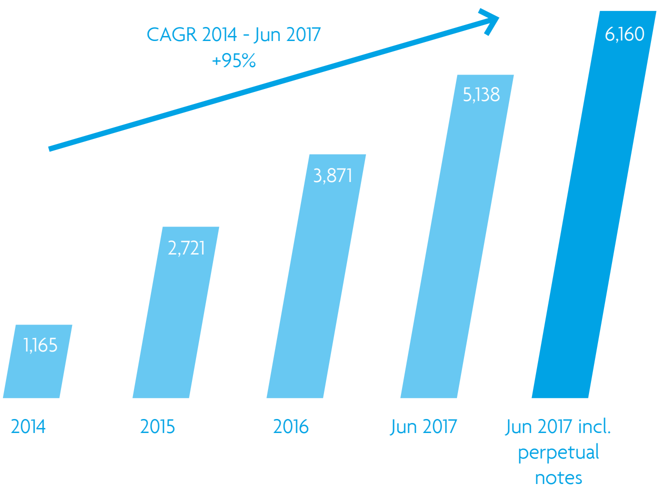
	Jun 2017		Dec 2016	
	In millions of euro	Per share	In millions of euro	Per share
NAV per the financial statements	6,005.8		3,941.1	
Equity attributable to perpetual notes investors	(1,021.9)		(478.3)	
NAV excluding perpetual notes	4,983.9		3,462.8	
Effect of conversion of in-the-money convertible bond	6.8		394.0	
Fair value measurements of derivative financial instruments*	46.6		7.1	
Deferred tax liabilities*	612.0		379.5	
NAV	**5,649.3**	**€ 6.5**	**4,243.4**	**€ 5.3**
Non-controlling interests	(511.7)		(372.6)	
EPRA NAV	**5,137.6**	**€ 5.9**	**3,870.8**	**€ 4.9**
Equity attributable to perpetual notes investors	1,021.9		478.3	
EPRA NAV INCLUDING PERPETUAL NOTES	**6,159.5**	**€ 7.0**	**4,349.1**	**€ 5.4**
Basic amount of shares, including in-the-money dilution effects	874.7		798.1	

* including deferred tax liabilities held for sale

Aroundtown's EPRA NAV at the end of the first half of 2017 amounted to €5.1 billion, reflecting an increase of 33% over €3.9 billion at year-end 2016 as the Company continues to grow assertively at a fast pace. On a per share basis, EPRA NAV amounted to €5.9 per share as compared to €4.9 per share at December 2016, as the dilutive effect of the equity increase in May 2017 and the Series B bond conversions during the period partially offset the increase in EPRA NAV. The EPRA NAV per share increased 20% in the first six months of 2017, validating the significant value creation also on a per share basis.

Additionally, AT presents the EPRA NAV including perpetual notes as they are classified as equity according to IFRS accounting treatment. At the end of June 2017, EPRA NAV including perpetual notes amounted to €6.2 billion and €7.0 per share, increased from €4.3 billion and €5.4 per share at year-end 2016, respectively, as further USD 500 million perpetual notes were issued in June 2017 as well as the €100 million EUR perpetual notes tap issuance in January 2017.

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



Hannover

RESPONSIBILITY STATEMENT

To the best of our knowledge, the condensed financial statements of Aroundtown Property Holdings plc, 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.

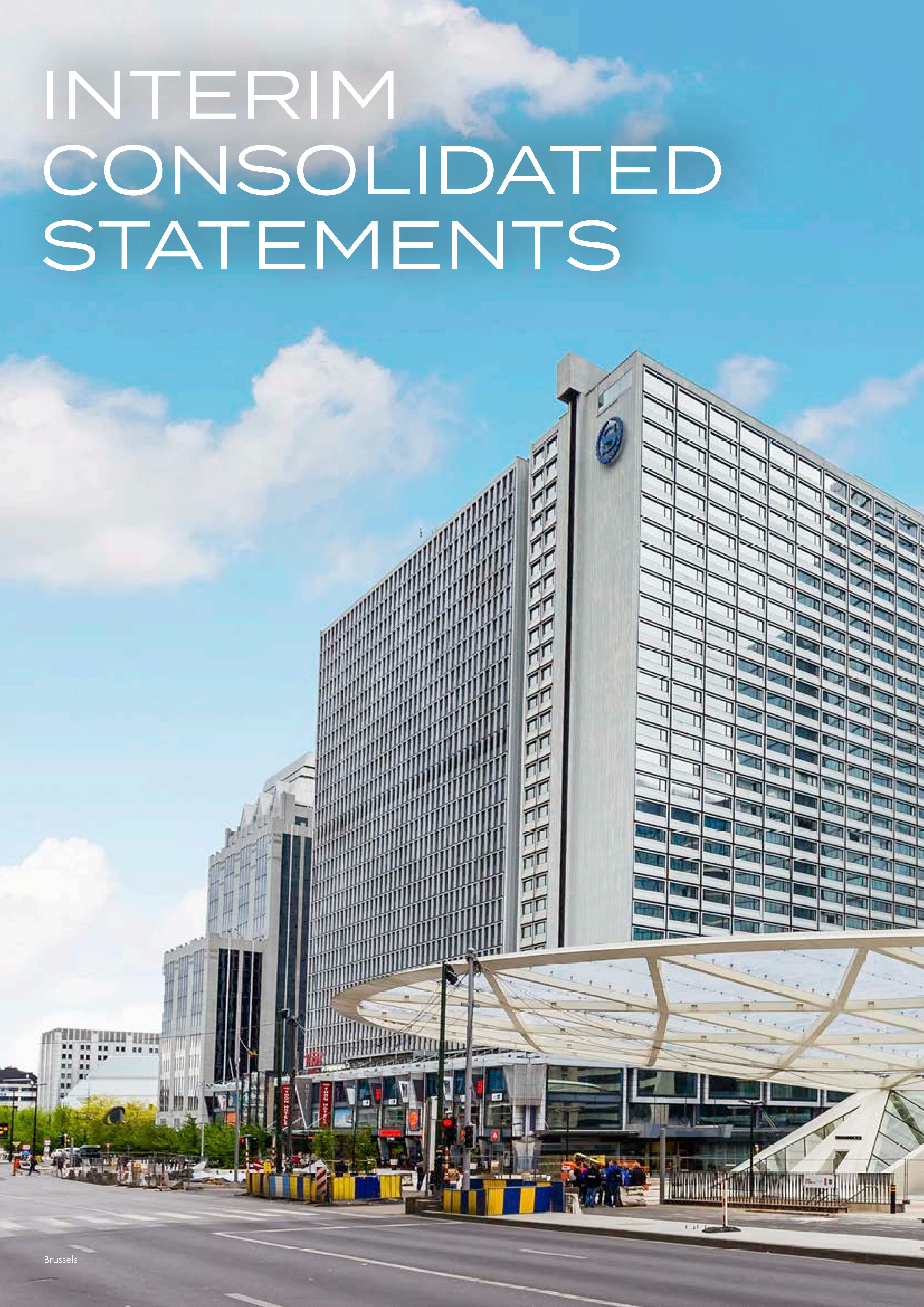
DISCLAIMER

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,
August 29, 2017

Andrew Wallis Director	Jelena Afxentiou Director	Oschrie Massatschi Director

INTERIM CONSOLIDATED STATEMENTS



Brussels

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Six months ended June 30,		Three months ended June 30,	
	2017	2016	2017	2016
	In millions of euro			
REVENUE	**237.2**	**110.0**	**123.0**	**59.9**
Property revaluations, capital gains, and other income	747.7	409.7	535.4	186.0
Share in profit from investment in equity-accounted investees	76.7	121.0	45.6	95.2
Property operating expenses	(63.6)	(*) (28.8)	(32.6)	(*) (15.4)
Administrative and other expenses	(7.1)	(*) (3.0)	(3.6)	(*) (1.8)
OPERATING PROFIT	**990.9**	**608.9**	**667.8**	**323.9**
Finance expenses	(29.8)	(18.8)	(15.0)	(10.2)
Other financial results	(18.3)	(6.3)	(19.7)	(2.2)
PROFIT BEFORE TAX	**942.8**	**583.8**	**633.1**	**311.5**
Current tax expenses	(18.5)	(7.9)	(8.3)	(4.2)
Deferred tax expenses	(146.9)	(65.8)	(94.4)	(27.3)
TAX AND DEFERRED TAX EXPENSES	**(165.4)**	**(73.7)**	**(102.7)**	**(31.5)**
PROFIT FOR THE PERIOD	**777.4**	**510.1**	**530.4**	**280.0**
PROFIT ATTRIBUTABLE TO:				
Shareholders of the Company	655.4	378.1	429.0	218.3
Perpetual notes investors	11.5	-	6.2	-
Non-controlling interests	110.5	132.0	95.2	61.7
PROFIT FOR THE PERIOD	**777.4**	**510.1**	**530.4**	**280.0**
NET EARNINGS PER SHARE ATTRIBUTABLE TO THE SHAREHOLDERS OF THE COMPANY (IN EURO)				
Basic earnings per share	0.88	0.60	0.54	0.33
Diluted earnings per share	0.74	0.46	0.49	0.22

(*) Reclassified.

The notes on pages 78 to 95 form an integral part of these interim consolidated financial statements.

Amsterdam

	Six months ended June 30,		Three months ended June 30,	
	2017	2016	2017	2016
	In millions of euro			
PROFIT FOR THE PERIOD	**777.4**	**510.1**	**530.4**	**280.0**
OTHER COMPREHENSIVE INCOME (LOSS):				
Items that are or may be reclassified subsequently to profit or loss				
Results of cash flow hedges	(9.1)	-	1.7	-
Tax related to the other comprehensive income component	3.7	-	1.5	-
TOTAL OTHER COMPREHENSIVE INCOME (LOSS)	**(5.4)**	-	**3.2**	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**772.0**	**510.1**	**533.6**	**280.0**
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Shareholders of the Company	650.0	378.1	432.2	218.3
Perpetual notes investors	11.5	-	6.2	-
Non-controlling interests	110.5	132.0	95.2	61.7
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**772.0**	**510.1**	**533.6**	**280.0**

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	June 30, 2017	December 31, 2016
		Unaudited	Audited
		In millions of euro	
ASSETS			
Equipment and intangible assets		24.8	22.8
Investment property	5	7,436.5	5,016.2
Advance payments for real estate transactions		165.7	243.6
Investment in equity-accounted investees		1,783.0	1,557.0
Derivative financial instruments assets		11.4	-
Other non-current assets		259.0	133.8
Deferred tax assets		17.2	15.5
NON-CURRENT ASSETS		**9,697.6**	**6,988.9**
Cash and cash equivalents		251.6	641.4
Short term deposits		9.7	11.2
Traded securities at fair value through profit or loss		63.2	180.8
Dividend receivable		40.7	-
Derivative financial instruments assets		3.2	-
Trade and other receivables		142.5	111.4
Assets held for sale	10	612.6	155.3
CURRENT ASSETS		**1,123.5**	**1,100.1**
TOTAL ASSETS		**10,821.1**	**8,089.0**

The notes on pages 78 to 95 form an integral part of these interim consolidated financial statements.

	Note	June 30, 2017	December 31, 2016
		Unaudited	Audited
		In millions of euro	
EQUITY			
Share capital	7	8.7	6.8
Retained earnings and capital reserves	7	4,463.5	3,083.4
EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE COMPANY		**4,472.2**	**3,090.2**
Equity attributable to Perpetual notes investors	7	1,021.9	478.3
EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE COMPANY AND PERPETUAL NOTES INVESTORS		**5,494.1**	**3,568.5**
Non-controlling interests		511.7	372.6
TOTAL EQUITY		**6,005.8**	**3,941.1**
LIABILITIES			
Loans and borrowings	6	1,204.8	962.0
Convertible bonds	6.2, 6.4-6.5	292.9	708.7
Straight bonds	6.3, 6.6-6.10	2,061.6	1,714.0
Derivative financial instruments		46.5	6.9
Other non-current liabilities		22.8	41.5
Deferred tax liabilities		585.5	365.9
NON-CURRENT LIABILITIES		**4,214.1**	**3,799.0**
Loans and borrowings	6	94.3	(*) 160.0
Trade and other payables		156.8	107.7
Tax payable		8.3	6.7
Provisions and current liabilities		30.6	28.0
Liabilities held for sale	10	311.2	46.5
CURRENT LIABILITIES		**601.2**	**348.9**
TOTAL LIABILITIES		**4,815.3**	**4,147.9**
TOTAL EQUITY AND LIABILITIES		**10,821.1**	**8,089.0**

(*) Reclassified.

The Board of Directors of Aroundtown Property Holdings PLC authorized these condensed interim consolidated financial statements for issuance on August 29, 2017.

Andrew Wallis
Director

Jelena Afxentiou
Director

Oschrie Massatschi
Director

The notes on pages 78 to 95 form an integral part of these interim consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Berlin

The notes on pages 78 to 95 form an integral part of these interim consolidated financial statements.

	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
	Attributable to the shareholders of the Company								
	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	-	-	-	655.4	655.4	11.5	666.9	110.5	777.4
Other comprehensive income (loss) for the period, net of tax	-	-	(5.4)	-	(5.4)	-	(5.4)	-	(5.4)
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	**-**	**-**	**(5.4)**	**655.4**	**650.0**	**11.5**	**661.5**	**110.5**	**772.0**
Issuance of ordinary shares	0.9	419.3	-	-	420.2	-	420.2	-	420.2
Issuance of shares related to conversion of convertible bonds	1.0	309.2	-	-	310.2	-	310.2	-	310.2
Issuance of Perpetual notes	-	-	-	-	-	533.1	533.1	-	533.1
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	28.6	29.5
Equity settled share-based payment	-	0.7	-	-	0.7	-	0.7	-	0.7
BALANCE AS AT JUNE 30, 2017 (UNAUDITED)	**8.7**	**1,362.4**	**(5.4)**	**3,106.5**	**4,472.2**	**1,021.9**	**5,494.1**	**511.7**	**6,005.8**

	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
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	-	-	-	378.1	378.1	-	378.1	132.0	510.1
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-	-	-	378.1	378.1	-	378.1	132.0	510.1
Issuance of ordinary shares	0.6	263.8	-	-	264.4	-	264.4	-	264.4
Issuance of shares related to conversion of convertible bonds	0.1	26.6	-	-	26.7	-	26.7	-	26.7
Non-controlling interests arising from initially consolidated companies and other transactions	-	-	-	(4.2)	(4.2)	-	(4.2)	(52.7)	(56.9)
BALANCE AS AT JUNE 30, 2016 (UNAUDITED)	**6.7**	**623.1**	**-**	**2,140.6**	**2,770.4**	**-**	**2,770.4**	**399.4**	**3,169.8**

The notes on pages 78 to 95 form an integral part of these interim consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Six months ended June 30, 2017	2016
	In millions of euro	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the period	**777.4**	**510.1**
Adjustments for the profit:		
Depreciation and amortization	1.0	0.8
Property revaluations, capital gains and other income	(747.7)	(409.7)
Share in profit from investment in equity-accounted investees	(76.7)	(121.0)
Finance expenses, net	48.1	25.1
Tax and deferred tax expenses	165.4	73.7
Equity settled share-based payment	0.7	-
	168.2	79.0
Changes in:		
Trade and other receivables	(27.7)	(5.9)
Trade and other payables	17.1	9.1
Provisions for other liabilities and charges	(2.9)	(5.1)
	154.7	77.1
Tax paid	(20.2)	(6.6)
NET CASH PROVIDED BY OPERATING ACTIVITIES	**134.5**	**70.5**
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of equipment and intangible assets, net	(4.2)	(2.3)
Investments and acquisitions of investment property, capex and advances paid, net	(421.0)	(628.8)
Acquisition/disposals of investees and loans, net of cash acquired/disposed	(974.3)	(482.8)
Proceeds from traded securities and other financial assets, net	0.4	100.0
NET CASH USED IN INVESTING ACTIVITIES	**(1,399.1)**	**(1,013.9)**

The notes on pages 78 to 95 form an integral part of these interim consolidated financial statements.

	Six months ended June 30, 2017	2016
	In millions of euro	
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of ordinary shares	420.2	264.5
Proceeds from issuance of straight bonds, net	360.9	514.6
Proceeds from Perpetual notes investors, net	528.4	-
Redemption and buy-back of convertible bonds	(114.4)	-
Proceeds (repayments) from/(of) loans from financial institutions and others, net	(259.6)	249.1
Amortizations of loans from financial institutions	(17.1)	(7.4)
Transactions with non-controlling interests	(11.7)	(70.4)
Interest and other financial expenses, net	(32.5)	(24.0)
NET CASH PROVIDED BY FINANCING ACTIVITIES	**874.2**	**926.4**
NET CHANGES IN CASH AND CASH EQUIVALENTS	**(390.4)**	**(17.0)**
Assets held for sale – cash	0.6	-
Cash and cash equivalents as at January 1	641.4	121.2
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**251.6**	**104.2**

The notes on pages 78 to 95 form an integral part of these interim consolidated financial statements.

CONDENSED NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2017

1. GENERAL

(A) INCORPORATION AND PRINCIPAL ACTIVITIES

Aroundtown Property Holdings PLC ("Aroundtown" or "the Company") was incorporated on May 7, 2004 as a private limited liability company under the Cyprus Companies Law, Cap. 113. Its Registered Office is at Artemidos & Nikou Dimitriou, 54 B, 6027, Larnaca, Cyprus.

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 36% 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 six month period ended June 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 of 1.5 billion euro 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 Property Holdings PLC
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 six months ended on June 30, 2017

Berlin

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 August 29, 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.

(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.

Exchange rates known are as follows:

	Exchange rates of USD/EUR
As of June 30, 2017	**1.141**
As of June 30,2016	1.109
As of December 31, 2016	1.054
As of December 31, 2015	1.093

INCREASE (DECREASE) DURING THE YEAR/PERIOD

Six months ended June 30, 2017	**8.25%**
Six months ended June 30, 2016	1.46%
Year ended December 31, 2016	(3.57%)

Mainz

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.

Berlin

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.

Leipzig

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 euro 174 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 euro 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	(23.3)
	(622.8)
TOTAL IDENTIFIABLE NET ASSETS	**183.5**
Non-controlling interests arising from initial consolidation	(9.2)
Consideration paid	(174.3)

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 euro 30.7 million and euro 28.6 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	970.0
Working capital, net	6.4
Cash and Cash equivalents	18.2
	994.6
Bank loans	(100.3)
Other liabilities, net	(102.5)
	(202.8)
TOTAL IDENTIFIABLE NET ASSETS	**791.8**
Non-controlling interests arising from initial consolidation	(35.5)
Consideration paid	(756.3)

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 euro 4.5 million and euro 3.9 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 euro 24.5 million, and the Group's results from operation would have been increased by euro 15.8 million.

5. INVESTMENT PROPERTY

	Six months ended June 30, 2017	Year ended December 31, 2016
	In millions of euro	
Balance as at January 1	5,016.2	2,430.6
Acquisitions of investment property and capex	424.7	822.1
Investment property arising from initial consolidations	1,759.4	1,452.6
Disposal of investment property	(7.1)	(195.3)
Transfer to Assets held for sale	(504.0)	(148.6)
Fair value adjustment	747.3	654.8
BALANCE AS AT JUNE 30 / DECEMBER 31	**7,436.5**	**5,016.2**

6. LOANS, BORROWINGS AND BONDS

6.1 COMPOSITION

	June 30 2017 Unaudited	December 31 2016 Audited
	In millions of euro	
NON-CURRENT		
Bank loans (a)	1,204.8	962.0
TOTAL NON-CURRENT BANK LOANS	**1,204.8**	**962.0**
Convertible bond series A in PCI	-	30.4
Straight bond series A	-	37.5
Convertible bond series B	6.8	394.0
Convertible bond series C	286.1	284.3
Straight bond series D	573.8	571.4
Straight bond series E	618.4	616.1
Straight bond series F	539.4	489.0
Straight bond series H	330.0	-
TOTAL NON-CURRENT PORTION OF STRAIGHT AND CONVERTIBLE BONDS	**2,354.5**	**2,422.7**
CURRENT		
Bond and financial credit	30.1	130.5
Bank loans	36.3	29.5
Loan redemption	27.9	-
TOTAL CURRENT LOANS	**94.3**	**160.0**

(a) All bank loans are non-recourse loans from banks with the related assets serving as their only security. As at June 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 1.8%.

6.2 CONVERTIBLE BOND SERIES A OF PCI

On November 13, 2014, PCI successfully completed the placement of a euro 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 euro 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 euro 3.00.

On March 13, 2017, PCI fully 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 euro 22.5 million.

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

	Six months ended June 30 2017 Unaudited	Year ended December 31 2016 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 euro 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 euro 39 million (nominal value) for a price at 94% of the principal amount, resulting in a total nominal amount of euro 200 million.

During 2016, the Group repurchased euro 160.4 million nominal value of the straight bond series A for total consideration of euro 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 euro 39.5 million.

	Six months ended June 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 euro 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 euro 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 euro 3.4395 and then to euro 3.3763, respectively.

As of the date of this report, euro 7.1 million nominal value of the Company's convertible bond series B remain outstanding (excluding the euro 56.3 million nominal amount which is held by the Company).

	Six months ended June 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	(333.4)	(36.4)
Buy-back of 563 units by the Company (a)	(56.2)	-
Carrying amount of liability at the end of the period / year	6.9	395.9
Non-current portion of Convertible bond series B	6.8	394.0
Accrued interest	0.1	1.9
Total Convertible bond series B	6.9	395.9

At the issuance date of the convertible bond, a total amount of euro 4 million was accounted as equity and presented in the other reserves, and euro 3.5 million constituted as issuance expenses. The amount recognized as equity is classified to the premium on shares, following conversions of the convertible bond into ordinary shares of the Company.

(a) During the reporting period, the Company bought back 565 nominal units for consideration of approximately euro 80 million. The surplus arising was allocated to 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 euro 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 euro 5.79 per share. Due to the dividend distribution in December 2016, the conversion price was adjusted to euro 5.6862 per share.

	Six months ended June 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	4.0	8.1
Expenses paid	(2.2)	(2.6)
Carrying amount of liability at the end of the period / year	288.1	286.3
Non-current portion of Convertible bond series C	286.1	284.3
Accrued interest	2.0	2.0
Total Convertible bond series C	288.1	286.3

At the issuance date of the convertible bond, a total amount of a euro 7.1 million was accounted as equity and presented in the other reserves, and euro 3.4 million constituted as issuance expenses. 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 euro 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.

	Six months ended June 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 euro 100,000 par value)	-	573.3
Transaction costs	-	(5.2)
Net proceeds during the period / year	-	568.1
Expenses for the period / year	6.9	9.2
Expenses paid	(9.0)	-
Carrying amount of liability at the end of the period / year	575.2	577.3
Non-current portion of straight bond series D	573.8	571.4
Accrued interest	1.4	5.9
Total straight bond series D	575.2	577.3

6.7 STRAIGHT BOND SERIES E

On July 11, 2016, the Company successfully completed the placement of a euro 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 euro 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 euro 650 million (nominal value).

	Six months ended June 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 euro 100,000 par value)	-	621.0
Transaction costs	-	(6.6)
Net proceeds during the period / year	-	614.4
Expenses for the period / year	7.1	5.5
Carrying amount of liability at the end of the period / year	627.0	619.9
Non-current portion of straight bond series E	618.4	616.1
Accrued interest	8.6	3.8
Total straight bond series E	627.0	619.9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6.8 STRAIGHT BOND SERIES F

On December 6, 2016, ATF successfully completed the placement of a euro 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 euro 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 euro 550 million.

	Six months ended June 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 euro 100,000 par value)	-	495.0
Proceeds from issuance of straight bond series F (500 notes at euro 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	6.5	0.6
Expenses paid	(2.8)	-
Carrying amount of liability at the end of the period / year	542.8	489.5
Non-current portion of straight bond series F	539.4	489.0
Accrued interest	3.4	0.5
Total straight bond series F	542.8	489.5

6.9 STRAIGHT BOND SERIES G

During December 2016, ATF successfully completed the placement of a euro 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 Company together with ATF announced the establishment of a euro 1.5 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 base prospectus for the EMTN Programme was dated March 10, 2017. The EMTN notes have been 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 (euro 372 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.

As a result of the cash flow hedge, a loss of euro 15.4 million net of tax was recognized in other comprehensive income.

	Six months ended June 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	(1.6)	-
Net proceeds during the period	350.9	-
Expenses for the period	1.7	-
Results of foreign exchange (through OCI)	(18.3)	-
Carrying amount of liability at the end of the period	334.3	-
Non-current portion of straight bond series H	330.0	
Accrued interest	4.3	-
Total straight bond series H	334.3	-

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.

7. EQUITY

A. SHARE CAPITAL

	June 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 euro 0.01 each	1,500,000,000	15.0	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	103,041,765	1.0	11,126,832	0.1
BALANCE AT THE END OF THE PERIOD / YEAR	**872,310,238**	**8.7**	**676,268,473**	**6.8**

7. EQUITY (CONTINUED)

B. ISSUED CAPITAL

1. Upon incorporation on May 7, 2004, the total authorized, issued and fully paid ordinary share capital amounted to 5,550 units with a par value of euro 1.71 each.

2. On November 28, 2014, the Company issued 16,650 ordinary shares of euro 1.71 each.

3. 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 euro 0.01 for each share.

4. On July 13, 2015, the Company successfully issued an additional 100,000,000 ordinary shares (of euro 0.01 nominal value each) for euro 3.2 each, by way of a private placement with institutional investors. The gross proceeds from the issuance of the shares amounted to euro 320 million.

5. On April 12, 2016 the Company issued an additional 65,000,000 ordinary shares (of euro 0.01 nominal value each) for euro 4.1 each, by way of a private placement to institutional investors. The gross proceeds from the issuance of the shares amounted to euro 266.5 million.

6. Since the issuance of Convertible bond series B and until June 30, 2017, a total amount of euro 386.6 million nominal value of the Convertible bond series B was converted into shares (thereof 347.9 million during the reporting period). According to the convertible bond's terms, 114.3 million shares were issued (thereof 103 million during the reporting period).

7. On May 9, 2017, the Company successfully placed 93,000,000 new ordinary shares (of euro 0.01 nominal value each) through a capital increase at a placement price of euro 4.58 per share, resulting in an issue volume of approximately euro 426 million.

C. ISSUANCE OF PERPETUAL NOTES

(a) On October 17, 2016, ATF successfully placed euro 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.

(b) On January 17, 2017, ATF successfully tapped its Perpetual notes by additional euro 100 million (nominal value) at a price of 96.297% of its principal amount.

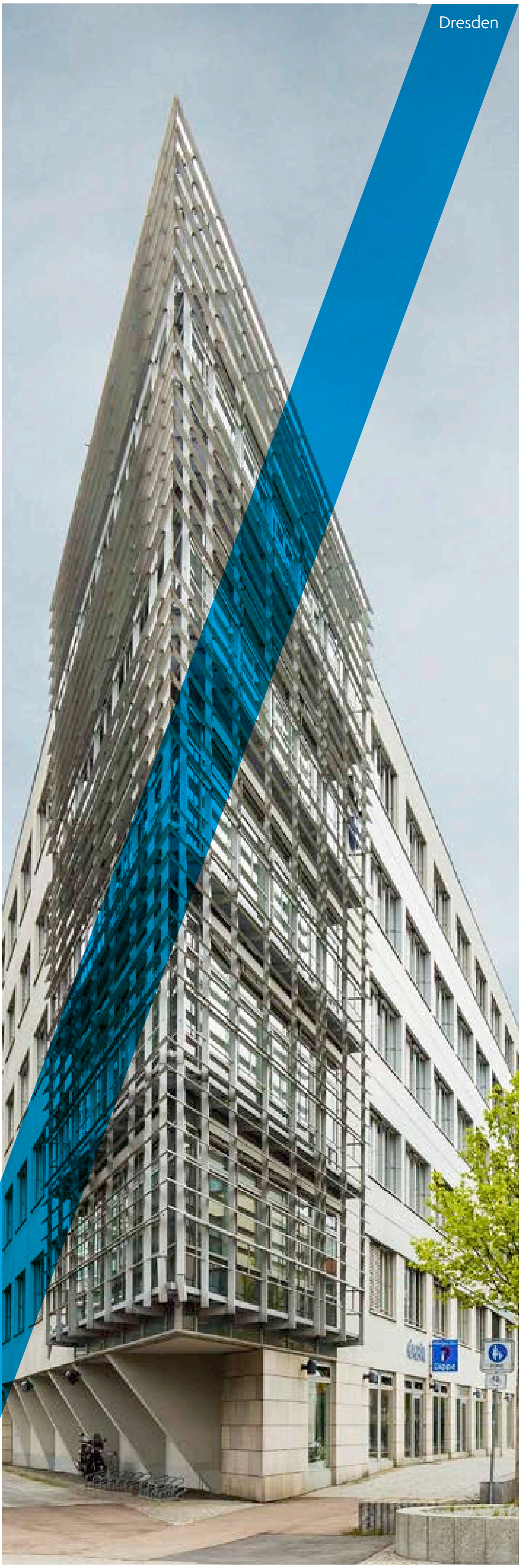
(c) On June 14, 2017, ATF successfully placed USD 500 million (euro 443.38 million) (nominal value) of Perpetual notes and implemented full currency-hedge to the euro until the first call date. These notes were issued at a price of 98.725% of the principal amount, are of unlimited duration and can only 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.

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, as well as share-based payment reserves which temporarily cannot be distributed.

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 euro 0.051 per share (total gross amount of euro 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.



8. RELATED PARTY TRANSACTIONS

The transactions with related parties are as follows:

	Six months ended June 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 euro 0.2 million. As of June 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.

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			
JUNE 30, 2017 (UNAUDITED)				
Traded securities at fair value through profit or loss	63.2	-	-	63.2
Derivative financial instruments	-	14.6	-	14.6
TOTAL ASSETS	**63.2**	**14.6**	**-**	**77.8**
Derivative financial instruments	-	46.5	-	46.5
TOTAL LIABILITIES	**-**	**46.5**	**-**	**46.5**
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**

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:

	June 30, 2017	December 31, 2016
	Unaudited	Audited
	In millions of euro	
ASSETS CLASSIFIED AS HELD FOR SALE		
Investment property (*)	597.4	148.6
Cash and cash equivalents	1.8	2.4
Other assets	13.4	4.3
Total assets classified as held for sale	612.6	155.3
LIABILITIES CLASSIFIED AS HELD FOR SALE		
Loans and borrowings	274.2	28.6
Deferred tax liabilities	26.5	13.6
Other liabilities	10.5	4.3
Total liabilities classified as held for sale	311.2	46.5

(*) During the reporting period the Company disposed of properties based on value of euro 55 million which reflected their book value.

11. COMMITMENTS

During and after the reporting period, the Group signed several real estate transactions which as at June 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 June 30, 2017.

13. EVENTS AFTER THE REPORTING PERIOD

a) On July 5, 2017, the Company through ATF successfully completed the placement of a NOK (Norwegian Krone) 750 million (euro 78 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 euro 0.818%, linked to the CPI, until maturity.

b) On July 12, 2017, the Company through ATF successfully completed the placement of a euro 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.

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