

Berlin



Nuremberg



Dortmund



AUGUST 2017

Leipzig



Frankfurt



# AROUNDTOWN

PROPERTY HOLDINGS PLC

## H1 2017 FINANCIAL RESULTS PRESENTATION

Amsterdam



Munich



# TABLE OF CONTENTS

- CORPORATE ACHIEVEMENTS
- HIGHLIGHTS
- FINANCIAL RESULTS & CAPITAL MARKET ACTIVITY
- OPERATIONS AND PORTFOLIO
- APPENDIX

# CORPORATE ACHIEVEMENTS

Trading symbol  
AT1



## Listing upgrade to Frankfurt Prime Standard

On June 2, 2017, Aroundtown was listed on the Prime Standard of the Frankfurt Stock Exchange, allowing for inclusion in EPRA indices as well as the DAX index family.



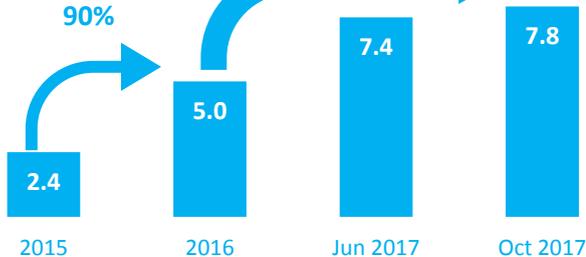
## Migration to Luxembourg

Aroundtown is in the final stages of redomiciling to Luxembourg, subject to the EGM on September 13<sup>th</sup> 2017

## RAPID PORTFOLIO GROWTH (INVESTMENT PROPERTY IN € BN)

CAGR 2015 - Oct 2017

90%



## ESG Development - Sustainalytics Score

AT is highly ranked amongst the international real estate sector and is an outperformer in all sub-factors



## SUSTAINALYTICS

Overall score

August 2017

88<sup>th</sup> Percentile

AT is ranked #35 among 280 real estate peers

Environment	83 <sup>rd</sup> percentile	Outperformer
Social	93 <sup>rd</sup> percentile	Outperformer
Governance	79 <sup>th</sup> percentile	Outperformer

# CORPORATE ACHIEVEMENTS

Over €2.3 billion issued in 2017, YTD...

## 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. €387 million has been converted and €56 million has been repurchased

Tap issuance of €100 million perpetual notes in January 2017

## 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

...whilst maintaining conservative financial policy and investment grade rating

LTV  
36%

ICR  
5.7x

Unencumbered  
Ratio  
56%

BBB  
S&P  
June 2016

A-  
Long-Term  
Target

# FINANCIAL HIGHLIGHTS – H1 2017

Net Profit  
**€777m**

Net Rental  
income  
**€204m**

Adjusted  
EBITDA  
**€195m**

FFO I  
**€130m**

FFO I  
per share  
**€0.18**

FFO yield<sup>1)</sup>  
**6.7%**

Annualized  
Dividend  
per share  
**€0.23**

Div yield<sup>1)</sup>  
**4.3%**

Total assets  
**€10.8bn**

Investment  
property  
**€7.4bn**

LTV  
**36%**

EPRA NAV  
incl. perpetual notes  
**€6.2bn**

EPRA NAV  
incl. perpetual notes  
per share  
**€7.0**

EPRA NAV  
**€5.1bn**

EPRA NAV  
per share  
**€5.9**

# **FINANCIAL RESULTS & CAPITAL MARKET ACTIVITY**



# PROFIT AND LOSS

	1-6/2017	1-6/2016
	€ million	
Net rental income	204	95
<i>of which relating to properties marked for disposal</i>	19	-
Net rental income, recurring long-term	184	95
<b>Rental and operating income</b>	<b>237</b>	<b>110</b>
<b>Revaluations, capital gains and other income</b>	<b>748</b>	<b>410</b>
Share in profit from investment in equity-accounted investees	77	121
Property operating expenses	(64)	(29)
Administrative and other expenses	(7)	(3)
<b>Operating profit</b>	<b>991</b>	<b>609</b>
Finance expenses	(30)	(19)
Other financial results	(18)	(6)
Current tax expenses	(19)	(8)
Deferred tax expenses	(147)	(66)
<b>Profit for the period</b>	<b>777</b>	<b>510</b>
Earnings per share in € (basic)	0.88	0.60

ACHIEVING STRONG OPERATIONAL GROWTH  
FROM BOTH INTERNAL AND EXTERNAL SOURCES

Strong L-F-L improvements-

+6.2% net rent growth:

+3.5% in-place rent

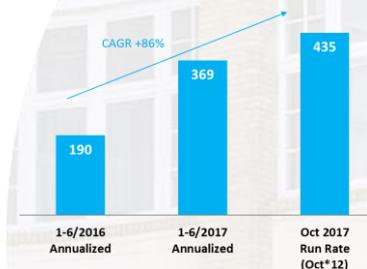
+2.7% occupancy

Robust external growth in

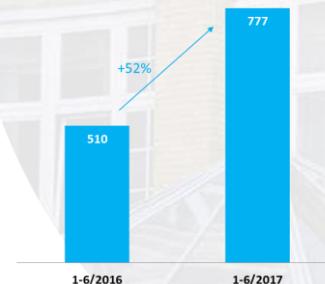
H1 2017 and full impact of

2016 acquisitions

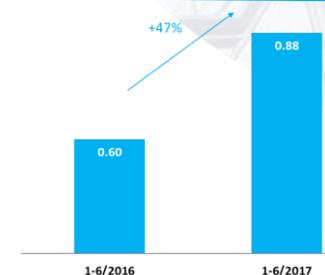
## Net rental income (in €M)



## Profit for the period (in €M)



## Earnings per share (in €)



# ADJUSTED EBITDA

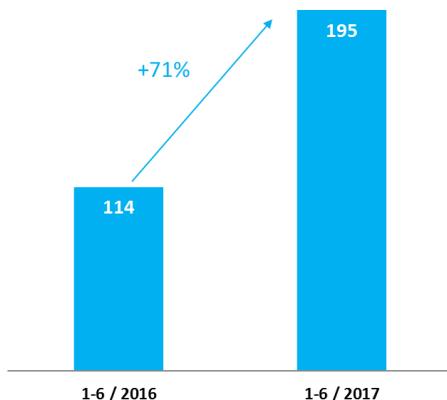
€ million	1-6/2017	1-6/2016
Operating profit	991	609
Depreciation and amortization	1	1
<b>EBITDA</b>	<b>992</b>	<b>610</b>
Revaluations, capital gains and other income	(748)	(410)
Share in profit from investment in equity-accounted investees	(77)	(121)
Management long term share incentive plan	1	-
<b>Adjusted EBITDA commercial portfolio</b>	<b>168</b>	<b>79</b>
Adjusted EBITDA relating to properties marked for disposal	(17)	-
<b>Adjusted EBITDA commercial portfolio, recurring long term</b>	<b>151</b>	<b>79</b>
Adjustment for GCP operational contribution	44	35
<b>Adjusted EBITDA</b>	<b>195</b>	<b>114</b>

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

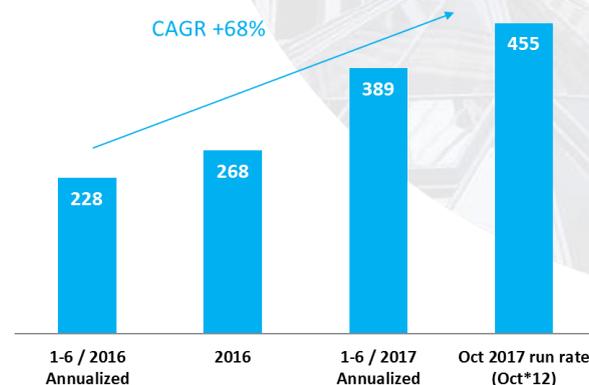
conservative approach to excluding operational profits from assets marked for disposal

GCP is AT's strategic investment with a holding rate of 36% currently

## Adjusted EBITDA (in €M)



## Adjusted EBITDA annualized (in €M)

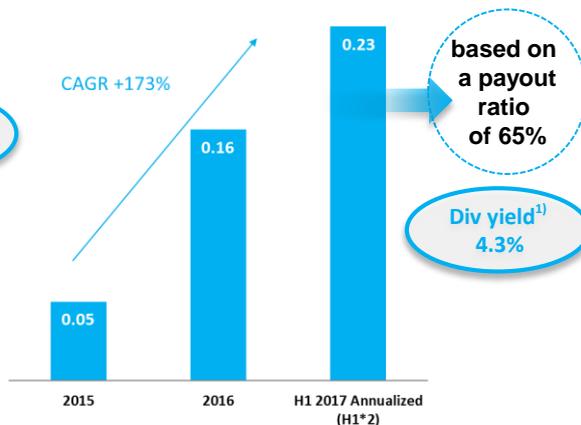
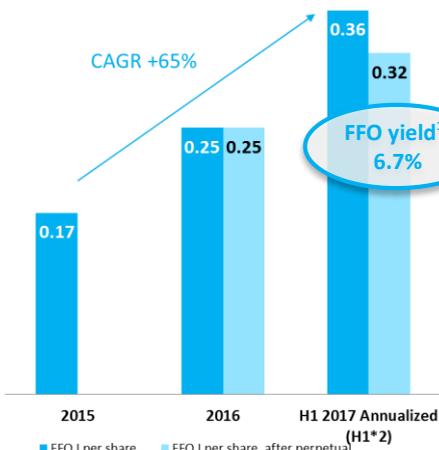


# FFO I

€ million	1-6/2017	1-6/2016
Adjusted EBITDA commercial portfolio	168	79
Finance expenses	(30)	(19)
Current tax	(19)	(8)
Contribution to minorities	(4)	(3)
<b>FFO I commercial portfolio</b>	<b>116</b>	<b>50</b>
FFO relating to properties marked for disposal	(12)	-
<b>FFO I commercial portfolio, recurring long term</b>	<b>104</b>	<b>50</b>
Adjustment for GCP FFO I contribution	26	21
<b>FFO I</b>	<b>130</b>	<b>71</b>
FFO I per share in €	0.18	0.11
FFO I yield (H1 17 annualized)	6.7% <sup>1)</sup>	
Dividend yield (H1 17 annualized) 65% payout ratio	4.3% <sup>1)</sup>	
FFO I per share after perpetual attribution	0.16	0.11
Results from disposal of properties	26	-
<b>FFO II</b>	<b>156</b>	<b>71</b>

## FFO I per share annualized (in €)

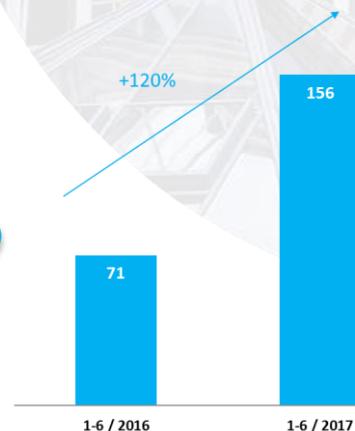
## Dividend per share annualized (in €)



## FFO I annualized (in €M)



## FFO II (in €M)



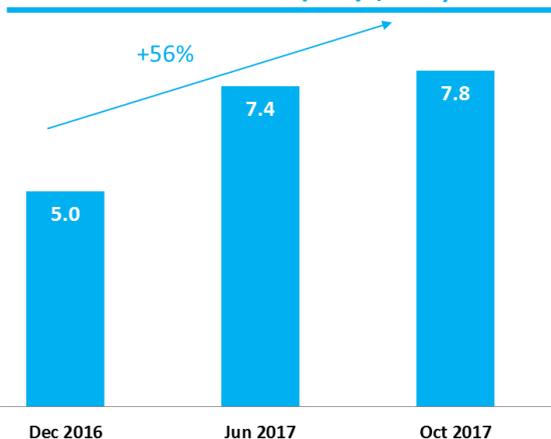
# TOTAL ASSETS

€ million	Jun 2017	Dec 2016
Investment property	7,437	5,016
Equity accounted investee, holding in GCP SA	1,439	1,317
Equity accounted investee, other	344	240
<b>Non-current assets</b>	<b>9,698</b>	<b>6,989</b>
Assets held as held for sale*	611	153
Cash and liquid assets*	326	836
<b>Current assets</b>	<b>1,124</b>	<b>1,100</b>
<b>Total Assets</b>	<b>10,821</b>	<b>8,089</b>

\*cash and liquid assets from assets held for sale are included in the total cash and liquid assets

**High balance of cash and liquid assets enable Arowntown to pursue attractive acquisition opportunities**

## Investment Property (€ bn)

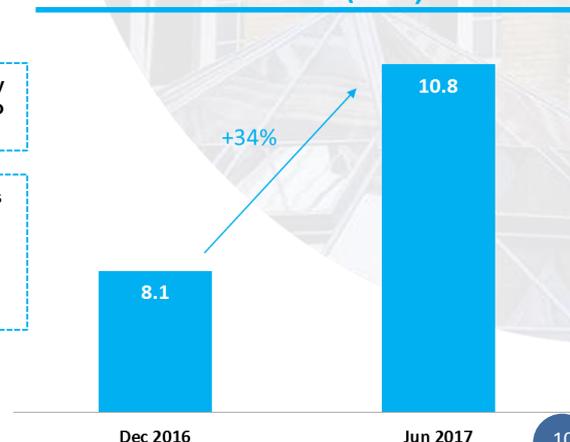


## Acquisition Oct 2017 YTD

As of October 2017 YTD the Company has acquired properties amounting to approx. €2.3bn (15x over NRI)

The additions are well located across the Company's strategic locations, such as Berlin, Frankfurt, Stuttgart, Cologne, Dusseldorf, Dresden, Mannheim, Munich, Amsterdam and Rotterdam

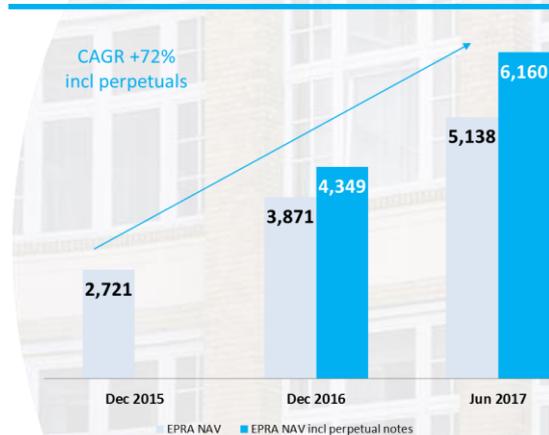
## Total Assets (€ bn)



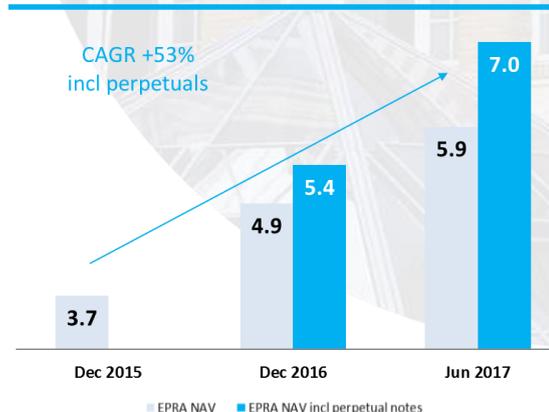
	Jun 2017		Dec 2016	
	€ million	Per share	€ million	Per share
<b>NAV per the financial statements</b>	<b>6,006</b>		<b>3,941</b>	
Equity attributable to perpetual notes investors	(1,022)		(478)	
<b>NAV excluding perpetual notes</b>	<b>4,984</b>		<b>3,463</b>	
Effect of in-the-money convertible bond	7		394	
Fair value of derivative financial instruments	47		7	
Deferred tax liabilities	612		380	
<b>NAV</b>	<b>5,649</b>	<b>€6.5</b>	<b>4,243</b>	<b>€5.3</b>
Non-controlling interests	(512)		(373)	
<b>EPRA NAV</b>	<b>5,138</b>	<b>€5.9</b>	<b>3,871</b>	<b>€4.9</b>
Equity attributable to perpetual notes investors	1,022		478	
<b>EPRA NAV including perpetual notes</b>	<b>6,160</b>	<b>€7.0</b>	<b>4,349</b>	<b>€5.4</b>
Basic amount of shares, including in-the-money dilution effects in millions	874.7		798.1	

	NAV	EPRA NAV	EPRA NAV incl. perpetual	EPRA NNNNAV	Basic amount of shares
€ million					
<b>June 17</b>	5,649	5,138	6,160	4,909	874.7
<b>June 17 per share €</b>	6.5	5.9	7.0	5.6	
<b>Per share growth</b>	+23%	+20%	+30%	+19%	
<b>Dec 16</b>	4,243	3,871	4,349	3,776	798.1
<b>Dec 16 per share €</b>	5.3	4.9	5.4	4.7	

## EPRA NAV (€ bn)

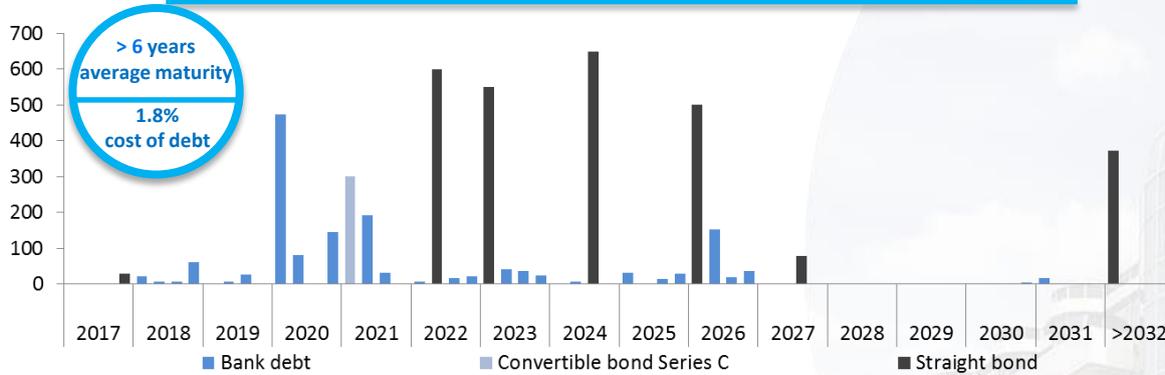


## EPRA NAV per share (€)



# CONSERVATIVE CAPITAL STRUCTURE

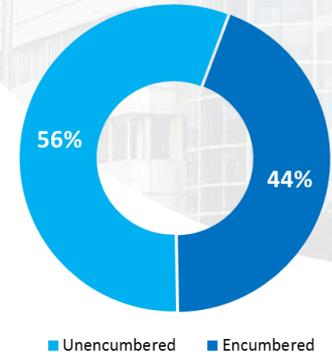
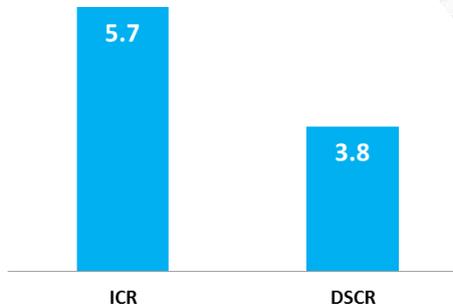
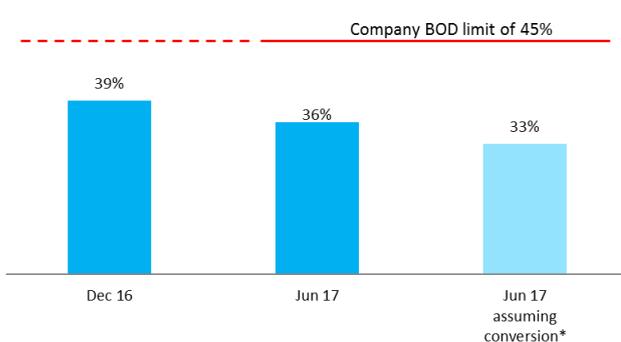
## Debt maturity profile



## Loan-to-Value

## Strong cover ratios (H1 2017)

## Unencumbered assets



\*assuming conversion of Series B and Series C convertible bonds

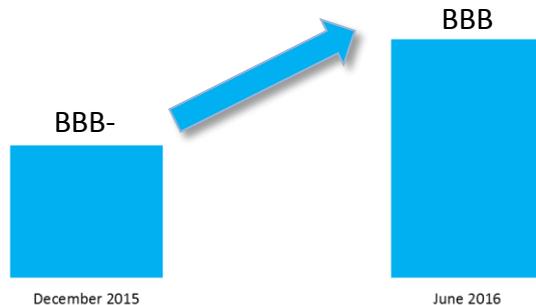
# FINANCIAL POLICY AND INVESTMENT GRADE RATING

## Financial risk profile

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

\*Vonovia's rating anchor is BBB. Vonovia's final rating, after the effect of modifiers is BBB+.

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



## Aroundtown financial policy:

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

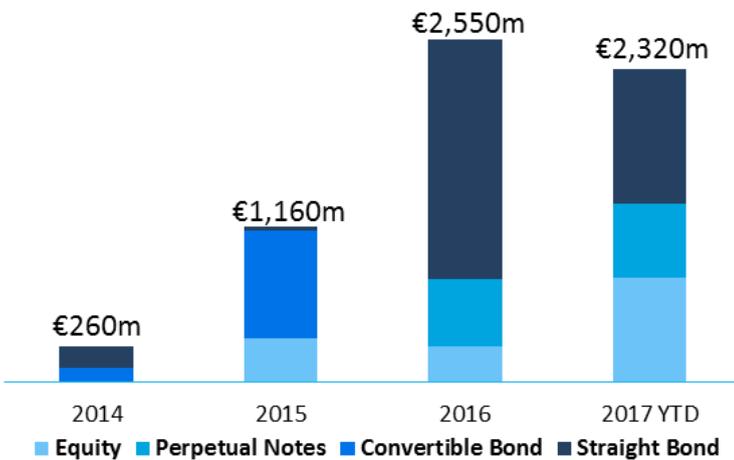
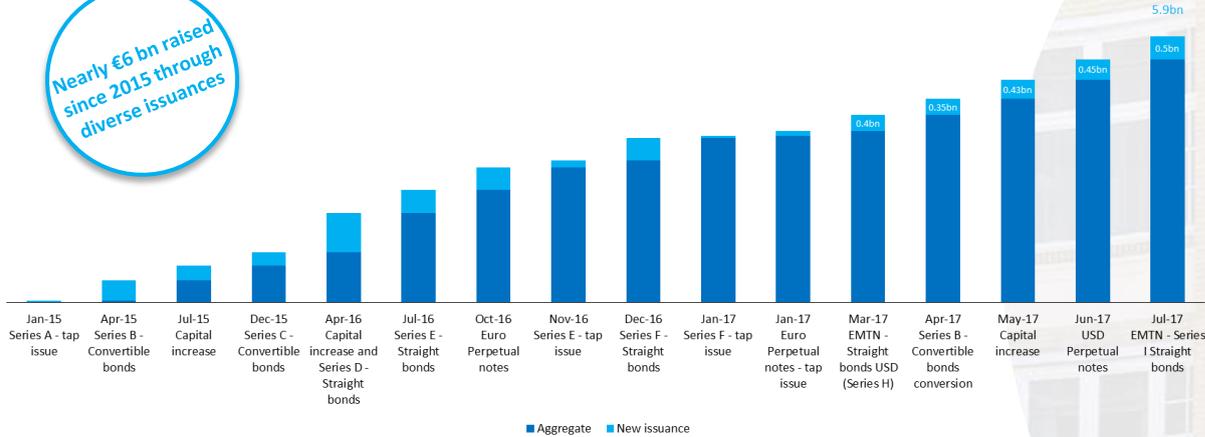
Good mix of long term unsecured bonds & non-recourse bank loans

Support convertible bond holders to convert into equity

Dividend of 65% of FFO I per share

# CAPITAL MARKET ACTIVITY

Nearly €6 bn raised since 2015 through diverse issuances



Largest European real estate issuer in 2016

2017 YTD is well on its way to matching the 2016 record year

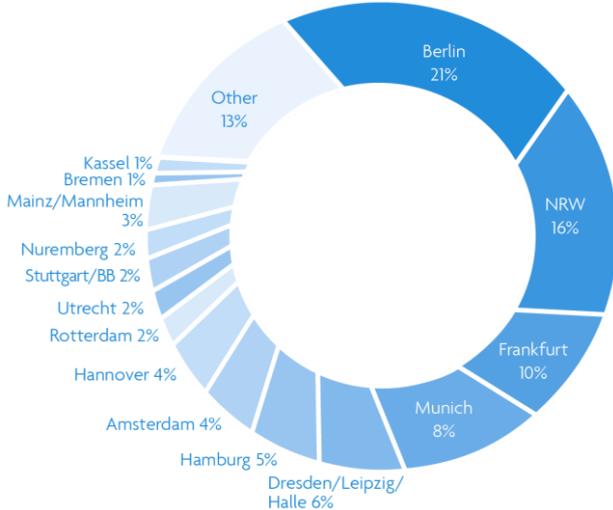
### Equity and bond bookrunners

# OPERATIONS AND PORTFOLIO



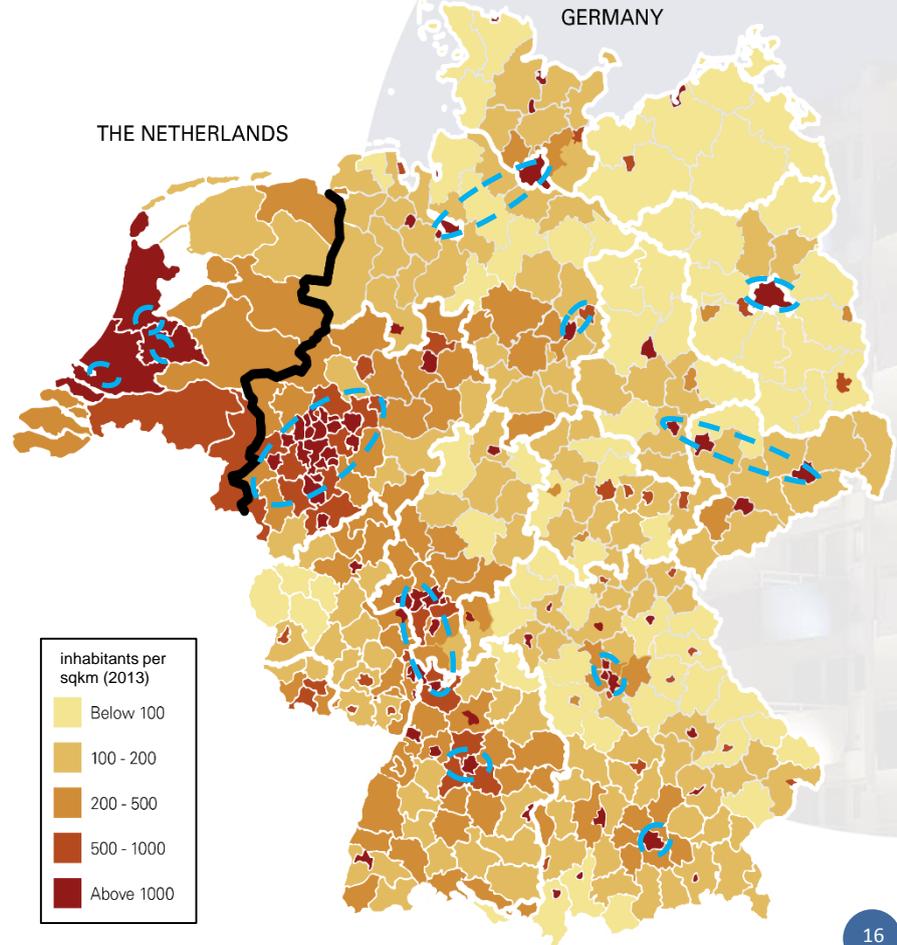
# TOP TIER GERMAN/NL CITIES (JUNE 2017)

**Group Regional distribution\*  
(by value)**



**June 2017  
In-place rent\*  
7.8 €/sqm**

**June 2017  
EPRA Vacancy\*  
8.0%**



\* Including accounting 36% in GCP's portfolio

# COMMERCIAL INVESTMENT PROPERTIES (JUNE 2017)

## Portfolio breakdown per asset type

	Value (in €M)	Area (in 000' sqm)	EPRA vacancy	Annualized net rent (in €M)	In-place rent per sqm (in €)	Value per sqm (in €)	Rental yield
Office	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%
<b>Total</b>	<b>7,437</b>	<b>4,014</b>	<b>8.1%</b>	<b>411</b>	<b>9.0</b>	<b>1,853</b>	<b>5.5%</b>

## Portfolio breakdown per region

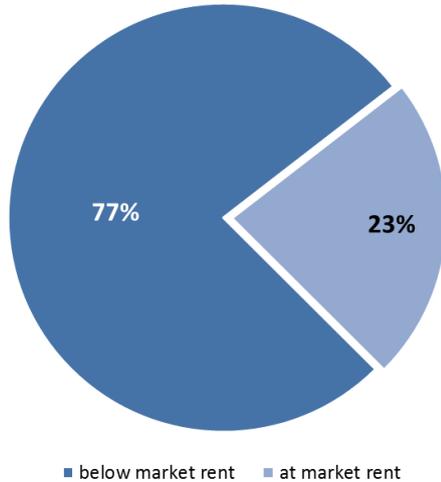
	Value (in €M)	Area (in 000' sqm)	EPRA vacancy	Annualized net rent (in €M)	In-place rent per sqm (in €)	Value per sqm (in €)	Rental yield
Berlin	1,613	658	8.2%	69	9.3	2,452	4.3%
NRW	937	767	7.5%	63	6.8	1,223	6.7%
Frankfurt	915	354	9.9%	45	11.2	2,581	4.9%
Munich	720	240	8.9%	31	10.9	2,996	4.3%
Hamburg	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%
<b>Total</b>	<b>7,437</b>	<b>4,014</b>	<b>8.1%</b>	<b>411</b>	<b>9.0</b>	<b>1,853</b>	<b>5.5%</b>

\* figures exclude assets held for sale

<b>Total October 2017</b>	<b>7,800</b>	<b>4,300</b>	<b>8.8%</b>	<b>435</b>	<b>8.9</b>	<b>1,814</b>	<b>5.6%</b>
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# COMMERCIAL PORTFOLIO – POTENTIAL TO COME

## Commercial in-place rent compared to market rent prices



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



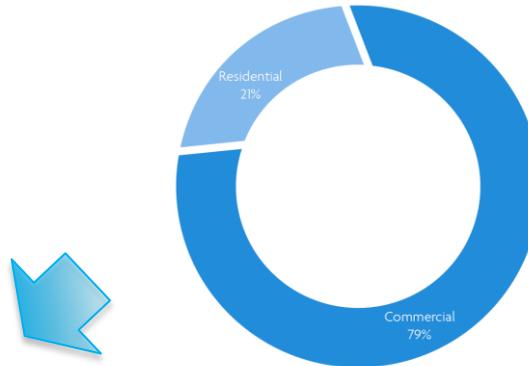
**Large upside potential from rent increases to market levels with very limited downside risk**



**Long lease terms with a WALT of 7.2 years as of October 2017**

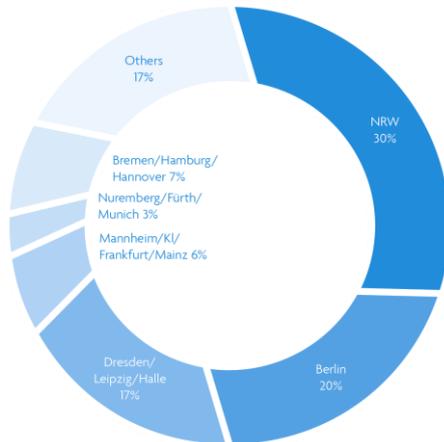
# TOP TIER CITIES (JUNE 2017)

## Asset Type Breakdown\*

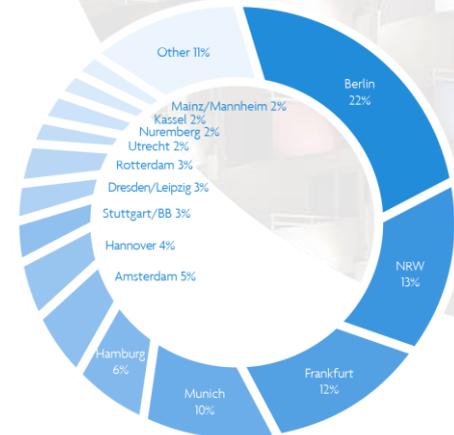


\*Accounting for 36% in GCP portfolio

## Residential geographical breakdown

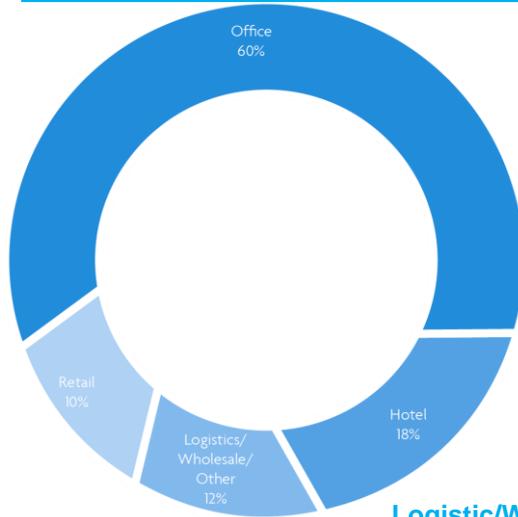


## Commercial geographical breakdown

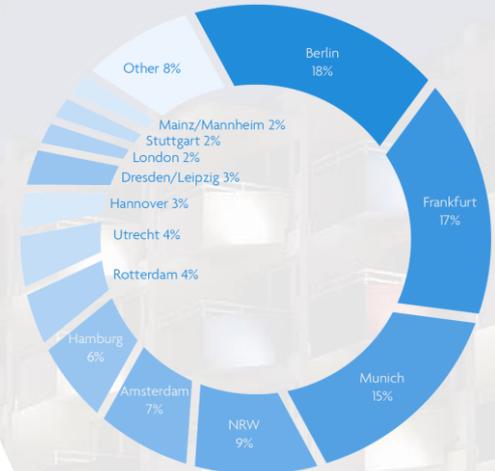


# TOP TIER CITIES WITHIN ASSET CLASSES (JUNE 2017)

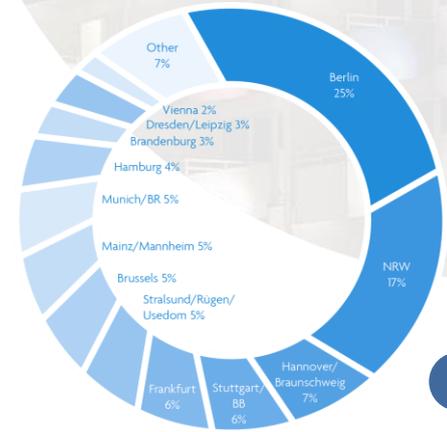
## Commercial asset type breakdown



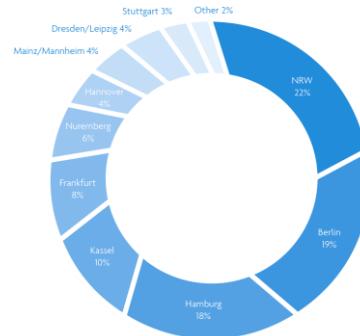
## Office geographical breakdown



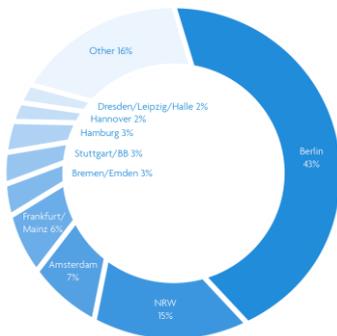
## Hotel geographical breakdown



## Logistic/Wholesale/Other geographical breakdown



## Retail geographical breakdown



all breakdowns are by value

# QUALITY LOCATIONS IN BERLIN INNER CITY

➔ **87% of the commercial portfolio is located in top neighborhoods including the inner city**, strongly benefiting from the unique dynamics and growth of Berlin's most in demand neighborhoods, business areas and tourist centres

➔ 13% of the commercial portfolio is well located primarily in Spandau, Reinickendorf, Hellersdorf/Marzahn and Treptow/Köpenick



◆◆ Commercial properties

◆◆ Residential properties

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

# DEFENSIVE PORTFOLIO WITH STRONG TENANT STRUCTURE

AROUNDTOWN  
PROPERTY HOLDINGS PLC

Limited dependency on single tenants due to large tenant base of over 2,500 tenants

Long lease terms with a WALT of 7.2 years as of October 2017



Mercedes-Benz



CLIFFORD  
CHANCE



ESW GmbH

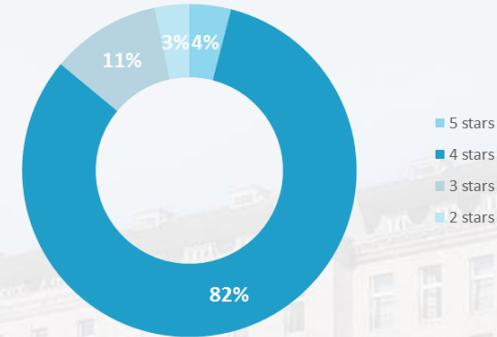


MATERNUS®



# HIGHLY PERFORMING HOTEL LOCATIONS

79 hotels - by category (by value)



Many of the hotel assets are held through a 98% stake in Prime City Investment

Well diversified portfolio of branded hotels totaling more than €1.3 bn and 632k sqm as of June 2017

High proportion (82%) in 4 star hotels, meeting the rising market demand from tourism and business travel

Long-term and fixed leases to third party hotel operators



Globally leading branding partners offer key advantages

Worldwide reservation systems

Global recognition

Strong loyalty programs

Quality perception

Economy of scale benefits

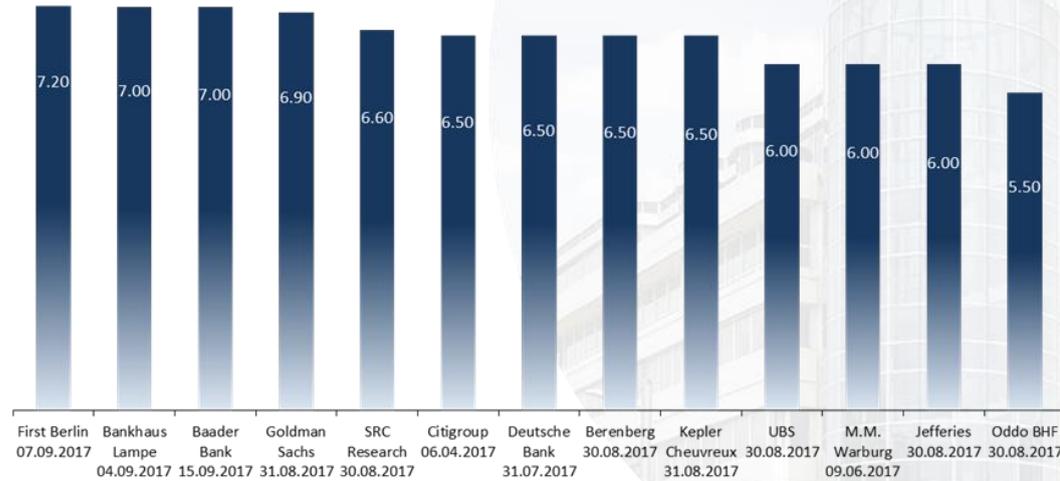
# APPENDIX



# EQUITY ANALYST RESEARCH COVERAGE

## Covering Analysts

## Analyst Research Target Price



Analyst recommendations are set to Buy and above the current share price

# AROWNTOWN'S SHARE PRICE PERFORMANCE

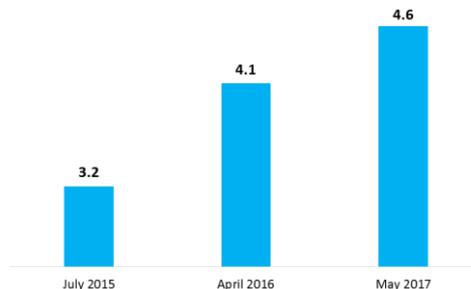
## Share performance since initial placement of capital (13.7.2015)



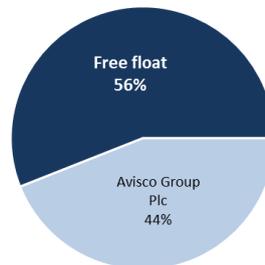
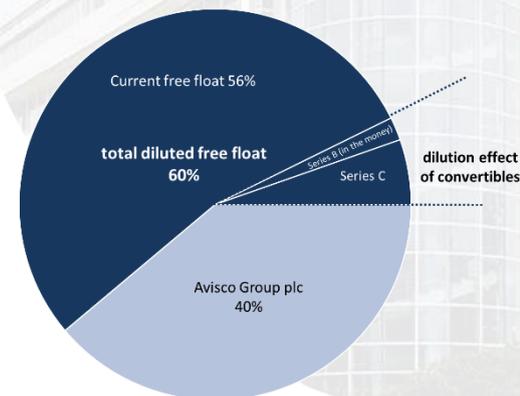
## The share

Placement	Frankfurt Stock Exchange (Prime Standard)
First equity issuance	13.07.2015 (€3.2 per share)
Number of shares (basic)	872,310,238
Number of shares incl. dilution effect of Series B (in the money, conversion price of €3.38)	891,088,194
Number of shares fully diluted	944,920,506
Free float	56%
Free float including conversion of CBs in the money	57%
Fully diluted free float	60%
Symbol (Xetra)	AT1
Market cap (30/6/17)	€4.1 BN
Market cap (29/8/17)	€4.7 BN

## Share issue price development



## Shareholder structure (fully diluted)



## Shareholder structure (basic)

# AROUNDTOWN'S BOND PERFORMANCE

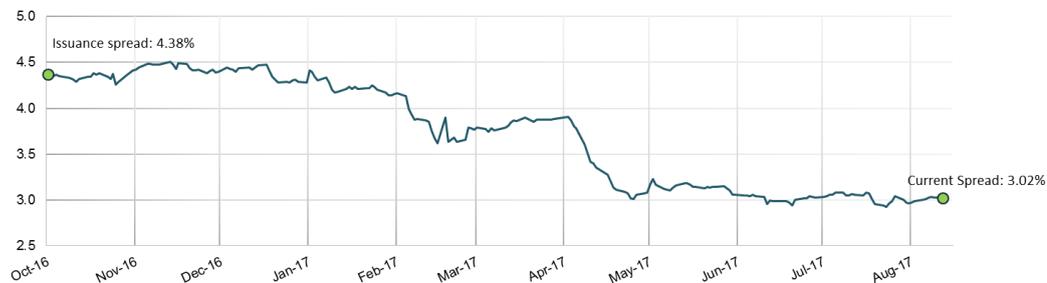
## Convertible bond Series C performance since placement (15.12.2015)



## Spread over mid-€-swap for straight bonds A and D, remaining 5 years



## Spread over mid-€-swap for 3.75% Perpetual Notes



# STRATEGY AND BUSINESS MODEL

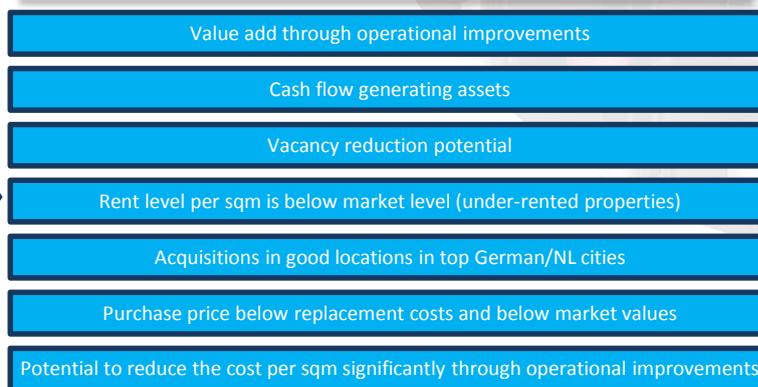


## Diversified and large base deal sources



Screening process

## Acquisition criteria



## 1 Proven business model and successful track-record

- ✓ **Well allocated assets** in the top cities of Germany and NL
- ✓ **Highly cash generative portfolio** resulting from **successful repositioning**
- ✓ Proven ability to drive operational performance, increase rents and occupancy and extend leases
- ✓ Significant **upside potential** in the portfolio with limited downside risk as properties possess under-utilized rent and occupancy
- ✓ Synergies and economies of scale enable to increase profit margins and reduce operational costs

## 2 Low financial risk

- ✓ **Conservative financial profile in the real estate sector**
- ✓ Low LTV and high interest coverage ratio
- ✓ Highest ratio of unencumbered assets (over 50%)
- ✓ Investment grade BBB (A-2 Short Term) with long term target of A-

## 3 Strong pipeline

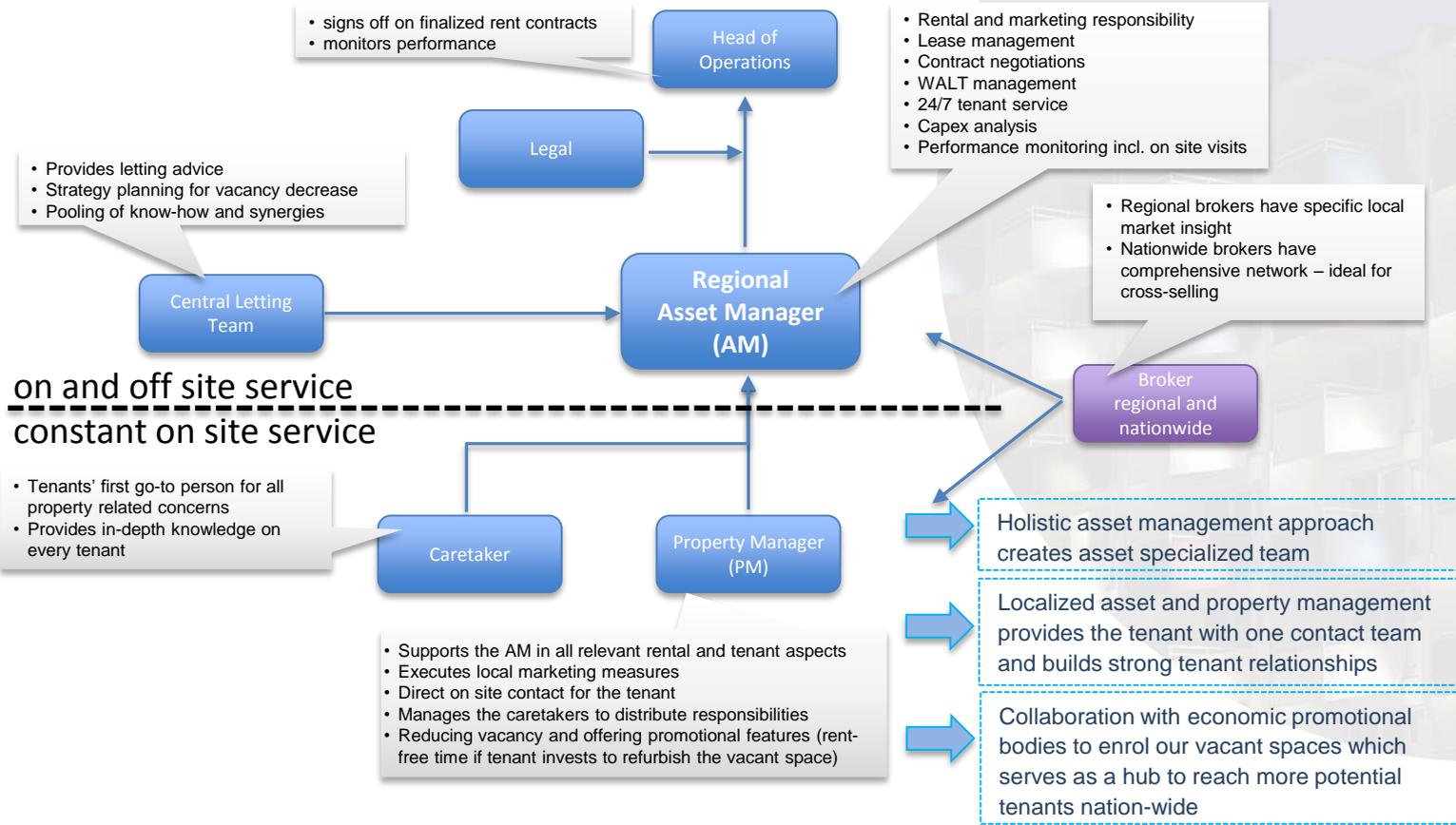
- ✓ **Substantial acquisition pipeline** in advanced stage of discussion, market leader in German/Netherlands acquisitions
- ✓ Capital appreciation opportunities through **appropriate asset selection** and **acquisitions at attractive valuations**
- ✓ **Incumbent preferred buyer status** gives access to off-market transactions away from auction pressures

## 4 Structurally strong position with high barriers to entry

- ✓ Focused on investing in and managing value-add opportunities in densely populated and commercially attractive areas of the German/NL real estate market
- ✓ Proprietary **in-house IT software systems** tailor-made for the German real estate market, fitted especially to the needs of property value creation cycle

**Aroundtown is a conservative investment opportunity with well located, strong cash flow generating, quality real estate assets in Germany/NL**

# FULL CONTROL OVER THE ENTIRE OPERATIONAL VALUE CHAIN



# LEASE MANAGEMENT AS DRIVERS FOR GROWTH – ACHIEVING LONG-TERM GROWING CASH FLOWS

- ✓ Localized one team touchpoint approach – building strong and long-term relationships with tenants. Teams become specialized with the individual asset, the tenants and the regional markets – proactively meeting tenants on a regular basis
- ✓ Establishing and maintaining an open line of communication at all times – short reaction times to tenants' concerns ensure short business interruption (24/7 availability)
- ✓ Analysing tenant satisfaction levels and understanding their needs vs ongoing analysis of the teams performance
- ✓ Ongoing WALT analysis and forming a strategy on a tenants basis – either sign an extension in advance or letting the contracts expire depending on factors such as demand factors, gap to market rent, tenant structure etc.
- ✓ Hands on collection management – monthly collection reports on an asset level and a tenant basis solving problems before they develop
- ✓ Smart Capex and conversion planning maximizing the potential of the asset with scrutiny on execution
- ✓ Centralized in-house legal team support the AM with flexibility and fast reaction ability

**Establishing and maintaining an open line of communication at all times**

# RENTAL AND MARKETING AS DRIVERS FOR ADDITIONAL GROWTH

- ✓ Tailor made rental and marketing strategy on an asset basis
- ✓ Comprehensive vacancy analysis – conducting usability studies/letting concepts of vacant spaces in order to attract a large pool of diverse tenants
- ✓ Optimizing the usage of each asset and fitting to the demand and supply in the market
- ✓ Market and benchmark analysis – enabling the management to execute optimal decision making and to closely track macro and micro developments
- ✓ Combination of various channels to cover the broadest market
  - Negotiations with existing tenants: business plans/perspective and development expectations
  - Online data bases
  - Advertising billboards
  - Regional and nationwide brokerage
  - Governmental database (local economic promotion)
  - E-commerce
- ✓ Prospective tenant screening
  - Credit worthiness: credit rating, business plan plausibility check, online screening
  - Tenant structure adaptability: competition protection, tenant type mix
- ✓ Contract negotiations: promotion incentives, adaptation to tenants' future plans etc.

**Reducing vacancy by tapping assets' potential**

## CEO and CFO

Shmuel Mayo		<b>CEO</b> of Aroundtown. Previously, Mr. Mayo was the CEO of the Dankner Group, which under his management was a leading international investment conglomerate with over \$8 billion of assets. Mr. Mayo is since 2006 in the management of Aroundtown and its subsidiaries and holds a BA in Economics and Accounting, Law and CPA.
Eyal Ben David		<b>CFO</b> of Aroundtown. Previously, Mr. Ben David held a private practice of Certified Public Accountants focused on infrastructure and real estate industries and is since 2007 in the management of Aroundtown. Mr. Ben David is a certified public accountant (CPA) and holds an MBA.

## Board of Directors

Andrew Wallis		<b>Director.</b> Mr. Wallis was owner and CEO of a large German property management company. Previously he spent 10 years as an investment banker in the city of London for Merrill Lynch and JP Morgan. Mr. Wallis holds an MBA and a CFA.		<b>Director to become appointed 13<sup>th</sup> Sept:</b> Mr. Roseen is highly experienced with a track record of 30 years. Mr. Roseen has held various senior management positions over the last 18 years, including, amongst others, CEO of Germany & Central Eastern Europe of GE Capital and Real Estate. Mr. Roseen holds an MBA.
Oschrie Massatschi		<b>Director.</b> Mr. Massatschi has 10 years professional experience in banking, management consultancy and corporate finance which he gained in Australia, the UK and Germany. Mr. Massatschi holds a BA Honours in International Business.		<b>Independent Director to become appointed 13<sup>th</sup> Sept:</b> Mr. Kreuter is specialized in real estate debt advisory through his 17 years of experience in among others JLL, Deutsche Bank, DekaBank.
Markus Leininger		<b>Independent Director.</b> Mr. Leininger is a former senior banker with a focus on financing, private equity and real estate. His past positions include Head of Operations with Eurohypo AG and Rheinhyp AG (Commerzbank) and a Member of the Advisory Board and Investment Committee of Revetas Capital Advisors. Mr. Leininger holds a diploma in B.A..		<b>Independent Director to become appointed 13<sup>th</sup> Sept:</b> Mr. Froese is the founder and managing partner at Froese Asset Management GmbH. Previous positions were Head of Asset Management at Cordea Savills GmbH, founder and managing partner at IPAM GmbH, Head of European Real Estate Group of the Bank of Scotland.
Jelena Afxentiou		<b>Director.</b> Ms Afxentiou is in the Aroundtown Group since 2011 and has 20 year of experience in the real estate and the hotel business, specializing in finance and accounting.		<b>Independent Director until 13<sup>th</sup> Sept:</b> Ms. Koushos is a partner at Koushos & Korfiotis Advocates & Legal Consultants LLC, holds a LLM from Queen Mary University of London and a LLB from University of Leicester.

## Advisory Board

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

**Audit Committee** – consists of the two independent directors Elena Koushos and Markus Leininger

**Markus Neurauter**



Head of commercial operations. Before joining the Group he was a board member of Strabag AG and CEO of Raiffeisen evolution, responsible for project development on 11 European countries with a development volume of more than €2bn. Mr. Neurauter holds a masters in economics from the university of Innsbruck and covers more than 25 years of experience in real estate.

**Philipp von Bodman**



Head of Hotels. Mr. von Bodman has over 20 years of experience in the international hotel industry. Prior positions include, among others: Director of Operations for the GCH Hotel Group, Hotel Valuations and Hotel Feasibility Studies with HVS in London, Hotel Asset Management in London, Hotel Quality Performance Checks in Asia, and numerous international hotel operational positions. Mr. von Bodman holds an MBA in International Hospitality Management from Cornell University & ESSEC Business School (IMHI).

**Nikolai Walter**



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

**Brigitte Schmitt**



Ms. Schmitt is a Shopping Center Management expert. Before joining the group Mrs. Schmitt has been 12 Years with ECE - European market leader for Shopping Centers and with DTZ where her Team was twice awarded the CEE Property Management Team of the Year Award. Ms. Schmitt holds a degree in Business Management and Administration - from the University of Würzburg.

**Alfred Kandl**



Mr. Kandl is the Head of Construction Management. He has 35 years' experience in the real estate and building industry. He started in one of Austria's leading building companies and soon worked in controlling positions at large construction sites all over Austria and Central and Eastern Europe. In 2003, Mr. Kandl switched from the operational business to the Project Development and worked as Head of Construction at Raiffeisen Evolution.

**Guido Pütz**



Originally trained at Hochtief AG, Guido has spent the last 15 years steering real estate of all asset types for big players in the market such as Hudson Advisors, Cushman & Wakefield and Catella. When Hudson Advisors sold the portfolios under his supervision, Guido decided to join the team and has been an invaluable asset with his experience, strong negotiation skills and dynamic thinking.

**Norman Lindner**



Originally trained as a banker, Norman spent two years in risk management before going into controlling, finance and accounting as an asset manager. Norman's greatest strengths are the setting-in-place and monitoring of processes and strict supervision of accountants and property managers that target figures are met. He gained his experience at Habacker Holding, Dawnay Day Property Investment and IKB Deutsche Industriebank

**Jelena Ebner**



Trained as a Real Estate Manager and gained her knowledge also in retail & distribution and insurance during her study of business administration, Jelena worked for Hudson Advisors and later at Dundee International as an Asset Manager, Corporate in Luxembourg. Coming from a property management background, Jelena has experience in all asset types and combines this with an uncanny ability to think out-of-the-box.

**Christian Hupfer**



Financial officer. Mr. Hupfer is specialized in tax structuring, financial statement and cash flow analysis and bank negotiations. Mr. Hupfer worked for RöverBrönrner KG Steuerberatungs und Wirtschaftsprüfungsgesellschaft in the Audit and Tax department. Mr. Hupfer has a Diploma of Economics with a focus on tax and financial auditing

**Idan Kaplan**



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

**Paul Smyth**



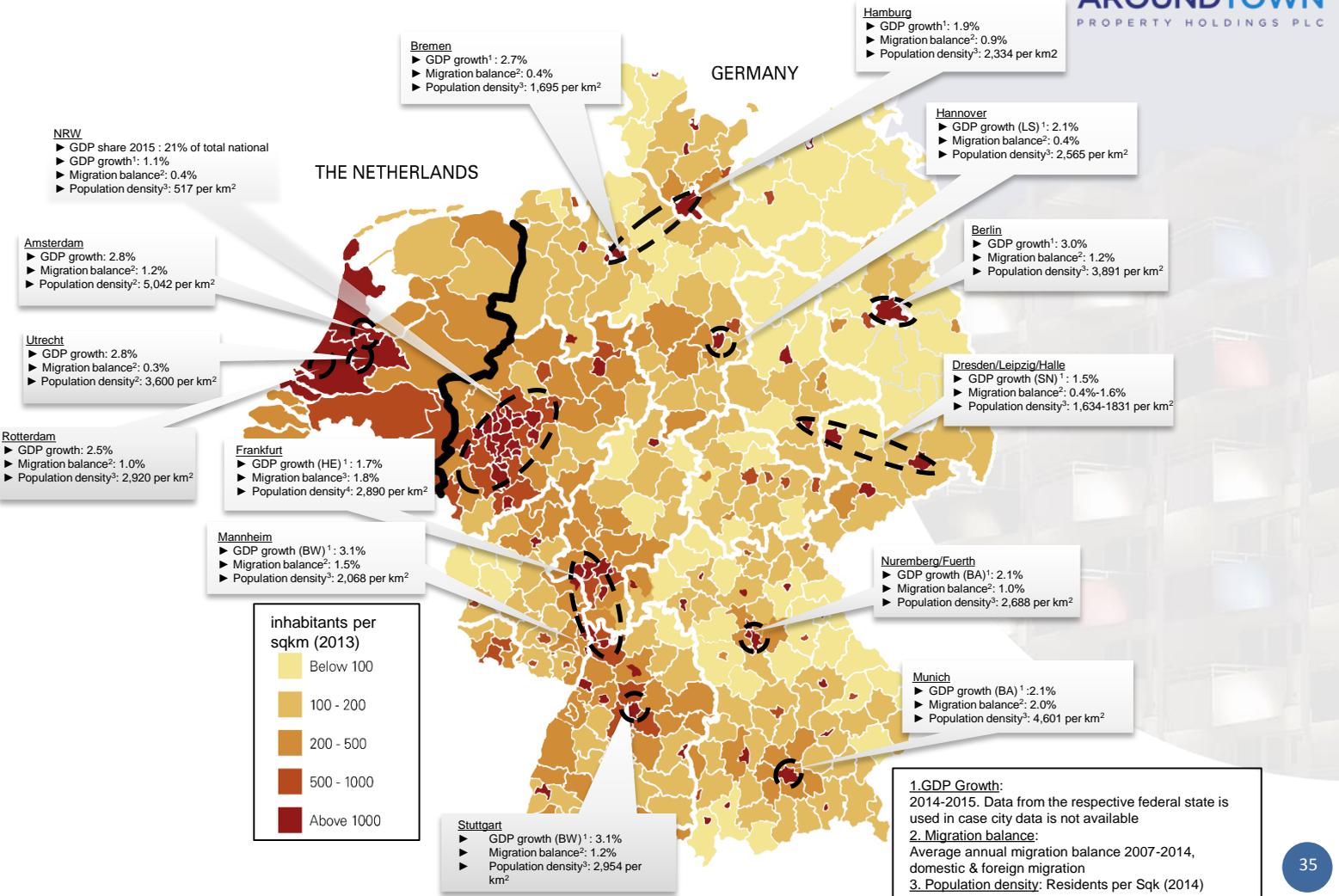
Manager Financial Audit and Financial Projects. Prior to joining the company he has held Financial and Managerial positions with GCH, IHG, Westin as well as recreational enterprises such as Penn Racquet Sports and Tropical Islands. As an entrepreneur he has supported enterprises in Ireland and Germany and is a lodging & hospitality specialist.

**Sylvie Lagies**

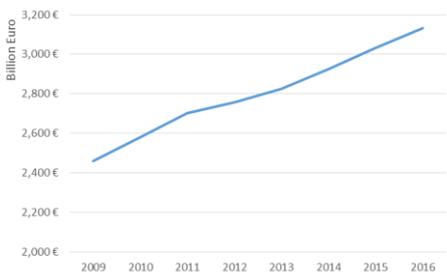


Head of ESG. Ms Lagies moved from the hotel group where she held positions as Hotel General Manager and Interim Manager. Within the Group she held positions as Corporate Project Manager and Head of Training and Development. Former roles were Head of Franchise Development and Training for Domino's Pizza Germany, Director of Business Development for Precise Hotel Collection in Germany.

# REGIONAL MARKET OVERVIEW

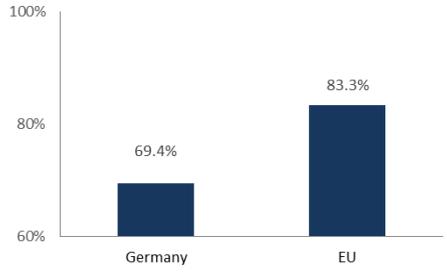


## GDP growth



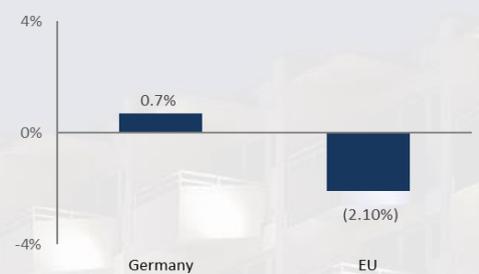
Source: Eurostat

## Debt/GDP 2016



Source: Eurostat, data as of Q3 2016

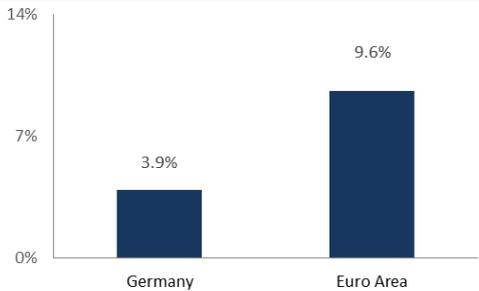
## Budget Surplus/Deficit 2015



Source: destatis

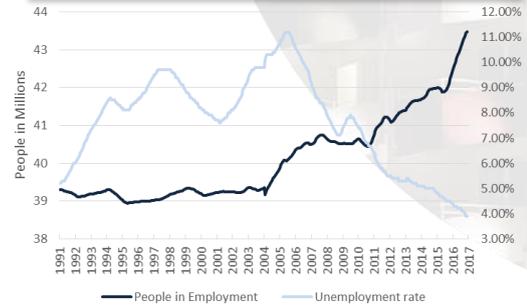
**Germany has a growing GDP paired with a strong budget discipline...**

## Unemployment rate 2016



Source: Eurostat

## Unemployment rate 1991-2016



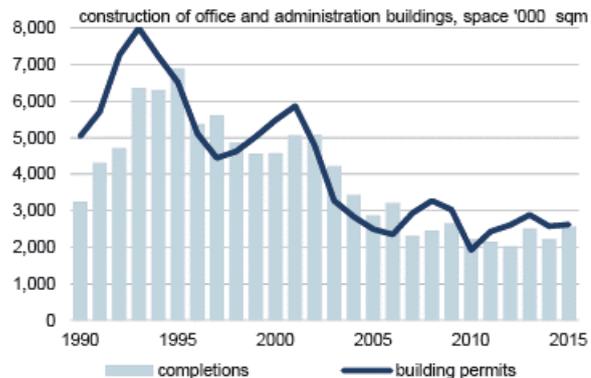
Source: destatis

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

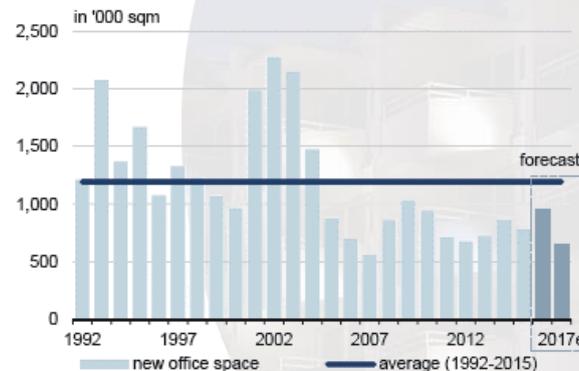
# GERMAN OFFICE MARKET LOW SUPPLY AND STRONG DEMAND...

\* in Top 7 locations according to DG HYP: Berlin, Munich, Frankfurt, Cologne, Hamburg, Düsseldorf, Stuttgart

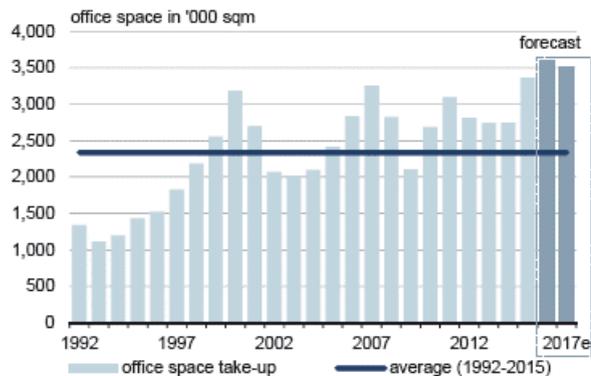
## Construction of new commercial buildings in Germany



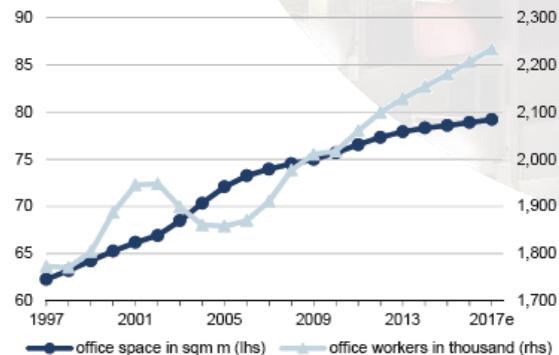
## Low addition of new office space\*



## Increasing and above average office space take-up\*



## Office workers increase more than available office space

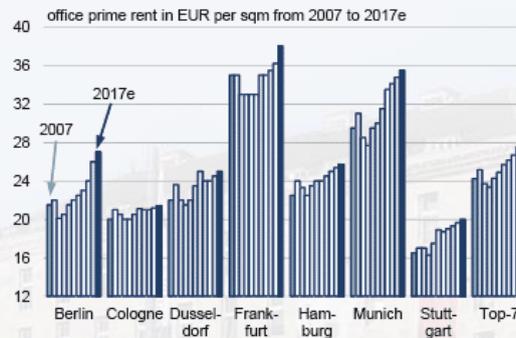


# GERMAN OFFICE MARKET

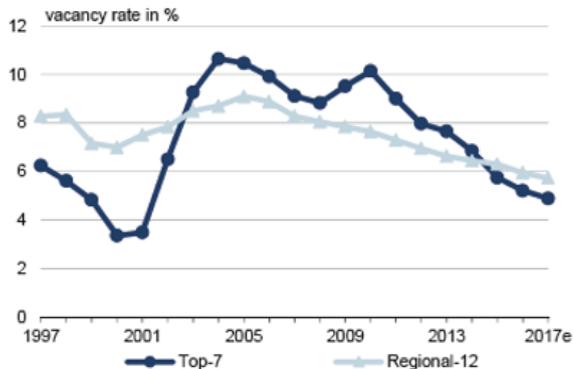
## ...LEAD TO INCREASING RENTS AND OCCUPANCY

Top 7 locations:  
Berlin, Munich,  
Frankfurt, Cologne,  
Hamburg,  
Düsseldorf, Stuttgart

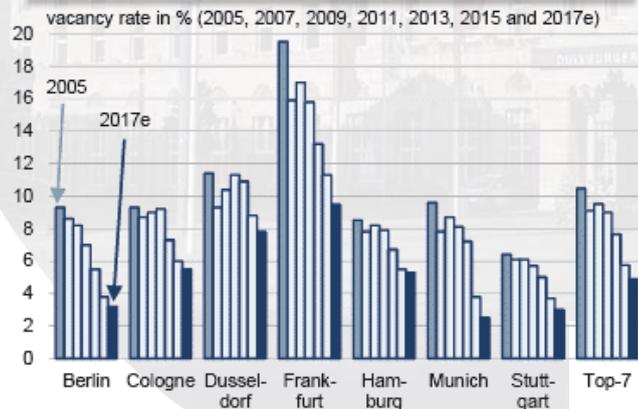
### Office rents are increasing



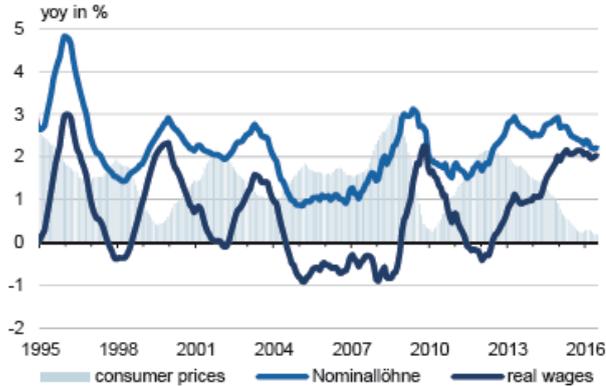
### Decreasing vacancy...



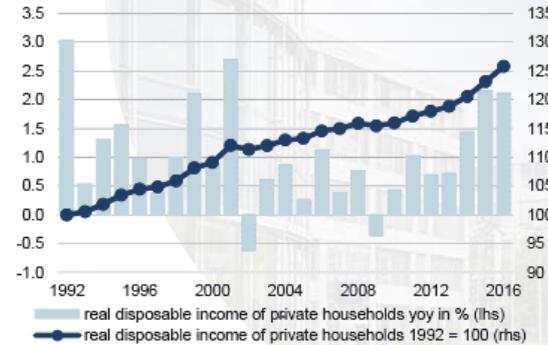
### ...across Germany...



## Development of wages and consumer prices

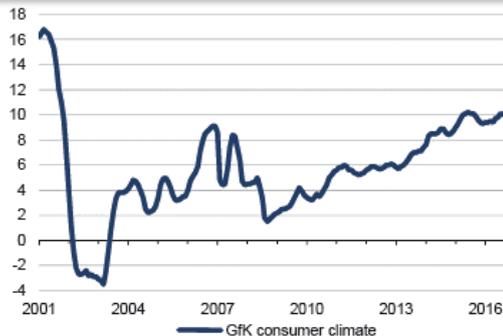


## Increase in real disposable income

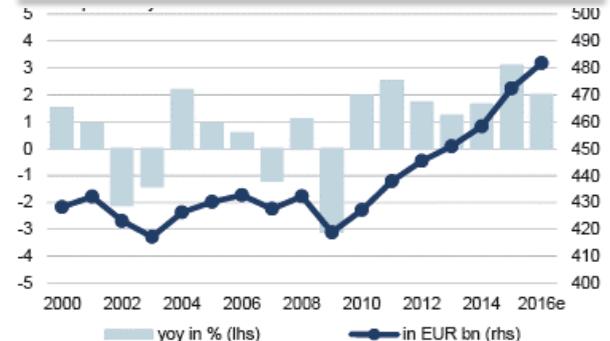


Disposable income is increasing as real wages are increasing while inflation is decreasing,...

## Consumer climate

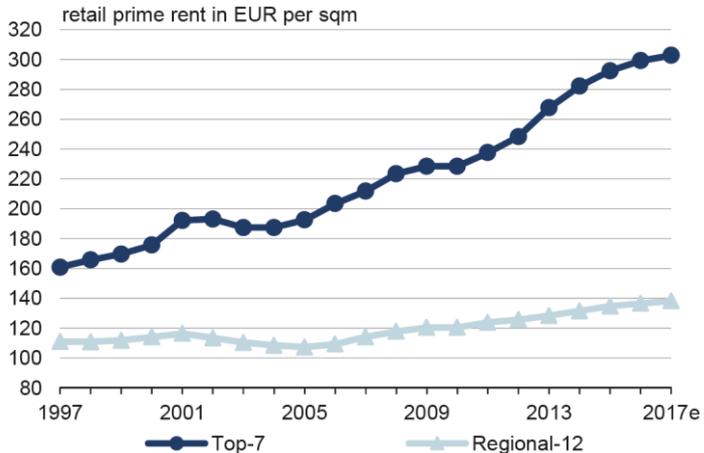


## Strong increase in retail sales



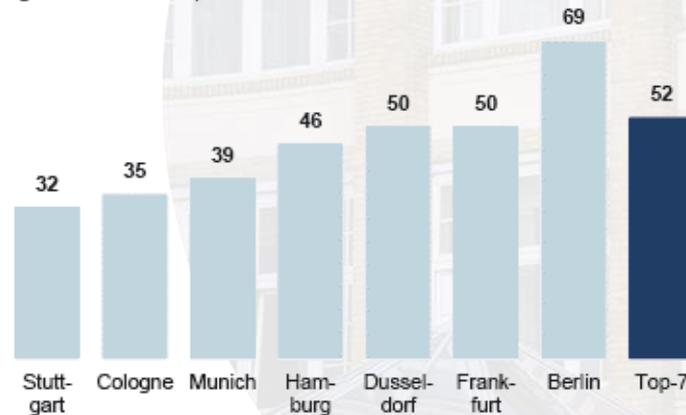
...which leads to a higher consumer climate and higher retail sales

## Retail rents are increasing



## Especially in the Top 7 cities

growth of the retail prime rent from 2005 to 2015 in %

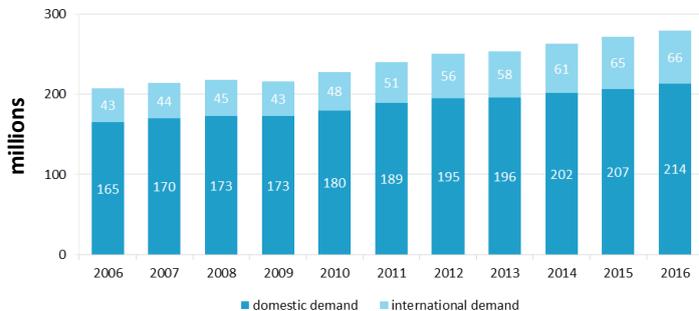


Source: DG HYP German Real Estate Market report

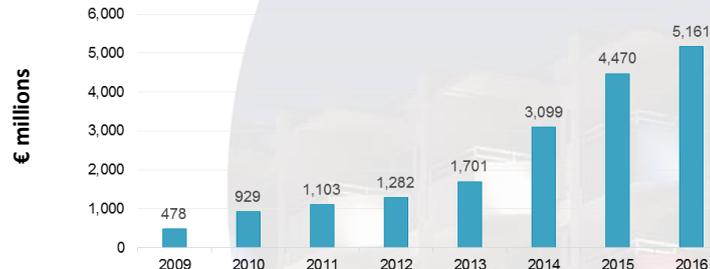
**Strong consumer spending from strong employment market supports increasing rents**

# GERMAN HOTEL MARKET OVERVIEW

## Overnight stays across all hotel accommodation types



## Transaction volume of hotel properties

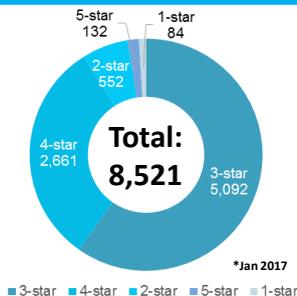


## RevPar development

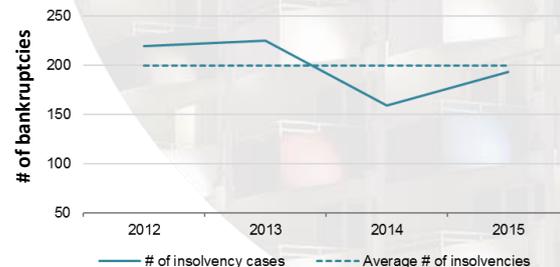


Source: Smith Travel Research (STR)

## Rated hotels by category

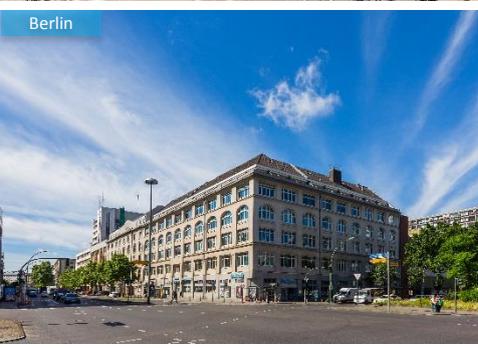


## Insolvencies in the accommodation services sector



The German hotel market remains highly fragmented despite growing investor interest





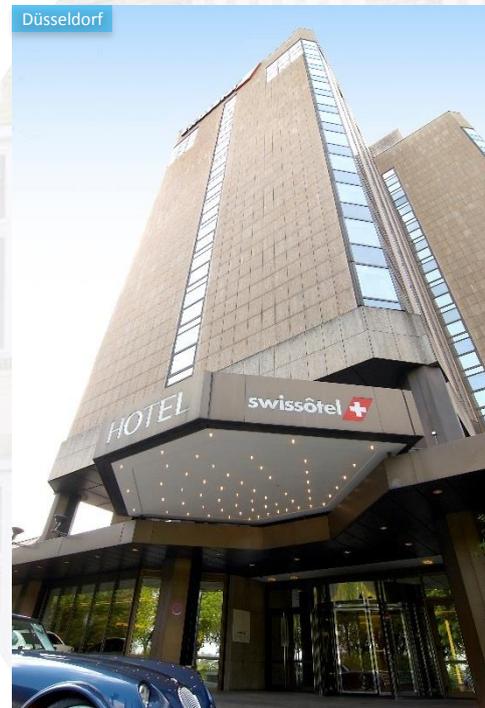
Frankfurt



Berlin



Düsseldorf



Rotterdam



Nuremberg



Stuttgart





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