



# Q1 2020 FINANCIAL RESULTS PRESENTATION

MAY 2020



# TABLE OF CONTENTS



HIGHLIGHTS



FINANCIAL RESULTS



OPERATIONS AND PORTFOLIO



APPENDIX

# HIGHLIGHTS

Insignificant impact from Covid-19 on Q1 operational results

## MERGER WITH TLG CONCLUDED REINFORCING THE DEFENSIVENESS OF THE BALANCE SHEET

### HIGH LIQUIDITY AND UNENCUMBERED ASSETS

- **€3bn** cash and liquid assets, **9%** of total assets (as of Mar 2020), providing solid financial strength, flexibility and firepower
- **€17bn** of unencumbered investment properties (**74%** of rent) provide additional flexibility and liquidity potential

### HEALTHY CAPITAL STRUCTURE

- Conservative financial structure maintained:
  - Low LTV of 36%**
  - High equity ratio of 50%**
  - Liquidity is **5 times** the debt maturing in the next 2 years
  - Strong BBB+** credit rating by S&P

### DEFENSIVE DEBT PROFILE

- Best-in-class debt profile:
  - Long** average debt maturity of **6.4 years**
  - High ICR of 4.7x**
  - Low** cost of debt of **1.6%**
  - 74%** unencumbered ratio (€17bn)
  - High** interest hedging ratio of **95%**
  - Large headroom** to covenants and financial policies

### STRONG PORTFOLIO

- Merger with TLG significantly enhanced the scale and diversification.
  - Focus on strong asset types:** offices, logistics and residential make up **68%** of the portfolio.
  - Focus on stable markets:** 87% of the asset value in strongest European (AAA rated) economies: Germany & the Netherlands
  - High tenant diversification** with long WALTs, no dependency on a single tenant or industry



# FINANCIAL RESULTS

# PROFIT AND LOSS

	1-3/2020	1-3/2019
	in € millions	
<b>REVENUE</b>	<b>277.7</b>	<b>207.5</b>
<b>RECURRING LONG-TERM NET RENTAL INCOME</b>	<b>233.4</b>	<b>175.5</b>
<b>PROPERTY REVALUATIONS AND CAPITAL GAINS</b>	<b>318.4</b>	<b>239.9</b>
Share in profit from investment in equity-accounted investees	24.8	91.0
Property operating expenses	(70.4)	(53.2)
<b>EBITDA</b>	<b>537.4</b>	<b>479.7</b>
Finance expenses, net	(45.5)	(33.7)
Other financial results	(86.1)	48.8
Current tax expenses	(24.4)	(12.5)
Deferred tax expenses	(134.7)	(44.9)
<b>PROFIT FOR THE PERIOD</b>	<b>245.7</b>	<b>436.9</b>
Basic earnings per share (in €)	0.14	0.36
Diluted earnings per share (in €)	0.14	0.36

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



\* Excluding net rent from assets held for sale

## SOLID ORGANIC GROWTH FROM BOH EXTERNAL AND INTERNAL SOURCES



Net profit (in €m)



# ADJUSTED EBITDA

	1-3/2020	1-3/2019
	in € millions	
Operating profit	536.4	479.2
Total depreciation and amortization	1.0	0.5
<b>EBITDA</b>	<b>537.4</b>	<b>479.7</b>
Property revaluations, capital gains and other income	(318.4)	(239.9)
Share in profit from investment in equity-accounted investees	(24.8)	(91.0)
One-off expenses related to TLG merger	2.8	-
Other adjustments	(0.5)	(0.7)
<b>ADJUSTED EBITDA COMMERCIAL PORTFOLIO, RECURRING LONG TERM</b>	<b>196.5</b>	<b>148.1</b>
Adjustment for GCP's and other investments' adjusted EBITDA contribution	40.7	31.5
<b>ADJUSTED EBITDA</b>	<b>237.2</b>	<b>179.6</b>

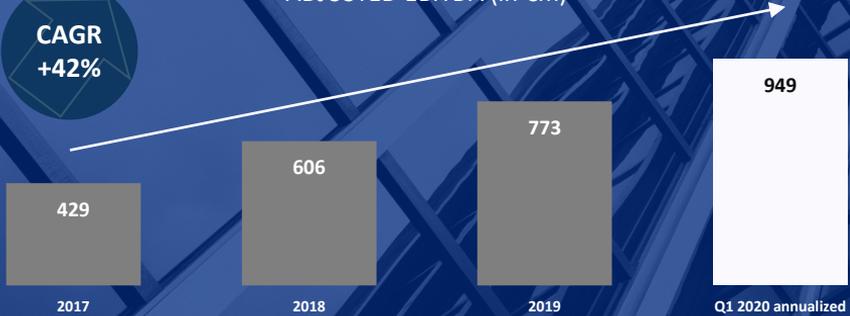
Subtracted as these profits include AT's share in non-operational profits generated by the equity accounted investees

Mainly related to adjusted EBITDA of the properties marked for disposal to reflect the long-term recurring Adjusted EBITDA of the commercial portfolio

Due to the nature of its strategic investment in GCP and in other investments, AT includes in its adjusted EBITDA calculation its share in the adjusted EBITDA generated by those investments for the period in accordance with its holding rate over the period.

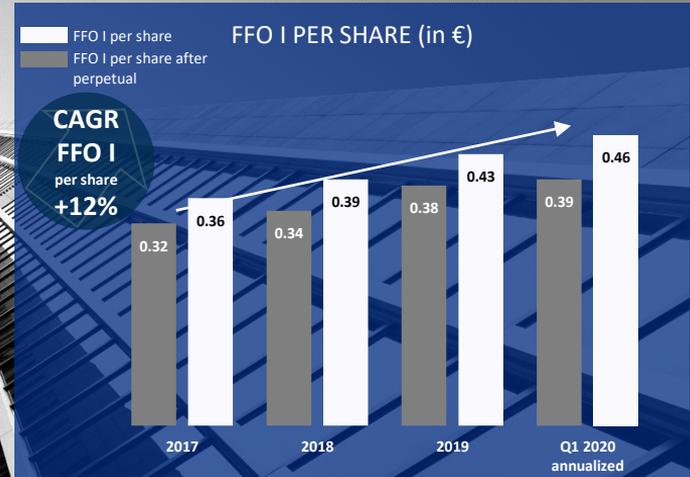
**CAGR**  
**+42%**

ADJUSTED EBITDA (in €m)



# FFO I & FFO II

	1-3/2020	1-3/2019
in € millions		
<b>ADJUSTED EBITDA COMMERCIAL PORTFOLIO, RECURRING LONG TERM</b>	<b>196.5</b>	<b>148.1</b>
Finance expenses, net	(45.5)	(33.7)
Current tax expenses	(24.4)	(12.5)
Contribution to minorities	(8.3)	(3.9)
Other adjustments	0.8	1.0
<b>FFO I COMMERCIAL PORTFOLIO, RECURRING LONG TERM</b>	<b>119.1</b>	<b>99.0</b>
Adjustment for GCP's and other investments' FFO I contribution	28.3	19.1
<b>FFO I</b>	<b>147.4</b>	<b>118.1</b>
<b>FFO I PER SHARE (IN €)</b>	<b>0.114</b>	<b>0.105</b>
FFO I per share after perpetual notes attribution (in €)	0.098	0.095
Result from disposal of properties	22.3	43.0
<b>FFO II</b>	<b>169.7</b>	<b>161.1</b>



FFO I & FFO II (in €m)



**FFO I yield 9.5%<sup>1)</sup>**

**€55m Q1 2020 disposals**

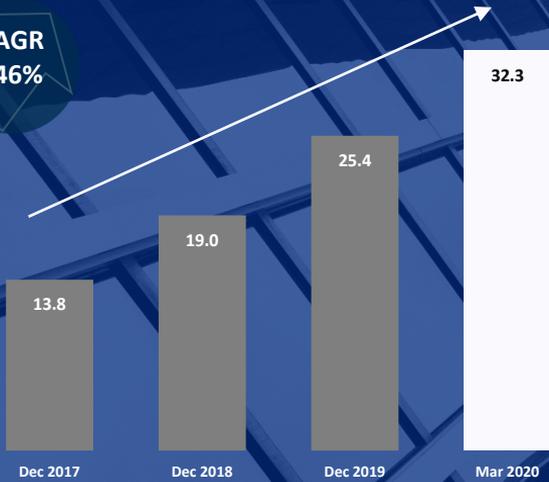
**68% margin over total costs**

1) Based on a share price of €4.84

# TOTAL ASSETS

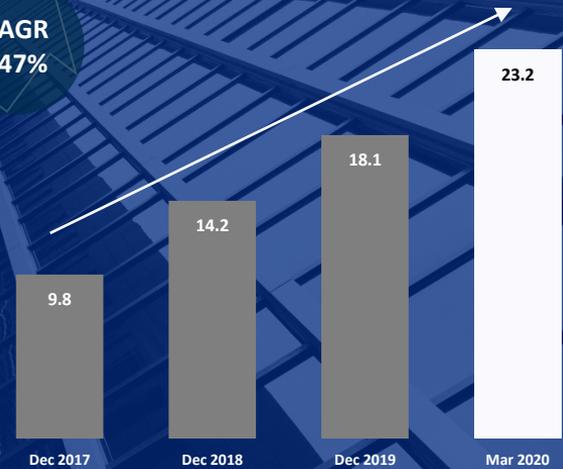
Total Assets (in €bn)

CAGR  
+46%



Investment Property (in €bn)

CAGR  
+47%



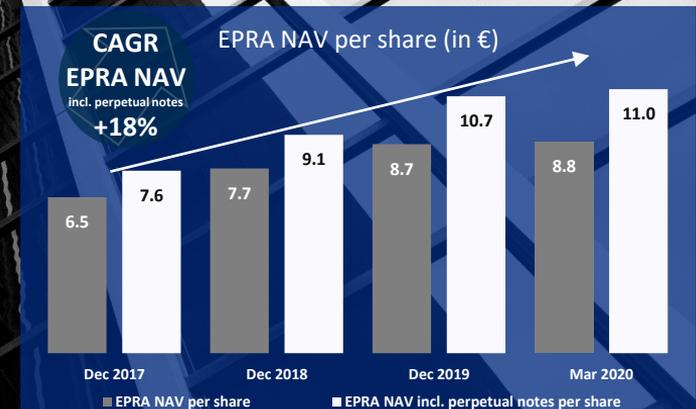
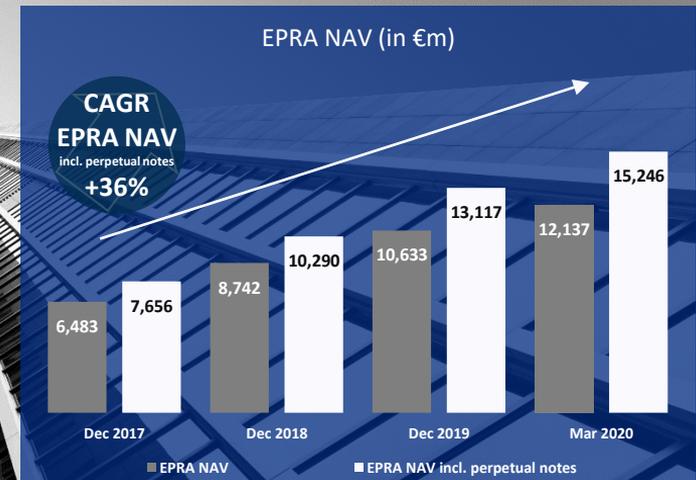
# EPRA NAV

	Mar 2020		Dec 2019	
	in € millions	Per share	in € millions	Per share
<b>NAV PER THE FINANCIAL STATEMENTS</b>	<b>16,248.0</b>		<b>13,378.9</b>	
Equity attributable to perpetual notes investors	(3,109.1)		(2,484.0)	
<b>NAV EXCLUDING PERPETUAL NOTES</b>	<b>13,138.9</b>		<b>10,894.9</b>	
Fair value of derivative financial instruments	24.6		(71.6)	
Deferred tax liabilities	1,973.8		1,119.5	
<b>NAV</b>	<b>15,137.3</b>	<b>€11.0</b>	<b>11,942.8</b>	<b>€9.8</b>
Non-controlling interests	(1,991.5)		(1,309.4)	
Adjustment for TLG (deducting goodwill and others) <sup>1)</sup>	(1,008.5)		-	
<b>EPRA NAV</b>	<b>12,137.3</b>	<b>€8.8</b>	<b>10,633.4</b>	<b>€8.7</b>
Equity attributable to perpetual notes investors	3,109.1		2,484.0	
<b>EPRA NAV INCLUDING PERPETUAL NOTES</b>	<b>15,246.4</b>	<b>€11.0</b>	<b>13,117.4</b>	<b>€10.7</b>
Number of shares (in millions) <sup>2)</sup>	1,380.5		1,224.9	

1) Deducting goodwill resulting from TLG combination and minority share in TLG's deferred tax liabilities and derivative financial instruments  
 2) Excluding suspended voting rights and including the conversion impact of mandatory convertible notes, base for share KPI calculations

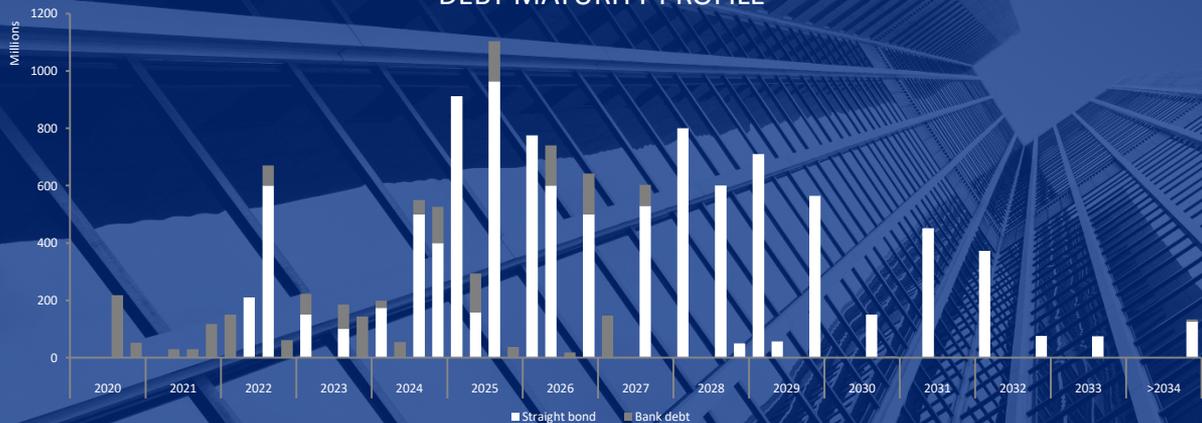
	NAV	EPRA NAV	EPRA NAV including perpetual notes	EPRA NNAV
in € millions unless otherwise indicated				
Mar 2020	15,137.3	12,137.3	15,246.4	11,886.5
<b>Mar 2020 per share (in €)</b>	<b>11.0</b>	<b>8.8</b>	<b>11.0</b>	<b>8.6</b>
<b>Per share growth</b>	<b>+12%</b>	<b>+1%</b>	<b>+3%</b>	<b>+4%</b>
Number of shares (in millions, Mar 2020) <sup>1)</sup>		<b>1,380.5</b>		
Dec 2019	11,942.8	10,633.4	13,117.4	10,139.3
<b>Dec 2019 per share (in €)</b>	<b>9.8</b>	<b>8.7</b>	<b>10.7</b>	<b>8.3</b>

1) Excluding suspended voting rights and including the conversion impact of mandatory convertible notes, base for share KPI calculations

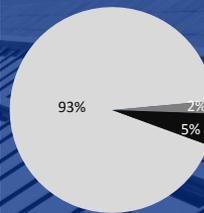


# CONSERVATIVE CAPITAL STRUCTURE

## DEBT MATURITY PROFILE



## STRONG DEBT AND HEDGING PROFILE



**Debt maturity**  
6.4 years average maturity

**Cost of debt**  
1.6% Ø cost of debt

**95% hedged**

## LOAN-TO-VALUE

Company BOO limit of 45%



## CONSISTENTLY STRONG ICR



## FINANCING SOURCES MIX



## UNENCUMBERED ASSETS



# AROWNTOWN BOND COVENANTS

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

## Overview of Covenant Package

Covenant Type	EMTN programme covenants	Covenant level as of March 31, 2020
1 <i>Limitation on Debt</i>	✓	
Total Debt / Total Assets	≤60% <sup>(1)</sup>	✓33%
2 <i>Limitation on Secured Debt</i>	✓	
Secured Debt / Total Assets	≤45% <sup>(2)</sup>	✓-4% (cash balance>secured debt balance)
3 <i>Maintenance of Unencumbered Assets</i>	✓	
Unencumbered Assets/Unsecured Debt	≥ 125% <sup>(3)</sup>	✓288%
4 <i>Maintenance of Coverage Ratio</i>	✓	
Adjusted EBITDA / Net Cash Interest	≥1.8x	✓5.2x
5 <i>Change of Control Protection</i>	✓	

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

\* Excluding the NOK & HKD issuances



# OPERATIONS AND PORTFOLIO

# HIGHLY DIVERSIFIED OVERVIEW PROVIDES STABILITY

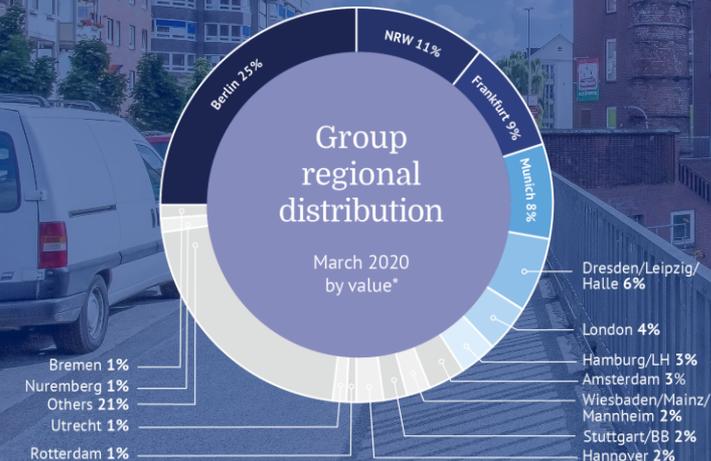
## STRONG DIVERSIFICATION AMONG ASSET CLASSES WITH DIFFERENT FUNDAMENTAL DRIVERS

The largest type is office and together with Logistics/Wholesale and Residential, it makes up 68% of the Group portfolio

87% of the portfolio is located in the strongest economies in Europe: Germany and the Netherlands, both AAA rated  
Focus is on central locations of top tier cities. Top 3 cities are Berlin, Munich and Frankfurt

Within each asset class, the Group focuses on a very high tenant diversification with no tenant dependency

Long WALT of 8.1 years. Each location has different key demand drivers – supporting industry diversification of tenants



\* Including proportion in GCP and development rights & invest

# DEFENSIVE PORTFOLIO WITH STRONG TENANT STRUCTURE

Large Tenant Base with over 4,000 tenants

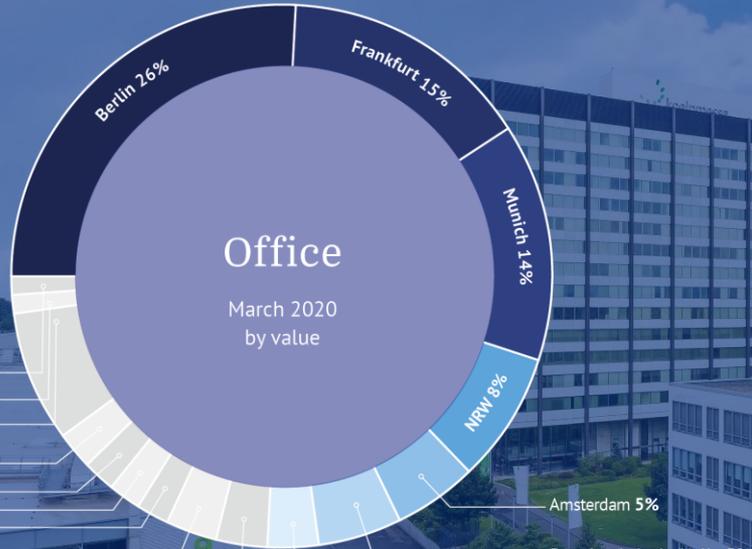


- Collection rate in April 2020 excl. hotels 90%
- Limited dependency on single tenants due to large tenant base of over 4,000 tenants, further supported by highly granular German residential market
- Top 10 tenants represent 20% of rent
- Long lease terms
- Portfolio WALT as of March 2020:

The merger with TLG puts the combined company in a stronger landlord position in key cities such as Berlin and Frankfurt due to larger footprint

Office	Hotel	Logistics/ Wholesale /Other	Retail	Total
4.5	15.4	7.1	5.2	8.1

# OFFICE PORTFOLIO



## WELL LOCATED OFFICES IN TOP TIER CITIES MAINLY IN GERMANY AND THE NETHERLANDS

Well-diversified with no dependency on a single location  
(Top 3 cities are Berlin, Frankfurt, Munich)

Strong tenant base with well-diversified industry sectors.  
Top industries are Governmental, Insurance & Banking, IT, Health Care, Energy, Infrastructure, Telecommunications, Professional services etc.

Largest office tenant segment is public sector (22%)

Insignificant amount of coworking tenants (less than 1%)

Diverse tenant base with strong top tenants, such as German and Dutch Government, Deutsche Bundesbank, Siemens, Deutsche Bahn, Orange, Allianz etc.

Diversified lease structure with long WALT of 4.5 years

# OFFICE PORTFOLIO AND RESIDENTIAL PORTFOLIO

**OFFICE 49%**

4.5y WALT

**RESIDENTIAL 12%**

9y average tenancy length



GERMANY & NL: Berlin (26%), Frankfurt (15%), Munich (14%)

Over 92% collection rate in April 2020 so far

High diversification of tenants and tenant industries

Limited amount of tenants with high sensitivity to the Covid-19

GERMANY: NRW (21%), Berlin (24%), Dresden/Leipzig/Halle (13%)

– and London (15%)

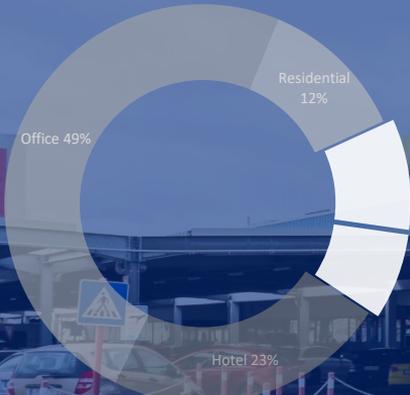
Over 95% collection rate in April 2020

German residential: the most resilient asset type in Europe

Insulated to current market disruption

Granular tenant base

# RETAIL & LOGISTICS/WHOLESALE PROPERTIES



**RETAIL 9%**

5y WALT

**LOGISTICS/WHOLESALE 7%**

7y WALT



80% collection rate in April 2020 so far

Majority of the portfolio is essential goods - Grocery-anchored, pharmacies, drugstores, banks, DIY

Grocery-anchored at mainly long-leased retail boxes in locations with limited competition such as EDEKA, NETTO, REWE, PENNY, LIDL and Kaufland



100% collection rate in April 2020 so far

Mainly last-mile properties, resilient during the current disruption

# HOTEL PORTFOLIO

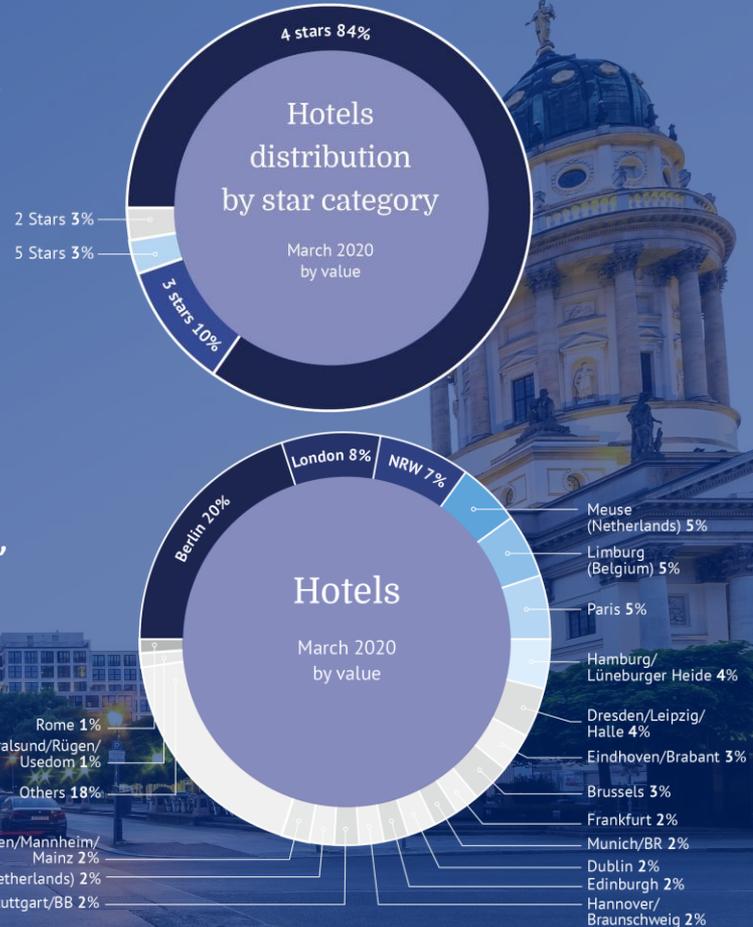
## WELL-DISTRIBUTED HOTEL PORTFOLIO ACROSS EUROPE WITH A FOCUS ON THE 4 STAR CATEGORY

Hotel portfolio consisting of 23% of the total portfolio including 176 hotels well-distributed mainly in top tier cities in Europe

The rental agreements are double or triple net, fixed plus CPI linked and have no variable component in the lease. The lease agreements are fixed. Lease periods are long-term (up to 25 years). WALT of hotels is 15.4 years Lease agreements include set of strong securities, ranging from bank guarantee, parent guarantee, pledge over bank accounts, pledge over FF&E, and more

84% of the hotels are branded 4 star hotels, benefiting from the largest diverse market segment, including business and leisure

In case of longer term travel halt, option to convert hotels into micro apartments which have been resistant to the current environment



## HOTEL PORTFOLIO

**HOTELS 23%**

15y WALT

Focus on top tier locations will provide relatively faster recovery potential

**GERMANY & UK & NL**

176 Hotels

Fixed long term leases to &gt;30 different third party hotel operators

Q1 results: Limited impact from Covid-19 on collection rate

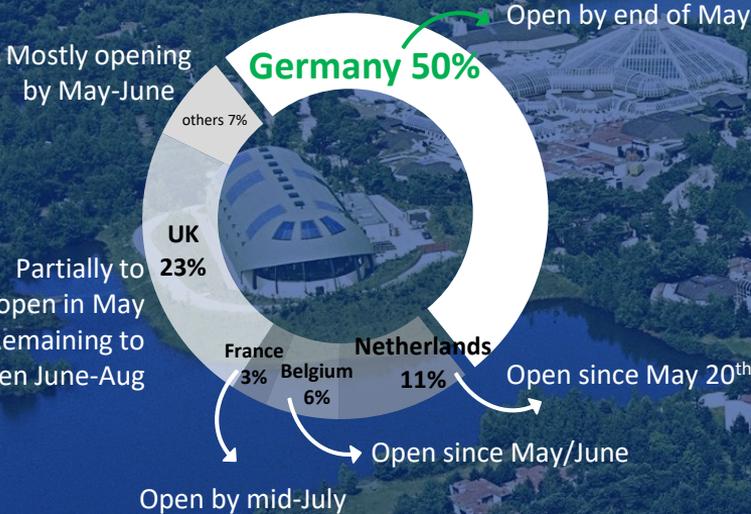
Q2 : Challenging for the hotel industry due to lockdown and travel ban

Discussions with tenants to assist them through challenging times

Vast majority of rent has been deferred in April, delayed but not reduced. Interest on delayed amount is 5-8%

# HOTELS – CURRENT STAGE

## HOTELS COUNTRY BREAKDOWN BY RENT AND SHUTDOWN RESTRICTION LIFTED



## CURRENT STAGE OF RE-OPENING

Did not close: 20 hotels (9% of rent)

Opened in May: 35 hotels (20% of rent)

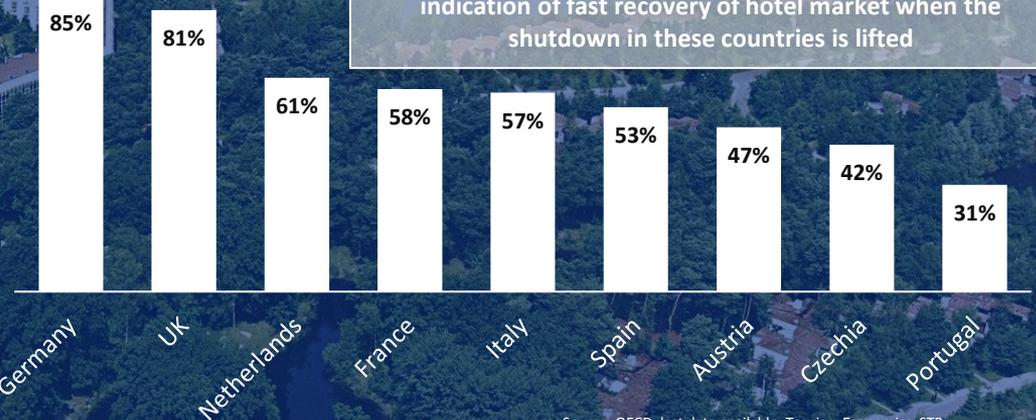
As of end of May: 75 hotels (50% of rent)

Currently announced hotel openings in June is 66% by rent.

Potentially more re-openings in June

### Share of domestic travel

in % of total travel



Domestic demand is largest in Germany (over 80%), UK (over 80%) and Netherlands (over 60%) providing indication of fast recovery of hotel market when the shutdown in these countries is lifted

# TENANTS AND BRANDS

<b>Hilton group</b>   	<b>Marriott group</b>   	<b>Wyndham Brands</b>     
<b>Radisson brands</b>  	<b>IHG brand</b>   	<b>Accor group</b>   

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

**No dependency on any single tenant.**


Center Parcs (CP) is the largest tenant with 5% of the group's rental income (19% of AT's hotel income).

AT's CP assets are opening May/June. These assets are expected to have a fast recovery. The catchment area of Benelux parcs is 21 million people and this segment is relatively resilient to the crisis and international travel ban

# AROWNTOWN IS WELL-PREPARED FOR EVERY STEP OF THE CYCLE

## STAGES



## PREPAREDNESS

### THREAT FOR TENANTS

Long-term shutdown  
Unable to work at full-capacity

### RISK MITIGATION

High liquidity to contain the impact, healthy balance sheet, high flexibility & large headroom  
Well-diversified portfolio: Offices, residential, essential retail and logistics are resilient to the current environment

### OPPORTUNITY

Pressure on market players due to liquidity  
M&A opportunities with attractive pricing

### CAPABILITIES

Massive cash balance to enable swift acquisition when attractive opportunities arise  
Unique competitive advantage from wide deal sourcing network and fast deal execution track record

### RECOVERY

Re-openings with restrictions  
“Bounce-backability” factor

### FUNDAMENTALS

Diversified into several asset types, and within that several industries – when one factor is unfavourable, AT can tap into others  
No tenant or single industry dependency



# APPENDIX

# COMMERCIAL INVESTMENT PROPERTIES

## Portfolio breakdown per asset type\*

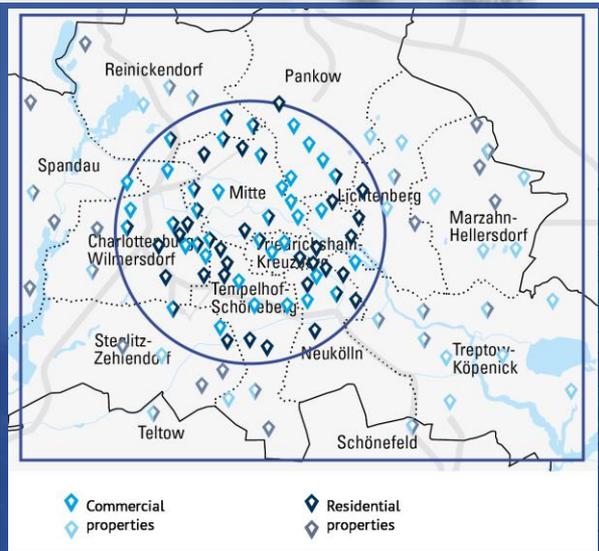
MARCH 2020	Investment property (€m)	Lettable area (k sqm)	EPRA Vacancy	Annualized net rent (€m)	In-place rent/sqm (€)	Value/sqm (€)	Rental Yield
Office	11,751	4,116	9.6%	516	10.9	2,855	4.4%
Hotel	6,126	1,922	3.6%	321	14.2	3,187	5.2%
Retail	2,333	1,137	6.9%	137	10.5	2,051	5.9%
Logistics/Wholesale/Other	1,425	1,530	5.9%	78	4.5	931	5.5%
Development rights & invest	1,521						
<b>Total</b>	<b>23,156</b>	<b>8,705</b>	<b>7.2%</b>	<b>1,052</b>	<b>10.5</b>	<b>2,485</b>	<b>4.9%</b>

## Portfolio breakdown per region\*

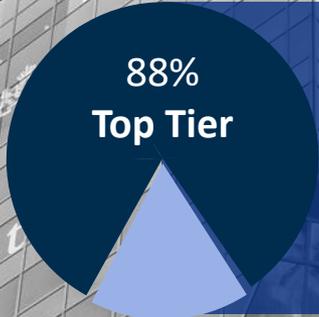
MARCH 2020	Investment property (€m)	Lettable area (k sqm)	EPRA Vacancy	Annualized net rent (€m)	In-place rent/sqm (€)	Value/sqm (€)	Rental Yield
Berlin	4,948	1,361	4.4%	187	11.9	3,636	3.8%
NRW	2,160	1,231	8.0%	116	8.0	1,755	5.4%
Frankfurt	1,992	629	14.3%	82	11.9	3,164	4.1%
Munich	1,838	610	11.0%	56	7.8	3,016	3.0%
Dresden/Leipzig/Halle	1,189	625	4.9%	70	9.5	1,902	5.9%
Amsterdam	758	192	4.0%	33	14.1	3,947	4.4%
London	677	105	10.1%	29	25.8	6,443	4.3%
Hamburg/LH	652	309	4.8%	35	9.7	2,111	5.4%
Wiesbaden/Mainz/Mannheim	512	221	5.5%	31	11.6	2,320	6.0%
Stuttgart/BB	428	188	3.0%	25	11.0	2,282	5.8%
Hannover	412	270	8.7%	24	8.1	1,528	5.8%
Utrecht	347	135	13.7%	18	11.4	2,564	5.2%
Rotterdam	326	132	4.4%	23	13.9	2,468	6.9%
Other	5,396	2,697	6.9%	323	10.5	2,000	6.0%
Development rights & invest	1,521						
<b>Total</b>	<b>23,156</b>	<b>8,705</b>	<b>7.2%</b>	<b>1,052</b>	<b>10.5</b>	<b>2,485</b>	<b>4.9%</b>

\* figures exclude assets held for sale

# BEST IN CLASS BERLIN PORTFOLIO – MARCH 2020



Map representing approx. 95% of the portfolio and 98% incl. central Potsdam

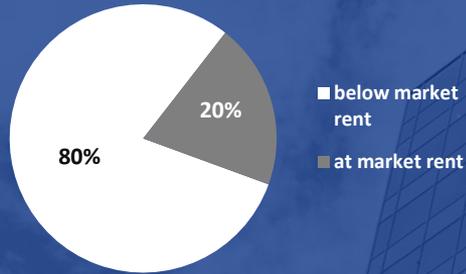


- **88% of the commercial portfolio is located in top tier neighborhoods**
  - Charlottenburg, Wilmersdorf, Mitte, Kreuzberg, Friedrichshain, Lichtenberg, Schöneberg, Neukölln, Steglitz and Potsdam
  - Strongly benefiting from the unique dynamics & growth of Berlin's most in demand neighborhoods, business areas & tourist centers
- 12% of the commercial portfolio is well located primarily in Spandau, Reinickendorf, Hellersdorf/Marzahn & Treptow/Köpenick

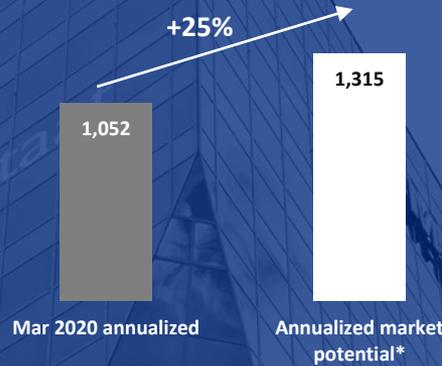


# COMMERCIAL PORTFOLIO: UPSIDE POTENTIAL

Commercial in-place rent compared to market rent prices



Commercial March 2020 annualized rental income vs. Market potential including vacancy reduction (in €m)



\* As of March 2020 incl. TLG, pre-Corona effect

- Large upside potential from rent increases to market levels with very limited downside risk
- Long lease terms with a WALT of 8.1 years
- Value upside: conservative valuations with current values at less than half of replacement costs

# STRATEGIC TOP TIER HOTELS IN STRONG LOCATIONS WITH FASTER RECOVERY POTENTIAL

Hotel	Rooms	Brand
Hilton Berlin Gendarmenmarkt Prime Center	601	
Bristol Berlin Ku'damm Prime Center (ex-Kempinski)	301	
InterContinental Frankfurt Prime Center	473	
Hilton London Hyde Park Prime Center	132	
Marriott Conference Hotel Paris City Center	757	

Hotel	Rooms	Brand	Hotel	Rooms	Brand
Crowne Plaza Berlin Prime Center Potsdamer Platz	256		Mark Apart Berlin Prime Center Ku'damm	120	
Die Welle H-Hotels Berlin Alexanderplatz	624		Motel One Zwinger-Forum Dresden Prime Center	288	
Novum Winters Berlin Checkpoint Charlie	170		InterCity Hotel Dresden City Center	162	
Steigenberger Hotel de Saxe Dresden Prime Center	185		Marriott Hotel Leipzig Prime Center	239	
AC by Marriott Berlin Mitte	130		Schlosshotel Grunewald Charlottenburg Berlin	54	
Moxy by Marriott Berlin Mitte	101		Radison Blu Prime Center Baden-Baden	162	
Davos Promenade Hotel	100		Mercure Munich Conference Center Messe	167	
Ex-Sheraton Brussels Prime Center	533		Ibis Munich Conference Center Messe	137	
Sheraton Rome	640		Center Parcs (7 locations)	ca.5,000	
Hilton London Chelsea	172		Berlin Prime Center Mitte Rosa-Luxemburg-Platz	95	
Hilton Edinburgh Royal Mall Prime Center	211		Seminaris Campus Hotel Berlin	186	
Hilton Dublin Prime Center	324		Wyndham Garden Düsseldorf Prime Center Königsallee	82	
Resorthotel Schwielowsee Berlin- Potsdam	155		Hotel Im Wasserturm Cologne Prime Center	88	
DoubleTree by Hilton London Center Angel/King's-Cross	373		Ibis Berlin Alexanderplatz	61	
Hyatt Regency Paris Airport Charles de Gaulle	388		Melia Munich Hotel Munich Messe	134	
Berlin Holiday Inn City East	473		Penta Hotels (17 locations)	ca. 2,500	
Essen Holiday Inn Prime City Center	168		Mercure Liverpool Prime Center Hotel	225	
Sheraton Hotel Hannover Business District	147		Berlin - Müggelsee	176	
NH Hotel Dortmund Prime Center	190		Manchester City Center Hotel	228	
Steigenberger Hotel Cologne Prime Center	305				



# HIGHEST RATED IN GERMAN COMMERCIAL REAL ESTATE

## Financial risk profile

Business risk profile	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	(Klepierre) A- (Gecina A-)²¹ (Icade)(Covivio) <b>(Arountown) BBB+ (GCP)</b>	(Vonovia- BBB+)²² BBB	bb+	bb
3 Satisfactory	a/a-	bbb+ (Alstria BBB)³	BBB/BBB-	bbb-/bb+	bb	b+
4 Fair	bbb/ bbb-	bbb-	bb+	bb	bb-	b
5 Weak	bb+	bb+	bb	bb-	b+	b/b-
Vulnerable	bb-	bb-	bb-	b+	b	b-

- 1) Rating anchor of Gecina is BBB+, their final rating after the effect of modifiers is A-
- 2) Rating anchor of Vonovia is BBB, their final rating after the effect of modifiers is BBB+
- 3) Rating anchor of Alstria is BBB+, their final rating after the effect of modifiers is BBB

## Financial policy:

Strive to achieve A global rating in the long term

LTV limit at 45%

Debt to debt-plus-equity ratio at 45% (or lower) on a sustainable basis

Maintaining conservative financial ratios with strong ICR

Unencumbered assets above 50% of total assets

Long debt maturity profile

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

Dividend distribution of 65% of FFO I per share

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



# EQUITY ANALYST RESEARCH COVERAGE

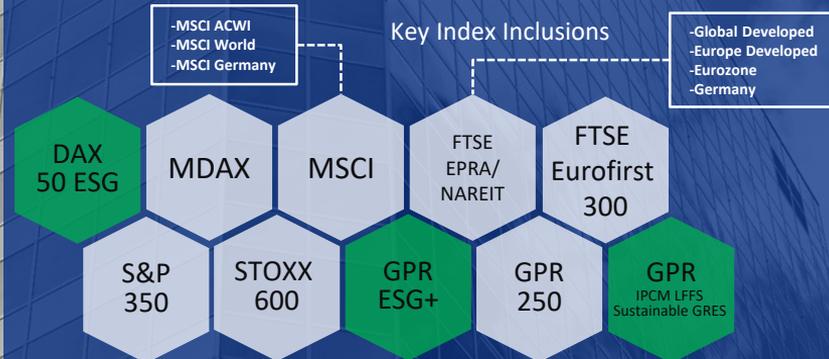
Analyst Research Target Price



Analyst Coverage

**BAADER**, **Kepler Cheuvreux**, **Goldman Sachs**, **BARCLAYS**, **Deutsche Bank**  
**M.M. Warburg & Co**, **J.P. Morgan**, **FIRST BERLIN**, **HSBC**, **SRC**, **Bankhaus Lampe**  
**Jefferies**, **ODDO BHF**, **COMMERZBANK**, **citi**, **NORD/LB**, **HAUCK & AUFHÄUSER**, **UBS**, **BERENBERG**

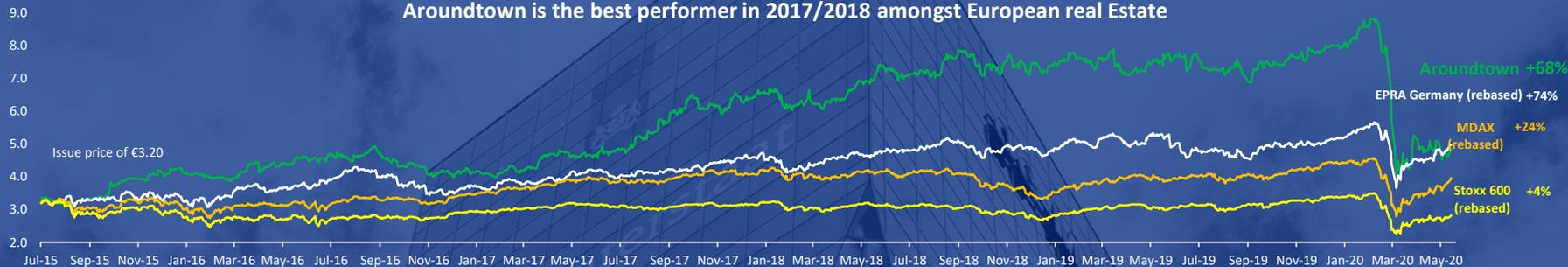
Key Index Inclusions



**MDAX**, **DAX 50 ESG**, **MSCI**, **FTSE Russell**, **EPRA**, **S&P Dow Jones Indices**, **STOXX**, **Global property research**

# AROWNTOWN'S SHARE PRICE PERFORMANCE

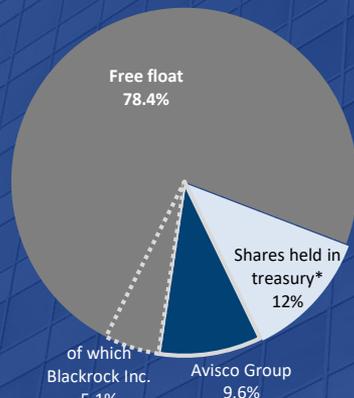
Share performance and total return since initial placement of capital (13.7.2015)  
**Aroundtown is the best performer in 2017/2018 amongst European real Estate**



## The Share

Placement	Frankfurt Stock Exchange (Prime Standard)
Incorporation	Luxembourg
First equity issuance	13.07.2015 (€3.2 per share)
Number of shares (basic)	1,536,397,797
Number of shares (basic), excl. suspended voting rights, base for share KPI calculations	1,352,461,660
Free float	78.4%
Symbol (Xetra)	AT1
Market cap 26.05.2020	€7.4 bn (€4.8 share price)

## Shareholder Structure



\*held through TLG Immobilien AG, voting rights suspended

## Share Issue Price Development



# CAPITAL MARKET ACTIVITY

Capital market activity per year



Capital market activity per issuance type 2015-2020 YTD



- ✓ AT has been the largest listed European RE capital market issuer in 2016, 2017 and 2019
- ✓ Issuances via different instruments and different currencies, with currency hedges to Euro in place, demonstrate AT's broad and diverse investor base as well as strong demand to AT's instruments. These not only provide diversification of the investor base but also eliminate dependency on any single markets, instruments or currencies. Currency risk is hedged through swap agreements to Euro. Majority of the issuances were under EMTN programme which facilitates this diversity and flexibility

Equity and Bond Bookrunners



## BOARD OF DIRECTORS



### **FRANK ROSEEN - DIRECTOR**

HIGHLY EXPERIENCED WITH A TRACK RECORD OF 30 YEARS. HELD VARIOUS SENIOR MANAGEMENT POSITIONS, INCLUDING, CEO OF GERMANY & CENTRAL EASTERN EUROPE OF GE CAPITAL AND REAL ESTATE. *MBA*



### **OSCHRIE MASSATSCHI- DIRECTOR**

SINCE 2013 IN THE MANAGEMENT OF AROUWNTOWN AND ITS SUBSIDIARIES. INTERNATIONAL PROFESSIONAL EXPERIENCE IN BANKING, MANAGEMENT CONSULTANCY AND CORPORATE FINANCE IN AUSTRALIA, UK AND GERMANY. *BA HONOURS IN INTERNATIONAL BUSINESS*



### **JELENA AFXENTIOU – DIRECTOR**

SINCE 2011 IN THE MANAGEMENT OF AROUWNTOWN AND ITS SUBSIDIARIES AND HAS 20 YEAR OF EXPERIENCE IN THE REAL ESTATE AND THE HOTEL BUSINESS, SPECIALIZING IN FINANCE AND ACCOUNTING.



### **RAN LAUFER - NON-EXECUTIVE DIRECTOR**

FORMER POSITIONS INCLUDE CEO OF ADO PROPERTIES, DEPUTY CEO OF GRAND CITY PROPERTIES S.A. AND CHIEF OFFICER OF MARKETING AND SALES OF AIRPORT CITY LTD. *MBA*



### **MARKUS LEININGER- INDEPENDENT DIRECTOR**

FORMER SENIOR BANKER WITH A FOCUS ON FINANCING, PRIVATE EQUITY AND REAL ESTATE. SERVED AS HEAD OF OPERATIONS WITH EUROHYPO AG AND RHEINHYP AG (COMMERZBANK) AND A MEMBER OF THE ADVISORY BOARD AND INVESTMENT COMMITTEE OF REVETAS CAPITAL ADVISORS. *DIPLOMA IN B.A.*



### **SIMONE RUNGE-BRANDNER - INDEPENDENT DIRECTOR**

HER PAST POSITIONS INCLUDE DEAL MANAGER (DIRECTOR) AT UBS DEUTSCHLAND AG, VICE PRESIDENT REAL ESTATE FINANCE/ INVESTMENT FUNDS, CREDIT MANAGER AT DEKABANK FRANKFURT AND CREDIT MANAGER REAL ESTATE FINANCE AT HELABA FRANKFURT. *DIPLOMA IN INTERNATIONAL BUSINESS ADMINISTRATION*



### **MARKUS KREUTER - INDEPENDENT DIRECTOR**

SPECIALIZED IN REAL ESTATE DEBT ADVISORY THROUGH HIS OVER 18 YEARS OF EXPERIENCE IN AMONG OTHERS NATIONAL DIRECTOR DEBT ADVISORY AT JLL, HEAD OF GERMAN COMMERCIAL REAL ESTATE LENDING AT DEUTSCHE BANK, GROUP HEAD OF DEBT FUNDING AT CA IMMO. *DEGREE IN REAL ESTATE ECONOMICS*

THE AUDIT COMMITTEE CONSISTS OF THE INDEPENDENT DIRECTORS, MR. MARKUS KREUTER (CHAIRMAN) AND MR. MARKUS LEININGER

## ADVISORY BOARD



### **DR. GERHARD CROMME - CHAIRMAN OF THE ADVISORY BOARD**

DR. CROMME HAS A LONG AND IMPRESSIVE TRACK RECORD WITH TOP POSITIONS IN GERMANY'S BLUE CHIP COMPANIES, INCLUDING CHAIRMAN OF THE SUPERVISORY BOARD OF SIEMENS, CHAIRMAN OF THE EXECUTIVE BOARD AND CHAIRMAN OF THE SUPERVISORY BOARD OF THYSSENKRUPP, AS WELL AS MEMBERSHIP ON THE SUPERVISORY BOARDS OF OTHER LEADING COMPANIES SUCH AS VOLKSWAGEN, LUFTHANSA, ALLIANZ, BNP PARIBAS, E.ON AND AXEL SPRINGER AND CURRENTLY CO-CHAIRMAN OF THE SUPERVISORY BOARD OF ODDO BHF GROUP. IN ADDITION, DR. CROMME HOLDS THE GERMAN DISTINCTION COMMANDER'S CROSS OF THE ORDER OF MERIT AND THE FRENCH DISTINCTION GRAND OFFICER OF THE LEGION OF HONOR.



### **YAKIR GABAY - ADVISORY BOARD**

DEPUTY CHAIRMAN FOUNDER OF THE GROUP IN 2004. 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. *MBA, BA IN ACCOUNTING/ECONOMICS, AND CPA*



### **CLAUDIO JARCZYK- ADVISORY BOARD MEMBER**

JOINED THE GROUP'S ADVISORY BOARD SINCE 2013. SERVED AS AN EXECUTIVE DIRECTOR AT BERLINHYP BANK SPECIALIZING IN REAL ESTATE FINANCING WITH A FOCUS ON INTERNATIONAL CLIENTS, AS A CHIEF INTERNATIONAL EXECUTIVE AT LANDESBANK BERLIN AND AS AN INTERNATIONAL DIVISION-DEPARTMENT MANAGER AT BAYERISCHE VEREINSBANK MUNICH. *DIPL. KFM. / MBA*



### **DAVID MAIMON- ADVISORY BOARD MEMBER**

MR. MAIMON WAS THE PRESIDENT AND CEO OF EL AL AIRLINES. PRIOR, MR. MAIMON WAS EVP OF CUSTOMER SERVICE, COMMERCE & INDUSTRY AFFAIRS SALES & MARKETING IN EL AL AIRLINES AND SERVED AS A DIRECTOR IN VARIOUS COMMERCIAL COMPANIES SUCH AS LEUMI GEMEL LTD, HEVER AND SUN D'OR INTERNATIONAL AIRLINES. *MBA*

# MANAGEMENT TEAM



## **SHMUEL MAYO - CEO**

SINCE 2006 IN THE MANAGEMENT OF AROUWDTOWN AND ITS SUBSIDIARIES. PREVIOUSLY, WAS THE CEO OF A LEADING INTERNATIONAL INVESTMENT CONGLOMERATE. *BA IN ECONOMICS AND ACCOUNTING, LAW AND CPA*



## **EYAL BEN DAVID - CFO**

SINCE 2008 IN THE MANAGEMENT OF AROUWDTOWN AND ITS SUBSIDIARIES. PREVIOUSLY, HELD A PRIVATE PRACTICE OF CERTIFIED PUBLIC ACCOUNTANTS FOCUSED ON INFRASTRUCTURE AND REAL ESTATE INDUSTRIES. SINCE 2008 IN THE MANAGEMENT OF AROUWDTOWN. *MBA AND CPA*



## **ANDREW WALLIS - DEPUTY CEO**

SINCE 2014 IN THE MANAGEMENT OF AROUWDTOWN AND ITS SUBSIDIARIES. FORMER OWNER AND CEO OF A LARGE GERMAN PROPERTY MANAGEMENT COMPANY. PREVIOUSLY HE SPENT 10 YEARS AS AN INVESTMENT BANKER IN THE CITY OF LONDON FOR MERRILL LYNCH AND JP MORGAN. *MBA AND CFA*



## **MILAN ARANDELOVIC - COO OF HOTEL DIVISION**

MR ARANDELOVIC HAS 25 YEARS OF EXPERIENCE IN THE INTERNATIONAL HOSPITALITY SECTOR; BEFORE JOINING THE GROUP, HE HELD REGIONAL ROLES WITHIN HILTON IN EUROPE. IN THIS ROLE HE OPERATED HOTELS FROM BUDGET SECTOR TO LUXURY. *MR. ARANDELOVIC HOLDS A BACHELOR FROM THE RENOWNED ECOLE HOTELIERE DE LAUSANNE AND AN MSC OF STRATHCLYDE UNIVERSITY.*



## **BRIGITTE SCHMITT - HEAD OF SHOPPING MALL DIVISION**

BEFORE JOINING THE GROUP MRS. SCHMITT HAS BEEN 12 YEARS WITH ECE - EUROPEAN MARKET LEADER FOR SHOPPING CENTERS AND WITH DTZ WHERE HER TEAM WAS TWICE AWARDED THE CEE PROPERTY MANAGEMENT TEAM OF THE YEAR AWARD. *DEGREE IN BUSINESS MANAGEMENT AND ADMINISTRATION - FROM THE UNIVERSITY OF WÜRZBURG.*



## **JELENA EBNER - HEAD OF TRANSACTION MANAGEMENT**

MS. EBNER WORKED FOR HUDSON ADVISORS AND LATER AT DUNDEE INTERNATIONAL AS AN ASSET MANAGER. COMING FROM A PROPERTY MANAGEMENT BACKGROUND, JELENA HAS EXPERIENCE IN ALL ASSET TYPES. *BA AND TRAINING AS REAL ESTATE MANAGER*



## **MARKUS NEURAUER - 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 IN 11 EUROPEAN COUNTRIES WITH A DEVELOPMENT VOLUME OF MORE THAN €2BN. MR. NEURAUER COVERS MORE THAN 30 YEARS OF EXPERIENCE IN REAL ESTATE. *MASTERS DEGREE IN ECONOMICS*



## **NIKOLAI WALTER- HEAD OF ASSET & PROPERTY MANAGEMENT**

20 YEARS' EXPERIENCE IN THE REAL ESTATE INDUSTRY. BEFORE JOINING THE GROUP, WAS A MANAGING DIRECTOR OF FORTRESS INVESTMENT GROUP, RESPONSIBLE FOR THE ASSET MANAGEMENT OF THE GERMAN COMMERCIAL WITH A MARKET VALUE OF € 5.6 BN. ALSO HELD POSITIONS AT DEUTSCHE BANK GROUP INCLUDING HEAD OF ASSET MANAGEMENT GERMANY AT DEUTSCHE ASSET AND WEALTH MANAGEMENT. *MBA AND DEGREE IN REAL ESTATE ECONOMICS*



## **ALFRED KANDL - HEAD OF CONSTRUCTION MANAGEMENT**

MR KANDL HAS 35 YEARS OF EXPERIENCE IN THE REAL ESTATE AND BUILDING INDUSTRY. HE WORKED IN STRABAG AG, ONE OF AUSTRIA'S LEADING BUILDING COMPANIES, AND FURTHER WORKED IN CONTROLLING POSITIONS AT LARGE CONSTRUCTION SITES ALL OVER AUSTRIA AND CENTRAL AND EASTERN EUROPE. FROM 2003 WORKED AS HEAD OF CONSTRUCTION AT RAIFFEISEN EVOLUTION. *DEGREE IN ENGINEERING*



## **NORMAN LINDNER - HEAD OF INDUSTRIAL & LOGISTICS DIVISION**

ORIGINALLY TRAINED AS A BANKER, NORMAN SPENT TWO YEARS IN RISK MANAGEMENT BEFORE GOING INTO CONTROLLING, FINANCE AND ACCOUNTING AS AN ASSET MANAGER. HE GAINED HIS EXPERIENCE AT HABACKER HOLDING, DAWNAY DAY PROPERTY INVESTMENT AND IKB DEUTSCHE INDUSTRIEBANK. *MBA*



## **CHRISTIAN HUPFER - CHIEF COMPLIANCE OFFICER**

SINCE 2008 IN THE MANAGEMENT OF AROUWDTOWN AND ITS SUBSIDIARIES. IS SPECIALIZED IN TAX STRUCTURING, FINANCIAL STATEMENT AND CASH FLOW ANALYSIS. MR. HUPFER WORKED FOR RÖVERBRÖNNER KG STEUERBERATUNGS UND WIRTSCHAFTSPRÜFUNGSGESELLSCHAFT IN THE AUDIT AND TAX DEPARTMENT. *DIPLOMA OF ECONOMICS WITH A FOCUS ON TAX AND FINANCIAL AUDITING*



## **IDAN KAPLAN - SENIOR FINANCIAL MANAGER**

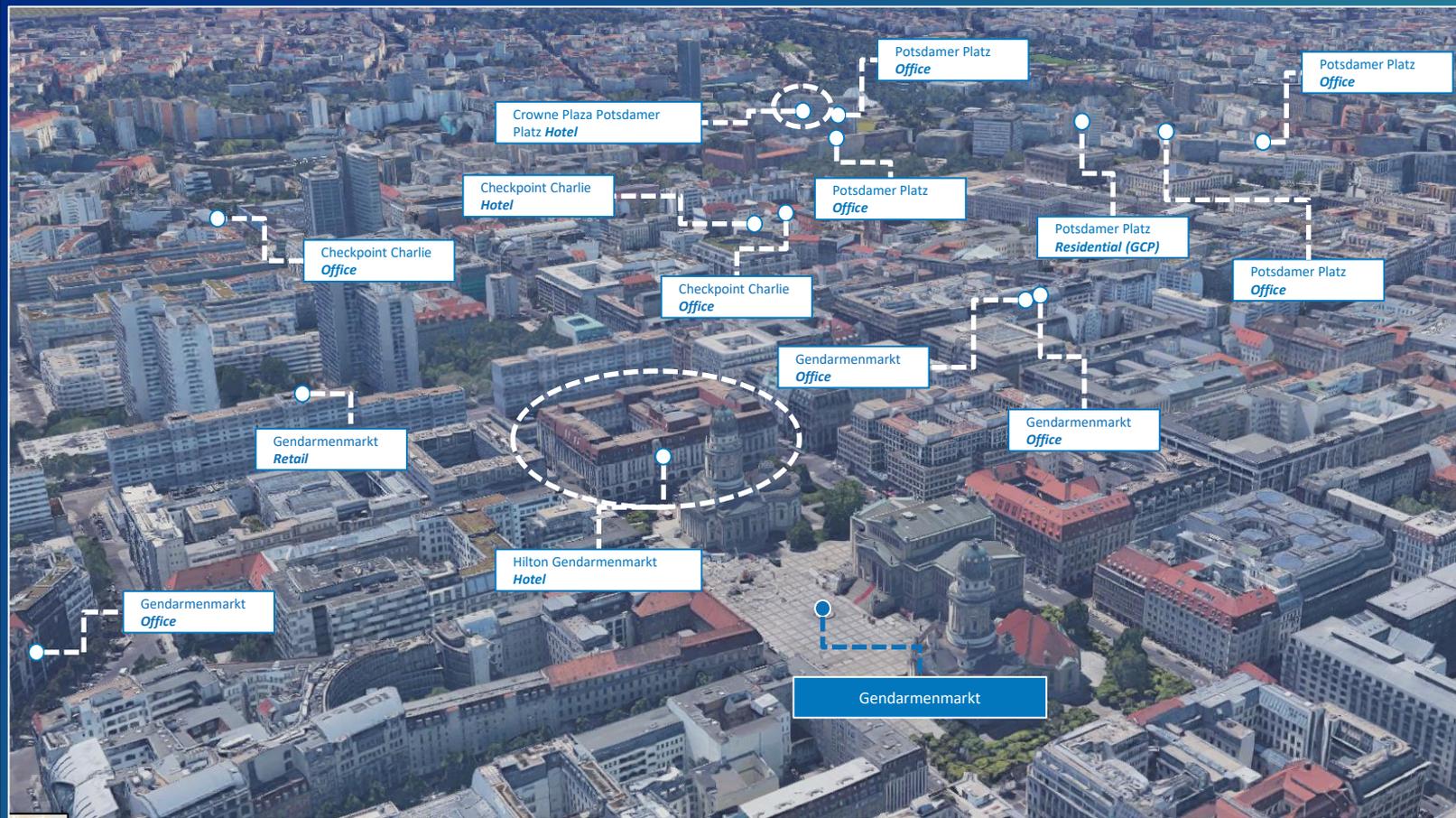
BEFORE JOINING AROUWDTOWN, MR. KAPLAN SERVED AS AN AUDITOR IN AN ACCOUNTING FIRM. *BA IN ACCOUNTING AND BUSINESS ADMINISTRATION*



## **SYLVIE LAGIES - HEAD OF ESG**

HELD POSITIONS AS HOTEL GENERAL MANAGER, CORPORATE PROJECT MANAGER AND HEAD OF TRAINING AND DEVELOPMENT. FORMER ROLES WERE HEAD OF FRANCHISE DEVELOPMENT AND TRAINING FOR DOMINO'S PIZZA GERMANY, DIRECTOR OF BUSINESS DEVELOPMENT FOR PRECISE HOTEL COLLECTION IN GERMANY

# BERLIN POTSDAMER PLATZ: THE PRIME COMMERCIAL AND TOURIST CENTER



landmark  
property

- Crowne Plaza Potsdamer Platz *Hotel*
- Checkpoint Charlie *Hotel*
- Checkpoint Charlie *Office*
- Checkpoint Charlie *Office*
- Gendarmenmarkt *Retail*
- Hilton Gendarmenmarkt *Hotel*
- Gendarmenmarkt *Office*
- Gendarmenmarkt *Office*
- Gendarmenmarkt
- Potsdamer Platz *Office*
- Potsdamer Platz *Office*
- Potsdamer Platz *Office*
- Potsdamer Platz *Residential (GCP)*
- Potsdamer Platz *Office*

# BERLIN ALEXANDERPLATZ: THE PRIME COMMERCIAL AND TOURIST CENTER



landmark  
property

# BERLIN KU'DAMM: THE PRIME COMMERCIAL AND TOURIST CENTER



landmark  
property

# FRANKFURT: QUALITY ASSETS IN CENTRAL LOCATIONS

Frankfurt Büro Center (FBC)  
*Office*

Frankfurt HBF  
*Office*

Frankfurt Stadtmitte  
*Office*

Frankfurt Main Triangel  
*Office*

InterContinental Frankfurt  
*Hotel*

Frankfurt HBF  
*Office*

Frankfurt Office Campus  
*Office*

landmark

property

European Central  
Bank Headquarters

Banking District

Frankfurt Hauptbahnhof  
(Central Train Station)

View from Hafenstr. Office Tower

# DEVELOPMENT/BUILDING RIGHTS: PRIME CENTER BERLIN ALEXANDERPLATZ

## PROPERTY DESCRIPTION

- TLG's office building on Berlin's Alexanderplatz covers 55k sqm
- The primary building is a large office building situated on Alexanderstraße 1,3,5, 10178 Berlin, built in 1969
- The second building is situated on Karl-Liebknecht-Str. 30, 10179 Berlin and consists of a low-rise
- The asset is situated at Alexanderplatz, one of Berlin's prime centers
- The Alexanderplatz station is a main transport hub connected by a wide range of U-bahn, S-bahn, trams and buses



## MARKET DEMAND

- The asset's district "Mitte" is Berlin's top office district with the highest rents in the city<sup>1</sup>. Average office rents in Alexanderplatz reach up to €40/sqm (€27/sqm Berlin Ø)<sup>1</sup>
- Demand is the highest for modern office space with virtually zero vacancy in Mitte<sup>2</sup>. New supply comes with high pre-letting ratio for any new developments, leaving little or no availability after completion<sup>2</sup>
- Mitte is the largest hotel cluster of Berlin, more than half of the branded hotels are located there<sup>3</sup> with Alexanderplatz particularly in great demand<sup>4</sup>
- Mitte is also the gravity center of Berlin's residential market with the highest rents and prices in the city<sup>5</sup>
- Selling prices can reach up to €13k/sqm for office space while construction costs are around €2k/sqm<sup>6</sup>



## VALUE EXTRACTION POTENTIAL

- Development plans include three new buildings, including two high-rise towers, covering a total gross area of approx. 150k sqm
- Current plans entail a mixed-use development of most demanded asset types in order to fully extract the potential of the space
- Aroundtown and TLG have properties which are adjacent to each other. By combining these assets the positioning of the whole can be optimized further through higher amount of letting space, resulting in additional value creation while streamlining the cost structure



1) Angermann, Office Market Berlin Q4 2019 2) BNP Paribas Real Estate, Office Market Germany, 2020

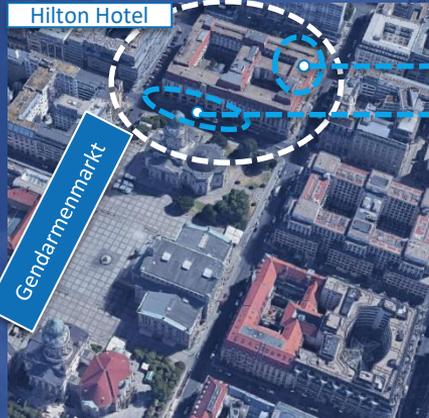
3) Horwath HTL, Hotel Chains Market Germany: Snapshot Berlin, 2018 4) Deloitte, Berlin's Hotel Market, 2016

5) Guthmann Estate, Market Report Berlin-Mitte, 2020 6) ZIA Deutschland, 2019; Destatis, 2020

# DEVELOPMENT/BUILDING RIGHTS - HILTON BERLIN PRIME CENTER GENDARMENMARKT

## PROPERTY DESCRIPTION

- The 4 star Hilton Hotel is located in the heart of Berlin on Gendarmenmarkt, a prime tourist, residential and commercial center with historical & cultural landmarks and excellent connectivity & transportation options
- Only 1/3 of the space produces most of the rent. The huge lobby area, the long entry drive way facing the most expensive location in Berlin and overground parking garage are producing a fraction of the rent



## MARKET DEMAND

- The asset's district "Mitte" is Berlin's top office district with highest rents in the city<sup>1)</sup>. Average office rents in Gendarmenmarkt range between €26-€36 per sqm<sup>1)</sup>
- Demand is the highest for modern office space with virtually zero vacancy in Mitte<sup>2)</sup>. New supply comes with high pre-letting ratio for any new developments, leaving little or no availability after completion<sup>2)</sup>
- Mitte is the largest hotel cluster of Berlin, more than half of the branded hotels are located there<sup>3)</sup> with Alexanderplatz particularly in great demand<sup>4)</sup>
- Mitte is also the gravity center of Berlin's residential market with the highest rents and prices in the city<sup>5)</sup>



## VALUE EXTRACTION POTENTIAL

- **Overground parking garage:** Conversion of 18k sqm parking space into prime office space and high-end mixed use of residential condos which can be integrated into the hotel's operational systems (short-term living)
- **Driveway & Lobby:** The most prestigious side of the hotel facing Gendarmenmarkt is used as a long stretched driveway and huge lobby. Conversion into prime leisure retail/restaurants/services complementing the area's use as a destination for top culture, historic landmarks and prime gastronomy, with millions of visitors in the Gendarmenmarkt square
- **Additional rooms from conversion:** Unused and not producing public spaces to be converted to additional 70 hotel rooms. Potential additional new space on the roof and inner spaces to create additional 50-100 rooms. Total potential of additional rooms:120-170. Due to the top tier location, each converted and added lettable sqm will produce both high rent levels of €30-€50 per sqm and value per sqm of €12k to €15k

1) Angermann, Office Market Berlin Q4 2019 2) BNP Paribas Real Estate, Office Market Germany, 2020

3) Horwath HTL, Hotel Chains Market Germany: Snapshot Berlin, 2018 4) Deloitte, Berlin's Hotel Market, 2016

5) Guthmann Estate, Market Report Berlin-Mitte, 2020 6) Winters & Hirsch Real Estate Database, 2019

# DEVELOPMENT/BUILDING RIGHTS - BERLIN KREUZBERG/ALT-TREPTOW

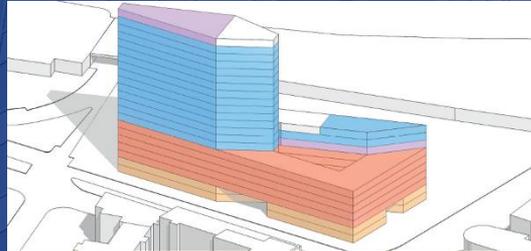
## PROPERTY DESCRIPTION

- The cinema center holds 7k sqm & is located across the Park Center retail/office center in a mixed use office, residential & touristic area of the district of Treptow/Kreuzberg around the corner of the Treptowers office towers. Strong connectivity is provided through its inner city location with bus, S-bahn and highway
- Aroundtown acquired this property as part of the acquisition of the Park Center retail/office center across the property



## MARKET DEMAND

- Located between Mediaspree and Adlershof Science Park, Alt-Treptow office market has a strong demand
- Average office rents in Alt-Treptow can reach up to €27 per sqm<sup>1)</sup>
- Achievable purchase/sale prices for office properties in the region can reach up to €7,000 per sqm<sup>2)</sup>
- New development have a very high pre-letting ratio. More than half of new supply that is expected to be delivered in the next 2 years are already pre-let<sup>3)</sup>



1) Angermann, Office Market Berlin Q4 2019 2) JLL Database, 2020 3) BNP Paribas Real Estate, Office Market Germany, 2020 (data for refers to Mediaspree)

## VALUE EXTRACTION POTENTIAL

- **Conversion into an office building:**
- Development into a building with 26k lettable sqm with mixed use of office and hotel/short-term let micro apartments



# DEVELOPMENT/BUILDING RIGHTS - BERLIN TREPTOW-KÖPENICK – THE BREWERY PROJECT

## PROPERTY DESCRIPTION

- This office property is located in the Niederschöneeweide quarter of Berlin's Treptow-Köpenick borough, which is a mix-use area surrounded of commercial as well as a residential space with the Treptower Park to the north and in the south the Berlin Adlershof Technology park, the largest science park in Germany, which is home to over 500 companies and to Berlin Humboldt University's Faculty of Science. Due to its historic use as a former brewery founded in 1882, the property has a special architecture appearance and its locations on the river banks of the river spree give this property unique characteristics



## MARKET DEMAND

- Located between Treptower Park and Adlershof Science Park, Niederschöneeweide has a strong and further growing market environment
- Average rents for both residential and commercial use in the area are around €15/sqm<sup>1)</sup>
- Achievable purchase/sale prices for office properties in the region can reach up to €4,000 per sqm<sup>1)</sup>



1) JLL Database, 2020

## VALUE EXTRACTION POTENTIAL

- Conversion and development into mixed use urban quarter
- The original use of the buildings have been for offices, residential, warehouse and factory
- Re-development potential of currently 41k sqm into around 70k lettable sqm of office (conversion as well as new built), micro/student apartments and retail while maintaining the special characteristics of the property



# DEVELOPMENT/BUILDING RIGHTS - FRANKFURT MAIN CENTRAL TRAIN STATION

## PROPERTY DESCRIPTION

- The 22 storey office tower covers 21k sqm and is situated adjacent Frankfurt's main central train station and thus is well connected by public transport as well as its location just off Mainzer Landstraße, Frankfurt's main inner city road, providing good access to the surrounding districts and the highway system. The area surrounding the property is a popular office location.

## MARKET DEMAND

- The office tower is located at the corner of Bahnhofsviertel, Europaviertel and Banking District, three of the most exclusive office districts in Frankfurt.
- Achievable average rents for the modern space in this area can reach up to €32/sqm<sup>1)</sup>
- New supply that is expected to be delivered to the market within the next two years have 100% pre-letting ratio<sup>2)</sup>
- Achievable selling prices can range between €10k/sqm to €14k/sqm<sup>1)3)</sup>

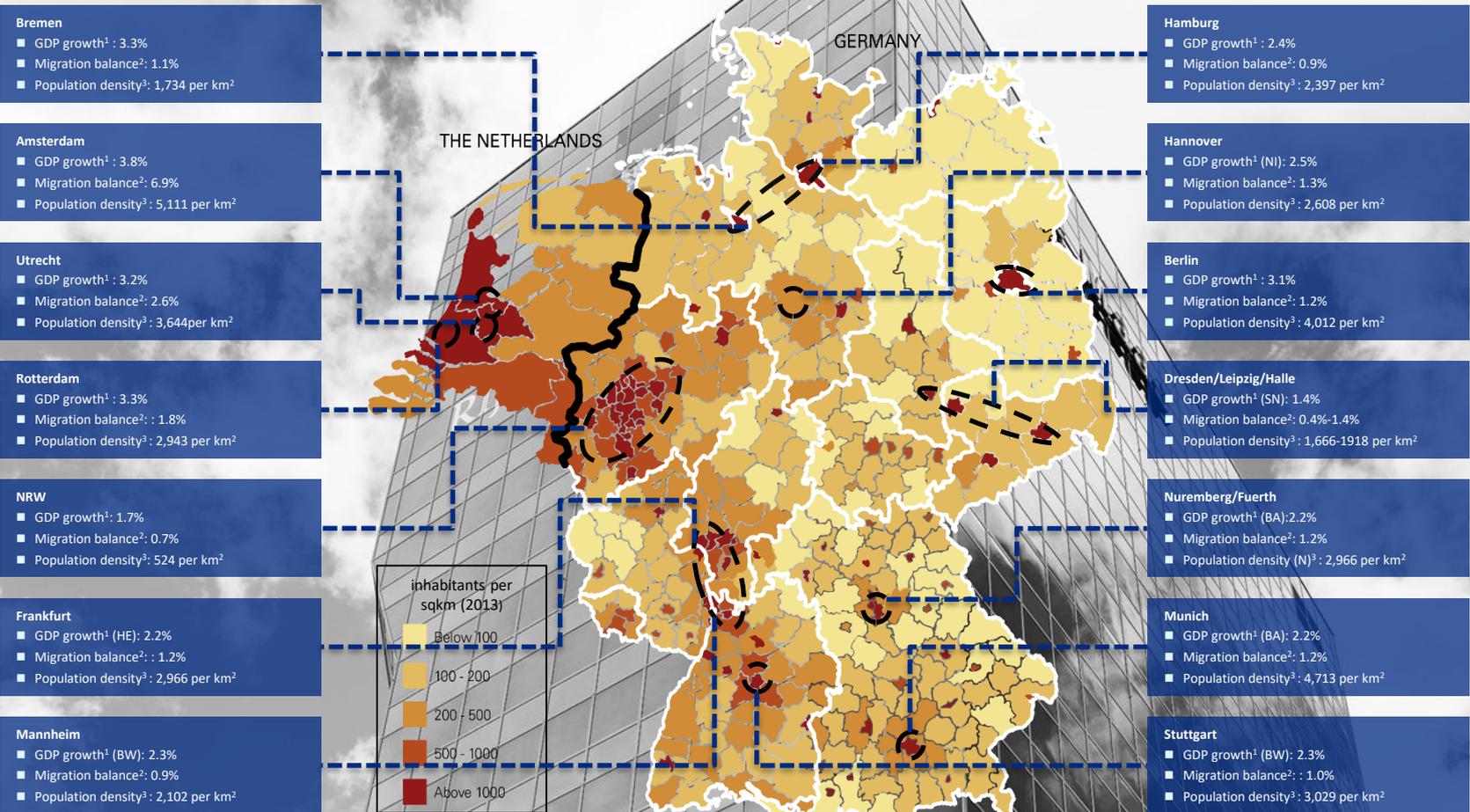
## VALUE EXTRACTION POTENTIAL

- Aroundtown recently acquired the office tower. The asset will be vacated this year to enable complete redevelopment
- **Capex for repositioning and renting at market rents:**
- Aroundtown will upgrade the building (façade, technical parameters, fit out etc.) to capture the rent reversion of 400%



1) JLL Database, 2020 3) BNP Paribas Real Estate, Office Market Germany, 2020 (data for refers to Central Station) 3) ZIA Deutschland, 2019

# REGIONAL MARKET OVERVIEW



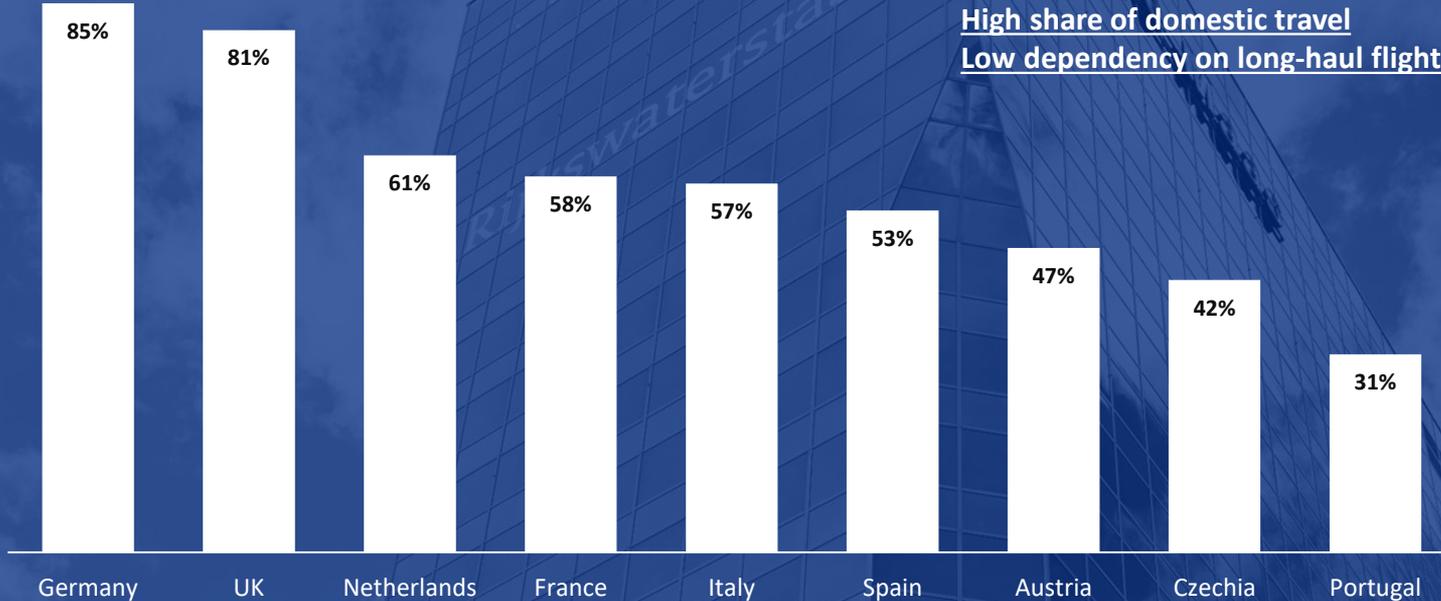
1) GDP Growth: 2017. Data from the respective federal state is used in case city data is not available – NL provisional figures

2) Migration balance: Average annual migration balance 2013-2016, domestic & foreign migration

3) Population density: Residents per Sqk (2016/NL 2017)

# GERMAN HOTEL MARKET - DOMESTIC TRAVEL WILL BE THE KEY FOR RECOVERY FROM COVID-19

Share of domestic travel  
in % of total travel



German hotel market is among the least volatile hotel markets in Europe due to:

High share of domestic travel

Low dependency on long-haul flights

Source: OECD, last data available. Tourism Economics. STR  
Share of domestic travel is in terms of total expenditure

# GERMAN HOTEL MARKET – FAST RECOVERY DURING PAST CRISIS

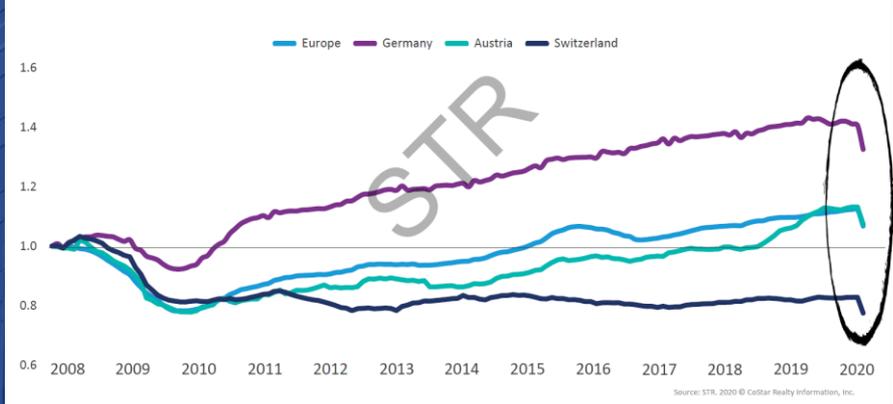
## Profitability Recovery from 2009 Financial Crisis

Consistent Sample, GOPPAR Indexed to 2007, LC



## Germany's hotels lead long-term RevPAR growth in the region

RevPAR Indexed to January 2008, local currency



Owing to high share of domestic travel and low dependency on long-haul flights, German hotel market recovered swiftly from the financial crisis, much quicker than the rest of Europe and also at a higher acceleration rate

Source: OECD, last data available. Tourism Economics. STR

## IMPORTANT:

This presentation has been provided for information purposes only and is being circulated on a confidential basis. This presentation shall be used only in accordance with applicable law, e.g. regarding national and international insider dealing rules, and must not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by the recipient to any other person. Receipt of this presentation constitutes an express agreement to be bound by such confidentiality and the other terms set out herein. This presentation includes statements, estimates, opinions and projections with respect to anticipated future performance of the Group ("forward-looking statements"). All forward-looking statements contained in this document and all views expressed and all projections, forecasts or statements relating to expectations regarding future events or the possible future performance of Aroundtown SA or any corporation affiliated with Aroundtown SA (the "Group") only represent the own assessments and interpretation by Aroundtown SA of information available to it as of the date of this document. They have not been independently verified or assessed and may or may not prove to be correct. Any forward-looking statements may involve significant risks and uncertainties and should not be read as guarantees of future performance or results and will not necessarily be accurate indications of whether or not such results will be achieved. No representation is made or assurance given that such statements, views, projections or forecasts are correct or that they will be achieved as described. Tables and diagrams may include rounding effects. This presentation is intended to provide a general overview of the Group's business and does not purport to deal with all aspects and details regarding the Group. Accordingly, neither the Group nor any of its directors, officers, employees or advisers nor any other person makes any representation or warranty, express or implied, as to, and accordingly no reliance should be placed on, the accuracy or completeness of the information contained in the presentation or of the views given or implied. Neither the Group nor any of its directors, officers, employees or advisers nor any other person shall have any liability whatsoever for any errors or omissions or any loss howsoever arising, directly or indirectly, from any use of this information or its contents or otherwise arising in connection therewith. Aroundtown SA does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of this presentation.