

27 | August | 2025

■ **Price (Euro)** **3,29**
52 weeks range 3.52 / 2.15

■ Key Data

ISIN LU1673108939
Ticker AT1
Bloomberg AT1 GR
Reporting standard IFRS
Market Cap (Euro million) 5.057
Number of shares (million) 1.537,0
Free Float 46,0%
Free Float Market Cap (Euro million) 2.326
CAGR Adj. EBITDA profit ('24-'27e) 0,4%

Multiples	2024	2025e	2026e	2027e
Market Cap/ Total revenues	3,3	3,3	3,2	3,2
PE-Ratio	68,0	5,6	7,6	5,8
Dividend Yield	0,0%	6,1%	9,9%	13,0%
Price-to-Book-Ratio	0,47	0,44	0,42	0,41
P/ NAV-ratio	0,44	0,42	0,41	0,39

Key Data per share (Euro)	2024	2025e	2026e	2027e
Earnings per share (EPS)	0,05	0,59	0,43	0,57
FFO I per share	0,29	0,28	0,29	0,30
Dividend per share (DPS)	0,00	0,20	0,33	0,43
EPRA NTA per share	7,45	7,83	8,08	8,33

Financial Data (Euro Millions)	2024	2025e	2026e	2027e
Revenues (rental income)	1.542,3	1.526,9	1.560,5	1.594,8
Capital gains, Prop. Revaluations	-125,4	655,0	345,0	587,0
EBITDA profit	778,7	1.632,1	1.321,5	1.619,7
Adj. EBITDA profit (cash driven)	1.014,4	1.012,6	1.002,5	1.025,7
Operating profit (EBIT)	758,5	1.611,0	1.299,4	1.596,8
Net financial result	-266,2	-280,6	-322,5	-315,6
Pre-tax profit (EBT)	446,3	1.330,4	976,8	1.281,2
Taxation	-137,0	-252,8	-185,6	-243,4
Net profit after minorities	52,9	646,6	474,7	622,6
FFO I	315,5	307,2	318,6	327,9
Shareholders' equity (Euro billion)	7,6	8,3	8,5	8,8
Property portfolio (Euro billion)	24,4	23,4	24,1	24,8
RoE (after tax)	0,4%	4,1%	2,9%	3,7%
Equity ratio (incl. equity minorities)	44,6%	43,9%	43,5%	43,2%

■ Main Shareholders

Treasury shares 29%
Avisco Group Plc. 15%
Stumpf Capital GmbH 10%

■ Financial calendar

9M 2025 report 26 November 2025
2025 annual report March 2026

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Good half year numbers offer opportunities to strongly profit in the next market upswing – target price up to Euro 4.00

Today, Arowntown published the 1H 2025 report. The company delivered a good second quarter with a similar performance as in the first quarter. After an FFO of Euro 76m in the first quarter, the half year FFO I was above Euro 150m. FFO per share remained unchanged to last year at 14 Cents. After an adjusted EBITDA of Euro 251m in the first quarter, the half year EBITDA doubled to Euro 501m, also being more or less unchanged to the number of last year (1H 2024: Euro 502m). Revenues slightly decreased from Euro 771m to Euro 758m after the disposal of assets last year, but net rental income profited from a sound like-for-like picture at rents and even slightly hiked from Euro 588m to Euro 591m. **The total like-for-like rental growth was at high 3%, coming 4.2% from hotels and 4.0% from residential that stand for 56% of the total Euro 24.9bn investment portfolio (34% resi / 22% hotel). The like-for-like rental growth in office segment at +1.5% was smaller but still satisfying in our view given the still sluggish economic situation Germany with no growth for three years. Office stands for 38% of the portfolio with the Top Four cities Berlin, Frankfurt, Munich and Amsterdam standing for 60%. AT has a strong tenant base of 75% of tenants being public or multi-national firms or market leaders in their industry like German and Dutch government or Siemens, Deutsche Bahn and KPN.**

According to JLL, the Big 7 office market was gaining momentum in 1H with a take-up of +9% that let us assume that the more friendly picture will translate into a lower EPRA office vacancy in the portfolio (unchanged at 12.7% like in FY 2024). Also, in the hotel business the outlook is brightening with a gradually increasing higher RevPAR and a growth in international arrivals and overnight stays in many European hubs. In addition to that another Euro 50m rent upside is on the horizon coming from current hotel repositionings when they are completed.

The group's P & L picture profited from a better revaluation picture (Euro 383m after Euro -593m, +1.4% like-for-like valuation) and EBIT strongly turned back to black from Euro -171m to Euro +864m and net profit after minorities recovering from Euro -325m to Euro +349m. With regards to balance sheet, the equity ratio improved from 45% in December to 46% and LTV came down from 42% to 40%. As the company sold Euro 400m in assets in 1H (c. 50% office, 30% resi) and another Euro 170m are signed, we expect the deleveraging to continue and giving more financial headroom for capital recycling, finding new investment opportunities like data centers or undervalued and under-rented assets with a potential to revert to cash cows, like offices to serviced apartments for instance. With the good 1H picture and strong balance we see AT prepared to profit from a market upswing. We lift our target from € 3.20 to € 4.00. Keep in mind EPRA net tangible assets were up Euro 400m, from Euro 8.2bn at year-end 2024 to now Euro 8.6bn.

Aroundtown SA

Industry:	Real Estate
Sub-segments:	Commercial (incl. Hotel)/ Residential
Target Countries:	Germany
Registered	Luxembourg
German Office:	Berlin
Foundation:	2004
Employees:	1668
IR Contact:	Timothy Wright
Email:	info@aroundtownholdings.com
Credit Rating:	BBB by S&P (Investment Grade)
Stock exchange:	Prime Standard Frankfurt
ISIN:	LU1673108939
Bloomberg:	AT1 GR

MANAGEMENT

Barak Bar-Hen CEO & COO	Timothy Wright CCMO	Eyal Ben David CFO	Limor Bermann CSO
Frank Roseen Director	Jelena Afxentiou Director	Markus Kreuter Indep. Director	
Markus Leininger Indep. Director	Simone Runge- Indep. Director	Ran Laufer Non-Exec. Director	
Daniel Malkin Indep. Director			

ADVISORY BOARD

Dr. Gerhard Cromme
Chairman

Yakir Gabay

Claudio Jarczyk

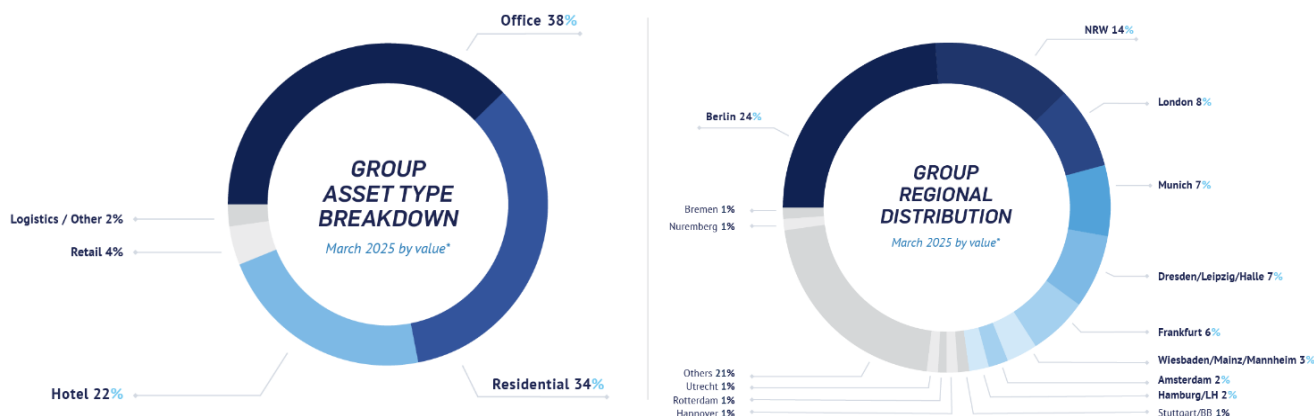
David Maimon

Founded in 2004, AROUNDTOWN SA ("AT1") is a real estate investment company specializing in identifying and investing in value-add and income generating properties. Aroundtown SA is listed in the German Prime Standard since June 2017 and member of German MDax index.

AT's primary real estate target markets are economically attractive and densely populated regions in Germany. The company is active in both the commercial as well as the residential real estate sector. Nonetheless, it more plays an active role in the commercial sector since the residential exposure within the portfolio is represented by an interest in the publicly listed company Grand City Properties ("GCP") with a stake of 62% as of FY 2024, which is being fully consolidated since 1 July 2021. The firm's total portfolio currently amounts to approx. Euro 25bn. Office properties have a share of 38% relatively to the total portfolio of investment properties based on appraisal values and residential properties stand for 34%. The hotel share stands at 22%. The rest is retail, logistics and others.

AT comes along with a well-experienced management team where each member supplements the team with a distinctive professional background in various fields like investment banking, real estate investment and asset management and project development for instance. AROUNDTOWN targets turnaround opportunities of distressed and/or mismanaged properties and has a strong track record with regard to property turnaround by working out sound individual business plans. Detailed property-related data are deliberately not disclosed. AT argues that they are doing so in order to direct investors' attention on the bottom line on company level rather than being monitored on the performance of each individual property. Currently, the firm sells assets but is also looking for interesting opportunities in commercial and residential properties, where assets are undervalued or under-managed or in an under-rent situation. With a high cash balance of Euro 3.4bn and a solid balance sheet with a 46% equity ratio, we see the firm in a decent position despite the still challenging market and believe that once the conditions are more favourable again, the firm will translate the superior portfolio in much higher earnings. And investors will profit as the firm strives to pay-out about 75% of FFO I result.

Aroundtown is part of the DAX ESG Index and ranked as the highest ESG ranked real estate constituent of the index. The company is also a member in the second highest German MDAX equity index.



Source: Company Data, SRC Research

AROUNDTOWN SA 31/12 IFRS (Euro Millions)	2022	2023	2024	2025e	2026e	2027e	CAGR '24 - '27e
Revenues	1.609,9	1.602,8	1.542,3	1.526,9	1.560,5	1.594,8	1,1%
Capital gains, property revaluations and others	-497,3	-3.217,5	-125,4	655,0	345,0	587,0	
Share in profit from investment in equity-accounted investees	5,9	-149,8	-42,5	12,4	25,9	59,9	
Property-related operating expenses	-694,9	-638,4	-550,2	-522,2	-569,6	-582,1	
thereof depreciation and amortization	-21,1	-17,9	-20,2	-21,1	-22,1	-22,9	
Administrative and other expenses	-62,5	-64,7	-65,7	-61,1	-62,4	-63,8	
Operating profit (EBITDA)	382,2	-2.449,7	778,7	1.632,1	1.321,5	1.619,7	27,7%
Operating Profit (EBIT)	361,1	-2.467,6	758,5	1.611,0	1.299,4	1.596,8	28,2%
Impairment of goodwill	-404,3	-137,0	-46,0	0,0	0,0	0,0	
Finance expenses	-184,8	-230,1	-235,2	-228,7	-240,1	-252,1	
Other financial results	-194,1	-14,4	-31,0	-51,9	-82,4	-63,5	
Net financial result	-378,9	-244,5	-266,2	-280,6	-322,5	-315,6	
Pre-tax profit (EBT)	-422,1	-2.849,1	446,3	1.330,4	976,8	1.281,2	42,1%
Tax (cash and deferred)	-35,0	422,7	-137,0	-252,8	-185,6	-243,4	
Net profit before minorities	-457,1	-2.426,4	309,3	1.077,6	791,2	1.037,7	49,7%
Minorities	-188,0	438,8	-256,4	-431,1	-316,5	-415,1	
Net profit after minorities	-645,1	-1.987,6	52,9	646,6	474,7	622,6	127,5%
Number of shares (weighted average, excl. treasury shares)	1.109,9	1.093,0	1.093,5	1.093,5	1.093,5	1.093,5	
Earnings per share (EPS, basic)	-0,58	-1,82	0,05	0,59	0,43	0,57	
Earnings per share (EPS, diluted)	-0,58	-1,82	0,05	0,59	0,43	0,57	
Dividend per share (DPS)	0,00	0,00	0,00	0,20	0,33	0,43	
EBITDA	382,2	-2.449,7	778,7	1.632,1	1.321,5	1.619,7	27,7%
Adjusted EBITDA	878,8	1.002,9	1.014,4	1.012,6	1.002,5	1.025,7	0,4%
FFO I	362,7	332,0	315,5	307,2	318,6	327,9	1,3%
FFO I per share	0,33	0,30	0,29	0,28	0,29	0,30	1,3%
Shareholders' Equity (without minorities)	9.585,3	7.643,3	7.630,2	8.276,8	8.532,8	8.799,4	4,9%
Shareholders' Equity (including minorities)	17.823,4	15.149,7	15.009,7	16.249,1	16.718,2	17.206,1	
EPRA NTA	10.775,3	8.058,7	8.165,4	8.591,6	8.857,4	9.134,1	3,8%
Balance Sheet sum	37.347,1	33.559,3	33.619,9	37.038,6	38.413,6	39.853,7	
Equity Ratio	47,7%	45,1%	44,6%	43,9%	43,5%	43,2%	
RoE (after tax)	-3,5%	-12,1%	0,4%	4,1%	2,9%	3,7%	
Property portfolio (including equity-accounted investees)	27.981,0	24.632,4	24.375,3	23.400,3	24.102,3	24.825,4	
Book Value per share (Euro) - undiluted	8,76	6,99	6,96	7,55	7,78	8,02	4,9%
EPRA NTA per share (Euro) - undiluted	9,85	7,36	7,45	7,83	8,08	8,33	3,8%

SRC Research

- Der Spezialist für Finanz- und Immobilienaktien -

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Rating chronicle:

Company	Date	Rating	former share price	former target
Aroundtown	May 28, 2025	Buy	2,69 €	3,20 €
Aroundtown	March 27, 2025	Buy	2,43 €	3,20 €
Aroundtown	November 27, 2024	Buy	2,00 €	3,50 €
Aroundtown	August 29, 2024	Buy	2,39 €	3,50 €
Aroundtown	May 29, 2024	Buy	2,20 €	3,50 €
Aroundtown	April 2, 2024	Buy	1,96 €	3,50 €
Aroundtown	November 29, 2023	Buy	2,30 €	3,50 €
Aroundtown	September 4, 2023	Buy	1,52 €	3,50 €
Aroundtown	May 31, 2023	Buy	0,93 €	4,50 €

Please note:

The share price mentioned in this report is from 27 August 2025 (11:30 am).
AROUNDTOWN SA mandated SRC Research for covering the share.

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