

# FIRST HALF OF 2018

AUGUST 7, 2018



# DISCLAIMER

## Cautionary Note Regarding Forward-Looking Statements

The statements contained herein may include statements of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Actual results, performance or events may differ materially from those in such statements due to, without limitation, general economic conditions, including in particular economic conditions in the alstria's core business and core markets, general competitive factors, the impact of acquisitions, including related integration issues, and reorganization measures. Furthermore, the development of financial markets, interest rate levels, currency exchange rates, as well as national and international changes in laws and regulations, in particular regarding tax matters, can have a corresponding impact. Many of these factors may be more likely to occur, or more pronounced, as a result of terrorist activities and their consequences.

## No duty to update

The company assumes no obligation to update any information contained herein.



# HIGHLIGHTS H1 2018



Steinstrasse 5–7, Hamburg

## › Operating business

- Revenues: EUR 96.2 million
- FFO: EUR 58.1 million (after minorities)
- FFO per share: EUR 0.33

## › Leasing

- New leases: 36,500 m<sup>2</sup>
- Extended leases: 28,300 m<sup>2</sup>
- EPRA vacancy rate: 11.0 %

## › Transactions

- Acquisition of 4 assets for a total AIC of EUR 123.2 million
- Disposal of 2 assets for a total consideration of EUR 13.6 million

## › Balance sheet

Capital increase:

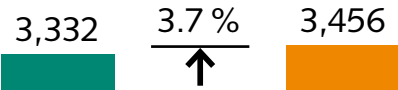
- Issuance of 15.3 million shares at EUR 12.60
- Gross proceeds of EUR 193 million

Conversion of the convertible bond:

- 8.0 million shares issued at EUR 12.34
- Equity increased by EUR 99 million

# SELECTED BALANCE SHEET POSITIONS

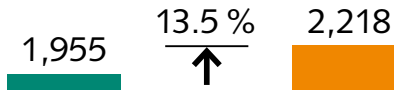
## INVESTMENT PROPERTY in EUR million



Dec. 31, 2017

June 30, 2018

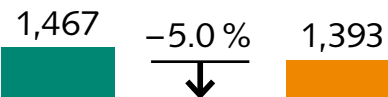
## EQUITY in EUR million



Dec. 31, 2017

June 30, 2018

## FINANCIAL DEBT in EUR million



Dec. 31, 2017

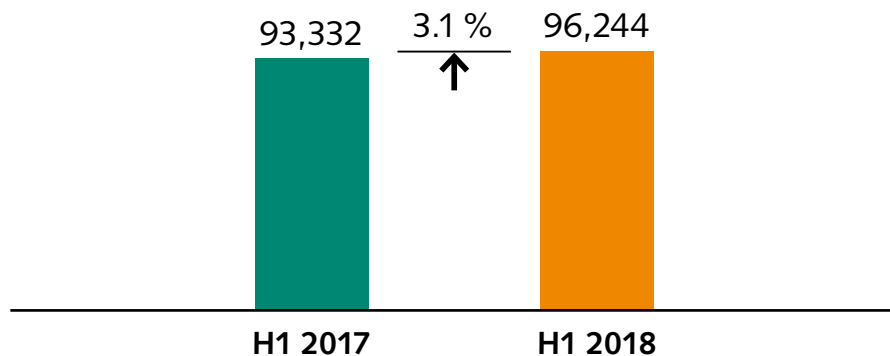
June 30, 2018

## RATIOS

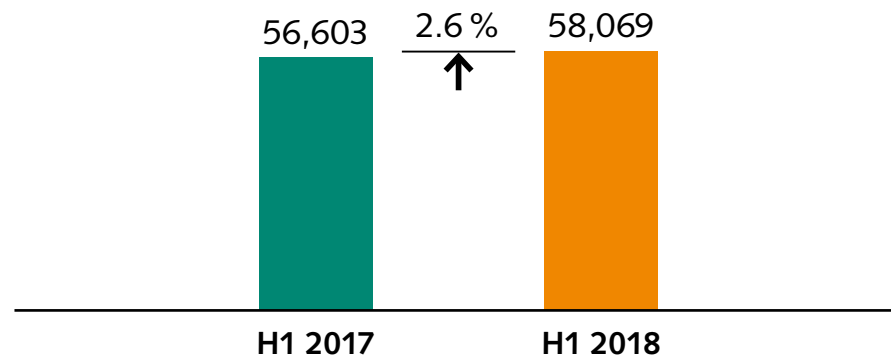
- › G-REIT equity ratio: 63.2 %
- › Net LTV: 34.7 %
- › EPRA NAV per share: EUR 12.53

# FINANCIALS: SELECTED PROFIT & LOSS POSITIONS

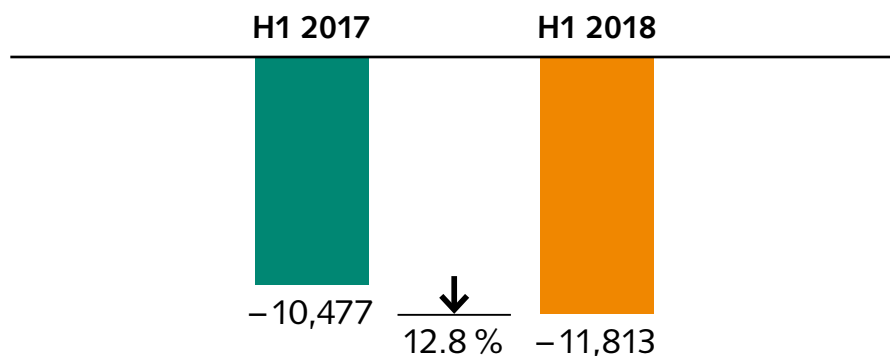
## GROSS RENTAL INCOME in EUR k



## FUNDS FROM OPERATIONS (FFO) in EUR k



## SG&A in EUR k

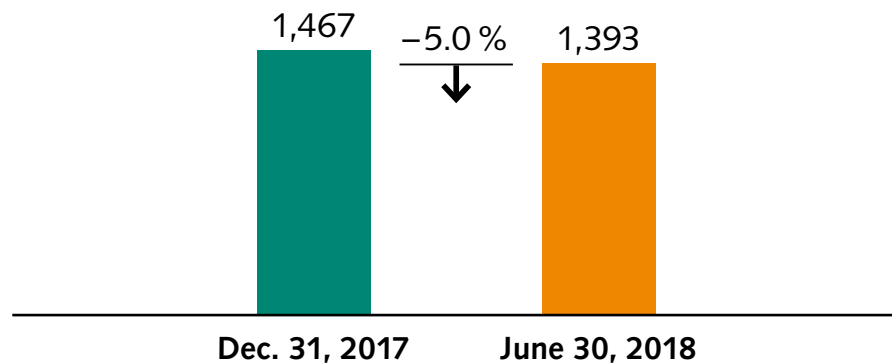


## RATIOS

- › FFO per share: EUR 0.33
- › FFO margin: 60.3 %
- › EPRA cost ratio: 18.8 %

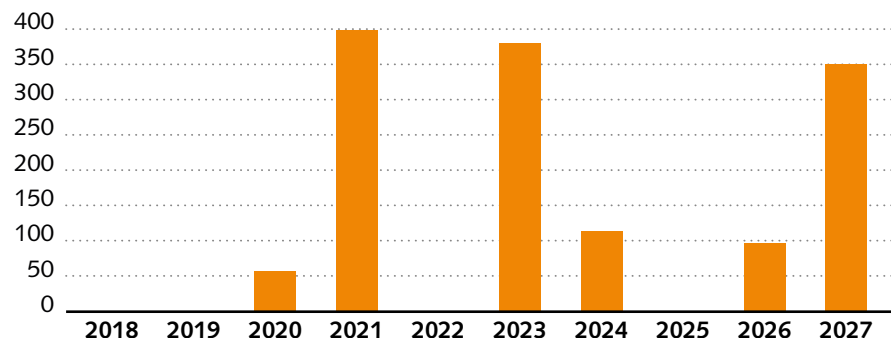
# DE-LEVERING THE COMPANY

## FINANCIAL DEBT in EUR million



## MATURITY PROFILE in EUR million

as of June 30, 2018



## COMPOSITION OF DEBT in EUR million

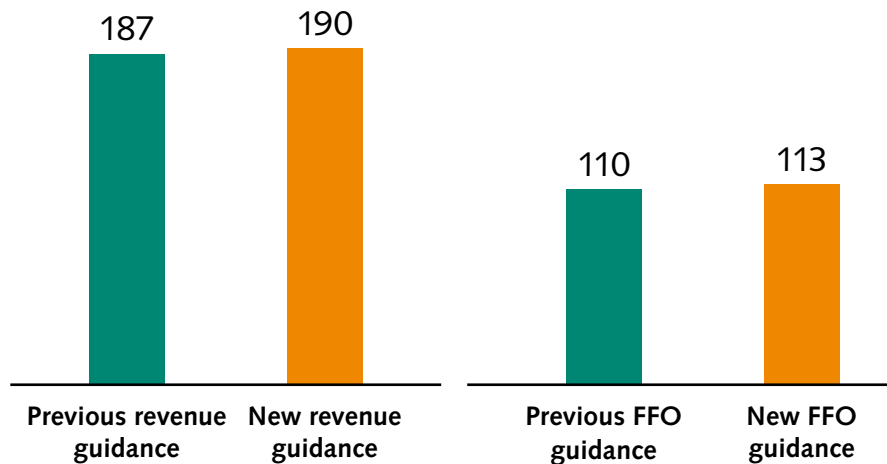
	Nominal amount (in Euro m)	Avg. cost of debt (in %)	Avg. Maturity (in years)
Bonds	1,002	1.9	5.8
Schuldschein	150	2.0	4.6
Bank debt	241	1.3	5.5
<b>Total</b>	<b>1,393</b>	<b>1.8</b>	<b>5.6</b>

## COMMENTS

- Conversion of convertible bond in the course of H1 2018
- Cost of debt as per June 30, 2018: 1.8 %
- > 90.0 % of total debt is fixed or hedged
- > 80 % unencumbered assets

# INCREASE OF GUIDANCE 2018

## GUIDANCE FY 2018 in EUR million



## ADJUSTMENTS

- Revenues of EUR 190 m (previous: EUR 187 m)
- FFO of EUR 113 m (previous: EUR 110 m)
- Increased guidance due to:
  - Impact of acquisitions and disposals
  - Indexations

# OPERATIONS: PORTFOLIO UPDATE

## PORTFOLIO DATA (June 30, 2018)

- › **Portfolio value:** EUR 3.5 billion
- › **EPRA vacancy rate:** 11.0 %
- › **WAULT:** 4.9 years
- › **Contractual rent:** EUR 198.3 million
- › **Valuation yield:** 5.7 %
- › **Value per m<sup>2</sup>:** EUR 2,153

## ALSTRIA'S INVESTMENT MARKETS

as per June 30, 2018

### Total portfolio

- Investment volume: EUR 3.5 bn
- 🏠 Number of assets: 116
- ☒ Lettable space: 1,599,371 m<sup>2</sup>
- 📍 Headquarters
- Local offices

### Hamburg

- EUR 1,072 million
- 🏠 38 assets
- ☒ 393,661 m<sup>2</sup>

### Rhine-Ruhr

- EUR 1,010 million
- 🏠 36 assets
- ☒ 512,743 m<sup>2</sup>

### Rhine-Main

- EUR 695 million
- 🏠 20 assets
- ☒ 306,676 m<sup>2</sup>

### Stuttgart

- EUR 439 million
- 🏠 10 assets
- ☒ 221,257 m<sup>2</sup>

### Berlin

- EUR 159 million
- 🏠 6 assets
- ☒ 62,976 m<sup>2</sup>

### Others

- EUR 125 million
- 🏠 6 assets
- ☒ 102,058 m<sup>2</sup>



# OPERATIONS: LEASING UPDATE H1 2018

## NEW LEASES 2018: 36,500 m<sup>2</sup>

- › 54 new leases in H1 2018
- › Avg. lettable area: 676 m<sup>2</sup>
- › Avg. rent: EUR 13.73 m<sup>2</sup>/month
- › WAULT: 6.2 years
- › Future cashflow: EUR 40.3 million

## LEASE EXTENSIONS 28,300 m<sup>2</sup>

- › 26 lease extensions in H1 2018
- › Avg. lettable area: 1,089 m<sup>2</sup>
- › Avg. rent: EUR 11.28 m<sup>2</sup>/month
- › WAULT: 3.9 years
- › Future cashflow: EUR 15.9 million

## NEW LEASES > 1,500 m<sup>2</sup> – YTD

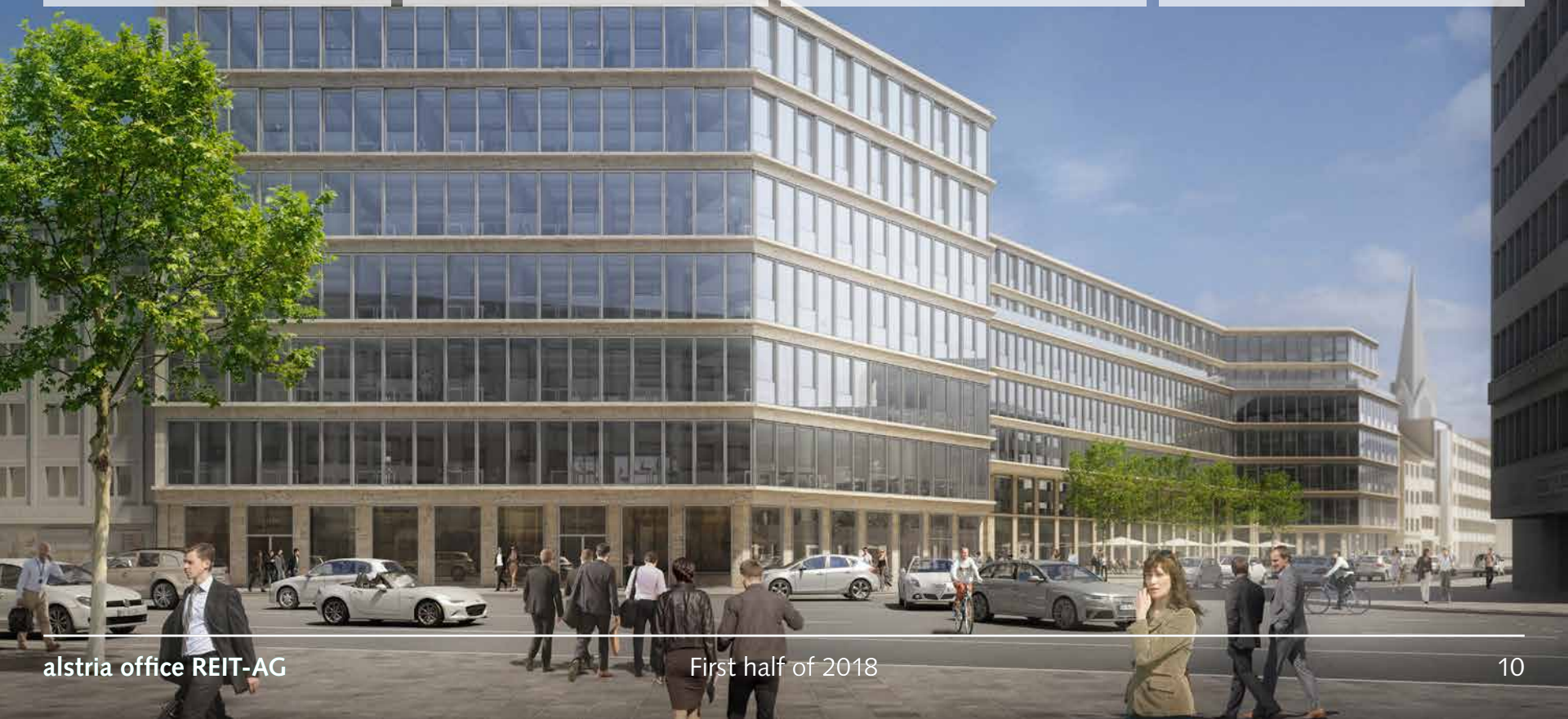
Adress	City	Tenant	Lettable area	Net rent/m <sup>2</sup> (EUR)	Net rent p.a. (EUR k)	Lease length (years)	Rent free (in % of lease length)
Heidenkampsweg 99–101	Hamburg	Commerzbank AG	1,800	12.04	260	5.0	0.0
Süderstr. 24	Hamburg	BIQ Bildung Innovation Qualifizierung GmbH	1,900	11.62	265	3.0	8.3
Am Wehrhahn 33	Düsseldorf	Ebner Stolz Wirtschaftspr. Partnerschaft MBB	2,400	16.98	489	7.0	10.7
Am Wehrhahn 33	Düsseldorf	Sparkassen-Finanzportal GmbH	1,900	17.02	388	10.0	7.5
Am Wehrhahn 33	Düsseldorf	GEBIT Solutions GmbH	2,668	17.28	560	10.0	8.3
Am Wehrhahn 33	Düsseldorf	COFRA Düsseldorf GmbH	1,500	16.16	291	10.0	8.3
Elisabethstr. 5–11	Düsseldorf	Design Offices GmbH	4,400	20.23	1,068	10.6	1.6
Breitwiesenstr. 5–7	Stuttgart	Daimler AG	1,700	12.11	247	5.0	0.0

## RENEWALS > 5,000 m<sup>2</sup> – YTD

Adress	City	Tenant	Lettable area	Net rent/m <sup>2</sup> (EUR)	Net rent p.a. (EUR k)	Lease length (years)	Rent free (in % of lease length)
Breitwiesenstr. 5–7	Stuttgart	Cenit AG	7,500	12.66	1,136	5.0	5.0

# LEASING: CASE STUDY »MOMENTUM«

2012 ACQUISITION	2016–2018 DEVELOPMENT	2018 LEASE-UP	2019 DELIVERY
<ul style="list-style-type: none"><li>› AIC: EUR 29.4 m</li><li>› Annual rent: EUR 2.5 m</li><li>› Rent/sqm: EUR 11.10</li><li>› Vacancy: 26 %</li></ul>	<ul style="list-style-type: none"><li>› Capex: EUR 36.1 m</li><li>› Capex per sqm: EUR 1,500</li><li>› Start of marketing in H2 2017</li><li>› Current letting status: 60 %</li></ul>	<ul style="list-style-type: none"><li>› Current rent: EUR 3.3 m</li><li>› ERV: EUR 5.2 m</li><li>› Rent/m²: EUR 18.00</li><li>› Expected yield on costs: 7.5 %</li></ul>	<ul style="list-style-type: none"><li>› Further value potential from residential development in the back of the asset</li></ul>





# ACQUISITION VOLUME OF EUR 123.2 M



Source: Bilder©2018 Google, Kartendaten©2018 Geo-Basis-DE/BKG (©2009), Google



## KEY DATA

<b>AIC:</b>	EUR 123.2 million
<b>Lettable area:</b>	49,400 m <sup>2</sup>
<b>AIC/m<sup>2</sup>:</b>	EUR 2,500
<b>In-place rent:</b>	EUR 4.9 million
<b>In-place rent/m<sup>2</sup>:</b>	EUR 10.30
<b>ERV:</b>	EUR 8.1 million
<b>ERV/m<sup>2</sup>:</b>	EUR 13.70
<b>Vacancy:</b>	19.0 %



Source: Bilder©2018 Google, Kartendaten©2018 Geo-Basis-DE/BKG (©2009), Google



Source: Bilder©2018 Google, Kartendaten©2018 Geo-Basis-DE/BKG (©2009), Google



# DISPOSAL VOLUME OF EUR 13.6 MILLION

HARBURGER RING 17, HAMBURG



## KEY DATA

**Disposal proceeds:** EUR 13.6 million  
**Gain to 31/12/17 appraised value:** 5.5 %  
**Lettable area:** 5,600 m<sup>2</sup>  
**In-place rent:** EUR 0.8 million  
**Vacancy:** 10 %

LÖTZENER STR. 3, BREMEN



# SUMMARY



Ernst-Merck-Str. 9, Hamburg

- › Strong letting markets
- › Strong investment markets
- › Increased guidance

# ALSTRIA'S SHARE

## SHARE

ISIN	DE000A0LD2U1
Symbol	AOX
Market segment	Financial Services
Industry group	Real Estate
Indizes	FTSE EPRA / NAREIT Global Real Estate Index Series, FTSE EPRA / NAREIT Europe Real Estate Index Series, MDAX, RX REIT Index, GPR 250 Index Series, GPR 250 REIT Index Series
Number of shares	177.4 million
Free float	100 %

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# APPENDIX: RECONCILIATION FROM IFRS TO FFO

## IFRS P&L AND FFO in EUR million

EUR k (H1 2018)	IFRS	Adjustments	FFO H1 2018
<b>Revenues</b>	<b>96,244</b>	<b>0</b>	<b>96,244</b>
Income less expenses from passed on operating expenses	23,662	0	23,662
Real estate operating expenses	-36,655	417	-36,238
<b>Net rental income</b>	<b>83,251</b>	<b>417</b>	<b>83,668</b>
Administrative expenses	-4,251	383	-3,868
Personnel expenses	-7,562	601	-6,961
Other operating income	5,341	-3,752	1,589
Other operating expenses	-2,947	2,338	-609
Net gain / loss from fair value adjustments on investment property	1,387	-1,387	0
Gain on disposal of investment properties	212	-212	0
<b>Net operating result</b>	<b>75,431</b>	<b>-1,612</b>	<b>73,819</b>
Net financial result	-15,488	1,238	-14,250
Share of the result of joint venture	69	0	69
Net loss from fair value adjustments on financial derivatives	2,455	-2,455	0
<b>Pretax income / FFO</b>	<b>62,467</b>	<b>-2,829</b>	<b>59,638</b>
Income tax	51	-51	0
Minorities	0	-1,569	-1,569
<b>Net profit / FFO after minorities</b>	<b>62,518</b>	<b>-4,449</b>	<b>58,069</b>

## ADJUSTMENTS

### › Other operating income

- EUR 1,502 k non-recurring tenant compensation payments
- EUR 2,250 k release of accruals

### › Other operating expenses

- EUR 1,709 k non-cash increase in minority share of alstria office prime portfolio GmbH & Co. KG

### › EUR -1,387 k non-cash valuation impact on IP

### › EUR -2,455 k non-cash valuation impact on financial derivatives

### › Net financial result

- EUR 1,238 k non-cash financing costs, mainly related to convertible bond