



Press release

Nine months 2018 - Higher FFO, strong balance sheet

- Revenues at EUR 144.9 m and funds from operations (FFO) at EUR 88.6 m
- Net LTV at 34.8% and REIT equity ratio at 63.4%
- Letting volume: 151,200 sqm
- Acquisition of five assets for a total consideration of EUR 133.2 m in the course of the first nine months of 2018
- Guidance 2018 confirmed: revenues of EUR 190 m and FFO of EUR 113 m

Hamburg, November 5, 2018 - alstria office REIT-AG (symbol: AOX, ISIN: DE000A0LD2U1) reports on a successful result for the first nine months of 2018.

Revenues of EUR 144.9 million and FFO of EUR 88.6 million

In the course of the first nine months of 2018 alstria's revenues grew by 0.8% to EUR 144.9 million compared to the prior year period. Funds from operations (FFO) in the same period amounted to EUR 88.6 million and improved by 3.1% compared to prior year period. Due to lower operating cost the FFO margin reached a record level of 61.1% (9M 2017: 59.8%) and is again testimony to the profitability of the Company. alstria's consolidated net result was EUR 94.5 million as per September 30, 2018 and compares to EUR 111.7 million in the prior year period. The decline of the net profit is mainly due to a EUR 23.3 million one-off capital gain that followed the disposal of the "Kaisergalerie" asset (Hamburg) in 2017.

Net LTV at 34.8%, EPRA NAV per share at EUR 12.68

In the first nine months of 2018, alstria's equity position improved by 15.1% to EUR 2,251 million compared to December 31, 2017. The proceeds from the capital increase in the first quarter 2018 (EUR 190.5 million), the impact of the conversion of the convertible bond (EUR 98.6 million) and the net profit contribution of the first nine months 2018 (EUR 94.5 million) overcompensated the dividend payment of EUR 92.2 million (EUR 0.52 per share) to the shareholders of the Company in the second quarter of 2018. alstria's EPRA NAV stood at EUR 12.68 per share as per September 30, 2018. The G-REIT equity ratio of 63.4% and the Company's net LTV of 34.8% are reflecting the strength of alstria's balance sheet.

Letting volume of 151,200 sqm

In the course of the first nine months 2018 alstria signed new leases for a lettable area of 86,700 sqm, as well as lease extensions of around 64,500 sqm. The EPRA vacancy rate¹ improved by 60 bps to 10.4% in the third quarter of 2018.

¹ EPRA vacancy rate disregards vacancy from development projects.

The letting volume includes a new leasing agreement with Deutsche Telekom for the asset in Darmstadt. At the end of the current lease, the tenant will continue to occupy approximately 29,100 sqm on a long-term basis and release the remaining space for repositioning by alstria.

Acquisition volume of EUR 133.2 million and disposals of EUR 74.2 million year-to-date

Year-to-date, alstria acquired five office buildings in its core markets (Frankfurt, Berlin, Stuttgart and Hamburg) with a combined lettable area of 51,700 sqm at a total AIC of EUR 133.2 million (EUR 2,575 per sqm) and an annual rental income of EUR 5.2 million. The assets are complementary to alstria's current portfolio and offer a reversion potential of around 35% in the mid-term. At the same time, alstria has continued to streamline its portfolio and sold five assets outside of its core markets in Bremen, Neuss, Dresden and Wuppertal for a total consideration of EUR 74.2 million. These assets were sold at an average premium of 28.3% to the latest external valuation. The value of the total property portfolio amounted to EUR 3.5 billion as of September 30, 2018 and will be revalued as part of the 2018 annual financial statements.

Guidance for FY 2018 confirmed

Based on the results of the first nine months, alstria confirms its guidance for the FY 2018. Revenues are expected to amount to EUR 190 million and the FFO is expected to reach EUR 113 million.

“We are using the strong momentum in the investment market to selectively sell assets, and further improving the quality of our portfolio” said Olivier Elamine, CEO of alstria. “Furthermore, we are still seeing a very strong leasing market that we intend to further capitalize on in the coming month.”

Key financials at a glance

	9M 2018	9M 2017	Change
Revenues (EUR m)	144.9	143.8	0.8%
Funds from operations (FFO) (EUR m)	88.6	85.9	3.1%
FFO per share ² (EUR)	0.50	0.56	-10.7%

	Sep. 30, 2018	Dec. 31, 2017	Change
Investment properties (EUR m)	3,509	3,332	5.3%
Cash at hand (EUR m)	161.8	102.1	58.5%
EPRA NAV per share (EUR)	12.68	12.71	-0.2%
G-REIT equity ratio (%)	63.4	57.1	6.3 pp
Net LTV ratio (%)	34.8	40.0	-5.2 pp

Sustainability report 2017 / 2018 published

alstria has published its new Sustainability Report for the financial year 2017. The report has been prepared based on the new GRI standards and has received a third-party assurance for its environmental and social KPIs, which demonstrates the Company's high level of commitment to a transparent sustainability reporting.

In 2017, alstria continued pursuing an award-winning, CO₂-saving concept and the hard work paid off as:

- 98% of the electricity procured by alstria for shared services was renewable,

² FFO per share based on 177.4 m shares for 9M 2018 and 153.3 m shares for 9M 2017.

- 86% of heating with natural gas, sub-metered by alstria, was carbon compensated,
- in total the annual CO₂ emissions of 791 typical German households were avoided (-14,385 tCO₂e).

alstria continued working on the roll out of smart meters across the portfolio. By using real-time data, the Company is able to uncover inefficiencies in the operation of the buildings and enhance quality and comfort for the tenants. Further pilot projects for electro-vehicle charging and electricity generation & storage in alstria's buildings have been launched.

Invitation to the conference call on November 6, 2018

The alstria management board, CEO Olivier Elamine and CFO Alexander Dexne, will present the 9M results during a conference call at 10:00 am (CET).

Please use one of the following dial-in numbers:

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UK: + 44 203 009 2470

PIN: 42500233#

Please note that you can watch the management's presentation live as a webcast on our website www.alstria.com. As soon as the conference call begins, the presentation slides will be available for download on our website.

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About alstria:

alstria office REIT-AG is an internally managed Real Estate Investment Trust (REIT) focused solely on acquiring, owning and managing office real estate in Germany. alstria was founded in January 2006 and was converted into the first German REIT in October 2007. Its headquarters are in Hamburg. The combination of alstria and Deutsche Office creates the leading listed German office real estate company with a combined portfolio of 117 office buildings comprising 1.6 million sqm of lettable space and representing a total portfolio value of approximately EUR 3.5 billion (as of September 30, 2018). The alstria office REIT-AG strategy is based on active asset and portfolio management as well as on establishing and maintaining good relationships with key customers and decision makers. alstria focuses on long-term real estate value creation.

Disclaimer:

This release constitutes neither an offer to sell nor a solicitation of an offer to buy any shares. As far as this press release contains forward-looking statements with respect to the business, financial condition and results of operations of alstria office REIT-AG (alstria), these statements are based on current expectations or beliefs of alstria's management. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or performance of the Company to differ materially from those reflected in such forward-looking statements. Apart from other factors not mentioned here, differences could occur as a result of changes in the overall economic situation and the competitive environment - especially in the core business segments and markets of alstria. Also, the development of the financial markets and changes in national as well as international provisions particularly in the field of tax legislation and financial reporting standards could have an effect. Terrorist attacks and their consequences could increase the likelihood and the extent of differences. alstria undertakes no obligation to publicly release any revisions or updates to these forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.