



## Press Release

### First quarter 2019

- Revenues at EUR 46.8 m and funds from operations (FFO) at EUR 28.6 m
- EUR 107.4 m of non-core asset disposals at a 16.9% premium to FY2018 valuations
- Strong balance sheet: Net LTV at 28.5% and REIT equity ratio at 69.7%

Hamburg, May 6, 2019 - alstria office REIT-AG (symbol: AOX, ISIN: DE000A0LD2U1) ("alstria") announces its result for the first three months of 2019.

#### Revenues of EUR 46.8 m and FFO at EUR 28.6 m

alstria's rental revenues of EUR 46.8 m in the first quarter of 2019 were in line with the Company's plan and compare to EUR 48.3 m in the prior year period. While acquisitions and new leasing contracts contributed EUR 0.6 m of additional income to the revenue line the loss of income following the disposal of non-strategic properties was EUR 2.1 m.

Funds from operations amounted to EUR 28.6 m (EUR 0.16 per share) and are also fully in line with the company's full year guidance of EUR 112 m (Q1 2018: EUR 29.8 m). The FFO margin remained at a level of 61.2% (prior year: 61.7%) and is testimony to the sustained high profitability of alstria's real estate operations.

The company's consolidated net result amounted to EUR 54.6 m and was up by 68.9% due to the strong realized gain on the assets sold in the first quarter of this year.

#### EPRA NAV per share up to EUR 15.44

Within the first three months of 2019 alstria's equity increased by 2.1% to EUR 2,739 m, reflecting the positive profit contribution in the first quarter of 2019. Accordingly, the company's EPRA NAV per share improved to EUR 15.44. The G-REIT equity ratio reached a record high of 69.7% and the company's Net LTV improved to 28.5% as per March 31, 2019. With the planned dividend payment of EUR 0.52 per share on May 22, 2019, the Net LTV will revert back to around 31%.

#### Strong letting results

In the operating business alstria is still benefitting from the strong leasing market in all of its core markets. alstria signed new leases<sup>1</sup> of 36,500 square meters, as well as lease extensions of around 52,300 square meters in the first three months of 2019. The EPRA vacancy rate<sup>2</sup> improved to 9.2% (Q1 2018: 11.2%). alstria's leasing pipeline remained extremely dynamic across all the company's geographies.

#### Strong investment market

In the first quarter 2019, alstria continued to execute on its plan to capitalize on the strong investment market to improve the overall quality of the portfolio. As such, the company sold three assets, located at the fringe of its markets, for a total consideration of EUR 107.4 m (annual in-place rent: EUR 5.9 m) and realized a gain of 16.9% compared to

<sup>1</sup> Only includes new leases signed and disregards any lease renewals.

<sup>2</sup> The EPRA vacancy rate disregards the vacancy in development projects.

the Dec. 31, 2018 appraised value. In parallel alstria continued to strengthen its Berlin portfolio with the acquisition of two additional assets, offering substantial rental reversion for a total amount of EUR 22.3 m (EUR 3,120 per sqm, annual rent of EUR 0.8 m, ERV of EUR 1.3 m) in the first quarter of 2019.

### Full-year guidance confirmed

Based on the results of the first quarter, alstria confirms its guidance for the FY 2019: revenues of around EUR 190 m and FFO of EUR 112 m.

“We are still seeing a strong demand for German office property and little price discrimination between the fringe and the centre. Our intention is to keep on capitalizing on this environment to continue the concentration of our portfolio on the stronger submarkets of the cities in which we invest, while disposing assets in the weaker areas. While this might lead to some pressure on our revenues in the short run, it will lead to building a stronger foundation to navigate a market which is sending conflicting signals”, says Olivier Elamine, Chief Executive Officer of alstria. “We expect to remain net sellers for 2019, as we see substantial opportunities to recycle capital out of weaker assets at comfortable margins and re-invest in our under-rented core portfolio with the aim of generating superior total returns for the company”.

### Key financials at a glance

	Q1 2019	Q1 2018	Change
Revenues (EUR m)	46.8	48.3	-3.1%
Funds from operations (FFO) (EUR m)	28.6	29.8	-3.8%
FFO per share <sup>3</sup> (EUR)	0.16	0.17	-4.0%

	Mar.31, 2019	Dec.31, 2018	Change
Investment properties (EUR m)	3,885	3,939	-1.4%
Cash at hand (EUR m)	192.5	132.9	44.8%
EPRA NAV per share (EUR)	15.44	15.14	2.0%
G-REIT equity ratio (%)	69.7	67.2	2.5 pp
Net LTV ratio (%)	28.5	30.4	-1.9 pp

### Invitation to the conference call on May 7, 2019

The alstria management board, CEO Olivier Elamine and CFO Alexander Dexne, will present the Q1 results during a conference call at 10:00 am (CET).

Please use one of the following dial-in numbers:

Germany: +49 69 201 744 220

UK: +44 203 009 2470

PIN: 7153 4214#

Please note that you can watch the management’s presentation live as a webcast on our website [www.alstria.com](http://www.alstria.com). As soon as the conference call begins, the presentation slides will be available for download.

<sup>3</sup> FFO per share based on 177.4 m shares for Q1 2019 and 177.1 m shares for Q1 2018.

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**About alstria:**

alstria office REIT AG is the leading real-estate operator focusing solely on German office property in selected German markets. Our strategy is based on the ownership and an active management of our properties throughout their entire life cycle, strong added-value services to our customers and deep knowledge of the markets in which we operate. alstria strives for sustainable long-term value creation while taking advantage of short-term arbitrage of inefficiencies in the real estate markets. The portfolio comprises 115 buildings with a lettable area of 1.5 million sqm and a total portfolio value of EUR 3.9 billion as per March 31, 2019.

**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.