

BUSINESS UPDATE

APRIL 2020



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.

The current COVID-19 outbreak is creating substantial uncertainty in the marketplace. Although alstria has diligently reviewed the information contained in this release it is based on its own analysis and estimate, as well as available public sources and not on active discussion with tenants. As such the current liquidity risk of the tenants can materially differ from alstria's own estimate, and the actual impact of the COVID 19 outbreak may differ substantially from the current previsions.

No duty to update

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

BUSINESS OVERVIEW – OPERATIONS

LETTING

- › 48,700 m² of new leases / lease extensions year to date
- › Existing lease discussions are ongoing
- › Social distancing prevents entering into new lease negotiations for the time being

DEVELOPMENTS

- › 10 assets (184,000 m²) under refurbishment (70% pre-let mainly to public tenants)
- › Construction sites are still progressing as planned

TRANSACTIONS

- › Transaction markets are largely frozen
- › alstria did not buy any new properties in 2020
- › 5 disposals year to date (total consideration of EUR 82 million)
 - 4 transactions closed (EUR 61 million)
 - 1 expected to close over the next weeks (EUR 21 million)

NEW REGULATION FOR COMMERCIAL LEASES

NEW LAW APPROVED BY THE GERMAN PARLIAMENT


- › **Usual legal situation:**
Landlord would be entitled to terminate the lease after two months of payment arrears
- › **New legal situation:**
Restriction of the landlord's ability to terminate a lease due to rent arrears in the period from April 1st to June 30th, if the non-payment is caused by the COVID-19 pandemic
- › Legislator has option to extend this regulation by another 3 months depending on the further COVID-19 development
- › New law aims to protect mainly SMEs and retailers whose existence is threatened by the current COVID-19 outbreak and who may not have sufficient liquidity to meet their payment obligations under their lease

IMPACT FOR ALSTRIA

- › Under the new law the rent remains due and payable and all unpaid rent would have to be paid at a later stage
- › The tenant has an obligation to pay the rent arrears by June 30, 2022

BUSINESS OVERVIEW

COMPOSITION OF CURRENT MONTHLY RENT ROLL (NRI)

 Actual request for suspension of rent

Government tenants



Large multi-national corporates



Large domestic corporates



Small and medium-sized enterprises (SMEs)



Tenants directly affected (retail, restaurants, hotels, co-working etc.)



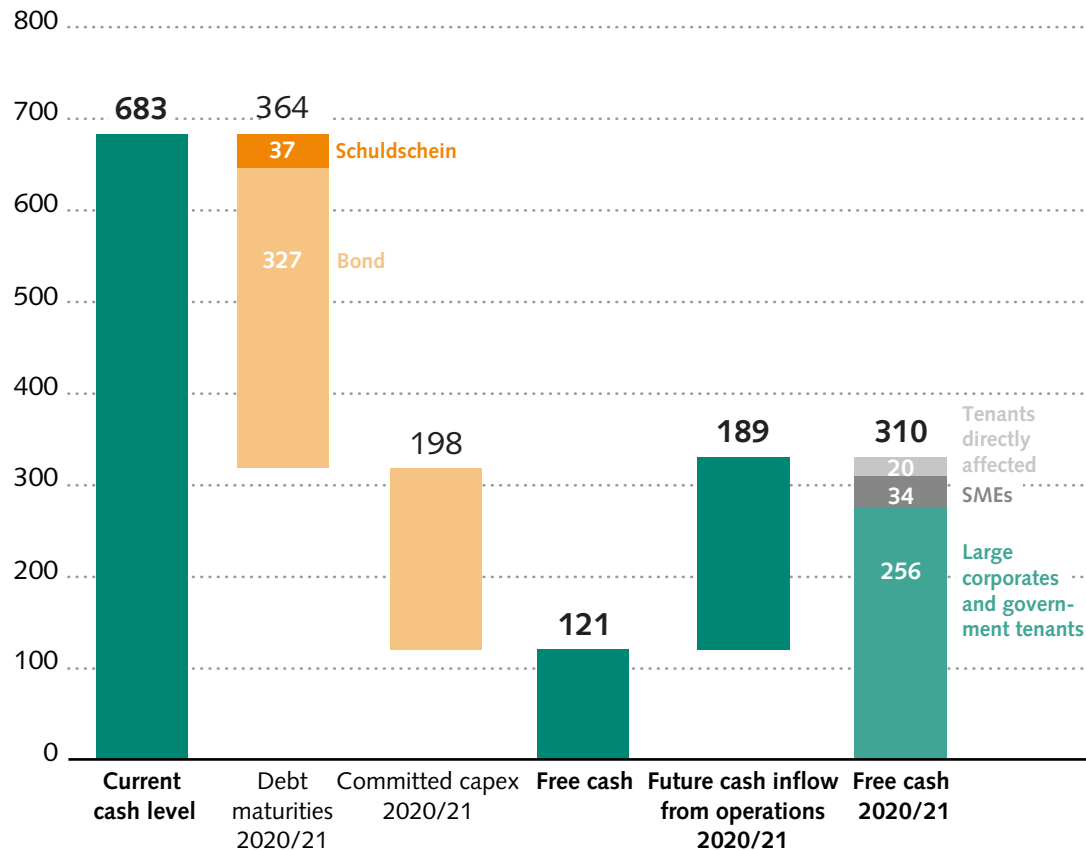
KEY FACTS

- As per today alstria has received request from 115 tenants to suspend the rent for EUR 1.5 million of rental income per month
- Thereof rent has been waived for 43 tenants representing a total loss of income of EUR 0.23 million per month (EUR 0.69 million over a three months waiver period, which represents the impact on alstria's P & L)
- EUR 1.3 million of suspended rent remains due (impact on cashflow but not on P & L)

2020 – 2021 LIQUIDITY ANALYSIS

FREE CASH

in EUR million



KEY FACTS

- Free cash of EUR 121 million
- EUR 189 million operating cash flow 2020/21
- Next debt maturity to be refinanced in April 2023

DEBT STRUCTURE

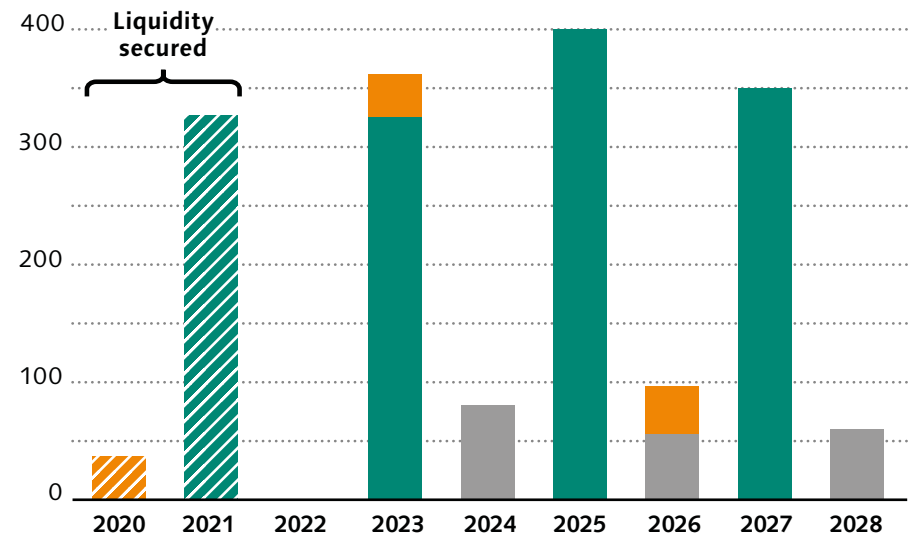
DEBT COVENANTS

Bonds /Schuldschein	Covenant	Actual (as per Dec. 31, 2019)
EBITDA/Net cash interest	> 1.8	5.8
Net LTV	< 60 %	27 %
Secured net financial debt/Total assets	< 45 %	3 %
Unencumbered assets/net debt	> 150 %	319 %

Bank debt		Loan amount (EUR m)	Covenant	Actual (as per Dec. 31, 2019)
<i>Loan I</i>	LTV	34.0	< 65 %	15 %
<i>Loan II</i>	LTV	45.9	< 75 %	32 %
<i>Loan III</i>	LTV	56.0	< 65 %	35 %
<i>Loan IV</i>	Debt/rent	60.0	< 12	9.2

DEBT MATURITY PROFILE

in EUR million ■ Bonds ■ Schuldschein ■ Bank debt



WITHDRAWAL OF DIVIDEND PROPOSAL

UNCERTAINTY ON FULL ECONOMIC IMPACT

- › Substantial uncertainty in length of the current lock-down and the depth of its impact on the overall economy
- › Vast majority of alstria's tenants are not expected to run into liquidity problems
- › However, the longer the economical standstill, the higher the pressure on tenant cashflows
- › Prudent approach: Company is withdrawing its current dividend proposal for the year 2019
- › Dividend proposal will be reassessed as soon as visibility improves on the full impact of the crisis
- › Reassessment will be made prior to the calling of the 2020 AGM later this year

DIVIDEND ACCORDING TO GERMAN REIT LAW

- › Dividend requirement: Payout of 90 % of German GAAP net profit (EUR 38 million, EUR 0.21 per share)
- › Alternatively, payment (of up to 30% of the dividend to be paid) to the tax authorities
- › If no dividend payment for 3 consecutive years the REIT Status can be withdrawn

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, EURO STOXX 600
Number of shares	177.6 million
Free float	100 %

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