alstria

ANNUAL GENERAL MEETING 2022

June 10, 2022

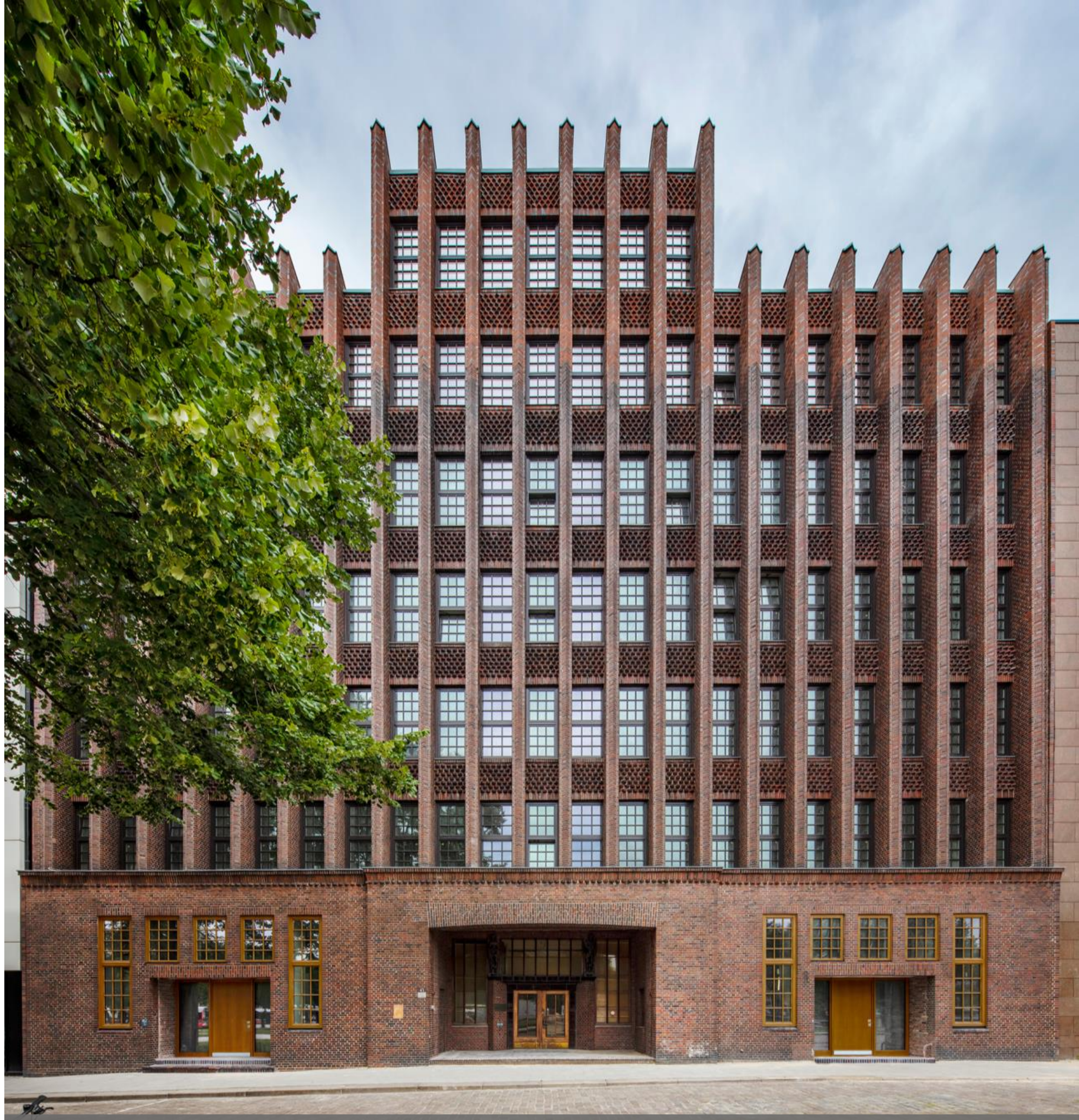
HIGHLIGHTS FY 2021

Solid profit
Net income: EUR 210 million (+24.4% yoy)

EPRA Net Tangible Assets
EUR 18.97 per share (+3.4% yoy)

Flexible balance sheet
Net LTV: 28.8% (1.8 pp yoy)

Operating profit margin
New historic high of 63.4%



BESENBINDERHOF 41, HAMBURG

VALUATION GAIN OF EUR 95 MILLION

Valuation gain
reflects the operational success including our refurbishment activities but also a further increasing price level in German office markets

Uplift of the real estate portfolio
by EUR 94.8 million (+2.1% compared to Dec. 31, 2020)

Portfolio value
as of Dec. 31, 2021: EUR 4.9 billion

Uplift increases
EPRA Net Tangible Assets (NTA) to EUR 18.97 per share

AMSINCKSTR. 28, HAMBURG

SELECTED BALANCE SHEET POSITIONS

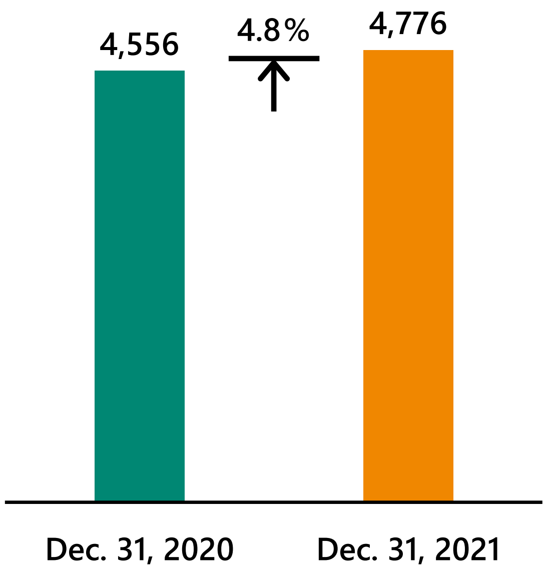
G-REIT equity ratio
69.1% (71.1%*)

Net LTV
28.8% (27.0%*)

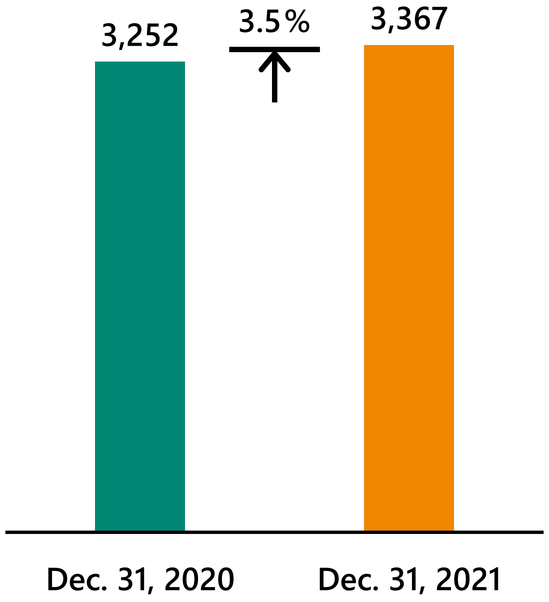
EPRA NTA per share
EUR 18.97 (EUR 18.34*)

*As of Dec. 31, 2020.

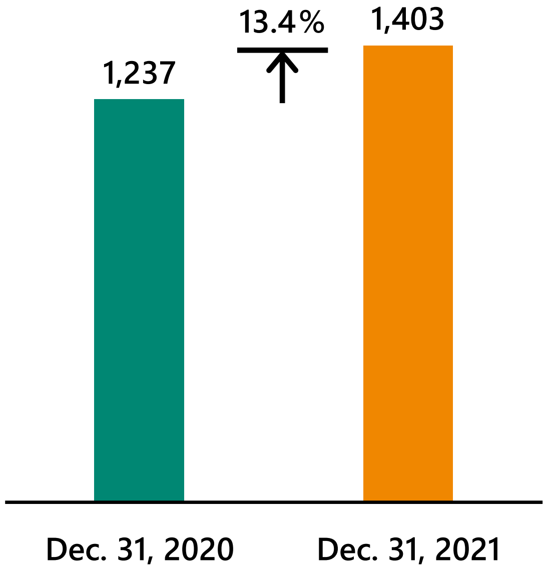
INVESTMENT PROPERTY
in EUR million



EQUITY
in EUR million



NET FINANCIAL DEBT
in EUR million



FFO IN LINE WITH GUIDANCE

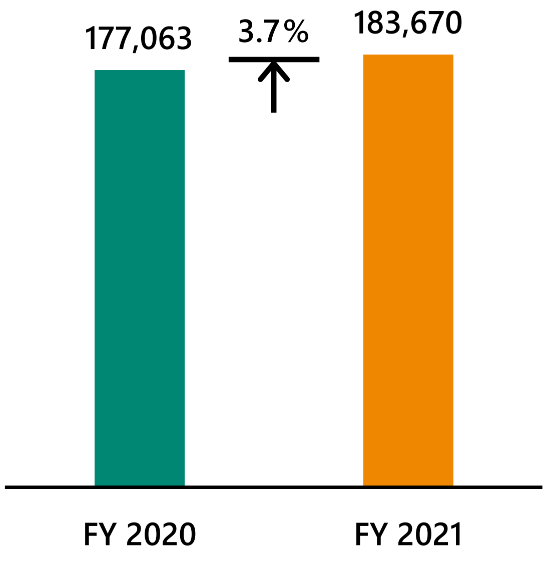
FFO per share
EUR 0.65 (EUR 0.61*)

FFO margin
63.4 % (61.4 %*)

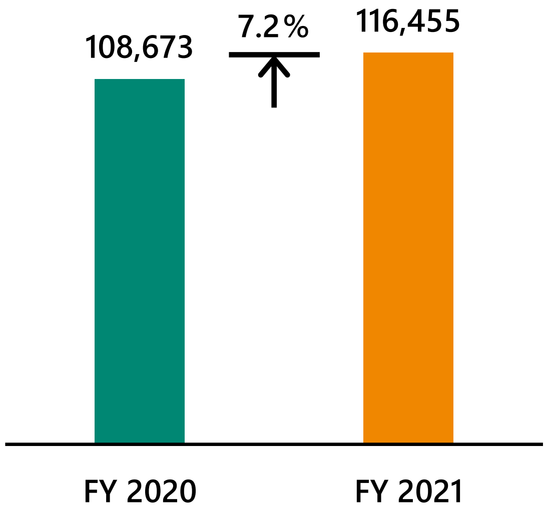
EPRA cost ratio**
21.1% (22.1%*)

*As of Dec. 31, 2020.
**Excl. direct vacancy cost.

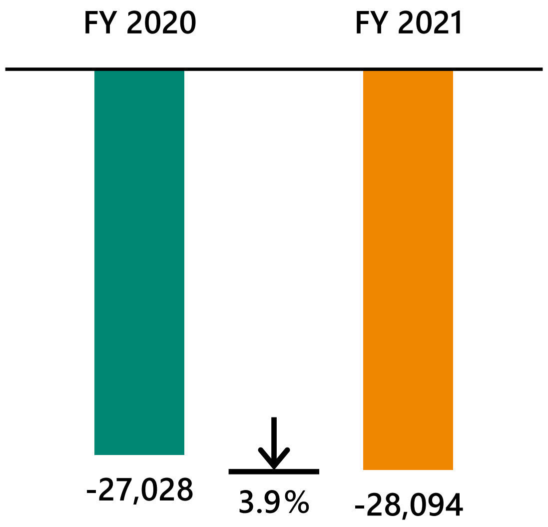
GROSS RENTAL INCOME
in EUR k



FUNDS FROM OPERATIONS (FFO)
in EUR k



SG&A
in EUR k



NET PROFIT OF EUR 210 MILLION

FFO / NET PROFIT

EUR k	2021	2020
Revenues	**183,670**	**177,063**
Net rental income	163,271	158,823
Operating expenses	-28,094	-27,028
Operating financial expenses	-22,306	-19,604
Other	3,584	-3,518
FFO	**116,455**	**108,673**
Book gain from disposals	15,134	8,340
Valuation result	94,827	61,522
Other	-16,738	-10,046
Net profit	**209,678**	**168,489**

HEERDTER LOHWEG 35, DÜSSELDORF

NEW DIVIDEND POLICY

Proposal
of EUR 0.04 per share
as dividend

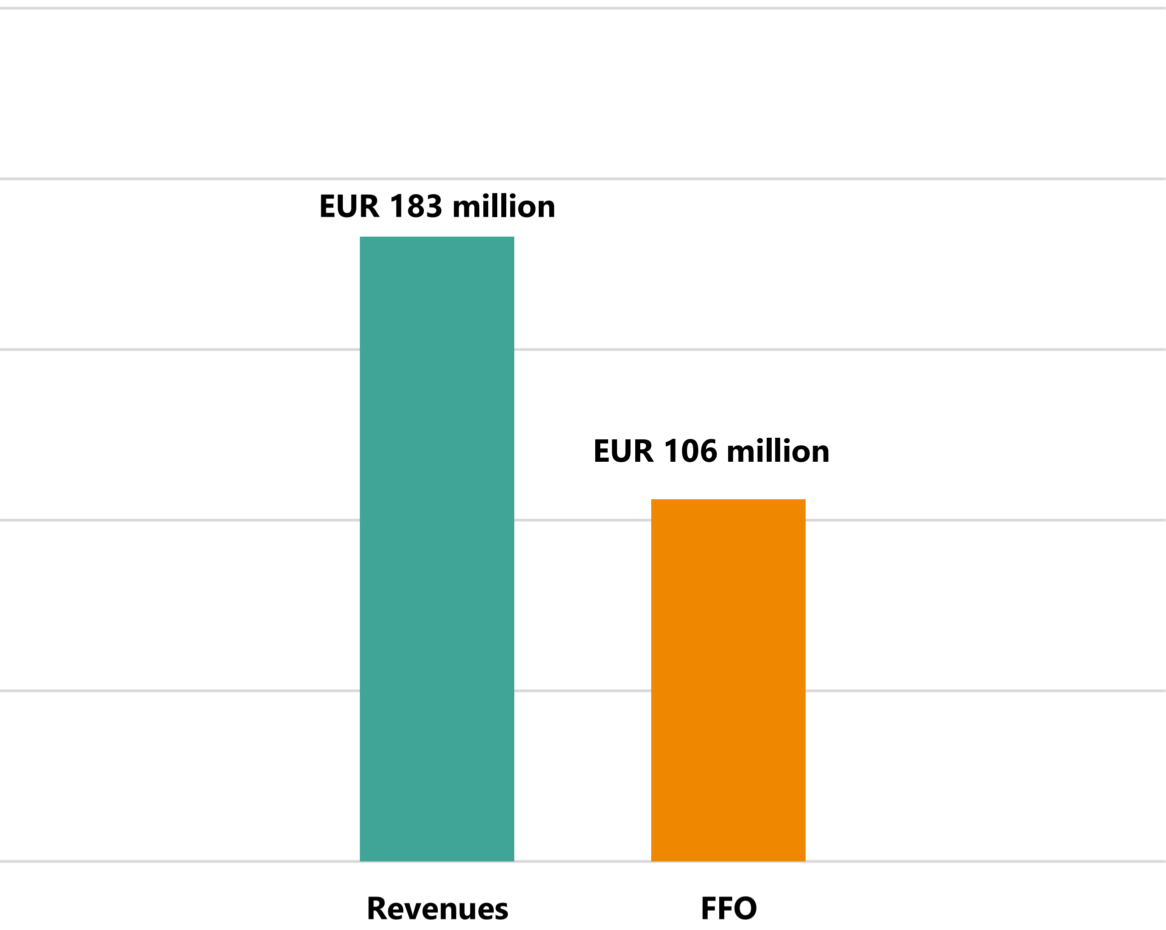
Total dividend
EUR 7.12 m

FFO
EUR 0.65

Dividend
EUR 0.04

OUTLOOK 2022

REVENUES AND FFO



STEINSTR. 7, HAMBURG

PORTFOLIO KEY DATA

Investment property
EUR 4.8 billion

Valuation yield
4.2%

WAULT
5.7 years

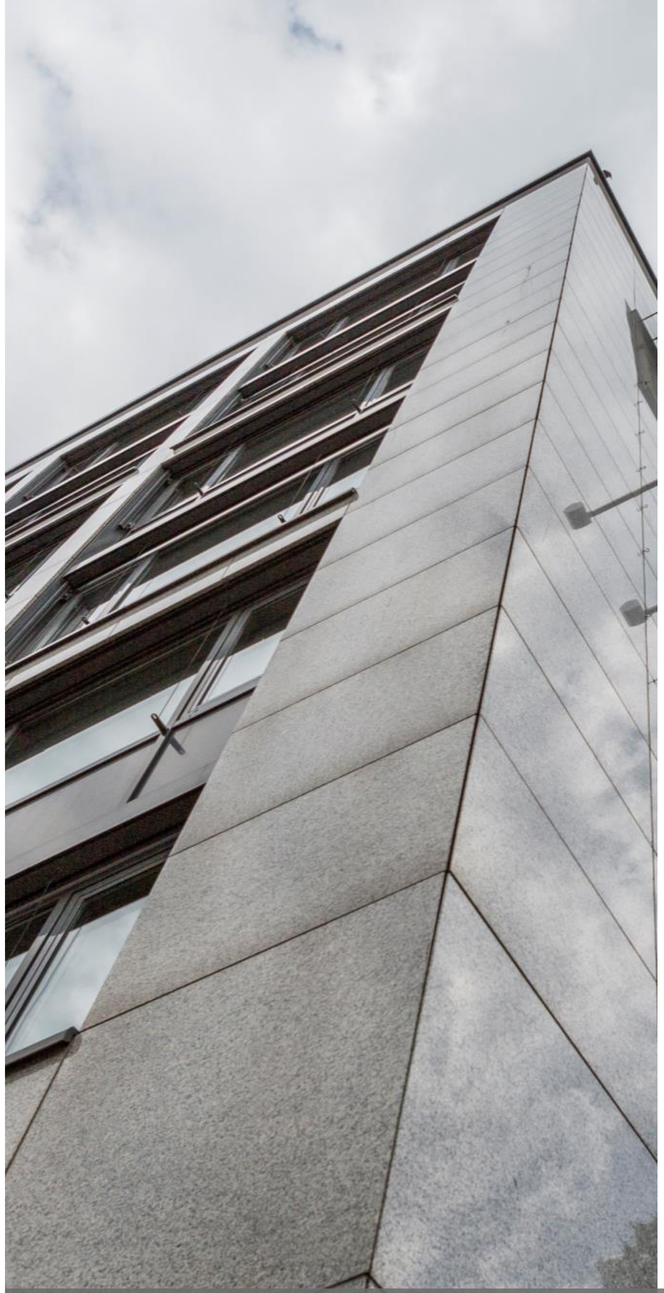
EPRA vacancy rate
6.9%

Portfolio data (as of December 31, 2021).

SOLID LEASING RESULTS

New leases
51,700 m²

Renewals
103,600 m²



KARLSTR. 123 – 127, DÜSSELDORF

SELLING THE PERIPHERY


VAIHINGER STR. 131, STUTTGART


KANZLERSTR. 8, DÜSSELDORF


HEIDENKAMPSWEG 44 – 46, HAMBURG

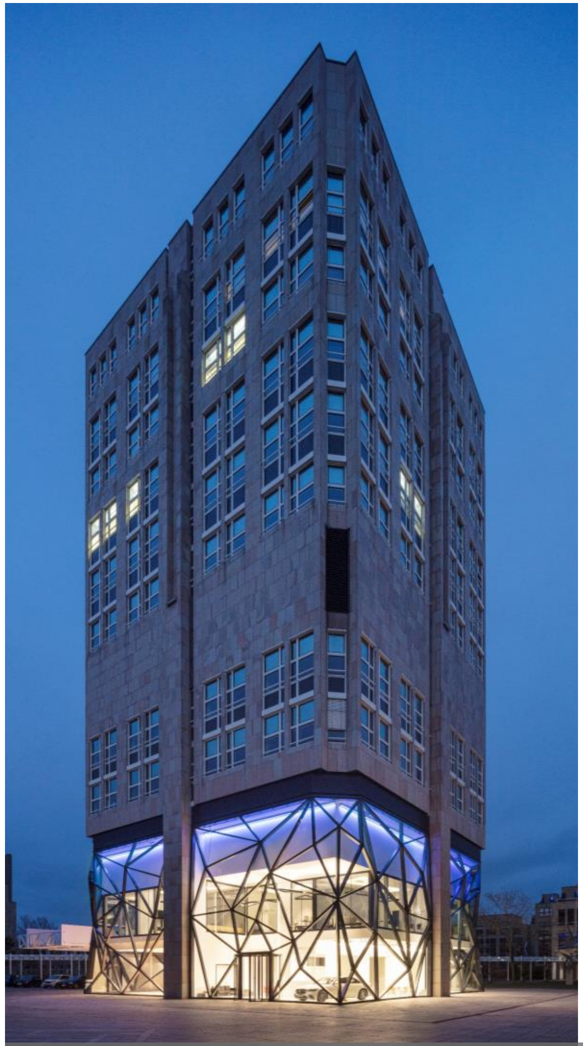
BUYING THE CENTER

MEHRINGDAMM 32 – 34, BERLIN

HANAUER LANDSTR. 161–173, FRANKFURT

DEVELOPMENT PROJECTS

GUSTAV-NACHTIGAL-STR. 3 & 5, WIESBADEN



EPPLESTR. 225, STUTTGART

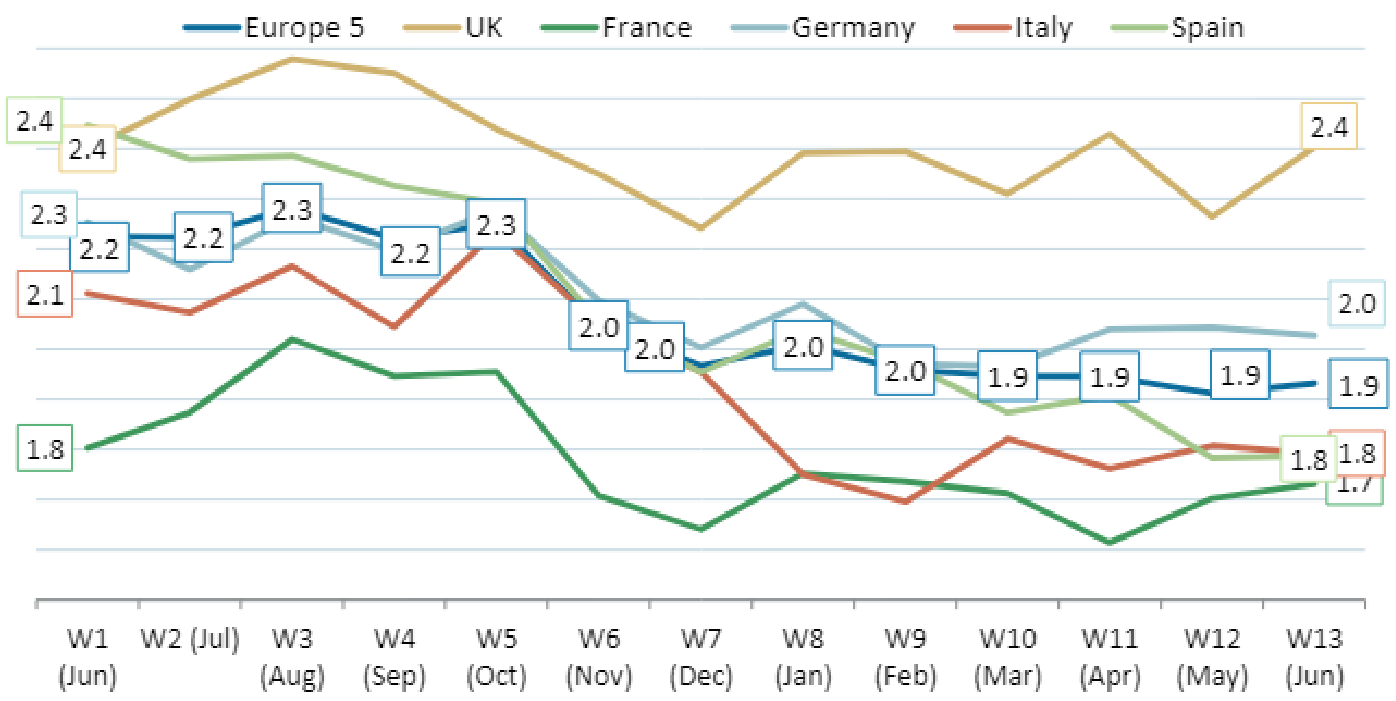
THE OFFICE

Covid 19 has led to two radical acknowledgments

No one needs an office,
if an office is meant as a place with 4 walls, a roof, a desk and a computer. That can be replaced by homes.

Everyone needs The office.
While WFH is here to stay, the pandemic years have fostered the understanding of the added value of offices to most corporates. What a corporate is paying for in rent, is that something it was missing while working from home.

AVERAGE DAYS OFFICE WORKERS SAID THEY WANT TO WORK FROM HOME



Source: Alphawise, Morgan Stanley Research, July 2021.

I WANT TO BE TAXONOMY COMPLIANT

EU Taxonomy and SFRD / CSRD will be pushing 'green' capital in a place of limited supply…

The only way to build a taxonomy compliant real estate portfolio is through the ownership of newly build or newly refurbished properties.

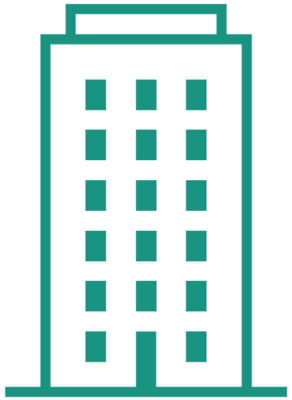
… starving capital from a place where the value and ESG benefits are.

While considered in the EU Taxonomy, refurbishing assets is not a viable route as:

– the revenue generated by the assets is not eligible up until the refurbishment is completed,

– only the capex spent (and not the acquisition of the asset itself) on the refurbishment are eligible under the SFRD.

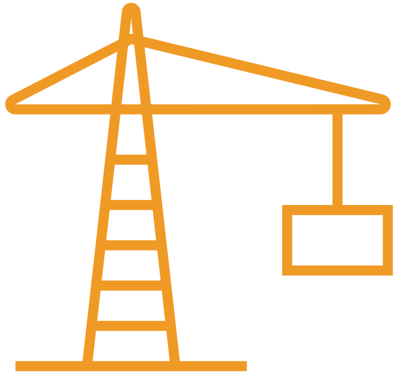
New Building / Ownership of refurbished building



✓ Revenues: Eligible

✓ Capital invested: Eligible

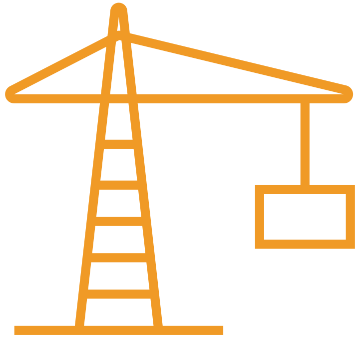
Refurbishments



X Revenues: Non eligible

✓ Capital invested: Only refurbishment capex eligible

A UNIQUE MARKET OPPORTUNITY

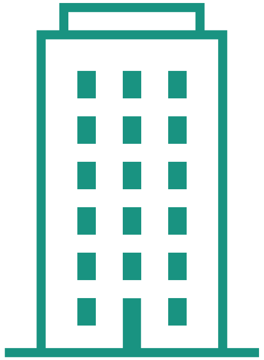


Market of buildings to be refurbished
Where the opportunity is

- Ample supply available triggered by effort to ‘green‘ portfolios through asset sales.
- New work concept increases capex pressure.
- ‘ESG‘ compliance will limit available capital for acquisition of these assets.
- Downward pressure on values will offer substantial acquisition opportunities.

Market imbalance will create a unique opportunity to both maximize return and ESG impact.

This will require a contrarian view on ESG for the mid-term.



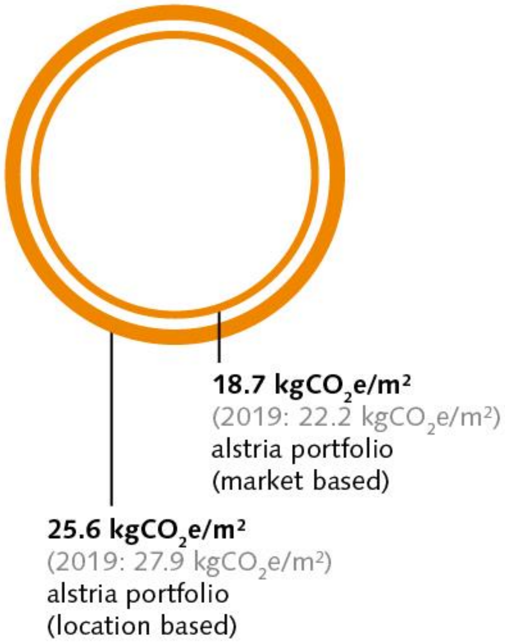
Market of refurbished buildings
Where capital will flow

- Limited supply will trigger upward pressure on values.
- Severe imbalance in capital flow as ‘ESG‘ compliance will increase demand.
- Assets perceived as ‘safe‘ since they will temporarily meet new tenant demand.
- Limited supply of buildings which offer tenants ‘The office‘.

ALSTRIA HAS BEEN LEADING ON ESG

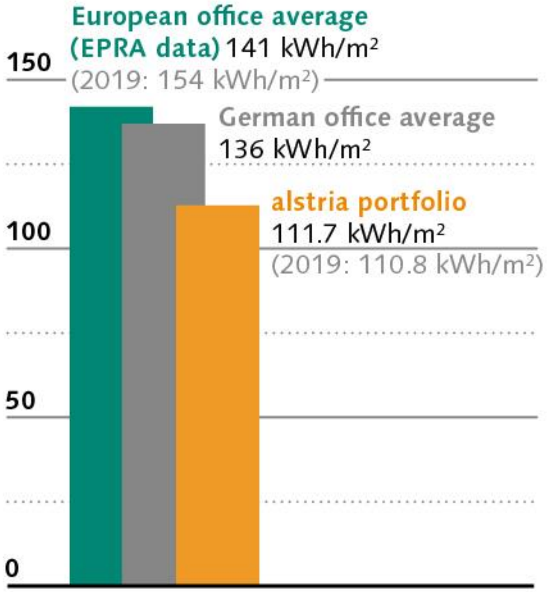
alstria is measuring and improving across most relevant ESG KPIs

OPERATIONAL GHG EMISSIONS[1)]



[1)]Collected consumption data from lettable area available for tenants (about 60% portfolio coverage for electricity, and about 85% for heating).

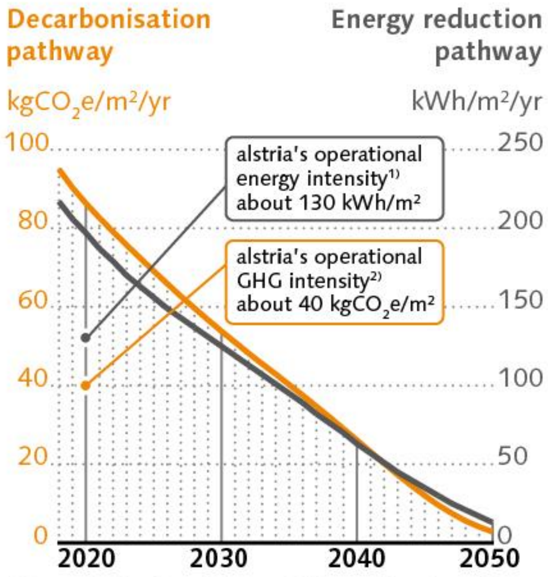
OPERATIONAL ENERGY CONSUMPTION[1)]



[1)]Collected consumption data from lettable area available for tenants (about 60% portfolio coverage for electricity, and about 85% for heating).

ASSETS IN USE

Additional operational GHG (location based) and energy consumption against 1.5C global warming target[1)]

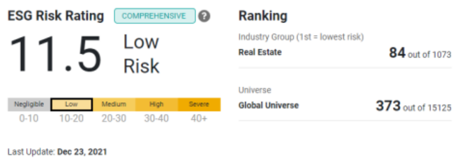


[1)]Extrapolation for whole portfolio area based on about 60% of electricity and 85% of heating data; reduction pathways provided by the scientific CRREM consortium.

Bloomberg Gender-Equality Index 2022

Sustainability Yearbook Member 2022

S&P Global



SUSTAINALYTICS

Source: Company information

BROOKFIELD IS OUR PARTNER OF CHOICE

Public Equities are inefficient at pricing radical changes

The consensus view that forms the pricing of the public equity market is inefficient at a time when underlying markets are going through radical change.

While each individual player in the public equity market might have strong convictions, the consensus view leads to higher cost of capital for companies, which are enacting transformational changes.

Brookfield is a real estate specialist that shares our convictions

Brookfield's office portfolio is valued at USD 84 billion and is composed of 310 assets spanning 14.9 million m^2 (ex-alstria which represents EUR 4.9 billion and 112 assets spanning 1.4 million m^2).

The reliance on one large single anchor shareholder will allow the company to release some of the public equity constrains which would have limited its ability to tap the opportunities ahead.

WE STAY ON TARGET

The overall fundamental business approach will remain the same. Our stated purpose does not change

alstria aims at transitioning office buildings reaching the end of their economic life into their next life cycle, while generating returns in line with its expected cost of capital.

This is done in selected cities through the acquisition, management, refurbishment and resale of office assets. In doing so, alstria actively participates in improving the urban environment in the cities, in which it operates, and the overall ESG impact of the built environment.

Changes in capital allocation aim at increasing the ability of the company to tap on the market opportunity

Reduced focus on dividend payment (limited to the legal requirement under the REIT act: 90 % of German GAAP net income). This will allow an increased focus on capital recycling and asset rotation.

Increase in leverage with a commitment to keep the LTV around 50% commensurate with an investment grade rating profile.

Debt capital could be funded through a mix of unsecured senior bonds, bank debt and mortgage debt (banks or institutional).

GREEN DIVIDEND INVESTMENTS

Green dividend commitment 2021
EUR 1.7 million (EUR 0.01 per share)
Equals unpaid carbon emissions of alstria

Solar panels
EUR 1 million commissioned in
6 buildings with a total 970 kWp

Carbon capturing research
Project Vesta: EUR 0.434 million

Award winning green dividend
Immobilien Manager Award 2022 for
“Sustainability”

2022

German inflation rate
7.9% (CPI, May 2022)

10-year bund yield
-0.26% on 1 June 2021 vs 1.19% on 1 June 2022

alstria capital value vs replacement cost (per m²)
EUR 3,400 vs EUR 4,100

alstria average rent vs ERV (per m²/month)
EUR 13.33 vs. EUR 14.45