

# Conference Call H1 2022

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## Key figures H1 2022

**€41.9m**

Rental income

**€24.2m**

FFO

**€0.30**

FFO per share

**€11.91**

NAV per share

**58.7%**

REIT equity ratio

**41.8%**

LTV

**9.9x**

Net debt/EBITDA<sup>(1)</sup>

**2.4%**

EPRA vacancy rate

(1) Net financial debt (average last five quarters) in relation to EBITDA adjusted by result from sales (Last twelve month)



# Portfolio key metrics as of 30 June 2022

	Asset class		Total Portfolio	Investment approach			
	Retail	Office	◀ Split ▶	Core	%	Manage-to-Core <sup>(1)</sup>	%
Number of properties	39	28	<b>67</b>	64	95.5%	3	4.5%
Fair Value	€891.3m	€749.0m	<b>€1,640.4m</b>	€1,567.5m	95.6%	€72.9m	4.4%
Leased area	382,512 m <sup>2</sup>	229,594 m <sup>2</sup>	<b>612,106 m<sup>2</sup></b>	584,960 m <sup>2</sup>	95.6%	27,146 m <sup>2</sup>	4.4%
Annualized rent	€47.7m	€36.9m	<b>€84.6m</b>	€80.2m	94.8%	€4.4m	5.2%
Annualized rental yield	5.4%	4.9%	<b>5.2%</b>	5.1%		6.1%	
EPRA vacancy rate	2.0%	2.9%	<b>2.4%</b>	1.4%		17.0%	
WALT	7.9 years	5.0 years	<b>6.6 years</b>	6.8 years		3.2 years	

(1) Office properties in Mainz and Stuttgart as well as retail property in Lübeck



# Portfolio development – year-on-year / like for like<sup>(1)</sup>

	Asset class		Total Portfolio	Investment approach	
	Retail	Office	◀ Split ▶	Core	Manage-to-Core <sup>(2)</sup>
Rents	-1.4%-pts	+4.4%-pts	+1.1%-pts	+1.0%-pts	+3.9%-pts
<i>Indexation effects</i>	+3.5%-pts	+3.8%-pts	+3.6%-pts	+3.6%-pts	+3.4%-pts
<i>(Re-)Lettings</i>	-3,4%-pts	+1.2%-pts	-1.4%-pts	-1.5%-pts	+1.8%-pts
<i>Vacancy increase</i>	-1.4%-pts	-0.7%-pts	-1.1%-pts	-1.1%-pts	-1.8%-pts
<i>Step up rents</i>	0.0%-pts	+0.1%-pts	0.0%-pts	0.0%-pts	+0.5%-pts
EPRA vacancy rate	+0.6%-pts	-0.1%-pts	+0.3%-pts	+0.3%-pts	-0.9%-pts
WALT	+0.5 years	-0.2 years	+0.2 years	+0.2 years	-0.8 years

(1) 30 June 2022 to 30 June 2021; excluding acquisitions and disposals in H2 2021 and H1 2022; rounding differences may occur

(2) Office properties in Mainz and Stuttgart as well as retail property in Lübeck



## Acquisitions

### Freiburg



### Kempten



Asset type	Retail	Retail
Investment approach	Core	Core
Year of construction	2018	2011
Leased area	10,659 m <sup>2</sup>	17,400 m <sup>2</sup>
WALT	10.8 years <sup>(1)</sup>	10.5 years <sup>(1)</sup>
Occupancy rate	100%	100%
Annual rental income	€1.3m	€1.5m
Purchase price	€18.8m	€29.8m
Gross initial yield	6.8% <sup>(2)</sup>	5.1% <sup>(2)(3)</sup>
Transfer of possession	15 March 2022	22 April 2022

(1) As of 30 June 2022

(2) As of date of signing

(3) Calculation includes annual ground rent

## Disposals

### Gütersloh



Asset type	High-Street Retail
Selling price	€2.1m
Latest fair value	€2.0m
WALT	3.3 years <sup>(2)</sup>
Transfer of possession	31 July 2022

### Herford



Asset type	High-Street Retail
Selling price	€2.5m
Latest fair value	€2.5m
WALT	3.5 years <sup>(2)</sup>
Transfer of possession	30 June 2022

### Implementation of adjusted strategy

- ✓ **23 disposals** since strategy update in 2020
- ✓ Total sales volume of **€200m** with **3.4% premium** to latest fair values
- ✓ Strategic disposal of **high-street** assets up for short-term sale **successfully completed**
- ✓ Reduction of **Ø age of assets (-32%)** and corresponding future maintenance/capex risks
- ✓ Increase in **Ø value per asset (+23%)** enhancing internal capacities
- ✓ Acquisition of **6 high-quality assets** with a total volume of **€123m** and **5.6% GIY**

➔ Improved portfolio quality forms the basis for future reliable cash flows, efficient portfolio management and further value-adding growth

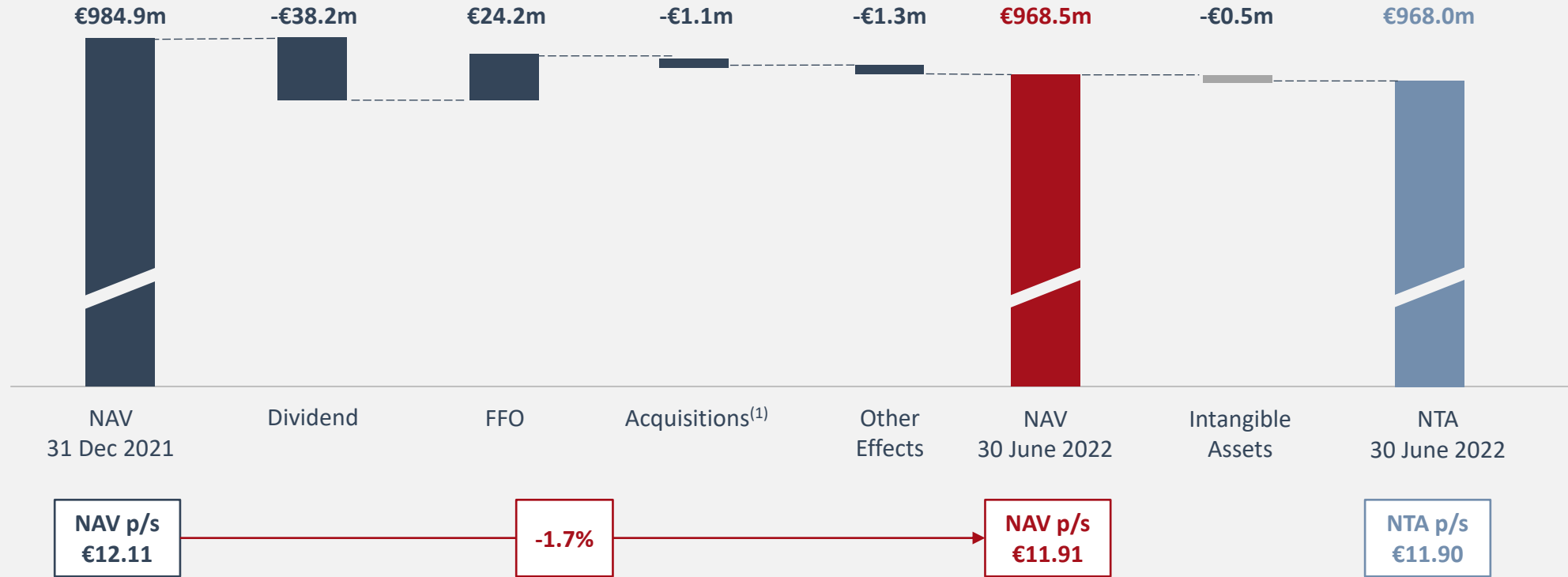
## Funds from operations (FFO)

	in k€	H1 2022	H1 2021	Change
1	Income from rents and leases	41,878	42,928	-2.4%
	Income from passed on costs	7,005	7,183	-2.5%
	Operating expenses	-9,766	-9,867	-1.0%
2	Maintenance expenses	-3,288	-2,208	+48.9%
	<b>Net rental income</b>	<b>35,829</b>	<b>38,036</b>	<b>-5.8%</b>
3	Administrative expenses	-1,174	-930	+26.2%
	Personnel expenses	-2,987	-2,653	+12.6%
4	Other operating income	409	4,934	-91.7%
5	Other operating expenses	-1,411	-1,785	-20.9%
6	Interest expenses	-6,509	-7,139	-8.8%
	<b>FFO</b>	<b>24,157</b>	<b>28,373</b>	<b>-14.9%</b>
	- Capex	-246	-1,073	-77.1%
	<b>AFFO</b>	<b>23,911</b>	<b>27,300</b>	<b>-12.4%</b>
	<i>FFO per share in €<sup>(1)</sup></i>	<i>0.30</i>	<i>0.35</i>	<i>-14.9%</i>
	<i>AFFO per share in €<sup>(1)</sup></i>	<i>0.29</i>	<i>0.34</i>	<i>-12,4%</i>

	Comments
1	Decline in rental income mainly due to property disposals (€-3.8m). Rent decrease partly offset by portfolio additions (€+1.8m). Positive effect from reduction of pandemic related rent deferrals (€+0.5m)
2	Higher expenses relate to minor ongoing maintenance and various planned measures
3	Increase mainly results from higher expenses for cash deposits (€+0.1m)
4	Decrease due to substantial one-off effects in previous year (payments from tenant REAL and impairment reversal)
5	Decrease mainly due to lower write-downs and amortization on trade receivables
6	Decline resulted from scheduled repayments, loan expirations and positive refinancing effects



## NAV Development H1 2022



(1) Resulting from incidental acquisition costs

- ➔ NAV development mainly affected by dividend payment
- ➔ Increase of +8.1% yoy



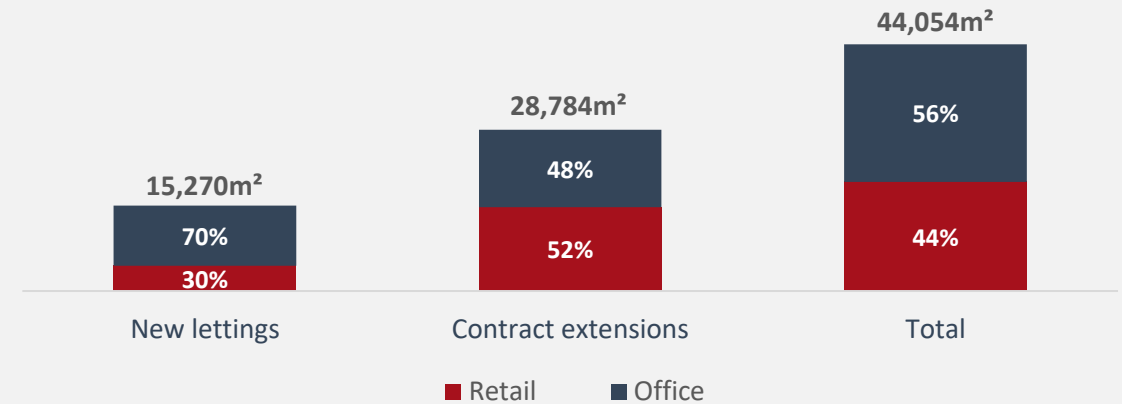


# Lease contracts

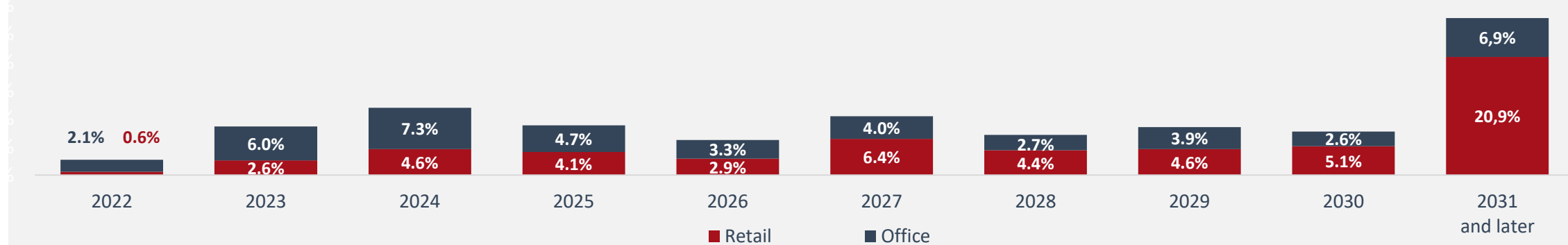
## Weighted average lease expiry (as of 30 June 2022)



## Letting result H1 2022



## Lease expiry schedule (as of 30 June 2022; in % of annual rents)



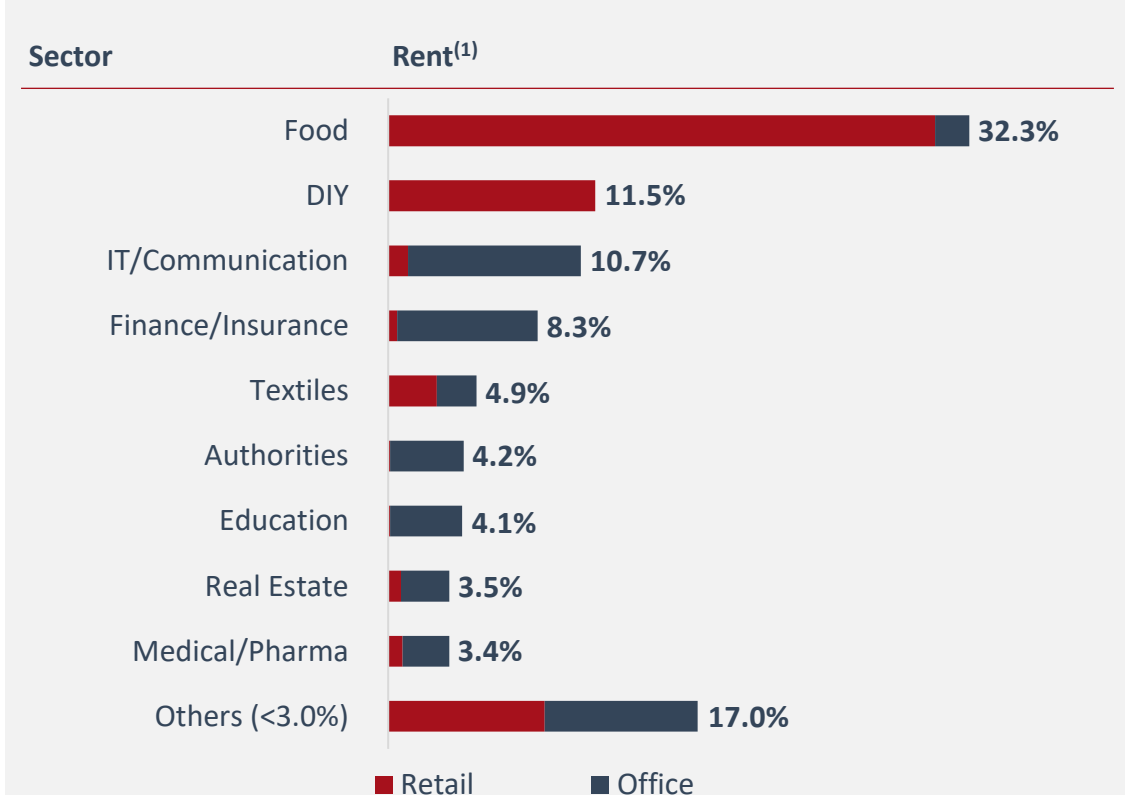
- ➔ Total WALT increased to 6.6 years due to further letting successes in food retail properties
- ➔ Limited amount of expiring leases in 2022 – next larger letting volumes from 2023 onwards

## Top-10 tenants (as of 30 June 2022)

Tenant	Sector	Rent <sup>(1)</sup>
EDEKA	Food retail	11.9%
Kaufland	Food retail	7.4%
REWE	Food retail	6.9%
OBI	DIY	6.8%
Globus	DIY / Food retail	4.4%
Agency of unemployment	Authorities	3.3%
Barmer	Finance / Insurance	2.6%
Netcologne	IT / Communication	2.2%
ALDI	Food retail	1.7%
Verwaltungs-Berufsgenossenschaft	Finance / Insurance	1.6%
<b>Total</b>		<b>48.8%</b>

(1) % of annualized rents (including rent guarantees)

## Sector distribution (as of 30 June 2022)



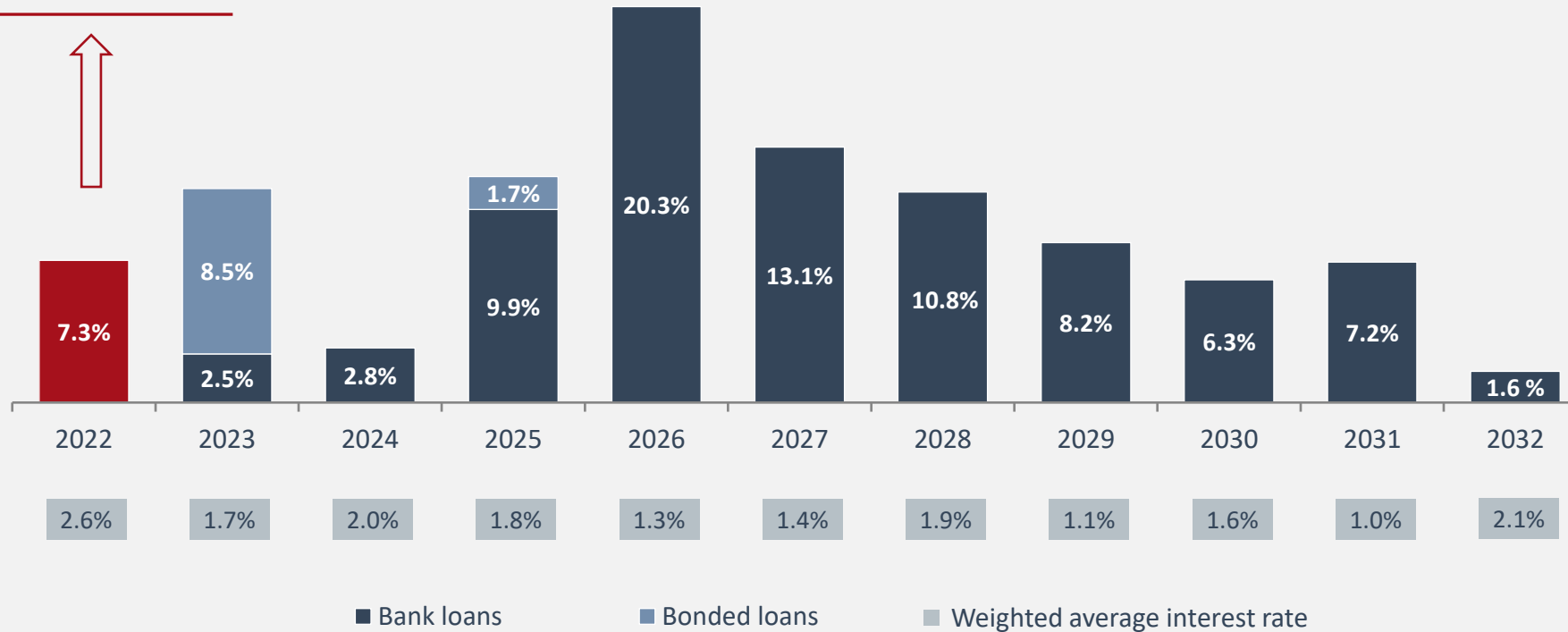
- ➔ Doubling of share of tenant GLOBUS to 4.4% as a result of transfer of former REAL market in Mannheim property
- ➔ Increase of DIY exposure due transfer of ownership of large-scale retail properties in Freiburg and Kempten (+250 bps YTD)



## Expiration of financial liabilities (as of 30 June 2022)

**Refinancing 2022  
completed**

Ø interest rate: **1.7%**  
Ø maturity: **6.3 years**



**58.7%**

REIT Equity ratio

**41.8%**

LTV

**9.9x**

Net debt/EBITDA<sup>(1)</sup>

**4.7x**

EBITDA/Interest coverage

**€737.0m**

Financial liabilities<sup>(2)</sup>

**1,6%**

Ø Cost of debt<sup>(2)</sup>

**4.8 years**

Ø maturity of debt<sup>(2)</sup>

(1) Net financial debt (average last five quarters) in relation to EBITDA adjusted by result from sales (Last twelve month)

(2) As of 30 June 2022 (incl. loans concluded but not yet utilized)

## Guidance update 2022

**€84.0 – 85.0m**

Rental income

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**€47.0m – €49.0m**

FFO

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**~Previous year's level**

NAV per share

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## Major influencing factors

- Positive effects from regular indexations
- Delayed transaction activity due to current market environment
- Trailing impact from reletting of REAL markets with negative effects on lfl-rents and one-off maintenance costs
- Delayed maintenance due to postponement of measures originally planned for 2021

<b>Quarterly financial statement Q3 2022</b>	10 November 2022
<b>Preliminary figures 2022</b>	9 February 2023
<b>Annual report 2022</b>	16 March 2023
<b>Quarterly financial statement Q1 2023</b>	25 April 2023
<b>Annual General Meeting 2023</b>	27 April 2023



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