



# ACCENTRO Real Estate AG

## Germany's Market Leader in Residential Property Privatisation

Company Presentation, February 2020

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## Accentro at a Glance



Berlin-Kreuzberg



	Privatisations and Investment Properties	Services & Ventures
What we do	<ul style="list-style-type: none"> <li>▪ <b>Investing in residential real estate</b> in attractive German metro regions with focus on Berlin</li> <li>▪ Active asset management and capex measures</li> <li>▪ <b>Privatisation</b> of single units to individual investors and homeowners</li> <li>▪ <b>Block sales</b> of properties to institutional investors</li> <li>▪ <b>Realizing</b> of new building potential <b>by Investment properties</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Sales services</b> to third parties, such as developers and real estate companies</li> <li>▪ <b>Backstop provisions</b> for developers in course of single units sales</li> <li>▪ <b>Joint ventures</b> (ACCENTRO typically holds a minority equity stake) with developers and real estate companies to market and sell properties on single unit basis and as block sales</li> </ul>
Sources of income	<ul style="list-style-type: none"> <li>▪ <b>Revenues from property letting</b></li> <li>▪ <b>Revenues from property sales</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Revenues from services</b></li> <li>▪ <b>Revenues from equity investments</b></li> </ul>
Current portfolio	<ul style="list-style-type: none"> <li>▪ 2,246 residential and commercial units (as of 30 September 2019)<sup>(1)</sup></li> <li>▪ Real estate value of EUR 406.3m mostly accounted at cost (as of 30 September 2019)<sup>(1)</sup></li> </ul>	<ul style="list-style-type: none"> <li>▪ Over 3,000 units lined up for exclusive sales</li> <li>▪ Some of our current partners:</li> </ul> <div>       </div>

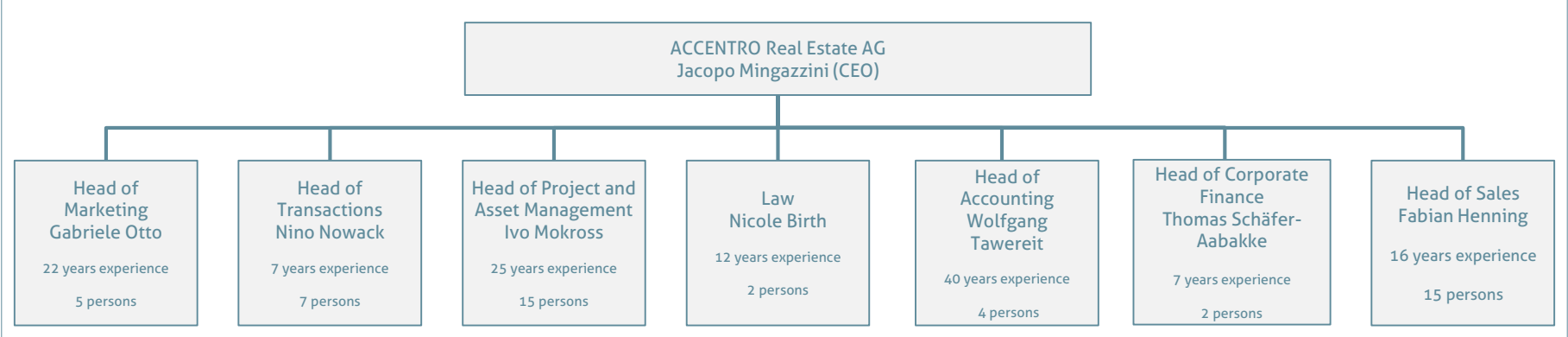
Notes: (1) including buildings for own use and investment properties

Management: Jacopo Mingazzini (CEO)



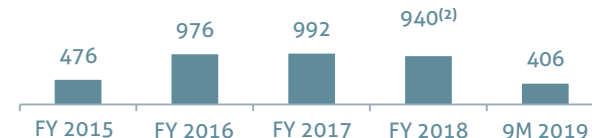
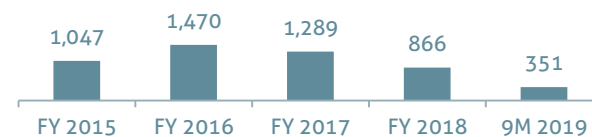
- Jacopo Mingazzini is a proven expert for German real estate and privatization with approximately 26 years market experience, including the successful rollout of ACCENTROs privatisation business.
- In 1999 he founded ACCENTRO GmbH, a leading service provider in the area of housing privatisation, of which he still acts as CEO.
- He was appointed to the executive board of ACCENTRO Real Estate AG in 2012.

Organizational structure

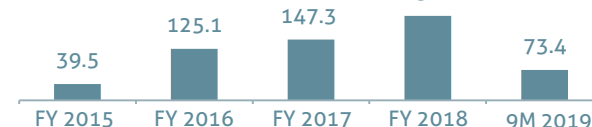


<b>Core business activities</b>	<ul style="list-style-type: none"> <li>Privatisation of residential real estate in attractive German metro regions</li> <li>Third-party property sales and backstop services for real estate investors and property developers</li> <li>Joint ventures with strategic equity participation</li> </ul>
<b>Track record</b>	<ul style="list-style-type: none"> <li>Dynamic built-up of a proprietary privatisation pipeline through portfolio investments of EUR 732m (purchase prices) since 2015</li> <li>4,465 condominiums and properties sold with a total sales value of EUR 544.1m since 2015</li> </ul>
<b>USPs and Scale</b>	<ul style="list-style-type: none"> <li>Unique business model with compelling risk-return profile in listed sector</li> <li>Structural and resilient margin from combination of wholesale/retail difference and capex upgrade</li> <li>Unprecedented expertise in major local German residential markets</li> <li>High-powered sales and marketing platform of international reach</li> <li>Exclusive joint ventures with renowned real estate companies and developers</li> </ul>
<b>Regional focus and pipeline</b>	<ul style="list-style-type: none"> <li>1,089 units currently available for sale in Berlin – home market of ACCENTRO</li> <li>Successful expansion launched into growth markets such as the Leipzig, Hamburg, Rhine-Ruhr and Rhine-Main metropolitan regions. Additional acquisitions of 437 units in Berlin, Oberbayern and Dusseldorf already signed but not closed in 9M 2019</li> </ul>
<b>Key ratios and financials</b>	<ul style="list-style-type: none"> <li>Inventory properties increased to EUR 363m despite the reclassification of EUR 34m to investment properties, investments in an office used by the company of EUR 24m as well as investments in cooperation agreements</li> <li>Consistently high EBIT of more than EUR 30m per year since 2016 with an average gross sales margin of approx. 30%</li> <li>Confirmation of large hidden reserves in inventories by external real estate appraiser as of 30 June 2019. Reconciled to the balance sheet as of 30.09 there are more than EUR 117m hidden reserves.</li> </ul>

## Key operational metrics

Apartments sold<sup>(1)</sup> (in units)Apartments sourced<sup>(1)</sup> (in units)

## Revenues (in mEUR)



## EBIT (in mEUR)



Notes: (1) Transactions closed in corresponding year (2) Excluding 675 units of the project development Gehrensee (3) Excluding EUR 42.4m from deconsolidation of the project development Gehrensee

## Unique

Only listed pure real estate privatization company in Germany

Experienced management with the CEO having founded the company in 1999

## Trust

## Access

Offering constant **>1000** Apartments for sale with approx. 1% market share

Weighted average sales margin between 2015 and 2018 of 33.3%

## Profitability

## Track record

Sold of **>4000** units in the last 4 years worth EUR 500 million

Scarcity in metropolitan regions leaves unparalleled growth opportunities

## Focus and Demand

## Scale

Germany's leading privatisation platform in EUR 30bln. private transaction market

Structural margin due to buying "whole sale" and selling "retail" with vast marketing channels

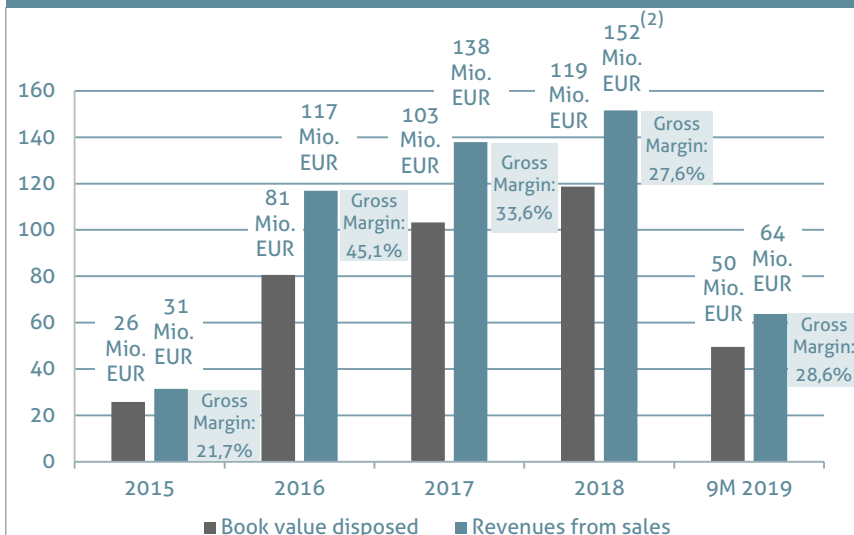
## Sustainability

# PROVEN TRACK RECORD OF VALUE CREATION

Current margin generation potential proven by historic sales margin

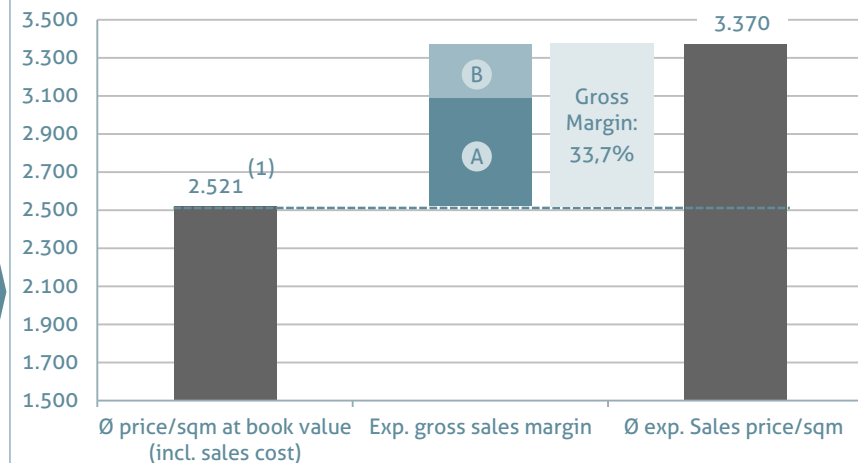
**ACCENTRO**

## Historic sales margins (mEUR)



- Weighted average sales margin between 2015 and 9M 2019 of 32.7%

## Expected margin generation of current portfolio (EUR/sqm) at the end of Q3 2019



- (A) Structural margin compensates for proactive asset management including refurbishment, maintenance and capex and additional legal, marketing and sales expenses as compared to a wholesale price
- (B) Market margin reflects development of markets between acquisition and sale (typically 2-2.5 years) as well as value creation due to improved market positioning

➤ Irrespective of market conditions, ACCENTRO's business model offers an "intrinsic" structural and resilient margin from a combination of wholesale/retail difference and capex upgrade

Notes: (1) Including Capex for projects in sales process and construction commitments (2) Excluding the Gehrensee transaction



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## Strategy and Business Model



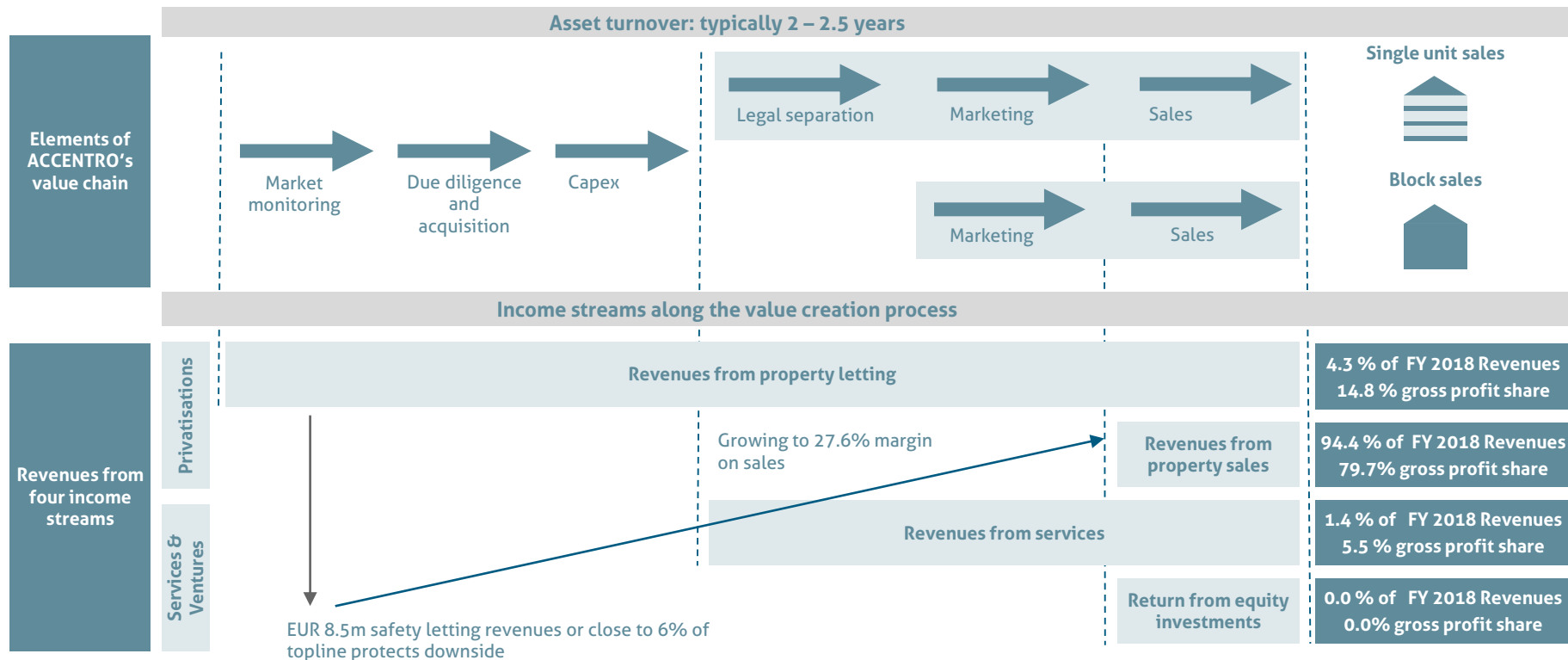
Leipzig

# THE ACCENTRO BUSINESS MODEL

Two drivers through four-pillar value creation

ACCENTRO

Value creation maker by reducing risk premium through pro active asset management across the property cycle:  
We thus don't rely on financial leverage nor yield compression



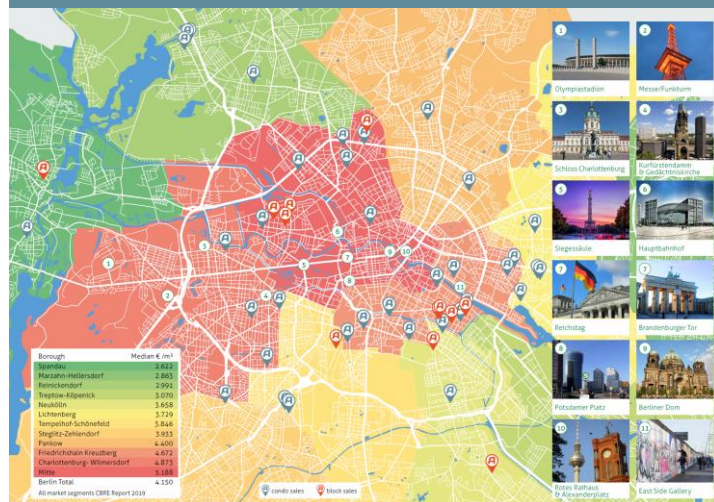
### Inventories portfolio as of 30 September 2019

City	Book value/purchase price (in mEUR)	Units	sqm	Selling prices (EUR/sqm)
Berlin	259.7	1,089	78,049	4,420
Greater Berlin	27.6	260	16,283	2,571
Leipzig and Greater Leipzig	22.7	351	21,759	1,321
Rostock and Usedom	15.9	112	7,919	2,803
Rhein-Ruhr area (Cologne, Ratingen)	8.5	49	3,494	3,319
Hamburg area	3.1	15	1,396	2,850
Others (Weidenberg, Bayreuth)	10.9	191	11,360	1.147
<b>Total</b>	<b>348.4</b>	<b>2,067</b>	<b>140,260</b>	<b>3,325</b>

### Inventories portfolio broken down by region as of 30 September 2019



### Attractive growth upside in the Berlin core region



1. Continued demographic growth
2. Rising income and purchase power
3. Housing shortage driving price growth
4. Slow construction failing to close gap
5. Construction costs exceeding current valuations of existing stock

# VALUE ADD BUSINESS COMBINED WITH A STRUCTURAL MARGIN

# ACCENTRO

Key capex measures and realizing of new building potential to optimise the value creation

Acquisition	
Case study Torstraße 225, 227	
Construction year	1900
# units	88
Living area and commercial (m²)	5.513
NRI p.a (NRI/m²)	402 TEUR (8.08 EUR/m²)
Vacant (m²)	1.365
Acquisition Price	18.5 mEUR (3.366 EUR/m²)

Transformation
<ul style="list-style-type: none"><li>▪ <b>Realization of a new building potential:</b> Expansions of the attic and development of 923m² of additional living space</li><li>▪ <b>Total capex investment of EUR 10.6m:</b> Attic Expansion, construction of Elevators and balconies, general refurbishments (façade, staircases etc.) and vacant flat refurbishment</li></ul>

Sell	
Sales start	2nd half 2019
Total gross sales	44.2 mEUR (6.859 EUR/m²)
Gross margin before sales costs	51%
Track record	22 units already notarized



ACCENTRO AT A GLANCE:

14.400 m² additional new building potential is current available for development  
Average capex investment of 18.8% on historical acquisition costs

# INVESTMENT PROPERTY PORTFOLIO: Addition to Privatisation portfolio

# ACCENTRO

## Substantial new building and optimization potential

### Investment Property Portfolio

City	Acquisition value EUR	Acquisition value (EUR/m <sup>2</sup> )	Fair Value (in mEUR)	Fair Value (EUR/m <sup>2</sup> )	Units	sqm	NRI p.a (in TEUR)	Average NRI / m <sup>2</sup>
Berlin	23.0	1,926	34.4	2,880	171	11,946	915,3	6,39 EUR

### Optimization Strategy

- Each of the 9 objects apparently has new building potential for attics and occasionally for new buildings. Conducting a feasibility study and checking the implementation of new building potential.
- Individual properties are linked to a subsidized loan. Optimization of the financing structure and realization of rent increase potentials.
- Further acquisition of company shares. Further shares of approx. 3% have already been acquired during the current year. We currently hold approx. 73% of the closed end fund.
- New building potentials have not yet been included in the valuation.
- Improves stability of cash-flows and provides remaining earnings

### Impressions





# OWNER-OCCUPIED PROPERTIES AND BUILDING

## Cost savings and realization of new construction potential

ACCENTRO

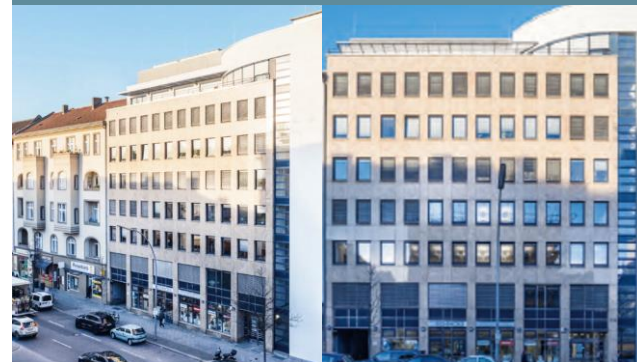
### Key facts - Kantstraße 44-45

Construction year	1992
Total rental area	3.337 m <sup>2</sup>
There of Office	2.748 m <sup>2</sup>
There of Retail	280 m <sup>2</sup>
There of Storage	309 m <sup>2</sup>
# units	5 /
Used by Accentro	2.096 m <sup>2</sup>
Rented out	1.241 m <sup>2</sup> (12.83 EUR/m <sup>2</sup> )
Net rental income p.a.	184 TEUR
Maturity Date of contracts	2021

### Optimization Strategy

- **Realization of a new building potential:**  
Sale of a part of the plot (approx. 1.000 m<sup>2</sup>) already notarized. Realization of a pre-tax profit of EUR 2m in the next years in the form of a cash and non-cash component
- **Cost reduction and independence from office market developments in Berlin:**  
No external rental cost for the use of the office building. Cost savings of 200 TEUR p.a.
- **New letting potential** due to low rents and expansion opportunities

### Impressions



### Location



# OPERATING AND PRIVATISATION TRACK RECORD

Development of a profitable portfolio of high-quality assets

# ACCENTRO

## Key facts of the privatisation portfolio

	FY 2015	FY 2016	FY 2017	FY 2018	9M 2019
Number of units	1,919	2,422	2,885	2,181	2,246*
Real estate value, in mEUR	155.2	216.1	302.2	343.9	406.3*
Gross margin of sales	21.7%	45.1%	33.6%	27.6%	28.6%
Annual rental income, in mEUR	7.2	7.9	8.7	8.5	9.2*
Interest coverage ratio (EBITDA/net interest expense)	2.8	3.8	4.1	3.9	4.9
LTV	-	-	-	39,7%	42,8%
LTC**	69.2%	43.5%	39.4%	50.6%	53.8%
WACD***	4.4%	2.9%	2.6%	2.7%	2.7%

## Notes

- Current real estate portfolio generates an annual rental income of EUR 9.2m and contain high hidden reserves in the context of new letting
- Sustainable improvement of the interest coverage ratio through optimisation of the funding structure
- Economies of scales through consistent expansion of the inventory assets



Berlin-Charlottenburg



Berlin-Tegel

\* Including Investment properties and Owner-occupied properties \*\* Net debt / GAV (accounted at cost)

\*\*\* Weighted average cost of debt

## Case Study: ACCENTRO acting as joint venture partner with an external developer

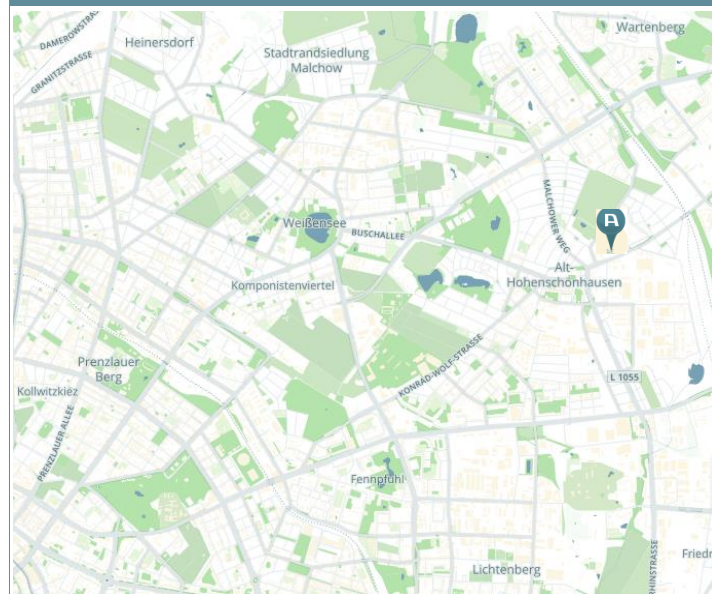
### Project description: Gehrensee, Berlin

- ACCENTRO has been able to win a joint venture partner (Belle Epoque Immobilien GmbH) for a redevelopment of Gehrensee property site. Accentro stays invested with a 25% stake and a mezzanine loan.
- External partner to bring EUR 23.7m into the partnership and investing together with ACCENTRO in the project going forward
- After an extensive redevelopment of the site the gross floor area will be significantly increased (more than doubling of the original residential area)
- Timeline: Workshop procedure completed, Building permission until Q2 2020, start of construction in Q2 2021 and building completion Q2 2023
- ACCENTRO will coordinate and execute the sales process

### Impressions



### Location



## Case Study: ACCENTRO providing a backstop commitment to an external developer

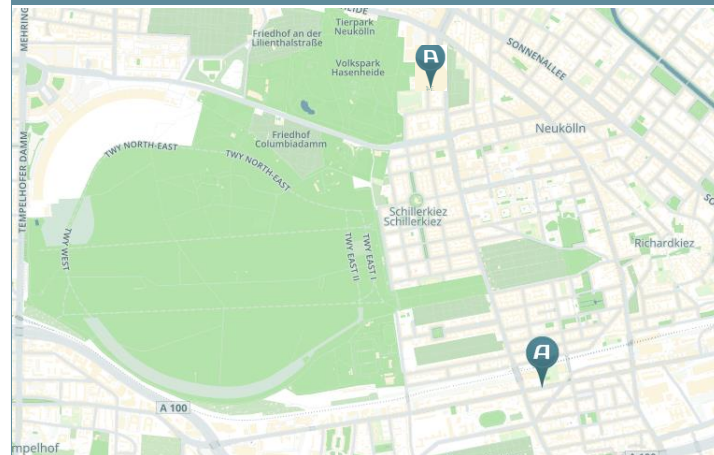
### Two successful projects in Berlin - Neukölln

- ACCENTRO acts as sales agent for single units sales and has committed the property developer to purchase remaining units for a minimum price by way of backstop agreement
- New development of 6-storey residential building with 69 condominiums by an external developer at Flughafenstr. 72-74
- Sale of all units completed within 19 months and realisation of EUR 1.9m service revenues
- Second project with the same project developer in the Silbersteinstraße 45 with 34 units started in February 2019. 32 units are already sold.

### Impressions of Flughafenstr. 72-74 and Silbersteinstraße 45



### Location



Popular location in one of Berlin's up-and-coming city districts

- Subway station line U8 (direct link to the city center)
- Park and recreation area of former airport Tempelhof
- Bars and coffee shops in "Schillerkiez" and "Richardplatz"-district



### Strategic Priorities

#### Opening up new markets

- Expanding into attractive residential property markets by setting up new sales offices and local networks
- Target regions: Hamburg, Rhine-Main, Rhine-Ruhr and Leipzig
- Seizing the opportunities of micro-markets in different stages of development

#### Growing privatisation portfolio

- Active portfolio management to raise hidden potential in terms of rental level, vacancy rates or state of repair
- Enhancing the asset value through structural improvements, e.g. by enlarging blocks of flats
- Acquiring residential properties in markets with high margins

#### Relying on a professional network

- Expansion of the marketing and sales collaborations with property developers and residential property investors
- Sales partnership with property developers, where ACCENTRO buys up and sells all residential units completed
- Third-party sales of residential units on behalf of real estate investors



## 3

## Financials and Debt Structure



Berlin-Kreuzberg

# FINANCIALS - INCOME STATEMENT – 2018 and 9M 2019

Income statement shows high profitability of business model

# ACCENTRO

Income statement (in EUR '000)	2017	2018	Δ in %	9M 2018	9M 2019	Δ in %	Sources of Income
Revenues from sales of inventory property	137,859	151,589	10.0%	84,682	63,840	-24.6%	Revenue from property sales
Expenses for sales of inventory property	-103,167	-118,770	15.1%	-64,374	-49,654	-22.9%	
<b>Capital gains from inventory property</b>	<b>34,692</b>	<b>32,820</b>	<b>-5.4%</b>	<b>20,308</b>	<b>14,186</b>	<b>-30.1%</b>	
Net rental income	5,434	6,130	12.8%	4,709	5,021	6.6%	Net income from property letting
Net service income	947	2,282	140.9%	1,725	1,571	-8.9%	Net income from services
Net income from companies accounted for using the equity method	-14	2	114.3%	-34	1,258	3.800%	Return from equity investments
Other operating income	3,260	1,663	-49.0%	1,141	710	-37.8%	
Gain or loss on fair value adjustments of investment properties	0	0	0%	0	11,399	-	Reclassification Investment Properties
<b>Interim result</b>	<b>44,319</b>	<b>42,896</b>	<b>-3.2%</b>	<b>27,848</b>	<b>34,125</b>	<b>22.6%</b>	
Total payroll and benefit costs	-3,339	-4,613	38.2%	-2,986	-4,031	35.0%	
Depreciation and amortisation of intangible assets and property, plant and equipment	-114	-349	206.2%	-202	-537	165.7%	
Impairment of accounts receivable	0	-205	-	-190	0	-	
Other operating expenses	-4,465	-5,131	14.9%	-3,812	-3,619	-5.1%	
<b>EBIT</b>	<b>36,401</b>	<b>32,598</b>	<b>-10.4%</b>	<b>20,659</b>	<b>25,959</b>	<b>25.7%</b>	
Other income from investments	35	36	2.7%	27	27	0.5%	Return from other equity investments
Net interest income	-8,803	-8,924	1.4%	-7,943	-6,776	-14.7%	
<b>EBT</b>	<b>27,633</b>	<b>23,710</b>	<b>-14.2%</b>	<b>12,744</b>	<b>19,210</b>	<b>-50.7%</b>	
Income taxes	-7,316	-5,675	-22.4%	-4,416	-6,029	36.5%	
<b>Consolidated income</b>	<b>20,317</b>	<b>18,035</b>	<b>-11.2%</b>	<b>8,328</b>	<b>13,181</b>	<b>58.3%</b>	
<b>Total gross margin (revenues basis) in %</b>	<b>27.9%</b>	<b>25.4%</b>	<b>-8.7%</b>	<b>28.4%</b>	<b>28,3%</b>	<b>-0.2%</b>	
<b>Gross margin from sales (cost basis) in %</b>	<b>33.6%</b>	<b>27.6%</b>	<b>-17.8%</b>	<b>31.5%</b>	<b>28,6%</b>	<b>-9.4%</b>	
<b>Net income margin</b>	<b>13.8%</b>	<b>11.2%</b>	<b>-18.7%</b>	<b>8.8%</b>	<b>18,0%</b>	<b>103.3%</b>	
<b>Earnings per share</b>	<b>0.82</b>	<b>0.56</b>	<b>-31.3%</b>	<b>0.28</b>	<b>0.41</b>	<b>45.1%</b>	

Notes
<ul style="list-style-type: none"> <li>Constant high profitability with sales margins of over 28.6% in Q3 2019. Dilution due to a share-deal transaction in the 3rd quarter with a margin of 11%.</li> <li>Sales of around EUR 29m notarized but not yet closed and planned block sales for the 4<sup>th</sup> quarter to contribute guidance achievement in 2019.</li> <li>Net reclassification effect on the consolidated income of EUR 4.9m.</li> <li>Earnings per share of EUR 0.41 significantly higher than in the same period of the previous year.</li> <li>Total payroll and benefit costs and other operating expenses on a low level compared to revenues.</li> <li>Negative net interest result decreased by 15% despite higher indebtedness and reclassification of properties.</li> <li>2018 financial figures exclude the sale of the Gehrensee portfolio to improve comparability</li> </ul>

# FINANCIALS - BALANCE SHEET – 9M 2019

## Financial position with large hidden reserves

**ACCENTRO**

Financial position (in EUR '000)	FY 2018	9M 2019	Δ in %
Goodwill	17,776	17,776	0.0%
Owner occupied properties and buildings	23,366	23,500	0.6%
Investment Property	0	34,410	-
Non-current trade receivables and other receivables and other assets	38,920	25,962	-33.3%
Other non-current assets	1,047	1,654	58.0%
<b>Total non-current assets</b>	<b>81,109</b>	<b>103,302</b>	<b>27.4%</b>
Inventory properties	345,241	362,575	5.0%
Accounts receivable and other assets	32,391	33,121	2.3%
Cash and cash equivalents	15,464	18,850	21.9%
<b>Total current assets</b>	<b>393,096</b>	<b>414,546</b>	<b>5.5%</b>
<b>Total assets</b>	<b>474,205</b>	<b>517,848</b>	<b>9.2%</b>
Subscribed capital	32,431	32,438	0.0%
Additional paid-in capital	78,433	78,626	0.2%
Retained earnings	86,284	94,279	9.3%
Attributable to non-controlling companies	1,956	2,454	25.5%
<b>Total equity</b>	<b>199,104</b>	<b>207,797</b>	<b>4.4%</b>
Financial liabilities and bond	175,334	189,360	8.0%
Other non-current liabilities	1,097	4,685	326.9%
<b>Total non-current liabilities</b>	<b>176,431</b>	<b>194,045</b>	<b>10.0%</b>
Financial liabilities and bond	55,919	79,573	42.3%
Other short-term payables	42,750	36,434	-14.8%
<b>Total current liabilities</b>	<b>98,669</b>	<b>116,007</b>	<b>17.6%</b>
<b>Total current and non-current liabilities</b>	<b>275,101</b>	<b>310,051</b>	<b>12.7%</b>
<b>Total assets</b>	<b>474,205</b>	<b>517,848</b>	<b>9.2%</b>
<b>LTV</b>	<b>39.7%</b>	<b>42.8%</b>	<b>7.9%</b>
<b>LTC</b>	<b>50.6%</b>	<b>53.8%</b>	<b>6.4%</b>
<b>Equity ratio</b>	<b>42.0%</b>	<b>40.1%</b>	<b>-4.4%</b>

### Notes

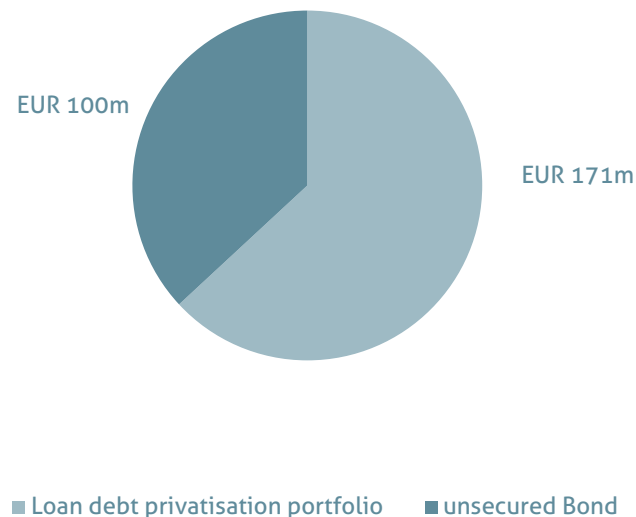
- Increase in non-current assets due to reclassification of properties held in inventories to investment properties
- Real estate assets in inventories further increased by continuous growth
- Property valuation by external appraisers confirms hidden reserves of more than 100 million in the inventory portfolio as of december 2018
- Granted capital to provide self funding services for further growth potential
- Equity ratio remains high despite a dividend payment in May 2019
- Corporate bond over EUR 100m issued and a capital increase of EUR 20m in 2018 to accelerate the ongoing growth
- Increase of other non-current liabilities due to increased deferred taxes as part of the reclassification from a portfolio to the investment properties and new secured financial liabilities
- Comfortable LTC of 53.8% and a low LTV of 42.8% despite increasing financial liabilities

### Funding strategy

- Corporate bond over EUR 100m with a coupon interest of 3.75% successfully placed in 2018
- Balanced mix of secured and unsecured financing and manageable financing risk due to low LTC
- 26 loans financing by over 15 different banks (mainly regional Sparkassen and Volksbanken, but also banks such as pbb, Allianz, IBB etc.)
- High proportion of projects with a low LTC ratio guaranty the safe self-repayment of the current corporate bond

Financial liabilities	Nominal volume (EUR '000)	Average interest rate (%)	Average loan maturity (years)
Loan debt Privatisation portfolio	171,010	2.15	2.84
Bond (2018/2021)	100,000	3.75	1.33
<b>Sum total</b>	<b>271,010</b>	<b>2.74</b>	<b>2.28</b>

### Funding structure as at 30 September 2019



Market access through excellent network > 15 years experience

Successful expansion of the real estate portfolio in 2019 shows excellent acquisition capability

### Eligible Types of Investment Assets

- Housing companies
- Residential property portfolios with a low share of commercial units
- Multi-family dwellings and housing estates
- Condominium packages

### Locations

- Preferred Locations: Berlin and greater metro region, Leipzig, Hamburg, Rhine-Ruhr and Rhine-Main metropolitan regions
- Cities with populations of 100,000 or more and a positive demographic growth

### Acquisition closed in the first 9 months in 2019

City	Units	m²	Purchase Price in mEUR
Berlin	209	16,333	42.1
Leipzig	68	5,483	8.1
Usedom	33	1,778	5.1
Rhine-Ruhr region	17	1,270	2.2
Rostock	15	1,135	2.0
Hamburg	9	1,270	2.0
<b>Total</b>	<b>351</b>	<b>26,970</b>	<b>61.6</b>

### Acquisition closed in Q4 2019

City/Region	Units	m²	Purchase Price in mEUR
Oberbayern	246	15.744	51.0
Rhine- Ruhr	44	2,427	4.5
Berlin	142	12,651	41
<b>Total</b>	<b>432</b>	<b>30.822</b>	<b>96.5</b>



52.5% of the closed transactions in 2019 are in Berlin



# FURTHER GROWTH AND INVESTMENTS

## Strong acquisition pipeline and capex investments plan

**ACCENTRO**

Growing  
privatisation  
portfolio  
(EUR 21m outstanding  
contractual settlement  
and EUR 240m  
dealpipeline)

Acquisition notarized			
City/Region	Units	m <sup>2</sup>	Purchase Price in mEUR
Oberbayern	12	972	3.4
Rhine- Ruhr	57	3,061	9.6
Berlin	15	3,241	5.7
Potsdam	30	1,468	2.6
<b>Total</b>	<b>154</b>	<b>8,742</b>	<b>21.3</b>



Further regional differentiation with  
attractive average gross sales margins  
of approx. 26%

Pipeline of 1,840 units (122,507 m<sup>2</sup>) and purchase prices of EUR 240m (1,992 EUR/m<sup>2</sup>) currently under review thereof EUR 11.3m before notarisation and EUR 98,7m exclusively. 35% of the total dealpipeline are in Berlin.

Investing in  
capex measures  
(approx. EUR 33m)

- EUR 33m is planned to be invested in properties for capex measures over the next twelve months
- Some of the amounts are already secured by credit lines with banks

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## Outlook



Berlin-Zehlendorf

### Market environment offers opportunities

- The short supply and scarcity in the housing sector is reflected in **growing demand for residential real estate**
- Significant housing shortage and structural demand is causing **rising rent and price levels in the target markets**
- The **low homeownership rate of 45%** in Germany, among the lowest in Europe, offers a humongous revenue potential for ACCENTRO given the **EUR 30bln. private transaction market**

### Dynamic operating activities

- 2019 will see a steady expansion of the privatisation portfolio (the deeds for the next 437 units in Berlin, Upper Bavaria and Dusseldorf have already been notarised)
- **A property development joint venture was set up** by selling a 75% interest in the subsidiary ACCENTRO Gehrensee GmbH in 2018
- The business model is being expanded to include attractive metropolitan regions elsewhere in Germany by **widening the sales network**
- **The current inventory properties held for sales may allow sales of more than EUR 500m** over the years to come

### Compelling financial performance

#### 2019 Forecast

- Gross revenues forecast for 2019 > EUR 140m and EBIT Forecast expected to exceed EUR 40m (PY: EUR 32.9m)
- Asset turnover of 2.5 years
- Dividend growth in the line of to be up to 30% net income

# ACCENTRO

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