

Continued expansion as global provider of real estate investments in Europe

## **PATRIZIA delivers strong results for the first half of 2017**

- ♦ Operating income of EUR 35.1m well on track with full-year guidance of EUR 60-75m
- ♦ AUM up EUR 0.6bn to EUR 19.2bn; EUR 20.6bn expected by year-end
- ♦ Share buy-back tender offer to start on 10 August 2017

**Augsburg, 9 August 2017.** PATRIZIA Immobilien AG is pleased to announce a strong first half of 2017 delivering an operating income of EUR 35.1 million. This represents a strong increase compared to EUR 24.1 million in the prior year (excluding the profit from the sale of the Harald portfolio).

Europe-wide, PATRIZIA grew its assets under management (AUM) to EUR 19.2 billion, up EUR 0.6 billion from the end of 2016. As of end of July 2017 the AUM amount to EUR 19.8 billion. In addition, PATRIZIA has a further pipeline of contractually agreed acquisitions totalling more than EUR 0.7 billion as well as EUR 0.2 billion of planned disposals, which are largely expected to complete in the second half of 2017.

“PATRIZIA has further built upon the strong momentum of 2016 to deliver significant growth in earnings in the first half of 2017 and strengthened its position as a global provider of real estate investments in Europe,” says Karim Bohn, Chief Financial Officer at PATRIZIA Immobilien AG. “This is evidenced by new and further international capital being deployed by PATRIZIA in Europe’s strongest real estate markets. With significant transactions completed after the period and a robust pipeline for the remainder of 2017, we look forward to the rest of the year with confidence and confirm our guidance for the full year.”

In the first half of 2017, total fee income increased by 13.1% to EUR 88.1 million, compared to EUR 77.8 million in the first half of 2016. Management fees remained consistent at EUR 45.0 million, despite the loss of fee income following the disposal of the property management division. In line with expectations, transaction fees amount to EUR 18.7 million, down from EUR 29.1 million. However, performance-related fees rose significantly to EUR 24.4 million, up sharply from EUR 1.7 million in the same period in the prior year.

Further to this organic growth, PATRIZIA has also enhanced its liquidity position to take advantage of future opportunities by successfully raising EUR 300 million of debt finance with the well-received and over-subscribed issue of a bonded loan. PATRIZIA now has liquidity of EUR 737.5 million available for further organic and inorganic growth.

In view of these results for the first half of the year, and pending transactions which are expected in the second half, PATRIZIA confirms its guidance for the full year. Real estate assets under management are expected to increase by about EUR 2.0 billion across the full year to EUR 20.6 billion and operating income is anticipated to reach between EUR 60 million and EUR 75 million.

Further on, PATRIZIA launched a share buy-back program of 2,298,850 shares by means of a voluntary public share buy-back offer. The shares acquired in the public share buy-back offer can be used for all purposes permitted by law, in particular also as (partial) consideration in connection with business combinations or for the acquisition of companies, shareholdings in companies or part of companies. The consideration will be in cash within a price range of EUR 15.90 to EUR 17.40 per share, which represents a premium of approx. 0.2% to 9.7% above the arithmetic mean of the closing prices of the reference period, the three trading days of 3 August 2017, 4 August 2017 and 7 August 2017. The final purchase price per share will be determined by the

## Press release

company following the end of the acceptance period. The company reserves the option, in case of an over-acceptance of the share buy-back offer, to additionally purchase up to 845,800 shares at the final purchase price.

The acceptance period starts on 10 August 2017, 00.00 hours (CEST) and ends on 7 September 2017, 24.00 hours (CEST). Further details on the public share buy-back offer can be taken from the offer document, which will be published before the start of the acceptance period, presumably on 8 August 2017, on the corporate website of the company ([www.patrizia.ag](http://www.patrizia.ag)) in the section “Investor Relations/Share Buy-back” and subsequently in the Federal Gazette under [www.bundesanzeiger.de](http://www.bundesanzeiger.de).

### **PATRIZIA Immobilien AG:**

PATRIZIA Immobilien AG has been active as an investment manager in the real estate market across 15 European countries for more than 30 years. PATRIZIA’s activities include the acquisition, management, repositioning and sale of residential and commercial real estate through its own licensed investment platforms. As one of the leading real estate investment companies in Europe, PATRIZIA operates as a respected business partner of large institutional investors and retail investors in all major European countries. Currently, the Company manages real estate assets worth almost EUR 20 billion, primarily as a portfolio manager for insurance companies, pension fund institutions, sovereign funds, savings and cooperative banks and as co-investor. For further information, please visit: [www.patrizia.ag](http://www.patrizia.ag).

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