

# CONSOLIDATED BALANCE SHEET

Five-year overview in accordance with IFRS

## ASSETS

in EUR k	31.12.2016	31.12.2015	31.12.2014	31.12.2013	31.12.2012
<b>A. Non-current assets</b>					
Goodwill	610	610	610	610	610
Other intangible assets	35,416	37,417	39,407	41,904	43,259
Software	10,772	9,225	10,795	8,698	7,553
Investment property	12,226	20,802	78,507	229,717	374,104
Equipment	4,460	5,015	4,476	4,765	3,479
Participations in associated companies	85,923	88,179	68,497	18,295	15,810
Participations	102,033	81,406	96,555	80,074	18,407
Loans	7,015	5,498	5,281	5,814	0
Long-term tax assets	35	78	119	159	201
Deferred taxes	323	7,013	0	0	0
<b>Total non-current assets</b>	<b>258,813</b>	<b>255,243</b>	<b>304,247</b>	<b>390,036</b>	<b>463,423</b>
<b>B. Current assets</b>					
Inventories	182,931	1,057,942	198,694	309,203	345,920
Securities	44	54	86	96	60
Short-term tax assets	11,941	8,280	8,014	5,582	5,380
Current receivables and other current assets	99,311	131,171	84,774	82,262	98,635
Bank balances and cash	440,219	179,141	145,361	105,536	38,135
<b>Total current assets</b>	<b>734,446</b>	<b>1,376,588</b>	<b>436,929</b>	<b>502,679</b>	<b>488,130</b>
<b>Total assets</b>	<b>993,259</b>	<b>1,631,831</b>	<b>741,176</b>	<b>892,715</b>	<b>951,553</b>

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**EQUITY AND LIABILITIES**


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in EUR k	<b>31.12.2016</b>	31.12.2015	31.12.2014	31.12.2013	31.12.2012
<b>A. Equity</b>					
Share capital	83,956	76,324	69,385	63,077	57,343
Capital reserve	184,005	191,637	198,576	204,897	210,644
Retained earnings					
Legal reserves	505	505	505	505	505
Non-controlling shareholders	1,691	18,190	809	1,398	1,556
Valuation results from cash flow hedges		0	0	-31	-469
Currency translation differences	-10,803	-869	1,030	500	0
Consolidated unappropriated profit	491,679	254,004	139,743	104,135	66,808
<b>Total equity</b>	<b>751,033</b>	<b>539,791</b>	<b>410,048</b>	<b>374,481</b>	<b>336,387</b>
<b>B. Liabilities</b>					
NON-CURRENT LIABILITIES					
Deferred tax liabilities	17,992	63,253	19,704	22,933	23,242
Long-term financial derivatives	0	0	0	0	16,363
Retirement benefit obligations	648	687	630	534	388
Long-term bank loans		0	0	0	302,004
Bonded loan	22,000	32,000	77,000	77,000	0
Non-current liabilities	6,866	9,262	5,544	3,849	3,417
<b>Total non-current liabilities</b>	<b>47,506</b>	<b>105,202</b>	<b>102,878</b>	<b>104,316</b>	<b>345,414</b>
CURRENT LIABILITIES					
Short-term bank loans	53,200	821,828	121,950	321,634	219,050
Bonded loan	5,000	35,000	0	0	0
Short-term financial derivatives	0	3,677	0	2,819	6,069
Other accruals	27,627	6,740	2,142	1,719	1,479
Current liabilities	75,343	96,288	92,506	75,759	28,750
Tax liabilities	33,550	24,305	11,652	11,987	14,404
<b>Total current liabilities</b>	<b>194,720</b>	<b>986,838</b>	<b>228,250</b>	<b>413,918</b>	<b>269,752</b>
<b>Total equity and liabilities</b>	<b>993,259</b>	<b>1,631,831</b>	<b>741,176</b>	<b>892,715</b>	<b>951,553</b>

# CONSOLIDATED INCOME STATEMENT

Five-year overview in accordance with IFRS

in EUR k	2016	2015	2014	2013	2012
Revenues	817.879	384,858	291,815	217,398	229,238
Income from the sale of investment property	1.542	10,075	17,019	19,133	16,916
Changes in inventories	-502.018	-166,980	-110,509	-36,717	-61,609
Other operating income	14.252	16,189	7,143	8,064	11,566
Income from the deconsolidation of subsidiaries	194.730	5,277	0	0	0
<b>Total operating performance</b>	<b>526.385</b>	<b>249,419</b>	<b>205,468</b>	<b>207,878</b>	<b>196,111</b>
Cost of materials	-33.712	-52,438	-54,455	-58,314	-54,020
Cost of purchased services	-14.832	-14,787	-9,990	-14,120	-7,338
Staff costs	-101.313	-93,519	-77,239	-65,733	-47,561
Results from fair value adjustments to investment property	431	462	51	17	18
Other operating expenses	-68.757	-69,973	-50,193	-44,872	-37,930
Income from participations	32.667	151,681	39,062	32,122	6,557
Earnings from companies accounted for using the equity method	7.651	4,232	3,182	658	455
<b>EBITDAR</b>	<b>348.520</b>	<b>175,077</b>	<b>55,886</b>	<b>57,636</b>	<b>56,292</b>
Reorganisation expenses	-20.406	0	0	0	0
<b>EBITDA</b>	<b>328.114</b>	<b>175,077</b>	<b>55,886</b>	<b>57,636</b>	<b>56,292</b>
Amortisation of fund management contracts, depreciation of software and fixed assets	-6.134	-7,059	-6,940	-6,107	-4,541
<b>Earnings before finance income and income taxes (EBIT)</b>	<b>321.980</b>	<b>168,018</b>	<b>48,946</b>	<b>51,529</b>	<b>51,751</b>
Finance income	3.057	6,666	4,413	20,520	11,727
Finance costs	-7.361	-23,171	-11,912	-32,424	-34,857
Gains / losses from currency translation	-4.029	-618	551	-26	0
<b>Earnings before income taxes (EBT)</b>	<b>313.647</b>	<b>150,895</b>	<b>41,998</b>	<b>39,599</b>	<b>28,621</b>
Income tax	-57.383	-16,433	-6,978	-2,431	-3,166
<b>Consolidated net profit</b>	<b>256.264</b>	<b>134,462</b>	<b>35,020</b>	<b>37,168</b>	<b>25,455</b>
<b>Earnings per share (undiluted) in EUR</b>	<b>2.83</b>	<b>1.32</b>	<b>0.42</b>	<b>0.44</b>	<b>0.30</b>

## SUPERVISORY BOARD

as per 31 December 2016

### DR THEODOR SEITZ

Chairman

Member of the Supervisory Board since 2002 and  
Chairman since 2003

Tax consultant and lawyer, Augsburg

– Chairman of the Supervisory Board of CDH AG,  
Augsburg \*

### ALFRED HOSCHEK DEPUTY CHAIRMAN

Member of the Supervisory Board since 2015  
Managing Director AHO Verwaltung GmbH,  
Augsburg

– None \*

### GERHARD STECK MEMBER OF THE SUPERVISORY BOARD SINCE 2015

Retired from the Management Board of VPV,  
Weissach im Tal

– None \*

## MANAGING BOARD

as per 31 December 2016

### WOLFGANG EGGER

Chief Executive Officer

First appointed on: 21 August 2002

Appointed until: 30 June 2021

Responsibilities on the Managing Board of PATRIZIA  
Corporate Communications, Strategy & Corporate  
Development, Corporate Social Responsibility,  
Institutional Clients, Marketing, Research

– None \*

### KARIM BOHN

Chief Financial Officer

First appointed on: 1 November 2015

Appointed until: 31 October 2018

Responsibilities on the Managing Board of PATRIZIA  
Board and Committees, Controlling & Accounting,  
Corporate Finance, Investor Relations, IT, Procurement &  
Services, Risk Management

– Member of the Supervisory Board of the GBW Group \*

### KLAUS SCHMITT CHIEF OPERATING OFFICER

First appointed on: 1 January 2006

Appointed until: 31 December 2020

Responsibilities on the Managing Board of PATRIZIA  
Human Resources, Legal, Management of Operating  
Business Fields, M & A

– None \*

\* Notification of seats on other supervisory boards pursuant to Article 285 No. 10 of the German Commercial Code

## GLOSSARY

### Asset management

Asset management refers to professional management of assets, where investment decisions about client capital are made by an asset manager. In other words, asset management includes more than mere advisory work. Decisions are made on the basis of the client's appetite for risk and financial situation. Asset management is a service used by both private and institutional clients.

### AuM

Assets under management (AuM) are the property assets of a company being managed at any given time.

### BaFin

The Federal Financial Supervisory Authority – BaFin is the German acronym – combines supervision of banking and financial service providers, insurance companies and securities trading companies all under one roof. It is an independent, public authority under German law and is subject to the legal and professional oversight of the Federal Ministry of Finance. It is self-funded from the fees and levies paid by the institutes and companies it monitors.

### Cash flow

Cash flow is the balance of income over expenses available to a company within a certain accounting period. The cash flow amount and cash flow trend are indications of the financial strength of the company. The more money a company earns, the less it has to borrow from others (e.g. in the form of bank loans).

### Co-investment

Co-investments are minority shareholdings, where PARTIZIA and its clients hold a maximum of 10% of the property investments.

### Corporate governance

Corporate governance has to do with good, transparent corporate steering. According to the standards specified in the German Corporate Governance Code, the work of managers and supervisory boards must be able to be overseen by the company stakeholders and also be comparable to that of other companies. The Code recommends standards of conduct for the steering and supervision of companies.

### Cash pooling

Cash pooling means Group-internal liquidity reconciliation through a central financial management system, which withdraws and reassigns any excess liquidity from individual companies of the Group.

### DAX

The German share index (German acronym: DAX) reflects the value trend of the 30 largest and most frequently traded German shares.

### DIMAX

The German property share index (German acronym: DIMAX) is compiled by the Ellwanger & Geiger Bank and includes all German listed property companies.

### Dividend

The dividend is a proportion of annual profit paid out by a public company or stock corporation to its shareholders. The AGM determines the amount and method of disbursement.

### Due diligence

Due diligence (DD) refers to a process of risk assessment "with proper care", which any buyer should carry out before purchasing any property or company shares.

### EBT

EBT stands for "earnings before tax", which is equivalent to the German term that translates as "earnings before income tax".

### EBIT

EBIT stands for "earnings before interest and taxes", which is equivalent to the German term that translates as "earnings before financial result and taxes".

### EBITDA

EBITDA stands for "earnings before interest, taxes, depreciation and amortisation" which is equivalent to the German term that translates as "earnings before interest, depreciation and taxes"

### EPS (earnings per share)

EPS means earning per share. It is an indication of the profitability of a company and allows comparisons of individual companies over a particular period of time based on the price / earnings ratio of each company.



**Fair value**

The fair value (or attributed current value) is the amount most experts or contractual parties would be prepared to pay under normal market conditions in exchange for a financial asset or liability.

**Fund Management**

The Fund Management team is commissioned by capital management companies to make investment decisions about actively managed funds, within the boundaries of certain investment conditions, principles and legal limits.

**GEX**

The German Entrepreneurial Index is the SME index of the German Stock Exchange (Deutsche Börse), which includes all “owner-operated” companies listed on the Prime Standard of the Frankfurt Stock Exchange with an IPO no earlier than 10 years ago. Owner-operated means that any executive officers, Supervisory Board members or their families hold 25–75% of the voting rights.

**Free share**

The term “free share” is a synonym for bonus share, adjustment share or capital bonus. When a capital increase from company resources occurs, the company increases its share capital from its own reserves. Shareholders make no additional cash payments. The total value of the company (share market value) does not change as a result. It is simply spread across a larger number of shares. In accordance with the size of their existing holding, shareholders thus receive additional shares, which are also eligible for dividends.

**Share capital**

Share capital is the amount of capital stipulated in the Articles of Association of any German public company or corporation. The Articles of Association also determine the number of shares into which the share capital is divided.

**IFRS**

The International Financial Reporting Standards (IFRS) are the rules laid down for companies by the International Accounting Standards Board (IASB).

**Individual funds**

Individual funds are set up by a single investor with specific conditions attached to them. A property portfolio may be newly established or included in such a fund by the investor concerned.

**Label funds**

In the case of label funds, a fund platform is made available in accordance with the German Investment Act. Asset management and any buying or selling is the responsibility of the investor or designated service provider.

**Listing**

Listing refers to registration and initial trading of shares.

**Long-term incentive**

Long-term incentives are rewards offered to managers who meet certain long-term performance indicators.

**Investment income**

Investment income is the return on invested capital.

**Capital Management Company  
(German acronym: KVG)**

Special funds are placed and administered via Group-owned capital management companies (KVGs) for private and institutional customers.

**Registered or nominal shares**

Registered or nominal shares are shares listed in the name of particular shareholders. Whenever a company issues nominal shares, it is obliged to keep a share register of the names and addresses of the shareholders concerned.

**Off-market deal**

This is a property transaction that occurs without a broad market approach and instead is marketed as an exclusive offer to one investor or small group of potential buyers.

**Operating result**

The before-tax operating result is the key control parameter of PATRIZIA Immobilien AG. It is determined by EBT in accordance with IFRS, net of any effects not affecting liquidity in the assessment of properties held as financial investments, exchange rate effects, write-downs on fund management contracts and reorganisation expenses. Changes in value realised from the sale of properties held as financial investments and any exchange rate effects also form part of the calculation.

**Performing share units**

Performing share units are virtual shares by means of which the executive officers of the company are entitled to receive a sum of money at the end of a pre-determined performance period.

**Property Management**

The Property Management team is responsible for direct administration of the properties and also looks after the tenants, the condition of properties and any building facilities.

**Pool funds**

Pool funds also include modular funds. Several investors with an interest in a collective investment typically own shares in a pool fund.

**Portfolio Management**

The Portfolio Management team is responsible for investment decisions until the exit point, and also for portfolio strategy, planning, management and financial controlling. Furthermore, the team provides strategic advice in the form of analysis and development of customised, structural parameters (e.g. configuration of portfolio strategies for investors).

**Public fund**

A public fund is an investment fund with shares that are able to be purchased by private investors.

**SDAX**

The SDAX – or small cap index – consists of 50 companies or so-called small caps that follow the values of the MDAX (German stock index) in terms of turnover and market capitalisation.

**SICAV**

SICAV is a form of public company or corporation (AG), particularly prevalent in Luxembourg and France, with corporate bodies of its own and a minimum capital base. Usually a SICAV is a fund in the form of a corporation (AG) with a variable number of shares. A SICAV is an open fund and able to issue shares on a continual basis.

**Special funds**

German open investment funds are typically set up as “special funds”. The assets of a special fund are administered by a capital management company and maintained in safekeeping by a depositary independent of the fund. The capital management company administers the special fund for the investors as a trust that is separate from its own assets. Investors are therefore protected from loss of their share of the fund in the event of insolvency of the capital management company.

**Squeeze-out**

Process by which minority shareholders are squeezed out of a company by a cash settlement. The prerequisite for any squeeze-out is that the majority shareholder has access to at least 95% of the shares.

**No-par-value share**

A no-par-value share has no nominal value. Its share of any capital stock is determined only by the number of shares issued. All no-par-value shares represent the same share of the company.

**Value-added**

Value-added investments are investments in properties of all common usage forms with legal, building-system, lease-related and / or financial challenges and in locations with sustainable potential. The challenges, possible solutions and potential of the properties form part of the purchase considerations and decision-making process. Through (pro)-active management, the value of a property during a holding period of generally no longer than 5 years will typically increase at a disproportionate rate. The main focus is not on constant pay-outs but on realisation of profit through sale of the investment at the optimal time after completion of value-added measures.

**Xetra**

The abbreviation Xetra stands for Exchange Electronic Trading, the electronic trading system of the German Stock Exchange (Deutsche Börse).

# FINANCIAL CALENDAR AND CONTACT DETAILS

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## FINANCIAL CALENDAR 2017

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### Date

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14 March, 2017	Financial statements 2016 with press conference and investor and analyst conference call
10 May, 2017	Interim report for the first quarter of 2017 with investor and analyst conference call
22 June, 2017	Annual General Meeting, Augsburg
4 August, 2017	Interim report for the first half of 2017 with investor and analyst conference call
7 November, 2017	Interim report for the first nine months of 2017 with investor and analyst conference call

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[www.patrizia.ag/investor-relations/finanzberichte/geschaeftsberichte](http://www.patrizia.ag/investor-relations/finanzberichte/geschaeftsberichte)  
[www.patrizia.ag/en/investor-relations/financial-reports/annual-reports](http://www.patrizia.ag/en/investor-relations/financial-reports/annual-reports)

### Concept, Design, Editing and Text

IR-ONE, Hamburg

[www.ir-one.de](http://www.ir-one.de)

### Printing

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[www.bosch-druck.de](http://www.bosch-druck.de)