

STRONGER

FOR CLIENTS AND SHAREHOLDERS

Quarterly Statement | 3M 2020 | 14 May 2020

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1. Results of operations

PATRIZIA had a solid start into the financial year 2020 with 3M 2020 **operating income** of EUR 24.7m, an increase of 2.9% from EUR 24.0m in the same period last year, despite initial economic uncertainties due to the spread of the Covid-19 pandemic towards the end of the first three months 2020.

Assets under management (AUM) stood at EUR 45.3bn as at 31 March 2020 compared to EUR 44.5bn as at 31 December 2019, an increase of 2.0% q-o-q.

During the first three months of 2020 PATRIZIA carried out (closed) EUR 2.0bn of **transactions** and signed EUR 0.8bn of **transactions** in the European real estate market for its domestic and international clients. At the same time PATRIZIA's clients entrusted the Group with EUR 0.4bn **new equity for investments in the European real estate market**, an increase of 33.2% to the previous year period.

Thanks to the growth in assets under management recurring **management fees** increased by 3.6% year-on-year from EUR 46.4m to EUR 48.1m. **Transaction fees** showed considerable growth, up 148.6% year-on-year from EUR 6.0m to EUR 15.0m. **Performance fees** contributed EUR 17.4m, only modestly below last year's level of EUR 18.7m (-7.0% y-o-y).

Overall **total service fee income** – which combines management, transaction and performance fees – grew 13.1% year-on-year from EUR 71.1m to EUR 80.4m. Management fees remained the major contributor, followed by transaction and performance fees.

Net sales revenues and co-investment income increased 24.1% year-on-year from EUR 2.5m to EUR 3.1m.

Net operating expenses increased 14.2% y-o-y from EUR 47.9m to EUR 54.7m – mainly due to aperiodic effects, higher ongoing IT expenses, as well as inflation adjustments in personnel costs. We however expect cost growth to normalise during the next quarters.

PATRIZIA's **resilient business model** is supported by its **strong balance sheet** with **total equity** of EUR 1.2bn and **available liquidity** of EUR 568.7m; The **dividend payment** for FY 2019 of EUR 0.29 is reaffirmed and the **share buy-back programme** that started in March 2020 will be continued.

The **FY 2020 guidance for operating income** was broadened to EUR 100.0m to 140.0m (from EUR 120.0 – 140.0m previously) to reflect the yet uncertain Covid-19 impact on European real estate investment markets throughout FY 2020. However, based on the successful execution of a number of transactions for our global clients in 2020 we already **have sufficient visibility in the operating income development in H1 2020 and we are confident** to deliver on the broadened guidance range despite the remaining macro-economic uncertainties.

We are in **close contact with all our stakeholders**. We are a **strong and reliable business partner** that helps them manage through this crisis. We are very familiar with the challenging situation for our tenants and we are carefully balancing their needs to maintain a stable tenant base in the communities we operate in with our obligations to our clients as well as financing banks.

We also welcome Thomas Wels to the Management Board of PATRIZIA, he joined as Co-CEO on 1 May 2020.



Wolfgang Egger
CEO



Thomas Wels
Co-CEO



Alexander Betz
CDO



Karim Bohn
CFO



Dr Manuel Käsbauer
CTIO



Anne Kavanagh
CIO

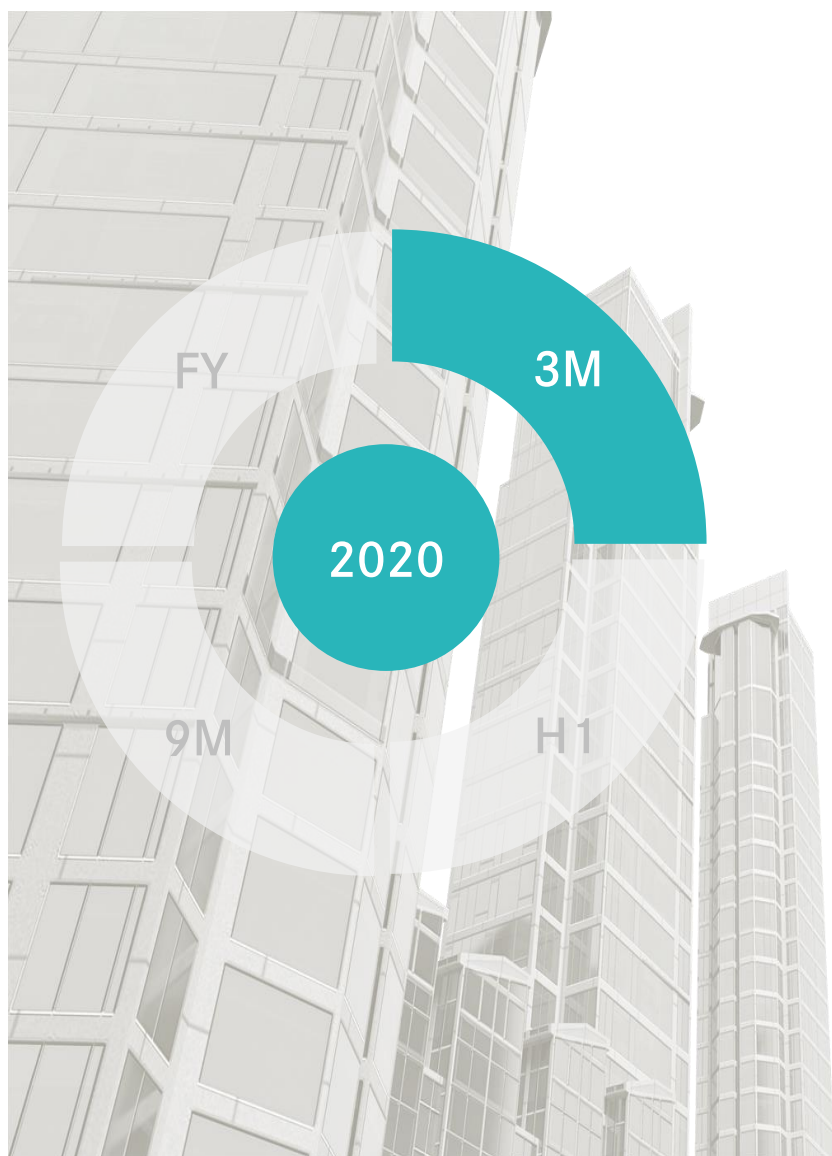


Klaus Schmitt
COO



Simon Woolf
CHRO

2. Highlights

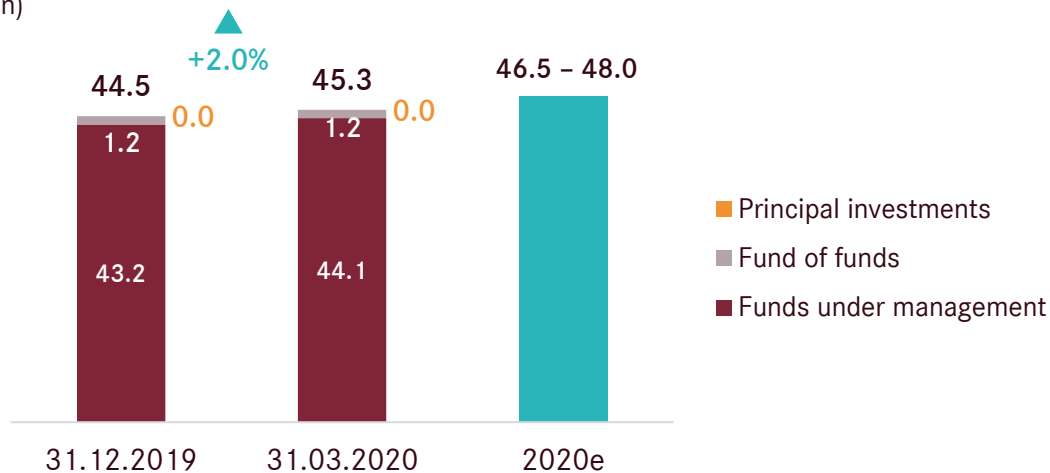


- ◆ **Operating income guidance for FY 2020** broadened to EUR 100.0m to 140.0m to reflect uncertain Covid-19 impact on European real estate investment markets throughout FY 2020; good visibility for total service fee income already for the second quarter 2020 supports new guidance range
- ◆ Solid start into 2020 with **operating income** up 2.9% compared to 3M 2019 and increase in **assets under management** to EUR 45.3bn compared to EUR 44.5bn at YE 2019 (+2.0%)
- ◆ **Strong balance sheet** with available liquidity of EUR 568.7m; dividend payment for FY 2019 of EUR 0.29 reaffirmed – share buy-back programme continues
- ◆ **Management fees** of EUR 48.1m in 3M 2020 up by 3.6% due to growth in assets under management
- ◆ **Strong transaction fee growth** of 148.6% to EUR 15.0m due to ongoing transaction activity in 3M 2020; PATRIZIA is still selectively active for clients in the current Covid-19 environment, but a material increase in transaction activity is expected by the end of 9M 2020 at the earliest
- ◆ **Performance fees** of EUR 17.4m in 3M 2020 as stable contributor to overall financial results and only slightly below last year's level
- ◆ **Net operating expenses** up 14.2% to EUR 54.7m mainly due to aperiodic effects, higher ongoing IT expenses, as well as inflation adjustments in personnel costs; cost growth to normalise during the next quarters
- ◆ **Net sales revenues and co-investment income** of EUR 3.1m in 3M 2020 with good visibility on Q2 2020; FY 2020 guidance increased to EUR 20.0m (vs EUR 7.0m previously)

3. Development of key financial performance indicators (KPIs)

Assets under management (AUM)

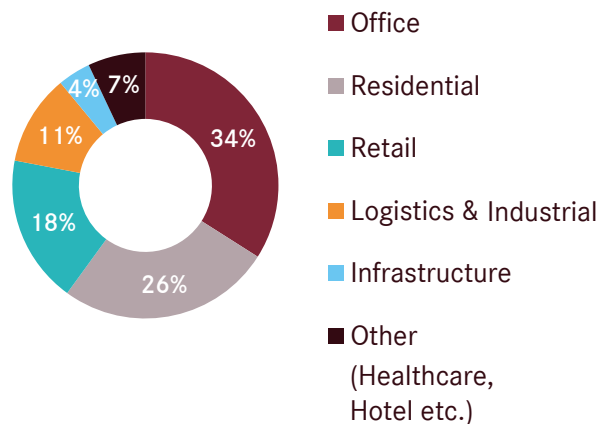
(EUR bn)



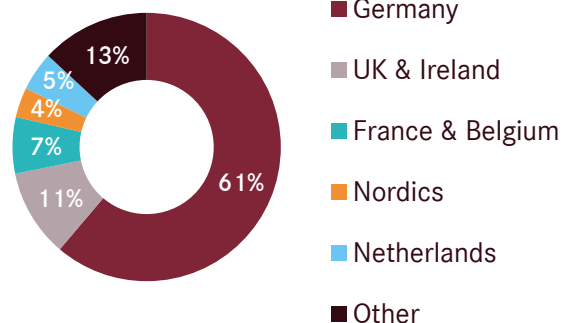
Highlights

- ◆ AUM increased to EUR 45.3bn in 3M 2020 compared to EUR 44.5bn at YE 2019
- ◆ EUR 27.8bn (61%) of AUM is related to Germany and EUR 17.6bn (39%) is related to assets outside of Germany
- ◆ Calculation of AUM aligned with best practice definitions like INREV from 3M 2020 onwards

Sectoral distribution



Geographical distribution



Guidance 2020e broadened:

- ◆ Operating income guidance for FY 2020 broadened to EUR 100.0m to 140.0m to reflect uncertain Covid-19 impact on European real estate investment markets throughout FY 2020
- ◆ Organic net AUM growth of EUR 2.0 – 3.5bn
- ◆ Total AUM expected between EUR 46.5 – 48.0bn

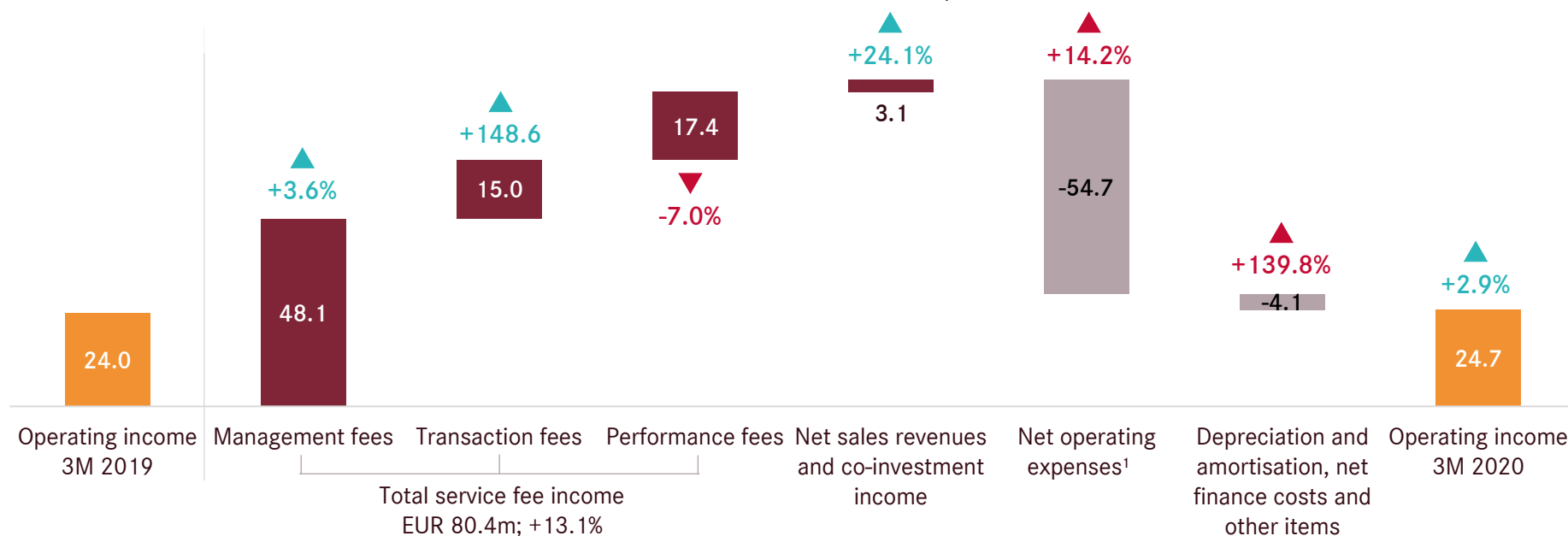
3. Development of financial performance indicators (KPIs)

Operating income

- ◆ **Operating income** of EUR 24.7m up 2.9% compared to 3M 2019
- ◆ **Operating income guidance** for FY 2020 broadened to EUR 100.0m to 140.0m to reflect uncertain Covid-19 impact on European real estate investment markets throughout FY 2020

Composition of operating income 3M 2020

(EUR m)



Highlights

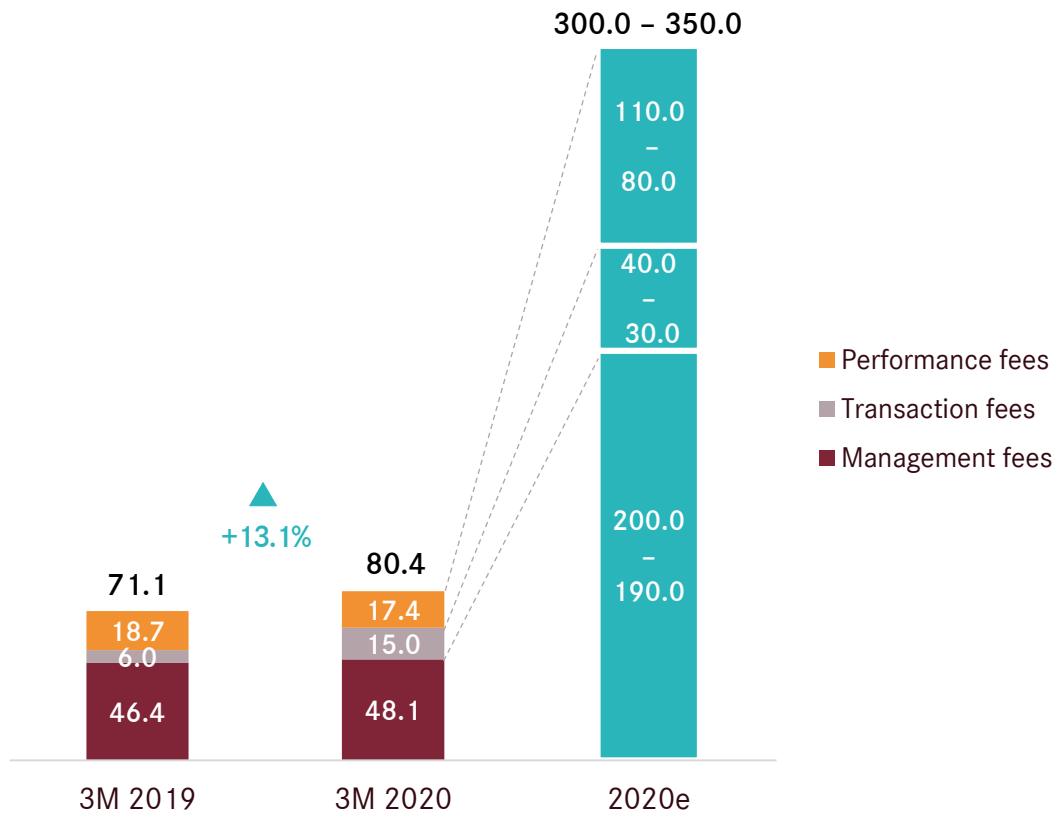
- ◆ **Total service fee income** up 13.1% to EUR 80.4m (3M 2019: EUR 71.1m)
- ◆ **Management fees** with 3.6% growth due to growth of AUM
- ◆ **Transaction fees** significantly up to EUR 15.0m (+148.6%)
- ◆ **Net operating expenses¹** up 14.2% to EUR 54.7m mainly due to aperiodic effects, higher ongoing IT expenses, as well as inflation adjustments in personnel costs; cost growth to normalise during the next quarters

¹ Inter alia netted against other operating income of EUR 2.1m; excluding EUR 1.7m non-capitalisable expenses for investments in future technologies

▲ change y-o-y

3. Development of financial performance indicators (KPIs)

Total service fee income (EUR m)



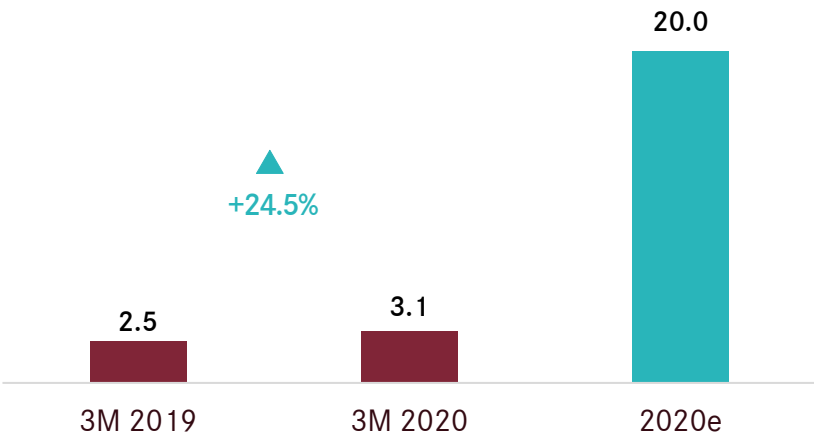
Highlights

- ◆ **Total service fee income** up 13.1% to EUR 80.4m driven by growth in assets under management and superior transaction performance carried out for clients
- ◆ **Management fees** up 3.6% to EUR 48.1m due to growth in assets under management; management fee income contributed 60.0% to total service fee income
- ◆ **Strong transaction fees** of EUR 15.0m (+148.6%) from strong outperformance of European transaction market; acquisitions contributed EUR 5.4m and disposals EUR 9.5m
- ◆ **Guidance for FY 2020 broadened:** total service fee income expected in the range of EUR 300.0 – 350.0m

3. Development of financial performance indicators (KPIs)

Net sales revenues and co-investment income

(EUR m)



Highlights

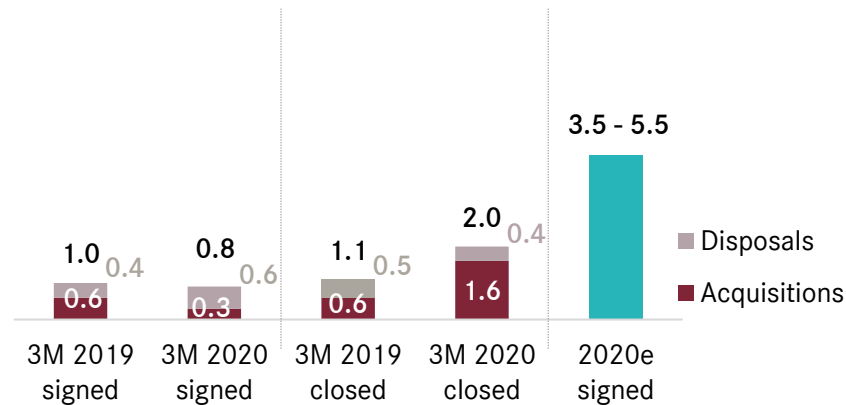
- ◆ Net sales revenues and co-investment income amount to EUR 3.1m
- ◆ Principal investments contribute EUR 2.2m (3M 2019: EUR 1.3m) and co-investments EUR 0.9m (3M 2019: EUR 1.2m)
- ◆ Net sales revenue and co-investment income guidance for FY 2020 increased to EUR 20.0m due to higher visibility on co-investment income for the next quarters

3. Development of financial performance indicators (KPIs)

Transaction volume

(EUR bn)

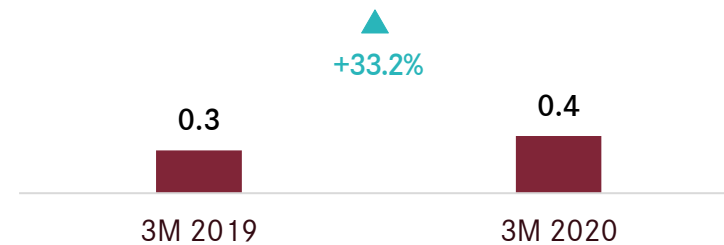
- ◆ Ongoing transaction activity for our clients in the beginning of the year drove **transaction fees** to EUR 15.0m in 3M 2020
- ◆ Activity in the **real estate markets** dropped significantly right after 3M 2020
- ◆ PATRIZIA is still active for clients in the current environment, but a material increase in **transaction activity** is expected by the end of 9M 2020 at the earliest
- ◆ To reflect these uncertainties, the **guidance range** for transaction fees has been adjusted to EUR 30.0 – 40.0m for FY 2020



Equity raised

(EUR bn)

- ◆ EUR 0.4bn of equity was raised from institutional and private investors for various national and international investments (3M 2019: EUR 0.3bn)



4. Capital allocation

31.03.2020	Assets under management	Invested capital (fair value)	Invested capital (at cost)	Participations
	EUR m	EUR m	EUR m	in %
Third-party business	38,906.8	0.0		
Co-investments	6,395.4	489.2	103.7	
Residential	5,590.2	469.8	86.4	
Dawonia GmbH	4,649.0	152.0 ¹	51.7	5.1
Dawonia performance fee claims	/	1 283.0 ¹	0.0	0.1
WohnModul I SICAV-FIS	941.2	34.7	34.7	10.1
Other	/	0.1	0.1	0.0
Commercial Germany	802.9	17.0	14.4	
Alliance	204.2	5.6 ¹	5.2	5.1
Seneca	159.1	6.0 ¹	4.9	5.1
PATROffice	/	0.5 ¹	0.2	6.3
TRIUVA/IVG logistics	439.7	4.0 ¹	3.4	2.1
TRIUVA/IVG commercial	/	0.8 ¹	0.7	11.0
Commercial International	2.3	2.4	2.8	
Citruz Holding LP (UK)	2.3	0.0 ¹	0.4	10.0
First Street Development LTD (UK)	/	2.4	2.4	10.0
Principal investments	45.5	21.2		
Other balance sheet items		423.1²		
Tied-up investment capital	45,347.7	933.5		
Available liquidity		568.7		
Total investment capital	45,347.7	1,502.2		
of which debt (bonded loans)		300.0		
of which equity PATRIZIA (excl. non-controlling interests)		1,202.2		

Highlights

- 1** PATRIZIA performance fee claims upon exit of Dawonia (at current market values, after taxes)

¹ Net of deferred taxes from valuation according to IFRS 9

² Including goodwill and fund management contracts (included in other intangible assets)

5. Consolidated income statement (I)

EUR k		3M 2020	3M 2019	Change
Revenues	1	66,586	57,742	15.3%
Income from the sale of investment property		0	231	-100.0%
Changes in inventories	2	-1,545	-5,047	-69.4%
Other operating income		2,057	1,919	7.2%
Total operating performance		67,099	54,845	22.3%
Cost of materials		-702	-729	-3.7%
Cost of purchased services	3	-5,115	-3,263	56.7%
Staff costs	4	-34,101	-31,439	8.5%
Other operating expenses	5	-17,322	-13,377	29.5%
Impairment losses for trade receivables and contract assets		-38	0	/
Income from participations		19,805	21,834	-9.3%
EBITDAR		29,625	27,871	6.3%
Reorganisation expenses	6	0	-1,804	-100.0%
EBITDA	7	29,625	26,067	13.6%

Highlights

- 1 Revenues increased by 15.3% y-o-y to EUR 66.6m driven by increased management and transaction fees
- 2 Changes in inventories reflect book value of principal investments sold (-) and cost of materials allocated to inventories (+); y-o-y decrease due to lower volume of sales of principal investments
- 3 Cost of purchased services increased mainly due to higher passed-on costs from label funds and other transaction related costs
- 4 Staff costs increased partly due to inflation adjustments and partly due to aperiodic effects which should normalise during the next quarters
- 5 Other operating expenses up due to timing effects, which should normalise during the next quarters, one-off costs, as well as higher ongoing IT expenses which will result in efficiencies going forward
- 6 Reorganisation expenses down to EUR 0.0 as TRIUVA and Rockspring are now fully integrated
- 7 EBITDA increased 13.6% y-o-y driven by ongoing transaction activity carried out for our clients

5. Consolidated income statement (II)

EUR k	3M 2020	3M 2019	Change
EBITDA	29,625	26,067	13.6%
Amortisation of other intangible assets ¹ , software and rights of use, depreciation of property, plant and equipment	1 -8,787	-11,586	-24.2%
Earnings before interest and taxes (EBIT)	20,837	14,481	43.9%
Financial income	554	413	34.2%
Financial expenses	-1,667	-1,449	15.0%
Result from currency translation	566	428	32.3%
Earnings before taxes (EBT)	20,291	13,873	46.3%
Income taxes	2 -9,028	-1,672	439.8%
Net profit for the period	3 11,263	12,201	-7.7%
Earnings per share (undiluted/diluted) in EUR	0.12	0.13	-7.7%
NET PROFIT FOR THE PERIOD ATTRIBUTABLE TO:			
Shareholders of the parent company	10,475	12,201	-14.1%
Non-controlling interests	788	0	/
	11,263	12,201	-7.7%

Highlights

- 1 Amortisation of fund management contracts decreased as extraordinary impairments in previous year resulted in a lower basis for amortization in FY 2020; for more information please refer to page 10 of our FY 2018 Results Presentation
- 2 Income taxes extraordinarily high due to aperiodic payments made in the first quarter – tax rate to normalise during the year
- 3 Net profit for the period down 7.7% y-o-y, but only due to the high aperiodic tax prepayments, EBT up 46.3% y-o-y

¹ In particular fund management contracts transferred as part of the recent acquisitions

6. Consolidated statement of comprehensive income

EUR k	3M 2020	3M 2019
Net profit for the period	11,263	12,201
Items of other comprehensive income reclassified to net profit for the period		
Profit/loss arising on the translation of the financial statements of foreign operations	-7,676	8,170
Items of other comprehensive income without reclassification to net profit for the period		
Value adjustments resulting from equity instruments measured including capital gains (IFRS 9)	1,042	128
Other comprehensive income	-6,634	8,298
Total comprehensive income for the reporting period	4,628	20,499
Total comprehensive income attributable to:		
Shareholders of the parent company	3,898	20,499
Non-controlling interests	729	0
	4,628	20,499

7. Reconciliation of operating income

EUR k	3M 2020	3M 2019
EBITDA	29,625	26,067
Amortisation of other intangible assets ¹ , software and rights of use, depreciation of property, plant and equipment	-8,787	-11,586
EBIT	20,837	14,481
Finance income/expenses	-1,113	-1,036
Result from currency translation	566	428
EBT	20,291	13,873
Amortisation of other intangible assets ¹	1 4,952	7,815
Realised changes in value of investment property (net)	0	1,078
Reorganisation result	2 0	1,804
Expenses/income from unrealised currency translation	-2,302	-616
Investments in the future	3 1,716	0
Operating income	24,656	23,954

Highlights

- 1 Amortisation of fund management contracts decreased as extraordinary impairments in the previous periods resulted in lower basis in FY 2020
- 2 Reorganisation expenses down to EUR 0.0 after full integration of TRIUVA and Rockspring
- 3 Investments in the future relate to implementation costs for new technologies which used to be capitalised in the past

¹ In particular fund management contracts transferred as part of the recent acquisitions

8. Consolidated balance sheet (I)

Assets

EUR k	31.03.2020	31.12.2020
A. Non-current assets		
Goodwill	207,853	210,292
Other intangible assets	125,727	131,895
Software	11,157	10,326
Rights of use	24,107	24,988
Investment property	1,835	1,835
Equipment	5,810	6,056
Associated companies accounted for using the equity method ¹	46,701	69,035
Participations	526,551	525,716
Non-current borrowings and other loans	28,447	28,276
Deferred taxes	20,086	17,305
Total non-current assets	998,274	1,025,724
B. Current assets		
Inventories	111,035	113,208
Securities	1,011	1,011
Current tax assets	17,393	17,318
Current receivables and other current assets	378,397	380,735
Cash and cash equivalents	457,770	449,084
Total current assets	965,605	961,356
TOTAL ASSETS	1,963,879	1,987,080

Highlights

- Decrease due to repatriation of equity as Wohnmodul is planned to be exited short- to mid-term

8. Consolidated balance sheet (II)

Equity and liabilities

EUR k	31.03.2020	31.12.2019
A. Equity		
Share capital	90,635	91,060
Capital reserves	147,561	155,222
Retained earnings		
Legal reserves	505	505
Currency translation difference ¹	-12,384	-4,818
Remeasurements of defined benefit plans according to IAS 19	-3,459	-3,459
Revaluation reserve according to IFRS 9	79,710	78,721
Consolidated unappropriated profit	899,636	889,160
Non-controlling interests	30,731	30,359
Total equity	1,232,934	1,236,750
B. Liabilities		
NON-CURRENT LIABILITIES		
Deferred tax liabilities	112,543	112,178
Retirement benefit obligations	27,385	27,564
Bonded loans	300,000	300,000
Non-current liabilities	21,370	25,094
Leasing liabilities	15,583	15,841
Total non-current liabilities	476,880	480,677
CURRENT LIABILITIES		
Short-term bank loans	93,264	93,194
Other provisions	8,265	9,254
Current liabilities	101,646	101,186
Short-term leasing liabilities	8,721	9,328
Tax liabilities	42,169	56,692
Total current liabilities	254,065	269,653
TOTAL EQUITY AND LIABILITIES	1,963,879	1,987,080

Highlights

- ¹ Currency translation effects increased due to a decline in the GBP/EUR rate during 3M 2020

9. Outlook 2020

Guidance overview

	Previous guidance at the time of publication of the FY 2019 Group Annual Report	Adjusted Guidance FY 2020
Assets under management (organic growth)	Growth of EUR 3.5bn – 4.5bn	Growth of EUR 2.0 – 3.5bn
Operating income	EUR 120.0 – 140.0m	EUR 100.0 – 140.0m

Assumptions underlying the adjusted guidance for FY 2020:

Operating income guidance for FY 2020 broadened to EUR 100.0m to 140.0m (previously EUR 120.0 – 140.0m) to reflect uncertain Covid-19 impact on European real estate investment markets throughout FY 2020.

PATRIZIA is now anticipating **management fees** for asset and portfolio management services of between EUR 190.0m and EUR 200.0m (previously EUR 195.0 – 205.0m)

The company now expects the transaction market to slow down after 3M 2020 with a material rebound in transaction activity at the end of 9M 2020 at the earliest. Consequently, it is now forecasting **transaction fees** of between EUR 30.0m and EUR 40.0m (previously EUR 56.0 – 66.0m) based on a signed transaction volume of EUR 3.5 – 5.5bn (previously EUR 7.0 – 8.0bn).

Income from **performance fees** is determined by the yields achieved in excess of the agreed target yields. These result from the realisation of value-adding measures in particular. PATRIZIA has broadened the performance fee guidance to between EUR 80.0m and EUR 110.0m in 2020 (previously EUR 85.0 – 100.0m) to reflect uncertain Covid-19 impact on European real estate investment markets throughout FY 2020 but also the continued flight to quality assets, which could lead to higher than earlier anticipated performance fees on Core / Core+ AUM.

Total service fee income is now expected to amount to between EUR 300.0m and EUR 350.0m (previously EUR 336.0 – 371.0). In addition, **net sales revenues and co-investment income** guidance was increased to EUR 20.0m (previously EUR 7.0m) after higher visibility on co-investment income for the next quarters.

Net operating expenses, which primarily comprise staff costs and non-staff operating expenses, are now forecasted at between EUR 210.0m and EUR 220.0m (previously EUR 214.0 – 229.0m). This means the ratio of net operating expenses to average assets under management (total cost ratio) is expected to range between 0.45% and 0.50% in 2020.

10. Contact Investor Relations and financial calendar



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- ◆ **Events:** Investor Relations Release, Results Presentation, Quarterly Statement, Recording of the conference call
- ◆ **Presentations:** Results Presentation, Company Presentation

Financial calendar 2020:

- ◆ **14 May:** Quarterly Statement for the first three months of 2020
- ◆ **1 July:** Annual General Meeting, Augsburg (virtual)
- ◆ **6 August:** Interim Report for the first half of 2020
- ◆ **12 November:** Quarterly Statement for the first nine months of 2020

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14 May 2020, PATRIZIA AG

11. Appendix

Appendix ►

Key figures

EUR k	3M 2020	3M 2019	Change
Revenues	66,586	57,742	15.3%
Total operating performance	67,099	54,845	22.3%
EBITDA	29,625	26,067	13.6%
EBIT	20,837	14,481	43.9%
EBT	20,291	13,873	46.3%
Operating income ¹	24,656	23,954	2.9%
Net profit for the period	11,263	12,201	-7.7%

EUR k	31.03.2020	31.12.2019	Change
Non-current assets	998,274	1,025,724	-2.7%
Current assets	965,605	961,356	0.4%
Equity (excl. non-controlling interests)	1,202,203	1,206,391	-0.3%
Equity ratio (excl. non-controlling interests)	61.2%	60.7%	0.5 PP
Non-current liabilities	476,880	480,677	-0.8%
Current liabilities	254,065	269,653	-5.8%
Total assets	1,963,879	1,987,080	-1.2%

¹ Please see page 13 for the reconciliation of operating income | PP = Percentage points

11. Appendix



Supplementary report

No events after the end of the reporting period.

11. Appendix

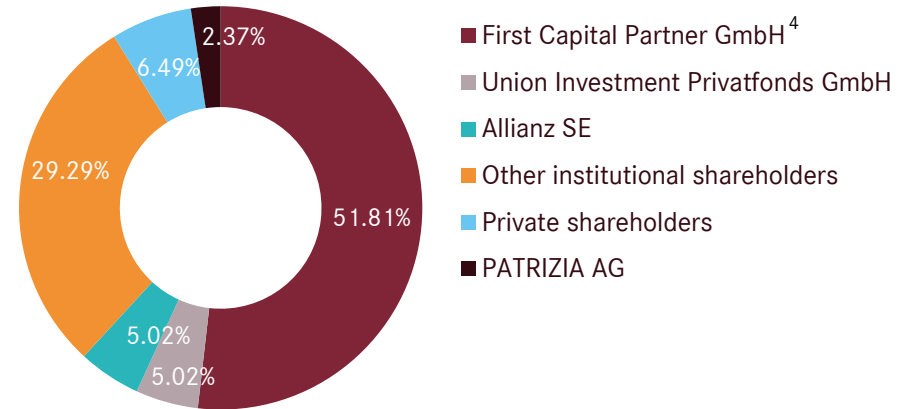
PATRIZIA shares as at 31.03.2020

ISIN	DE000PAT1AG3
SIN (Security Identification Number)	PAT1AG
Code	PAT
Issued shares as at 31.03.2020	92,351,476 shares
Outstanding shares as at 31.03.2020 ¹	90,634,631 shares
3M 2020 high ²	EUR 25.20
3M 2020 low ²	EUR 16.60
Closing price as at 31.03.2020 ²	EUR 21.00
Share price performance 3M 2020 ²	5.7%
Market capitalisation as at 31.03.2020	EUR 1.9bn
Average trading volume per day 3M 2020 ³	146,589 shares
Indices	SDAX, CDAX, MSCI World Small Cap Index, DIMAX and others

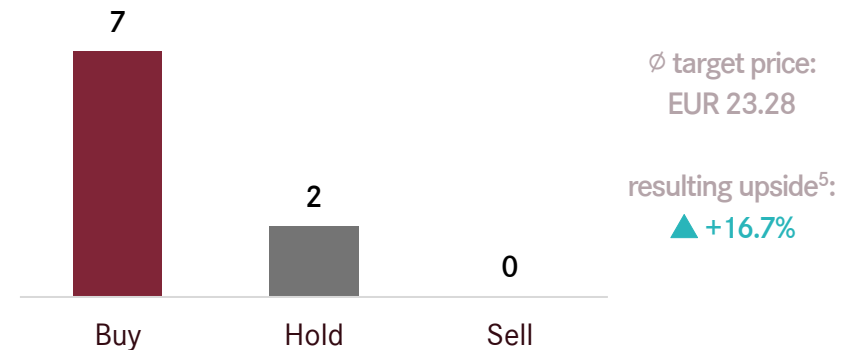
PATRIZIA share performance as at 07.05.2020



Shareholder structure as at 07.05.2020



Analyst recommendations as at 07.05.2020



¹ Reduced number of shares compared to issued shares due to share buy-backs in 2017 and 2020 | ² Closing price on Xetra trading | ³ All German stock exchanges

⁴ First Capital Partner is attributable to CEO Wolfgang Egger; source: Thomson Reuters, PATRIZIA share register | ⁵ Based on closing price of EUR 19.94

11. Appendix

Treasury shares

	Number of shares	Price per share in EUR ¹	Total value in EUR
As at 01.01.2020	1,291,845		21,678,892
Share buy-back programme	425,000	19.03	8,086,597
As at 31.03.2020	1,716,845		29,765,489

Earnings per share

EUR k	3M 2020 adjusted ²	3M 2019 adjusted ²	3M 2020	3M 2019
Share of earnings attributable to shareholders of the Group	10,475	13,788	10,475	12,201
Number of shares (outstanding after share buy-backs)	90,634,631	91,059,631	90,634,631	91,059,631
Weighted number of shares (outstanding after share buy-backs)	90,917,964	91,059,631	90,917,964	91,059,631
Earnings per share (undiluted/diluted) in EUR	0.12	0.15	0.12	0.13

¹ Average price per share in EUR from several share purchases | ² Adjusted = not including reorganisation expenses

11. Appendix

Consolidated statement of changes in equity

EUR k	Share capital	Capital reserves	Retained earnings (legal reserves)	Currency translation difference	Remeasurements of defined benefit plans according to IAS 19	Revaluation reserve according to IFRS 9	Consolidated Unappropriated profit	Equity of the shareholders of the parent company	Equity of non-controlling interests	Total
As at 01.01.2019	91,060	155,222	505	-15,605	0	49,503	862,421	1,143,105	10,682	1,153,788
Net amount recognised directly in equity, where applicable less income taxes	0	0	0	8,170	0	0	0	8,170	0	8,170
Changes in course of revaluation of IFRS 9 financial instruments	0	0	0	0	0	128	0	128	0	128
Payout of profit shares to non-controlling interests	0	0	0	0	0	0	0	0	-215	-215
Net profit for the period	0	0	0	0	0	0	12,201	12,201	0	12,201
As at 31.03.2019	91,060	155,222	505	-7,435	0	49,631	874,622	1,163,604	10,467	1,174,072
As at 01.01.2020	91,060	155,222	505	-4,818	-3,459	78,721	889,160	1,206,391	30,359	1,236,750
Net amount recognised directly in equity, where applicable less income taxes	0	0	0	-7,566	0	0	0	-7,566	-110	-7,676
Changes in course of revaluation of IFRS 9 financial instruments	0	0	0	0	0	989	0	989	53	1,042
Payout of profit shares to non-controlling interests	0	0	0	0	0	0	0	0	-358	-358
Share buy-back	-425	-7,662	0	0	0	0	0	-8,087	0	-8,087
Net profit of the period	0	0	0	0	0	0	10,475	10,475	787	11,262
As at 31.03.2020	90,635	147,561	505	-12,384	-3,459	79,710	899,636	1,202,203	30,731	1,232,934

11. Appendix

Consolidated statement of cash flows (I)

EUR k	3M 2020	3M 2019 ¹
Net profit for the period	11,262	12,201
Income taxes recognised through profit or loss	9,028	1,672
Financial expenses recognised through profit or loss	1,667	1,449
Financial income recognised through profit or loss	-554	-413
Income from participations through profit or loss	-19,805	-21,834
Income from unrealised currency translation recognised through profit or loss	-2,302	-617
Income from the disposal of other intangible assets, software, rights of use and equipment recognised through profit or loss	-5	0
Amortisation of other intangible assets and software, rights of use, depreciation of property, plant and equipment	8,787	11,586
Income from the sale of investment property	0	-231
Other non cash-items	2,280	17,532
Changes in inventories, receivables and other assets that are not attributable to investment activities	14,798	-26,138
Changes in liabilities that are not attributable to financing activities	-8,635	-12,745
Distributed income from participations	18,931	2,560
Interest paid	-302	-140
Interest received	1,175	424
Income tax payments	-20,947	-7,796
Cash flow from operating activities	15,377	-22,489

¹ The previous year's figures were restated in line with the new table structure in the year under review

11. Appendix

Consolidated statement of cash flows (II)

EUR k	3M 2020	3M 2019 ¹
Investments in other intangible assets, software and equipment	-1,896	-849
Payments received from the disposal of intangible assets and equipment	5	0
Payments received from the sale of investment property	0	3,073
Payments for the development of investment property	0	-3
Payments received from the disposal of securities and short-term investments	43,813	18,000
Payments for the acquisition of participations	-568	-794
Payments received from the disposal of participations	508	205
Payments for investments in companies accounted for using the equity method	-5	0
Payment received through distributions of companies accounted for using the equity method	0	4,545
Payments received from the repayment of shares of companies accounted for using the equity method	22,321	0
Payments for loans to companies	-57,823	-15
Payments received from the repayment of other loans	911	0
Cash flow from investing/divesting activities	7,265	24,163
Borrowing of loans	101	0
Repayment of loans	-30	0
Repayment of leasing liabilities	-2,546	-2,368
Interest paid	-62	-42
Payments of dividends to non-controlling interests	0	-215
Payments of profit shares to non-controlling interests	-609	0
Payments for buy-backs of own shares	-9,000	0
Cash flow from financing activities	-12,145	-2,625
Change in cash and cash equivalents	10,497	-952
Cash and cash equivalents as at 01.01.	449,084	330,598
Effects of changes in foreign exchange rates on cash and cash equivalents	-1,812	-699
Cash and cash equivalents as at 31.03.	457,770	328,947

¹ The previous year's figures were restated in line with the new table structure in the year under review

11. Appendix

Revenues

in EUR k	3M 2020	3M 2019	Change
Revenues from management services	61,485	50,504	21.7%
Proceeds from the sale of principal investments	2,150	5,584	-61.5%
Rental revenues	1,969	558	253.2%
Revenues from ancillary costs	365	684	-46.7%
Other	617	412	49.7%
Revenues	66,586	57,742	15.3%

Reconciliation of total service fee income

EUR k	3M 2020	3M 2019	Change
Management fees (excluding income from participations)	45,736	44,082	3.8%
Transaction fees	14,958	6,016	148.6%
Performance fees (excluding income from participations, excluding operating income from participations (IFRS 9))	791	406	95.0%
Revenues from management services	61,485	50,504	21.7%
Shareholder contribution for management services (in income from participations)	2,360	2,353	0.3%
Performance fees (in income from participations)	16,571	18,254	-9.2%
Total service fee income	80,416	71,111	13.1%

11. Appendix

Reconciliation of total operating performance

EUR k	3M 2020	3M 2019	Change
Revenues	66,586	57,742	15.3%
Income from the sale of investment property	0	231	-100.0%
Changes in inventories	-1,545	-5,047	-69.4%
Other operating income	2,057	1,919	7.2%
Total operating performance	67,099	54,845	22.3%

Reconciliation of EBITDA

EUR k	3M 2020	3M 2019	Change
Total operating performance	67,099	54,845	22.3%
Cost of materials	-702	-729	-3.7%
Cost of purchased services	-5,115	-3,263	56.7%
Staff costs	-34,101	-31,439	8.5%
Other operating expenses	-17,322	-13,377	29.5%
Impairment losses for trade receivables and contract assets	-38	0	/
Income from participations	19,805	21,834	-9.3%
EBITDAR	29,625	27,871	6.3%
Reorganisation expenses	0	-1,804	-100.0%
EBITDA	29,625	26,067	13.6%

11. Appendix

Staff costs

EUR k	3M 2020	3M 2019	Change
Fixed salaries	18,412	17,687	4.1%
Variable salaries	8,412	6,799	23.7%
Social security contributions	4,918	4,468	10.1%
Sales commission	255	536	-52.5%
Effect of long-term variable remuneration ¹	308	625	-50.7%
Other	1,796	1,324	35.6%
Total	34,101	31,439	8.5%

Other operating expenses

EUR k	3M 2020	3M 2019	Change
Tax, legal, other advisory and financial statement fees	3,462	4,812	-28.0%
IT and communication costs and cost of office supplies	4,877	2,803	74.0%
Rent, ancillary costs and cleaning costs	598	595	0.6%
Other taxes	328	8	4,006.8%
Vehicle and travel expenses	1,318	1,483	-11.1%
Advertising costs	865	662	30.6%
Recruitment and training costs and cost of temporary workers	1,832	791	131.7%
Contributions, fees and insurance costs	1,741	949	83.4%
Commission and other sales costs	156	411	-62.1%
Costs of management services	25	127	-80.4%
Indemnity/reimbursement	15	0	/
Other	2,105	736	186.1%
Total	17,322	13,377	29.5%

¹ Change in the value of long-term variable remuneration due to change in the company's share price

11. Appendix

Income from participations & earnings from companies accounted for using the equity method

EUR k	3M 2020	3M 2019	Change
Dawonia GmbH	19,736	21,413	-7.8%
Harald-Portfolio	0	214	-100.0%
Co-investments in the UK (Aviemore and Citruz)	0	207	-100.0%
TRIUVA	65	0	/
Other	3	4	-3.8%
Income from participations	19,805	21,834	-9.3%
Earnings from companies accounted for using the equity method	0	0	0.0%
Total	19,805	21,834	-9.3%

Reconciliation of net profit for the period

EUR k	3M 2020	3M 2019	Change
EBITDA	29,625	26,067	13.6%
Amortisation of other intangible assets ¹ , software and rights of use, depreciation of property, plant and equipment	-8,787	-11,586	-24.2%
Earnings before interest and taxes (EBIT)	20,837	14,481	43.9%
Finance income	554	413	34.2%
Finance expenses	-1,667	-1,449	15.0%
Result from currency translation	566	428	32.3%
Net finance costs	-546	-608	-10.1%
Earnings before taxes (EBT)	20,291	13,873	46.3%
Income taxes	-9,028	-1,672	439.8%
Net profit for the period	11,263	12,201	-7.7%

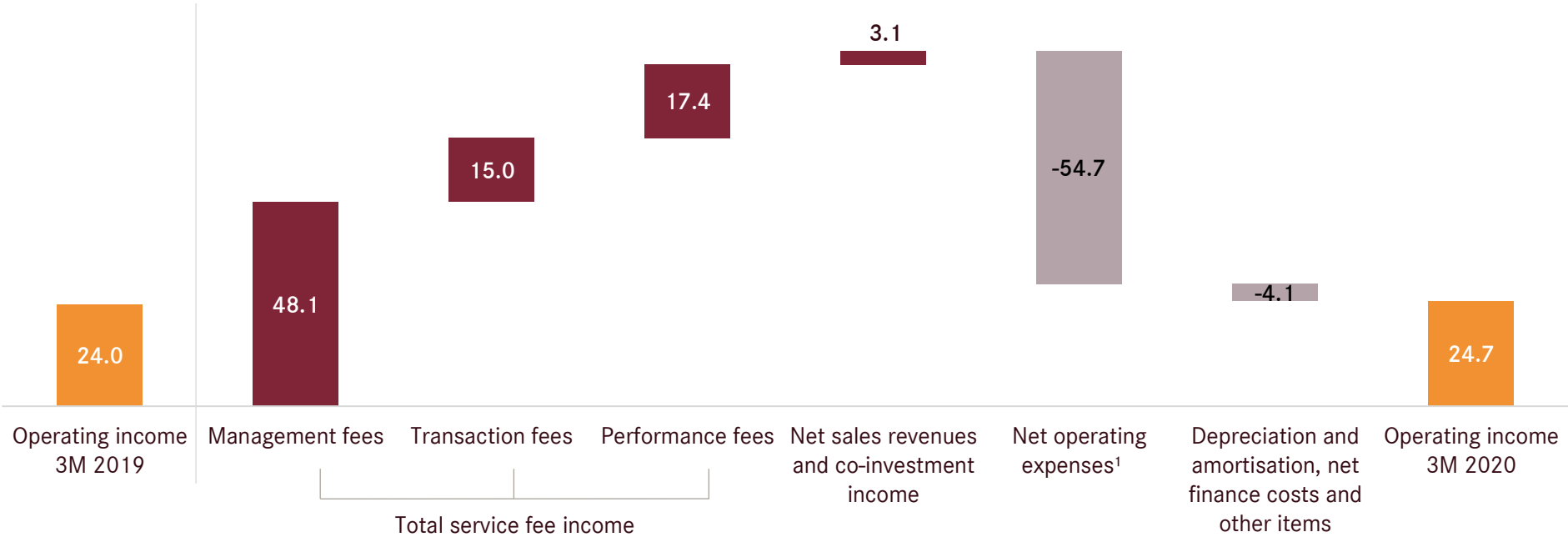
¹ In particular fund management contracts transferred as part of the recent acquisitions

11. Appendix

Detailed reconciliation of key performance indicators

Operating income – composition as at 3M 2020 (EUR m)

The following section explains the reconciliation of the individual components of operating income to their respective line items, in particular within the Consolidated Income Statement (rounding errors may occur).



¹ Inter alia netted against other operating income of EUR 2.1m; excluding EUR 1.7m non-capitalisable expenses for investments in future technologies

Management fees of EUR 48.1m are predominantly derived from “Revenues from management services”, which includes EUR 45.7m in management fees (excluding income from participations). In addition, there are management services provided as a shareholder contribution for a co-investment in the amount of EUR 2.4m, which is included in “Income from participations” (see pages 25 and 28).

Transaction fees of EUR 15.0m are also included in “Revenues from management services”, as shown in the overview of total service fee income on page 25.

Like management fees, **performance fees** of EUR 17.4m are partly derived from “Revenues from management services” and partly from “Income from participations”. The breakdown in the first three months of 2020 was as follows (see also pages 25 and 28): EUR 0.8m in performance fees (excluding income from participations) and EUR 16.6m in performance-based shareholder remuneration which is included in “Income from participations”. These three fee streams add up to **total service fee income** of EUR 80.4m.

Net sales revenues and co-investment income of EUR 3.1m consists of the following items: “Proceeds from the sale of principal investments” of EUR 2.1m (page 25), plus “Changes in inventories” of EUR -1.5m and “Cost of materials” of EUR -0.7m (page 10); also “Rental revenues” of EUR 2.0m, and “Revenues from ancillary costs” of EUR 0.4m (page 25) are included in the calculation bringing the total to EUR 2.3m. Net income from co-investments contributes a total of EUR 0.8m and equals the remaining “Income from participations” (page 28).

Net operating expenses of EUR -54.7m include staff costs of EUR -34.1m and “Other operating expenses” of EUR -17.3m (page 10); also “Cost of purchased services” of EUR -5.1m and “Impairment losses for trade receivable and contract assets” of EUR -0.4m (page 10). Offsetting income items consist of “Other operating income” of EUR 2.1m (page 10) and other revenues of EUR 0.6m (page 25). An amount of EUR -2.6m from amortisation of rights of use from the item “Amortisation of other intangible assets, software and rights of use, depreciation of property, plant and equipment” (page 11) is also included here as an item that increases expenses, whereas non-capitalisable expenses for investments in future technologies in the amount of EUR 1.7m are excluded.

Depreciation and amortisation, financial result and other items of EUR -4.1m consists of “Amortisation of other intangible assets and software, rights of use, depreciation of property, plant and equipment” of EUR -8.8m (page 11) adjusted for amortisation of fund management contracts of EUR 5.0m (page 13) as well as amortisation of rights of use of EUR 2.6m. “Finance income” of EUR 0.6m and “Finance expenses” of EUR -1.7m (page 28) are also included in this item. Finally, “Expenses/income from unrealised currency translation” of EUR -1.7m (page 13) are also taken into account here.

11. Appendix

Financial position of the PATRIZIA Group

PATRIZIA's key asset and financial data at a glance

EUR k	31.03.2020	31.12.2019	Change
Total assets	1,963,879	1,987,080	-1.2%
Equity (excl. non-controlling interests)	1,202,203	1,206,391	-0.3%
Equity ratio	61.2%	60.7%	0.5 PP
Cash and cash equivalents	457,770	449,084	1.9%
+ Term deposits	141,197	185,000	-23.7%
+ Securities	1,000	1,000	0.0%
- Bank loans	-93,264	-93,194	0.1%
- Bonded loans	-300,000	-300,000	0.0%
= Net cash (+)/net debt (-)	206,702	241,891	-14.5%
Net equity ratio¹	76.5%	75.7%	0.8 PP

Investment property and inventories

EUR k	31.03.2020	31.12.2019	Change
Inventories	111,035	113,208	-1.9%
Investment property	1,835	1,835	0.0%
Real estate assets	112,870	115,043	-1.9%

¹ Net equity ratio: Equity (excl. non-controlling interests) divided by total net assets (total assets less liabilities covered by cash in hand)

PP = Percentage points

11. Appendix

Financial liabilities

EUR k	31.03.2020	31.12.2019	Change
Non-current bonded loans	300,000	300,000	0.0%
Short-term bank loans	93,264	93,194	0.1%
Total financial liabilities	393,264	393,194	0.0%

Liquidity

EUR k	31.03.2020	31.12.2019
Cash and cash equivalents	457,770	449,084
Term deposits	141,197	185,000
Securities	1,000	1,000
Liquidity	599,967	635,084
- Regulatory reserve for asset management companies	-23,490	-22,266
- Transaction related liabilities and blocked cash	-5,290	-5,469
- Liquidity in closed-end funds business property companies	-2,470	-388
= Available liquidity	568,716	606,961