

# A FORWARD-THINKING PARTNER

We invest responsibly to deliver real value

 PATRIZIA



Results Presentation  
FY 2020 | 17 March 2021

# PATRIZIA FY 2020 Financial Results | Video presentation

Let our CFO Karim Bohn guide you through the most important points of our FY 2020 Financial Results

Access via QR code



Access via weblink

<https://youtu.be/q9wzp2h9Xw8>

# PATRIZIA beyond financials – 2020 milestones

**EUR 1.9bn**

**of equity raised for investments in global real assets**

Even during one of the worst economic environments globally, PATRIZIA managed to receive equity commitments of EUR 1.9bn, of which more than half came from international clients.

**>450**

**national and international clients**

Over 30 new domestic and international institutional clients were welcomed to the PATRIZIA platform thereby increasing the strong, diversified client base to over 450.

## Technology and Innovation

**Further improve operational excellence to serve clients**

PATRIZIA bought the digital global real asset platform BrickVest and partnered with PiLabs (Europe), CamberCreek (North America) and Taronga Ventures (Asia) to secure early access to disruptive technologies in the future.

## Sustainability and Transparency

**Building communities and sustainable futures**

PATRIZIA continued to develop the sustainability strategy to further integrate ESG in all investment processes and made strategic hires in this area to futureproof the platform, products and assets under management. The PATRIZIA Sustainability Report was launched at the end of the year.

# Four key messages for 2020, 2021 and beyond

A forward-thinking partner who invests responsibly to deliver real value

1

**Resilient  
business model  
and platform**

EUR 6.9bn of transactions closed for global client base, despite European lock-downs

2

**We continue to  
grow**

PATRIZIA was able to increase AUM and recurring management fees, even during one of the worst economic environments

3

**Deliver on mid-  
term strategy**

Real asset investment management remains a structural growth market

4

**Our balance  
sheet is stronger  
than ever**

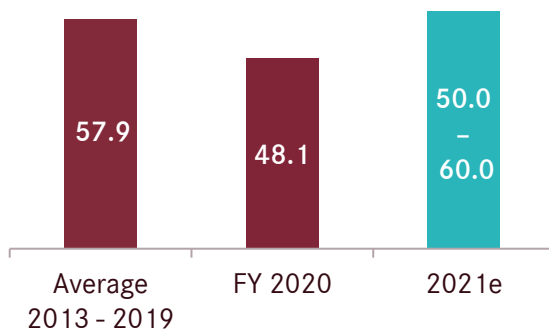
We will continue to invest in our platform, in people and technology to offer our clients best in class products and services

# (1) Resilient business model and platform

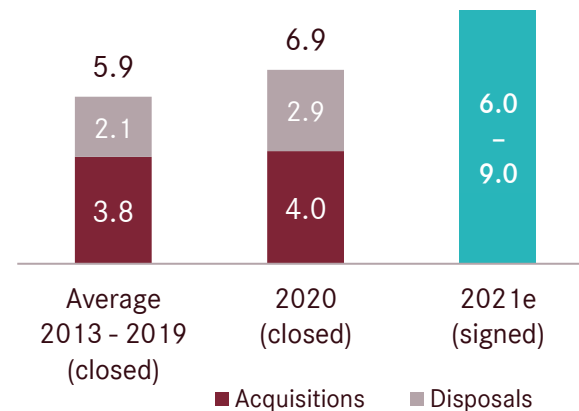
PATRIZIA closed EUR 6.9bn of transactions for global client base, i.e. above the historical average of EUR 5.9bn

- Covid-19 related lock-downs in Europe led to decrease of the overall real estate market volume by 26.5% y-o-y<sup>1</sup>
- PATRIZIA nevertheless signed 5.4bn and closed EUR 6.9bn of transactions, i.e. above the historical average of EUR 5.9bn per annum
- Ongoing transaction activity for PATRIZIA's global client base results in **transaction fees** of EUR 48.1m in FY 2020 (-26.4%)
- **FY 2021 guidance** between EUR 50.0 – 60.0m

Transaction fees | EUR m



Transaction volume (closed/signed) | EUR bn



<sup>1</sup> Source: PATRIZIA, RCA All Property

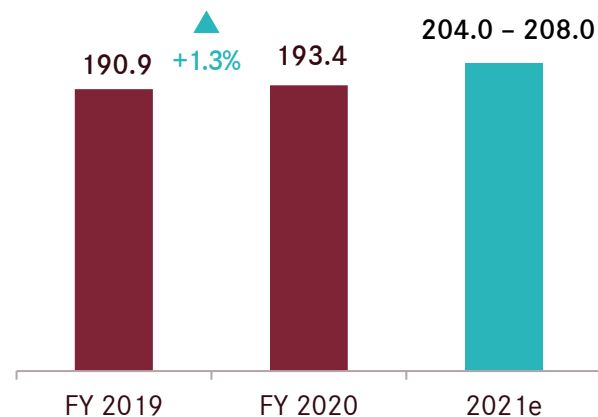
Note: All percentage rates in this presentation refer to the comparable period of the previous year, unless stated otherwise

## (2) We continue to grow

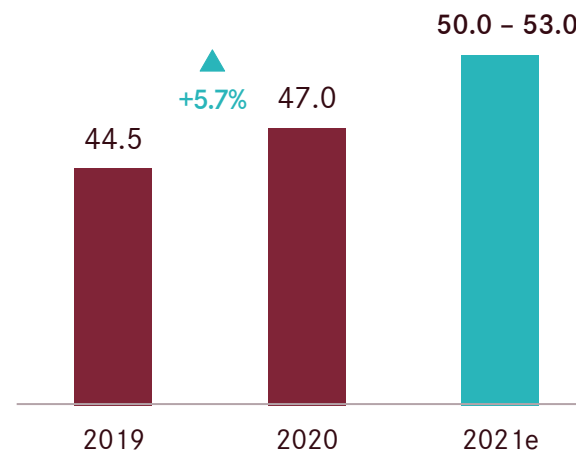
Increased AUM and recurring management fees, even during one of the worst economic environments

- **Management fees** of EUR 193.4m (+1.3% y-o-y) prove the stability and resilience of the business model; adjusted for aperiodic items in the previous year management fees increased by 3.4% y-o-y
- **FY 2021 guidance** between EUR 204.0 – 208.0m, i.e. 5.5% – 7.5% growth rate

Management fees | EUR m



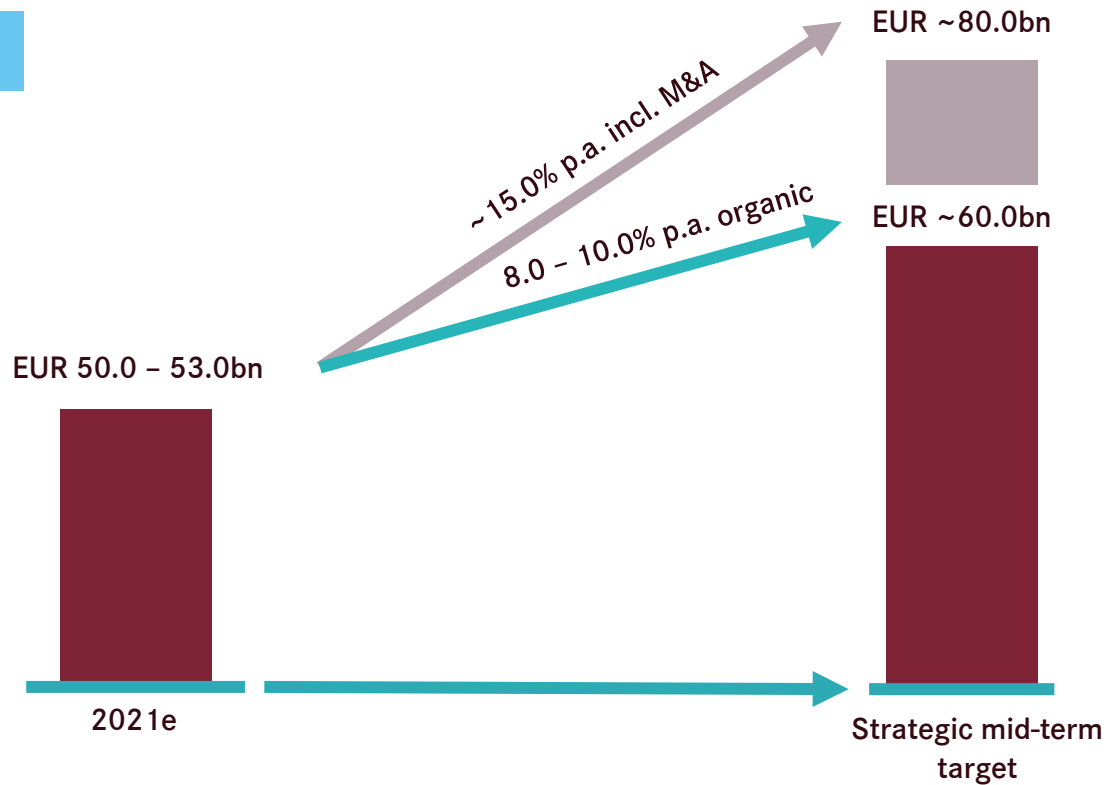
Assets under management | EUR bn



### (3) Deliver on mid-term strategy

Real asset investment management remains a structural growth market

Illustrative example



## (4) Our balance sheet is stronger than ever

We will continue to invest in our platform, in people and technology to offer our clients best in class products

- Strong balance sheet ratios and capital structure to facilitate further profitable growth
- **Performance fee claim on Dawonia<sup>3</sup>** of EUR 379.2m pre-tax provides good visibility on **overall** performance fee income and cash-flow generation over the next years
- **Operating income contribution** from performance fees over next five years depends on client preferences and disposal activity in funds

Strong balance sheet	
EUR m	31.12.2020
Total assets	1,962.1
Equity (excl. non-controlling interests)	1,237.2
<b>Equity ratio</b>	<b>63.1%</b>
Cash and cash equivalents	495.5
+ Deposits and securities	+180.8
- Bank loans	-43.2
- Bonded loans	-300.0
<b>= Net cash</b>	<b>333.1</b>
<b>Net equity ratio<sup>1</sup></b>	<b>76.4%</b>

Significant liquidity	
EUR m	31.12.2020
<b>Bank balances, cash, deposits and securities</b>	<b>676.3</b>
- Regulatory reserve for asset management companies	-31.3
- Transaction related liabilities and blocked cash	-0.0
- Liquidity in closed-end funds business property companies	-0.0
<b>= Available liquidity<sup>2</sup></b>	<b>645.0</b>

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

<sup>2</sup> In addition 2,668,545 PATRIZIA treasury shares (worth cEUR 70.0m as at 31.12.2020) which could be used as M&A currency (among other things)

<sup>3</sup> EUR 4.9bn residential portfolio PATRIZIA manages on behalf of clients

<sup>4</sup> EUR 309.0m after tax; see also page 14





# Financials & Guidance

**FY 2020**

# Highlights

Solid financial results despite challenging market environment - FY 2021 guidance implies continued growth

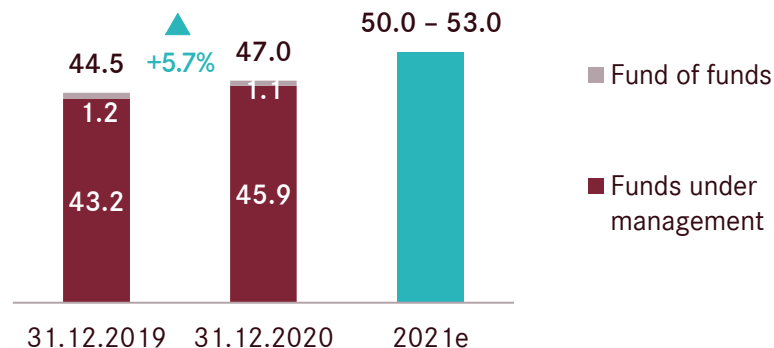
## FY 2020

- **Operating income** of EUR 116.5m in FY 2020, fully in line with the FY 2020 guidance
- **Assets under management (AUM)** increased by 5.7% to EUR 47.0bn compared to EUR 44.5bn at YE 2019 and confirms the resilience of investment strategies and the successful business expansion despite a challenging market environment
- **Rock-solid financial position:** Net equity ratio stable at 76.4% and net cash increased by 37.7% y-o-y to EUR 333.1m
- **Increased dividend proposal:** Management & Supervisory Board propose to pay-out a dividend of EUR 0.30 for FY 2020, i.e. an increase of 3.4% y-o-y and third consecutive dividend increase in a row

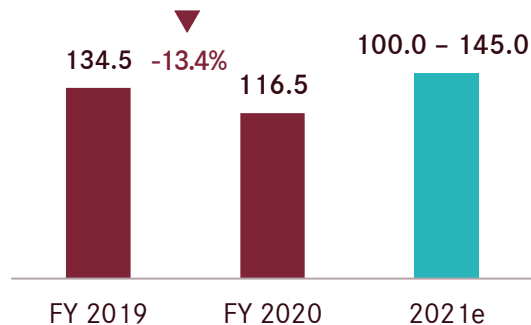
## Full-year guidance 2021

- **Operating income** in a range of EUR 100.0m to 145.0m implies further organic growth - up to 24.5% at upper end of guidance
- **Organic AUM growth** of EUR 3.0bn – 6.0bn to between EUR 50.0bn – 53.0bn by the end of 2021, i.e. on track for delivering on mid-term growth strategy

## Assets under management | EUR bn



## Operating income | EUR m



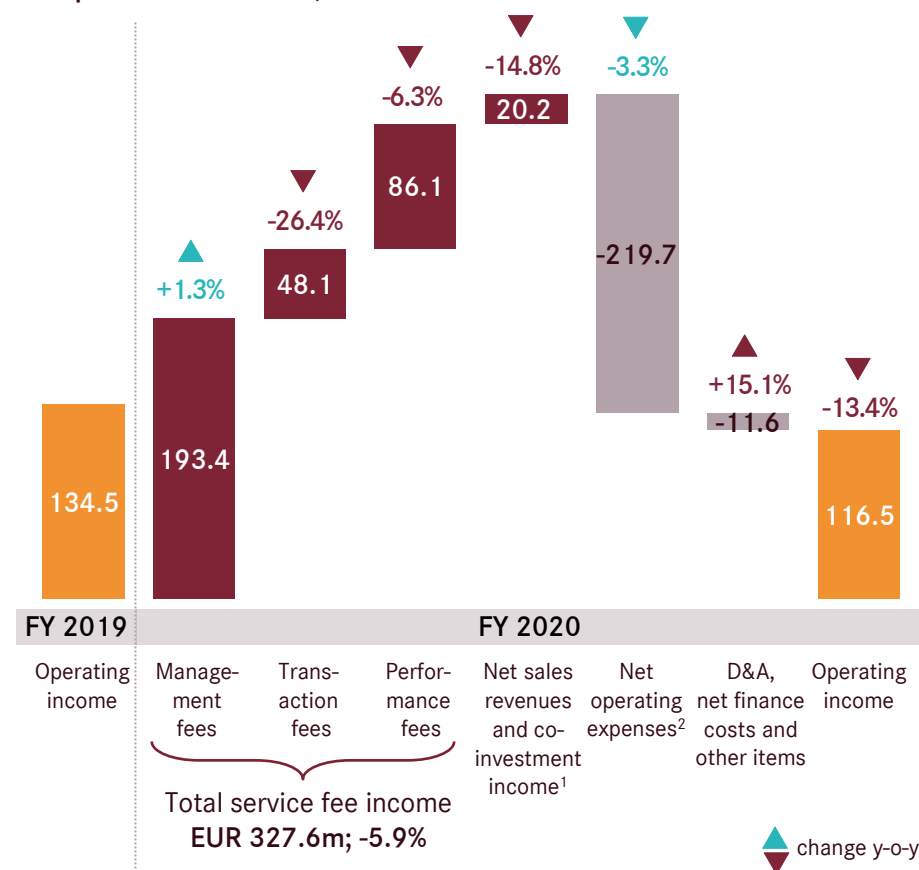
Note: All percentage rates in this presentation refer to the comparable period of the previous year, unless stated otherwise

# Operating income

## Solid financial results despite challenging market environment

- Solid operating income despite challenging market environment due to the Covid-19 pandemic
- **Total service fee income** of EUR 327.6m (-5.9%) driven by
  - **Management fees** of EUR 193.4m (+1.3%) prove the stability and resilience of the business model; adjusted for aperiodic items in the previous year management fees increased by 3.4% y-o-y
  - **Transaction fees** of EUR 48.1m (-26.4%); following Covid-19 lock-downs in Europe, transaction activity in the overall real estate market was down 27% y-o-y; PATRIZIA still signed EUR 5.4bn and closed EUR 6.9bn of transactions for its global client base
  - **Performance fees** of EUR 86.1m (-6.3%) remained a stable contributor
  - **Net sales revenues and co-investment income** of EUR 20.2m: co-investments contributed EUR 17.8m and principal investments contributed EUR 2.4m
  - **Net operating expenses<sup>2</sup>** of EUR 219.7m (-3.3%): investments in the future<sup>3</sup> of EUR 10.7m were excluded from net operating expenses in FY 2020 for the first time – PATRIZIA continues to invest in further platform growth and technology

Composition FY 2020 | EUR m



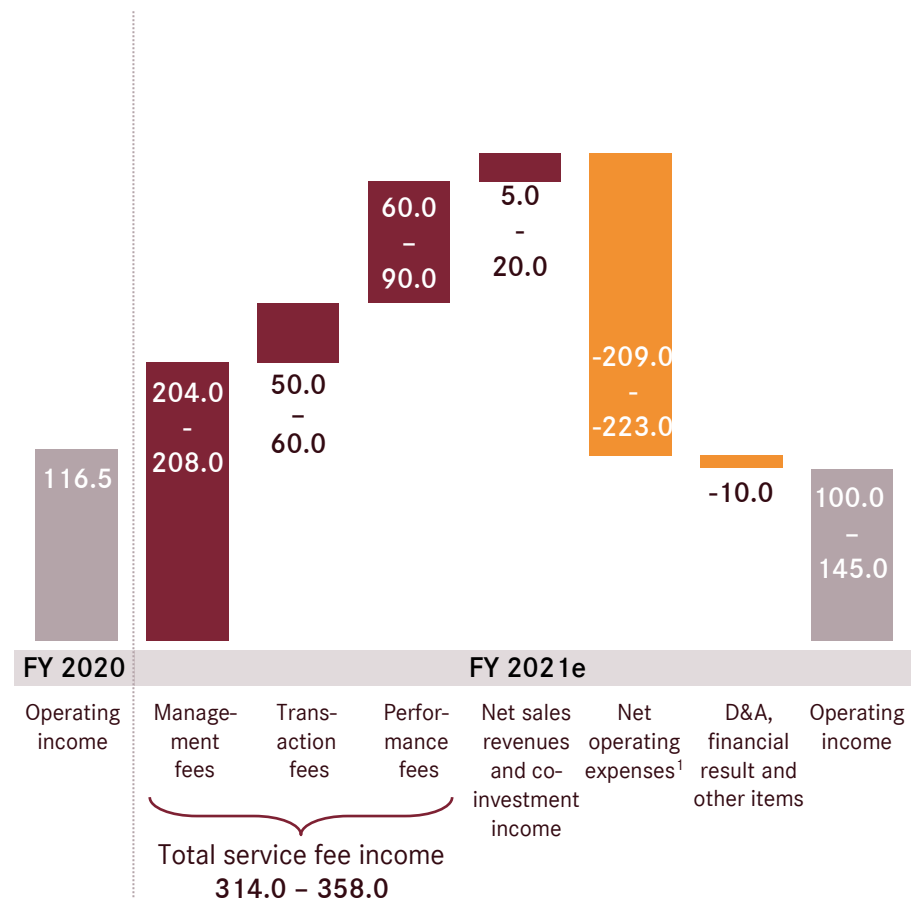
# Guidance for FY 2021

Profitable growth to continue – FY 2021 Guidance in line with mid-term strategy

## Assumptions for FY 2021

- Recurring **management fee** growth of 5.5% - 7.5% expected for FY 2021 driven by further organic AUM growth
- **Performance fees** in a range of EUR 60.0 – 90.0bn expected, explaining the wide operating income guidance range; will be specified during the course of the year
- **Operating income guidance** for FY 2021e of EUR 100.0 to 145.0m calls for further organic growth at midpoint of the guidance
- **Transaction volume:** EUR 6.0 – 9.0bn as PATRIZIA has a strong pipeline for 2021
- **Assets under management:** EUR 50.0 – 53.0bn

## Income composition FY 2021e | EUR m



<sup>1</sup> From 2020 onwards excluding non-capitalizable expenses for investments in the future



# Appendix

# Capital allocation

as at 31 December 2020

	Assets under Management EUR m	Invested capital (fair value) EUR m	Invested capital (at cost) EUR m	Participations in %
<b>Third-party business</b>	<b>40,905.2</b>	<b>0.0</b>		
<b>Co-Investments</b>	<b>6,087.3</b>	<b>510.5</b>	<b>87.1</b>	
<b>Residential</b>	<b>5,525.1</b>	<b>496.4</b>	<b>75.6</b>	
Dawonia GmbH	4,928.1	163.4 <sup>1</sup>	51.7	5.1
Dawonia performance fee claims		309.0 <sup>1</sup>	0.0	0.1
WohnModul I SICAV-FIS	597.0	23.9	23.9	10.1
Other		0.1	0.1	0.0
<b>Commercial Germany</b>	<b>559.9</b>	<b>11.7</b>	<b>8.6</b>	
Alliance	231.8	5.6 <sup>1</sup>	5.1	5.1
Seneca	159.1	3.6 <sup>1</sup>	1.8	5.1
PATRoffice		0.3 <sup>1</sup>	0.2	6.3
TRIUVA/IVG logistics	169.1	1.1 <sup>1</sup>	0.8	2.1
TRIUVA/IVG commercial		1.2 <sup>1</sup>	0.7	11.0
<b>Commercial International</b>	<b>2.3</b>	<b>2.4</b>	<b>2.8</b>	
Citruz Holding LP (UK)	2.3	0.0 <sup>1</sup>	0.4	10.0
First Street Development LTD (UK)		2.4	2.4	10.0
<b>Principal investments</b>	<b>15.9</b>	<b>16.5</b>		
<b>Other balance sheet items</b>		<b>365.2 <sup>2</sup></b>		
<b>Tied-up investment capital</b>	<b>47,008.5</b>	<b>892.2</b>		
Available liquidity		645.0		
<b>Total investment capital</b>	<b>47,008.5</b>	<b>1,537.2</b>		
of which debt (bonded loans)		300.0		
of which equity PATRIZIA (without non-controlling interests)		1,237.2		

<sup>1</sup> After deduction of deferred taxes from the valuation according to IFRS 9 | <sup>2</sup> Including goodwill and fund management contracts

# Reconciliation of operating income

## Reconciliation of operating income

EUR k	2020	2019	Change
<b>EBITDA</b>	<b>115,686</b>	<b>136,922</b>	<b>-15.5%</b>
Amortisation of other intangible assets <sup>1</sup> , software and rights of use, depreciation of property, plant and equipment as well as financial investments	-42,309	-55,562	-23.9%
<b>EBIT</b>	<b>73,377</b>	<b>81,360</b>	<b>-9.8%</b>
Finance income/expenses	-3,735	-4,015	-7.0%
Other financial result	0	300	-100.0%
Result from currency translation	-7,595	-234	>1,000.0%
<b>EBT</b>	<b>62,046</b>	<b>77,411</b>	<b>-19.8%</b>
Amortisation of fund management contracts and licenses as well as financial investments	25,848	40,242	-35.8%
Changes in value of investment property	-4	791	-100.4%
Realised changes in value of investment property (net)	0	3,972	-100.0%
Reorganisation result	0	7,961	-100.0%
Other financial result	0	-300	-100.0%
Non-cash currency effects	5,738	-459	< - 1,000.0%
Operating income from participations (IFRS 9)	12,102	4,905	146.7%
Investments in the future	10,721	0	/
<b>Operating income</b>	<b>116,453</b>	<b>134,523</b>	<b>-13.4%</b>

<sup>1</sup> In particular fund management contracts transferred as part of the recent acquisitions

# Consolidated income statement

EUR k	2020	2019
Revenues	301,693	398,703
Income from the sale of investment property	0	252
Changes in inventories	-2,242	-50,535
Other operating income	16,522	14,607
Income from the deconsolidation of subsidiaries	302	585
<b>Total operating performance</b>	<b>316,275</b>	<b>363,611</b>
Cost of materials	-3,568	-6,601
Cost of purchased services	-16,066	-28,036
Staff costs	-143,759	-131,769
Change in value of investment property	4	-791
Other operating expenses	-76,678	-84,718
Impairment result for trade receivables and contract assets	418	-429
Result from participations	31,624	32,891
Earnings from companies accounted for using the equity method	9,181	725
Cost from the deconsolidation of subsidiaries	-1,746	0
<b>EBITDAR</b>	<b>115,686</b>	<b>144,883</b>
Reorganisation Income	0	2,377
Reorganisation expenses	0	-10,339
<b>EBITDA</b>	<b>115,686</b>	<b>136,922</b>
Amortisation of other intangible assets, software and rights of use, depreciation of property, plant and equipment as well as financial investments	-42,309	-55,562
<b>Earnings before interest and taxes (EBIT)</b>	<b>73,377</b>	<b>81,360</b>
Financial income	2,971	2,096
Financial expenses	-6,707	-6,111
Other financial result	0	300
Result from currency translation	-7,595	-234
<b>Earnings before taxes (EBT)</b>	<b>62,046</b>	<b>77,411</b>
Income taxes	-21,369	-21,064
<b>Net profit for the period</b>	<b>40,678</b>	<b>56,347</b>



## Consolidated balance sheet | Assets

EUR k	31.12.2020	31.12.2019
<b>A. Non-current assets</b>		
Goodwill	212,353	210,292
Other intangible assets	106,137	131,895
Software	16,603	10,326
Rights of use	25,906	24,988
Investment property	1,838	1,835
Equipment	7,305	6,056
Associated companies accounted using the equity method	32,357	69,035
Participations	574,561	525,716
Non-current borrowings and other loans	34,927	28,276
Deferred taxes	21,031	17,305
<b>Total non-current assets</b>	<b>1,033,018</b>	<b>1,025,724</b>
<b>B. Current Assets</b>		
Inventories	14,647	113,208
Securities	11	1,011
Current tax assets	26,554	17,318
Current receivables and other current assets	392,399	380,735
Cash and cash equivalents	495,454	449,084
<b>Total current assets</b>	<b>929,065</b>	<b>961,356</b>
<b>Total assets</b>	<b>1,962,083</b>	<b>1,987,080</b>

## Consolidated balance sheet | Equity and liabilities

EUR k	31.12.2020	31.12.2019
<b>A. Equity</b>		
Share capital	89,683	91,060
Capital reserves	129,751	155,222
Retained earnings		
Legal reserves	505	505
Currency translation difference	-7,944	-4,818
Remeasurements of defined benefit plans according to IAS 19	-5,457	-3,459
Revaluation reserve according to IFRS 9	130,196	78,721
Consolidated unappropriated profit	900,507	889,160
Non-controlling interests	32,265	30,359
<b>Total equity</b>	<b>1,269,505</b>	<b>1,236,750</b>
<b>B. Liabilities</b>		
<b>NON-CURRENT LIABILITIES</b>		
Deferred tax liabilities	115,484	112,178
Retirement benefit obligations	29,579	27,564
Bonded loans	234,000	300,000
Non-current liabilities	22,340	25,094
Leasing liabilities	17,811	15,841
<b>Total non-current liabilities</b>	<b>419,214</b>	<b>480,677</b>
<b>CURRENT LIABILITIES</b>		
Short-term bank loans	43,200	93,194
Short-term bonded loans	66,000	0
Other provisions	9,109	9,254
Current liabilities	105,858	101,186
Short-term leasing liabilities	8,387	9,328
Tax liabilities	40,809	56,692
<b>Total current liabilities</b>	<b>273,363</b>	<b>269,653</b>
<b>Total equity and liabilities</b>	<b>1,962,083</b>	<b>1,987,080</b>

# Financial calendar

2021

---

March 18 ➤ Annual Report 2020

---

May 12 ➤ Quarterly Statement for the first quarter of 2021

---

June 23 ➤ Annual General Meeting, virtual

---

August 5 ➤ Interim Report for the first half of 2021

---

November 11 ➤ Quarterly Statement for the first nine months of 2021

---

Invitations and dial-in numbers are provided in advance.

For further information, please visit: [www.patrizia.ag](http://www.patrizia.ag).

# Contact



**KARIM BOHN**  
Member of the  
Management Board | CFO

PATRIZIA AG  
Fuggerstrasse 26  
86150 Augsburg  
Germany



**MARTIN PRAUM**  
Senior Managing Director  
Head of Investor Relations

T +49 821 50910-402  
F +49 821 50910-399  
M +49 151 19685445  
[investor.relations@patrizia.ag](mailto:investor.relations@patrizia.ag)



**VERENA SCHOPP DE ALVARENGA**  
Senior Associate | Investor Relations

T +49 821 50910-403  
F +49 821 50910-399  
M +49 151 58339292  
[investor.relations@patrizia.ag](mailto:investor.relations@patrizia.ag)



**MAXIMILIAN GERBER**  
Associate | Investor Relations

T +49 821 50910-351  
F +49 821 50910-399  
M +49 151 24506188  
[investor.relations@patrizia.ag](mailto:investor.relations@patrizia.ag)

## Disclaimer

The information contained herein is directed only at professional clients and intended solely for use by the recipient. No part of this document or the information herein may be distributed, copied or reproduced in any manner, in whole or in part, without our prior written consent. This document is for information and illustrative purposes only. It does not constitute advice, a recommendation or a solicitation of an offer to buy or sell shares or other interests, financial instruments or the underlying assets, nor does this document contain any commitment by PATRIZIA AG or any of its affiliates. Whilst prepared in good faith, the information contained in this document does not purport to be comprehensive. PATRIZIA AG and its affiliates provide no warranty or guarantee in relation to the information provided herein and accept no liability for any loss or damage of any kind whatsoever relating to this material. The information herein is subject to change without notice.

This document contains specific forward-looking statements that relate in particular to the business development of PATRIZIA AG and the general economic and regulatory environment and other factors to which PATRIZIA AG is exposed to. These forward-looking statements are based on current estimates and assumptions by the Company made in good faith, and are subject to various risks and uncertainties that could render a forward-looking estimate or statement inaccurate or cause actual results to differ from the results currently expected. PATRIZIA AG does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of this publication. Due to commercial rounding of figures and percentages small deviations may occur.

18 March 2021, PATRIZIA AG