

Investor Relations release

PATRIZIA – The global provider of European real estate investments

PATRIZIA delivers excellent performance across a stronger pan-European platform in 2017

- ♦ 14% YOY increase in operating income to EUR 82m
- ♦ Operating income in the range of EUR 85-100m expected for 2018, growth of up to 22%
- ♦ Dividend of EUR 0.25 per share or equivalent in shares to be paid to shareholders

Augsburg, 15 March 2018. PATRIZIA Immobilien AG announces that it exceeded its earnings forecast for 2017, delivering double-digit growth in operating income, assets under management (AUM) and transaction volumes in a year which featured further focus on growing and broadening its pan-European platform for the benefit of PATRIZIA's institutional and private investors.

Superior returns achieved for investors resulted in attractive performance fees while the strong and diversified pan-European platform drove growth in stable asset management fees. Both contributed to the increase in operating income of 14% to EUR 82m from the adjusted 2016 level of EUR 72m. AUM, including PATRIZIA Multi Managers – formerly Sparinvest Property Investors – grew 18% to EUR 21.9bn at year end 2017, a higher than expected increase of EUR 3.3bn, EUR 2.2bn organically, over the reporting period. Transaction volumes rose 17% year-on-year to EUR 6.0bn.

Wolfgang Egger, CEO of PATRIZIA Immobilien AG, commented: “Our excellent results underline the outstanding year PATRIZIA had in 2017 and demonstrate our strength as a partner for clients. We have a unique opportunity to lead in our industry based on our market presence in Europe and build even deeper relationships with a more diversified client base. We will further strengthen our pan-European offering for a global investor base that is looking for stability, diversification, choice and best-in class services. And we will continue to broaden our product offering across markets, sectors, investment styles and risk profiles.”

PATRIZIA raised and successfully deployed EUR 2.2bn equity on behalf of institutional and private clients in 2017 – balanced across German and international investors – meaning that, since 2012, PATRIZIA has invested more than EUR 10bn equity from institutional clients. Over the same period, the Group has executed transactions worth around EUR 30bn. In total, PATRIZIA secured EUR 3.5bn of acquisitions in 2017, an increase of 9% on the prior year (2016: EUR 3.2bn) and EUR 2.5bn of sales which is up by 32% (2016: EUR 1.9bn). PATRIZIA was active across Europe with acquisitions completed in key markets, including Germany, the UK, Ireland, the Nordics and the Netherlands. All of this transaction activity generated excellent performance for clients.

The fourth quarter of 2017 was notable for the announced acquisitions of Rockspring, TRIUVA and PATRIZIA Multi Managers, increasing PATRIZIA's pro forma AUM to approximately EUR 39bn once all transactions complete. These acquisitions significantly strengthen PATRIZIA's market presence in Europe enabling the Group to provide clients better access to European markets and an even broader product range across sectors, investment styles and risk classes.

In short, PATRIZIA over-delivered on organic and inorganic growth in 2017. Based on the expected continued organic growth, and including the earnings contribution from the acquired companies, PATRIZIA expects to increase operating income in 2018 by up to 22% to EUR 85-100m.

Following the successful year 2017, the Managing Board and Supervisory Board of PATRIZIA have decided to propose, for the first time since 2007, to pay shareholders a dividend of EUR 0.25 per share. The dividend would correspond to a distribution ratio of 42% based on the EUR 55m Group

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net profit 2017 attributable to the shareholders, who will be given the option of receiving the dividend payment in cash or in the form of shares in PATRIZIA Immobilien AG.

PATRIZIA Immobilien AG:

PATRIZIA Immobilien AG has been active as an investment manager in the real estate market across Europe 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 a global provider of real estate investments in Europe, PATRIZIA operates as a respected business partner of large institutional investors and retail investors in all major European countries. On completing the takeovers of recently acquired real estate investment management companies PATRIZIA will manage almost EUR 40 billion of real estate assets, 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.

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