

PATRIZIA 9M 2021 financial results: Strong growth in business activity and continued improvement in earnings quality

- Transaction volume signed for global clients increased 40.0% y-o-y to EUR 3.7bn
- Equity raised for international investments in real assets increased 58.5% y-o-y to EUR 2.1bn
- Operating income of EUR 90.8m in 9M 2021 driven by solid growth in management and transaction fees
- FY 2021 operating income guidance range narrowed to EUR 115.0 – 135.0m, implying over 7% growth y-o-y at mid-point of range

Augsburg, 10 November 2021. PATRIZIA AG, a leading partner for global real assets, generated strong growth in its business activity in the first nine months of 2021, despite the ongoing economic challenges posed by the global Covid-19 pandemic.

During 9M 2021 PATRIZIA signed transactions of EUR 3.7bn on behalf of its global clients, an increase of 40.0% compared to the same period last year. PATRIZIA also raised EUR 2.1bn of equity for investments in European and Global real asset investment strategies. Assets under management (AUM) increased further from EUR 47.0bn at year-end 2020 to EUR 48.7bn as at 30 September 2021.

PATRIZIA's operating income was largely driven by continued growth in management fees, which increased 6.8% y-o-y to EUR 154.8m. Transaction fees came in at EUR 34.0m, equivalent to 16.9% y-o-y growth. Performance fees, which contributed EUR 70.2m in 9M 2021 came in 5.3% below last year's strong 9M period. All three revenue streams taken together result in total service fee income of EUR 258.9m, an increase of 4.3% compared to last year's levels while showing further improved quality of revenues.

Operating income of EUR 90.8m in 9M 2021 compares to EUR 100.2m in 9M 2020. The y-o-y decline was mainly driven by net operating expenses which were positively impacted by other operating income last year (EUR 11.5m) compared to a much lower positive impact this year (EUR 3.7m). In addition, net sales revenues and co-investment income was higher in the comparable period last year. The quality of earnings hence increased further in 9M 2021 with solid growth in recurring management and transaction fees.

PATRIZIA continues to expect increased business activity during Q4 2021 with further fee generation especially in management and transaction fees. The FY 2021 guidance range for operating income was narrowed to EUR 115.0 – 135.0m (from EUR 100.0 – 145.0m before), which at mid-point implies y-o-y growth in operating income of 7.3%.

Karim Bohn, PATRIZIA's CFO, explained: "This year has in many ways continued to be a challenging environment for the world economy due to the ongoing Covid-19 pandemic. In spite of that, our 9M 2021 financial results underscore that we have successfully navigated these uncertainties to deliver strong, stable and continued growth performance. It is especially pleasing to see solid growth in AUM and management fees, but even stronger growth momentum in the transactions we signed and the equity we raised. This gives us confidence that we will see an acceleration in business activity for the remainder of the year."

Thomas Wels, PATRIZIA's Co-CEO, added: "We have not only generated strong growth in business activity in the last few months, but more importantly we have delivered on our strategic growth agenda both organically and through M&A. In terms of our product shelf expansion, our recent launch of the PATRIZIA Global Real Estate Debt fund is just one example of how our global clients are

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benefitting from a more diverse product range. Meanwhile, our acquisition of Whitehelm Capital is a major strategic step into a broad infrastructure product offering. This transformational milestone improves our quality of earnings and accelerates the execution of our sustainability strategy. And most recently, our shareholders voted for an experienced, diverse and tech-savvy Supervisory Board, which will accelerate our digital transformation and help us become a tech leader in the real asset investment management industry, all in the service of our clients.”

Results & Guidance 9M 2021

EUR m	9M 2021	9M 2020	Change	Guidance range 2021	
				min	max
Management fees	154.8	145.0	6.8%	208.0	210.0
Transaction fees	34.0	29.1	16.9%	45.0	55.0
Performance fees	70.2	74.1	-5.3%	80.0	90.0
Total service fee income	258.9	248.1	4.3%	333.0	355.0
Net sales revenues and co-investment income ¹	7.5	14.4	-47.8%	7.0	15.0
Net operating expenses ¹	-165.5	-153.7	7.7%	-215.0	-225.0
Depreciation and amortisation, net finance costs and other items	-10.1	-8.7	17.1%	-10.0	-10.0
Operating income	90.8	100.2	-9.4%	115.0	135.0

¹ From 2020 onwards excluding non-capitalisable expenses for investments in the future

EUR bn	30.09.2021	31.12.2020	Change	Guidance range 2021	
				min	max
Assets under management	48.7	47.0	3.6%	50.0	53.0

EUR bn	9M 2021	9M 2020	Change	Guidance range 2021	
				min	max
Equity raised	2.1	1.3	58.5%		
Transaction volume - signed	3.7	2.6	40.0%	6.0	9.0
Transaction volume - closed	3.3	4.9	-32.5%		

PATRIZIA: A leading partner for global real assets

As a company with operations around the world, PATRIZIA has been offering investment opportunities in real estate and infrastructure assets for institutional, semi-professional and private investors for 37 years. PATRIZIA manages more than EUR 48 billion in assets and employs over 800 professionals at 24 locations worldwide. Through its PATRIZIA Foundation, the company is committed to social responsibility. The Foundation has helped around 250,000 children in need worldwide gain access to education and thus, has given them the chance of a better life over the last 21 years. You can find further information at www.patrizia.ag

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