

## CTP NV Beats Targets as Profit Year to Date 2021 Jumps 92% year-on-year

**AMSTERDAM**, 17 November 2021 - CTP NV (CTPNV.AS), ('CTP' / 'the Company') the EU's leading listed developer and owner of logistics real estate by gross lettable area ('GLA'), reported a 92% rise in profit for the first nine months 2021 to €317.8 million, compared with €165.8 million for the same period of 2020. The Company's strong performance was driven by solid ongoing leasing take up, rental growth and record development valuations from accelerating yield compression in CTP's core Central and Eastern European ('CEE') portfolio. The robust financial results are manifested in adjusted EPRA earnings per share year-to-date increasing to €0.38 in 2021 as compared with €0.29 for the same period in 2020. The Company has also invested significantly this year in boosting its talent base, attracting new people into senior management roles in country teams and across group functions.

### Key Financial Highlights

	YTD to 30 Sept 2021	YTD to 30 Sept 2020	% Increase	3 months to 30 Sept 2021	3 months to 30 Sept 2020	% Increase
Net rental income	239.9 m	€203.9 m	18%	€79.6 m	€66.8 m	19%
Net valuation result on investment property <sup>1</sup>	265.2 m	€ 88.5 m	200%	€119.6 m	€46.7 m	156%
Profit for the period	€317.8 m	€165.8 m	92%	€129.5 m	60.5 m	114%
Company specific adjusted EPRA earnings per share	€0.38	€0.29	31%	€0.13	€0.06	117%
Investment portfolio	€ 6,127.0 m	€ 5,074.4 m	21%			
Investment property under development	€ 892.9 m	€ 522.4 m	71%			
EPRA net tangible assets per share	€ 9.88	€ 8.07	22%			
Yield-on-Cost	11.1%	n/a				
LTV	43.7%					

CTP's growth is gathering speed:

- GLA expanded to 7.1 million m<sup>2</sup> in Q3, 2021 from 6.6 million m<sup>2</sup> at H1 2021, leaving the portfolio on track to grow beyond 7.7 million m<sup>2</sup> this year, 200,000 m<sup>2</sup> more than anticipated
- Landbank grew by 1.6 million m<sup>2</sup> to 16.3 million m<sup>2</sup> at the end of Q3 2021
- Annualised rental income rose 7.1% to €407 million in Q3, 2021 from €380 million at the end of Q2 2021
- GLA market share increased to 25.4% in Q3, 2021 in core markets (30 June 2021: 24.9%)
- The proposed takeover of Germany's Deutsche Industrie REIT-AG, announced in October, will add 1.6 million m<sup>2</sup> GLA and €59 million of rental income<sup>2</sup>, with earnings becoming accretive upon completion of the acquisition in H1 2022

**Remon Vos, CEO said:** "CTP's high-velocity operational performance continued apace during the third quarter, further propelled by strengthening logistics market fundamentals. This is clearly visible in the strong Q3 financial results. Since listing on Amsterdam Euronext in March, we are positioned to materially exceed one of our key IPO business plan targets and now expect to hit 10 million m<sup>2</sup> GLA by next year – 12 months earlier than originally planned. We invested in recruiting new people across the organisation, thereby improving the strength and depth of our team. This complements the expanded landbank, ramped-up development programme and bigger investment portfolio, where we have strategically acquired 408,000 m<sup>2</sup> of logistics properties across five countries this year. Yield-on-cost remained above our 10% target at 11.1%, which none of our major competitors come close to matching. CTP is powering ahead, and I believe the best is yet to come."

<sup>1</sup> No revaluation took place on CTP's income-producing portfolio during H1

<sup>2</sup> Annual rental income pro forma September 30, 2021 estimated per H1 2021 numbers

**Richard Wilkinson, CFO added:** *“The highlight for 2022 for CTP is clearly going to be the integration of Deutsche Industrie REIT-AG into our portfolio and operations after the €800 million takeover announced in October. CTP’s entry into the German market is being constructed on a portfolio that is ripe with value-add asset management and development potential. It brings strategic value and is being acquired at a price much lower than replacement cost, which will give us instant scale in Germany and provide a solid bridgehead between our core CEE markets and new opportunities across Western Europe.”*

CTP continued to execute its strategy of building on the solid foundation that its investment portfolio provides and is delivering resilient income and sustainable value through its developments.

#### **Proactively optimising the performance of one of Europe’s largest logistics real estate portfolios**

The Company’s market leading portfolio increased to 7.1 million m<sup>2</sup> GLA (30 June 2021: 6.6 million m<sup>2</sup>) in Q3 as a result of development completions and strategic acquisitions. This expansion, together with continuing lease activity, resulted in the annualised rental income rising to €407 million (H1 2021: €380 million). Occupancy remained high and stable at 95% during Q3 2021, the same level as during the second quarter of this year. The portfolio continues to maintain an attractive income duration of 6.44 years (Q2 2021: 6.46 years) and rent collection remained high at 98%. CTP’s market share in its core CEE markets was 25.4% at the end of Q3 as compared to 24.9% in H1, measured by its share of total market GLA in Czech Republic, Romania, Hungary, and Slovakia.<sup>3</sup>

Active management undertaken in CTP’s CEE core markets achieved 383,000 m<sup>2</sup> of space let in the period, including 5,700m<sup>2</sup> to Lidl, 24,000 m<sup>2</sup> to DHL (for Adidas), and the delivery of 75,000m<sup>2</sup> to Maersk, operating the facilities for a leading Swedish home furnishing retailer. The Company’s strong and long-standing occupier relationships underpin retention and repeat business with leasing activity.

Absolute rental growth, especially in the Czech Republic, is now starting to catch up with Western European markets and higher rents are being achieved on new leases and lease renewals in response to growing demand and constrained supply. Recent CTP lease agreements in the Czech Republic show rents up to 10% higher than recorded at the beginning of 2021.

#### **Delivering de-risked profitable development and expanding land bank to secure growth**

CTP completed 161,000 m<sup>2</sup> of sustainable developments in Q3, increasing year-to-date completions to 366,000 m<sup>2</sup>, of which more than 95% are let. The balance of the programme, representing some 527,000 m<sup>2</sup> of GLA, was 79% pre-let at the end of Q3 (H1 2021: 71%). The Company is on target to complete 893,000 m<sup>2</sup> of developments during 2021 and expects to build more than one million m<sup>2</sup> GLA in 2022. Yield-on-cost was strong at 11.1% (from 11.8% in the first half 2021), despite continued cost inflation and shortages of construction materials.

Some commercial highlights include:

- Czech Republic: the completion a state of the art 68,000 m<sup>2</sup> let to Loxxess for the e-commerce activities of a leading drugstore retailer.
- Slovakia: 95,000 m<sup>2</sup> is under construction.
- Romania: the Company finished an 85,000 m<sup>2</sup> mono-block building, handing it over to Kingfisher PLC on-time and on-budget.
- Hungary: CTP Park Vescs (where construction started in the first quarter of 2021) is now fully pre-let and 83,000m<sup>2</sup> will be handed over in Q1 2022 to various tenants including JV Europe, the Korean logistics company.
- CTP’s top 10 parks: grew 6% YtD to 3.3 million m<sup>2</sup> GLA with a further 1.7 million m<sup>2</sup> landbank adjacent.

<sup>3</sup> Source: CBRE

In CTP's expansion markets a total of 125.000 m<sup>2</sup> of developments are underway in Poland and Serbia. In Austria it is seeking building permits for three sites totalling 360,000 m<sup>2</sup> outside Vienna.

At 30 September 2021, CTP had assembled a 16.3 million m<sup>2</sup> landbank across all its markets, which offers development potential to more than double the current GLA of seven million m<sup>2</sup>, leaving the Company well positioned to continue to meet ongoing occupier demand. This demand is underpinned by structural tailwinds, such as the growth of ecommerce, digitalisation and near- and on-shoring. The company invested €108 million in its landbank, focused particularly on expansion markets. Notable acquisitions included 360,000 m<sup>2</sup> of land adjacent to Schiphol Airport in the Netherlands; 99,000 m<sup>2</sup> of land in Austria, two sites in Warsaw totalling 380.000 m<sup>2</sup> and one plot of 180.000 m<sup>2</sup> close to Poland's western border with Germany.

#### **Selectively acquiring strategically important accretive income producing assets**

CTP invests in assets where it sees a strategic imperative to do so. This will either be in response to a customer requirement, adjacent to existing CTP properties, or to provide the Company with a foothold into a new country. CTP purchased nine investments for a total of €304 million across five countries in the first nine months of 2021. These acquisitions have added scale to the business in Romania, Hungary, and the Netherlands. The strength of the Company's reputation and network enabled it to make most of these acquisitions off-market. The assets are accretive to the Company's existing investment property portfolio with an average yield of 7.7%, compared to CTP's portfolio yield of 6.9% (at 31 December 2020).

#### **Strengthened balance sheet to support growth ambitions**

In the third Quarter, CTP further improved its capital management and liquidity position by issuing a dual tranche green bond raising €1.0 billion. Aimed at pre-funding CTP's 2022 development pipeline, the bonds were circa three times over-subscribed with interest from around the world from ESG-focused investors. One of the €500 million tranches was placed with a 5-year maturity, with the other carrying a 10-year term. Related to this, CTP successfully tendered €150 million of its debut October 2025 bond with a view to lowering its cost of debt whilst maintaining adequate liquidity by limiting the tender to reach a €500 million benchmark size for the balance outstanding.

Following CTP's completed capital management and liquidity initiatives in Q3 2021:

- Cost-of-debt stands at 1.19%, the lowest amongst its listed peers, evidencing large support from institutional bond investors for CTP's credit risk profile and business model.
- The average maturity of debt extended to 6.3 years (30 June 202: 5.3 years).
- Cash and available liquidity stand at €1.8 billion, including an undrawn revolving credit facility of €400 million.

#### **Positive outlook remains**

Market conditions remain favourable, with rental growth and yield compression accelerating in all of CTP's core CEE markets, which will impact positively on the portfolio's full year valuation, the first to take place since listing in March this year. Company specific adjusted EPRA EPS for the full year 2021 is reaffirmed to be circa €0.50. The Company's portfolio of prime, highly sustainable assets is set to continue to benefit from the fundamental shifts occurring within the logistics and distribution real estate markets as well as the Company's approach to portfolio optimisation. It has a substantial development pipeline and landbank. All of which, when combined with the Company's high-quality loyal customer base and its expanding talented and dedicated team, leave CTP well-positioned execute on its clearly defined strategy and to successfully and deliver attractive, sustainable returns for all stakeholders.

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## Enquiries

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For press images: Please visit the press section on our website.

CTP will be hosting a live video conference at 08:00 (GMT) / 09:00 (CET) to register please follow this link [CTP Video Conference](#)

Alternatively dial in details are as follows:

United Kingdom 0800 640 6441

United Kingdom (Local) 020 3936 2999

All other locations +44 203 936 2999

Participant access code is 801266. You will be greeted by an operator who will register their details.

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## About CTP

CTP is the largest listed logistics real estate company by GLA in the EU, the biggest industrial property developer and developer in CEE markets and among the top five by area overall in Europe with over 6.6 million m<sup>2</sup> of owned logistics space and operations in nine countries. With its entire portfolio BREEAM certified, CTP ranks as the most sustainable developer in CEE region and is on track to reach net carbon neutrality over 2021. Since the end of March 2021, CTP is listed on the Euronext Amsterdam stock exchange.

## Forward looking disclaimer

*This announcement contains certain forward-looking statements with respect to the financial condition, results of operations and business of CTP. These forward-looking statements may be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "projects", "anticipates", "expects", "intends", "targets", "may", "aims", "likely", "would", "could", "can have", "will" or "should" or, in each case, their negative or other variations or comparable terminology. Forward-looking statements may and often do differ materially from actual results. As a result, undue influence should not be placed on any forward-looking statement.*

*This press release contains inside information as defined in article 7(1) of Regulation (EU) 596/2014 of 16 April 2014 (the Market Abuse Regulation).*

**CTP N.V. - Consolidated statement of profit and loss and other comprehensive income**  
**January - September 2021 (Unaudited)**

<i>In EUR thousand</i>	<b>Q3/2021</b>	<b>Q3/2020</b>
Rental income	245,712	210,299
Service charge income	22,597	18,093
Property operating expenses	(28,440)	(24,509)
<b>Net rental income</b>	<b>239,869</b>	<b>203,883</b>
Hotel operating revenue	5,838	4,239
Hotel operating expenses	(5,693)	(4,508)
<b>Net operating income from hotel operations</b>	<b>145</b>	<b>(269)</b>
Income from development activities	24,866	45,883
Expenses from development activities	(17,991)	(21,613)
<b>Net income from development activities</b>	<b>6,875</b>	<b>24,270</b>
<b>Total revenues</b>	<b>299,013</b>	<b>278,514</b>
<b>Total attributable external expenses</b>	<b>(52,124)</b>	<b>(50,630)</b>
	<b>246,889</b>	<b>227,884</b>
<b>Net valuation result on investment property</b>	<b>265,232</b>	<b>88,526</b>
Other income	7,338	6,563
Amortization and depreciation	(6,371)	(7,840)
Employee benefits	(22,616)	(13,487)
Impairment of financial assets	(254)	380
Other expenses	(14,291)	(20,859)
<b>Net other income/expenses</b>	<b>(36,194)</b>	<b>(35,243)</b>
<b>Profit/loss before finance costs</b>	<b>475,927</b>	<b>281,167</b>
Interest income	1,468	525
Interest expense	(55,890)	(57,927)
Other financial expense	(33,390)	(5,709)
Other financial gains/losses	5,961	(5,815)
<b>Net finance costs</b>	<b>(81,851)</b>	<b>(68,926)</b>
<b>Profit/loss before income tax</b>	<b>394,076</b>	<b>212,241</b>
Income tax expense	(76,296)	(46,479)
<b>Profit for the period</b>	<b>317,780</b>	<b>165,762</b>
<b>Other comprehensive income</b>		
<b>Items that will never be reclassified to profit and loss</b>		
Revaluation of PPE net of tax	2,090	-6,426
<b>Items that are or may be reclassified to profit and loss</b>		
Foreign currency translation differences net of tax	-28	11,109
<b>Total other comprehensive income</b>	<b>2,062</b>	<b>4,683</b>
<b>Total comprehensive income for the year</b>	<b>319,842</b>	<b>170,445</b>
<b>Profit attributable to:</b>		
Non-controlling interests	-	108
Equity holders of the Company	<b>317,780</b>	<b>165,654</b>
<b>Total comprehensive income attributable to:</b>		
Non-controlling interests	-	108
Equity holders of the Company	<b>319,842</b>	<b>170,337</b>
<b>Earnings per share</b>		
Basic earnings per share	<b>0.84</b>	<b>0.49</b>
Diluted earnings per share	<b>0.84</b>	<b>0.49</b>

**CTP N.V. - Consolidated statement of financial position as at 30 September 2021  
(Unaudited)**

<i>In EUR thousand</i>	<b>30 September 2021</b>	<b>31 December 2020</b>
<b>Assets</b>		
Investment property	6,126,950	5,386,230
Investment property under development	892,897	387,347
Property, plant and equipment	101,606	98,884
Intangible assets	2,276	2,418
Trade and other receivables	30,567	11,796
Derivative financial instruments	-	-
Financial investments	704	521
Long-term receivables from related parties	54,782	42,046
Deferred tax assets	23,113	14,422
<b>Total non-current assets</b>	<b>7,232,895</b>	<b>5,943,664</b>
Trade and other receivables	97,383	67,941
Short-term receivables due from related parties	28	45
Derivative financial instruments	-	-
Contract assets	2,854	12,878
Current income tax receivable	3,216	2,692
Assets held for sale	-	-
Cash and cash equivalents	1,389,664	419,141
<b>Total current assets</b>	<b>1,493,145</b>	<b>502,697</b>
<b>Total Assets</b>	<b>8,726,040</b>	<b>6,446,361</b>
Issued capital	64,063	53,760
Translation reserve	14,430	14,458
Share premium	2,729,410	1,858,460
Retained earnings	257,403	72,744
Revaluation reserve	13,752	11,662
Net result for the year	317,780	252,118
<b>Total equity attributable to owners of the Company</b>	<b>3,396,838</b>	<b>2,263,202</b>
<b>Non-controlling Interest</b>	<b>-</b>	<b>1,031</b>
<b>Total equity</b>	<b>3,396,838</b>	<b>2,264,233</b>
<b>Liabilities</b>		
Interest-bearing loans and borrowings from financial institutions	1,037,730	2,191,999
Bonds issued	3,385,291	1,041,971
Trade and other payables	46,326	23,385
Long-term payables to related parties	119	34,544
Derivative financial instruments	205	27,196
Provisions	-	-
Deferred tax liabilities	572,953	504,779
<b>Total non-current liabilities</b>	<b>5,042,624</b>	<b>3,823,874</b>
Interest-bearing loans and borrowings from financial institutions	81,387	160,288
Bonds issued	-	-
Trade and other payables	192,995	169,006
Short-term payables to related parties	-	2,627
Derivative financial instruments	68	6,870
Current income tax payables	12,128	19,463
Liabilities associated with assets held for sale	-	-
Provisions	-	-
<b>Total current liabilities</b>	<b>286,578</b>	<b>358,254</b>
<b>Total liabilities</b>	<b>5,329,202</b>	<b>4,182,128</b>
<b>Total equity and liabilities</b>	<b>8,726,040</b>	<b>6,446,361</b>