

Aroundtown SA (IRSH)

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**AROUNDTOWN ANNOUNCES H1 2018 RESULTS
WITH INCREASED PROFITABILITY AND CONTINUED GROWTH**

- **Net rental income** of **EUR291 million**, increased **43%** from EUR204 million in H1 2017
- **Adjusted EBITDA** up **44%** to **EUR280 million**
- **FFO I** growth of **46%** to **EUR189 million** from EUR130 million
- **FFO I per share** increased to **EUR0.19** (6% YOY) **EUR0.38** on annualized basis
- FFO I per share after perpetual notes attribution of EUR0.17 (6% increase YOY)
- **Net profit** amounted to **EUR970 million**, representing YOY growth of **25%** **Successful growth** with over EUR1.4bn of acquisitions of mainly office and hotel
- **Fully diluted EPS** up to **EUR0.82** (11% YOY)
- **EPRA NAV** up by **22%** to **EUR7.9 billion** and **EUR7.2 per share**, up **14%** adjusted for dividends (11% net of dividend paid)
- **EPRA NAV incl. perpetual notes** growth of **24%** to **EUR9.5 billion** from EUR7.7 billion; **EUR8.6 per share**
- **Equity** growth of **18%** to **EUR8.5 billion** and EUR8.8 billion assuming conversion of convertible bonds.
- **Investment property** grew **21%** to **EUR11.9 billion**, from EUR9.8 billion year-end 2017
- **LTV** maintained low at **37%** and **35%** assuming conversion of deep-in-the-money convertible bonds
- Solid credit profile and conservative financing structure sustained with **ICR** of **4.7x**, low **cost of debt** of **1.7%**, long average **debt maturity** of **7.4** years and high **unencumbered ratio** of **71%** (**EUR8.5 billion**)
- Robust organic growth is reflected in solid **net rental income like-for-like** gains of **4.6%**, 2.5% from in-place rent growth and 2.1% from occupancy increase

29 August 2018.

Higher profitability as a result of strong operational performance

Aroundtown (the '**Company**' or '**AT**') announces its H1 2018 with higher profitability from high internal growth, reflected in a 4.6% growth on a like-for-like basis from rent and occupancy increases, and high asset quality resulting in a profit growth of 25% to nearly EUR1 billion in the first six months of 2018. The high scale of operational growth is further demonstrated by an increase in FFO I of 46% YOY. H1 2018 annualized FFO I of EUR379 million and EUR0.38 per share reflects an FFO I yield of 5% and dividend yield of 3.3%, which illustrates AT's robust performance results in continuous growth on a per share basis. Higher shareholder value generation is also evident in the EPRA NAV per share growth to EUR7.2 per share +14% since Dec 2017 adjusted for dividend, +11% net of dividend paid.

High quality portfolio, supported by sizable external growth of assets in top tier cities

AT continued its successful growth with over EUR1.4bn of acquisitions of mainly office and hotel assets offering high value-add potential in fundamentally strong cities, such as Berlin, Frankfurt, Munich, Stuttgart, London, Utrecht and Rotterdam. Additions in the hotel portfolio with two high quality assets in Berlin and London exhibit the strength of AT's quality portfolio: Hilton Berlin Gendarmenmarkt is a landmark asset encompassing an entire city block in the best location in Berlin and Hilton Hyde Park is a monumental assets overlooking the Hyde Park in the heart of London. Further building on its accretive capital recycling strategy, AT successfully disposed year-to-date over EUR700 million of non-core assets of which EUR500 million have been sold in H1 2018 at 15% above net book value and at a 28% disposal margin over cost. Further EUR235 million of disposals of non-core assets have been finalized after the reporting period. Disposals during H1 2018 led to an increase in FFO II of 93% to EUR300 million.

Maintaining the conservative capital structure

LTV remained low at 37% and 35% assuming conversion of deep-in-money convertible bonds. After the reporting date, another EUR105 million of convertible bonds have been submitted for conversion, thus resulting in 49% of the EUR300 million Series C bonds being converted. AT's proactive approach reinforced its financial stability by sustaining low average cost of debt of 1.7% and long average debt maturity of 7.4 years.

The H1 2018 financial report is available on the Company's website:

<http://www.aroundtown.de/investor-relations/publications/financial-reports/>

For definitions and reconciliations of the Alternative Performance Measures, please see the relevant sections in the pages 56-59 of the H1 2018 financial statements. You can find the financial statements in AT's website under Investor Relations > Publications > Financial Reports or under this link:

https://www.aroundtown.de/fileadmin/user_upload/04_investor_relations/downloads/2018/AT_H1_2018.pdf

About the Company

Aroundtown SA (symbol: AT1), trading on the Prime Standard of the Frankfurt Stock Exchange, is the largest listed and highest rated (BBB+ by S&P) German commercial real estate company.

Aroundtown invests in income generating quality properties with value-add potential in central locations in top tier European cities mainly in Germany/NL.

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AROUNDTOWN SA. ACTUAL RESULTS COULD DIFFER MATERIALLY, DEPENDING ON A NUMBER OF FACTORS.

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