



Press release

First half 2019 - Strong operations and results on plan

- **Letting volume more than doubled to 148,500 m²**
- **EPRA NAV per share up by 6.9% to EUR 16.19**
- **Net LTV at 29.0% and REIT equity ratio at 69.2%**
- **Revenues at EUR 93.1 m and funds from operations (FFO) at EUR 55.7 m**
- **Guidance 2019 confirmed with revenues of EUR 190 m and FFO of EUR 112 m**

Hamburg, August 12, 2019 - alstria office REIT-AG (symbol: AOX, ISIN: DE000A0LD2U1) reports on a successful first half of 2019. The Company took advantage of strong letting markets, with record leasing results, bringing the EPRA vacancy rate down to 7.6%. alstria continued to improve the overall risk return profile of the portfolio, diligently selling non-core peripheral assets and selectively re-investing in its core markets.

Revenues of EUR 93.1 m and FFO of EUR 55.7 m

Total revenues for the first half of 2019 were EUR 93.1 million (-3.2%) and developed in line with expectations. The change in revenues was mainly the result of the sale of non-core assets at the periphery of the portfolio, as the Company uses the positive momentum in the investment market to further improve the overall risk return profile of its real estate portfolio.

Funds from Operations (FFO) for the same period were EUR 55.7 million (-4.1%) and were in line with the Company's plan. The FFO margin of 59.8% (H1 2018: 60.3%) remained at a high level and reflected alstria's profitability. Consolidated net income as of June 30, 2019 rose significantly by 346.2% to EUR 279.0 million compared to EUR 62.5 million in the same period of the previous year. The change is attributable to a revaluation result of EUR 199.4 million

Net LTV at 29.0%, EPRA NAV per share at EUR 16.19

In the first six months of 2019, alstria's IFRS equity grew by 7.0% to EUR 2,872 million. The dividend payment of EUR 92.3 million (EUR 0.52 per share) to the shareholders of the Company in the second quarter of 2019 was substantially overcompensated by the net profit contribution in the first six months of the year. alstria's EPRA NAV per share is up by 6.9% and stood at EUR 16.19 per share as per June 30, 2019. The strength of alstria's balance sheet is demonstrated by a G-REIT equity ratio of 69.2% and the Company's net LTV of 29.0%, which hit a new all-time low in alstria's corporate history. Net debt to EBITDA remained at a comfortable 8.5x multiple.

Letting volume of 148,500 m² - EPRA vacancy rate dropped by 210 bps

Following the signature of several leasing contracts, alstria's EPRA vacancy rate dropped by 210 bps to 7.6% as per June 30, 2019 (9.7% as per Dec. 31, 2018). Sizable leasing contracts were signed for the assets "Am Seestern 1" and "Heerdter Lohweg 35" in

Düsseldorf as well as “Rotebühlstr. 98-100” in Stuttgart. alstria’s overall letting performance reached a record high of 148,500 m² (81,800 m² of new leases¹ and 66,700 m² of lease extensions) and was spread across all of alstria’s markets.

Portfolio value increased to EUR 4.2 bn

On the basis of a half-year valuation, the value of alstria’s real estate portfolio amounted to EUR 4.2 billion as per June 30, 2019 (EUR 4.0 bn as per Dec. 31, 2018). The revaluation gain of EUR 199.4 million primarily reflected alstria’s real estate operations, which increased the like-for-like contractual rent by 4.9% (EUR 9.3 million) in the course of the first six month of 2019. The valuation yield (contractual rent/open market value) compressed by 10 bps moving to 4.8% (from 4.9% as per Dec. 31, 2018). The average capital value per m² amounted to EUR 2,721.

As of the reporting date, alstria owned 116 properties (average size: 13,150 m², average value: EUR 35,780 million) located in Germany’s major office markets.

Selling the periphery

In the first half of 2019, alstria continued to execute on its plan to capitalize on the strong investment market to improve the overall quality of the portfolio. As such, the Company sold three assets, located at the fringe of its markets, for a total consideration of EUR 107.4 million (annual in-place rent: EUR 5.9 million) and realized a gain of EUR 18.1 million. In parallel, alstria continued to strengthen its portfolio with the acquisition of three additional assets located in Berlin and Düsseldorf, offering substantial rental reversion for a total amount of EUR 30.1 million (EUR 3,053 per m², annual rent of EUR 1.1 m, ERV of EUR 1.8 m).

Confirmation of guidance for FY 2019

Based on the results of the first half, alstria confirms its guidance for FY 2019: revenues of around EUR 190 million and FFO of EUR 112 million.

“So far we had a record year in terms of leasing result and still benefit from a very strong pipeline, which we will be working on securing in the months to come”, said Olivier Elamine, CEO of alstria. “This strong operative result has been a substantial driver in the value increase of the portfolio, which was further underpinned by a strong investment market.”

Key financials at a glance

	H1 2019	H1 2018	Change
Revenues (EUR m)	93.1	96.2	-3.2%
Funds from operations (FFO) (EUR m)	55.7	58.1	-4.1%
FFO per share ² (EUR)	0.31	0.33	-4.2%

	Jun. 30, 2019	Dec. 31, 2018	Change
Investment properties (EUR m)	4,135	3,939	5.0%
Cash at hand (EUR m)	107.2	132.9	-19.3%
EPRA NAV per share (EUR)	16.19	15.14	6.9%
G-REIT equity ratio (%)	69.2	67.2	2.0 pp
Net LTV ratio (%)	29.0	30.4	-1.4 pp

¹ Only includes new leases signed and disregards any lease renewals.

² FFO per share based on 177.5 m shares for H1 2019 and 177.4 m shares for H1 2018.

Invitation to the conference call on August 13, 2019

The alstria management board, CEO Olivier Elamine and CFO Alexander Dexne, will present the H1 results during a conference call at 10:00 am (CET).

Please use one of the following dial-in numbers:

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Please note that you can watch the management's presentation live as a webcast on our website www.alstria.com. As soon as the conference call begins, the presentation slides will be available for download on our website.

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About alstria:

alstria office REIT AG is the leading real-estate operator focusing solely on German office property in selected German markets. Our strategy is based on the ownership and an active management of our properties throughout their entire life cycle, strong added-value services to our customers and deep knowledge of the markets in which we operate. alstria strives for sustainable long-term value creation while taking advantage of short-term arbitrage of inefficiencies in the real estate markets. The portfolio comprises 116 buildings with a lettable area of 1.5 million square meters and a total portfolio value of EUR 4.2 billion.

Disclaimer:

This release constitutes neither an offer to sell nor a solicitation of an offer to buy any shares. As far as this press release contains forward-looking statements with respect to the business, financial condition and results of operations of alstria office REIT-AG (alstria), these statements are based on current expectations or beliefs of alstria's management. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or performance of the Company to differ materially from those reflected in such forward-looking statements. Apart from other factors not mentioned here, differences could occur as a result of changes in the overall economic situation and the competitive environment - especially in the core business segments and markets of alstria. Also, the development of the financial markets and changes in national as well as international provisions particularly in the field of tax legislation and financial reporting standards could have an effect. Terrorist attacks and their consequences could increase the likelihood and the extent of differences. alstria undertakes no obligation to publicly release any revisions or updates to these forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.