

# Q1-3

## RESULTS PRESENTATION

# Q1-3 2018 – HIGHLIGHTS

## OPERATING PERFORMANCE STRENGTHENED

Occupancy rate

**94.5%**

+1.6 pp

Rental income

**MEUR 175.7**

+0.9%

Rental income lfl

**MEUR 150.8**

+3.0%

## SIGNIFICANT IMPROVEMENT IN KPIs

Results of AM

**MEUR 134.5**

+9.7%

Results of operations

**MEUR 149.7**

≥ +100%

FFO 1

**MEUR 63.0**

+100.0%

## FURTHER OPTIMISATION OF CREDIT PROFILE

Net LTV

**35.9%**

9/2017: 46.3%

Financing costs  
(excl. hedging)

**1.8%**

Q1-3 2017: 2.25%

Cash & cash equivalents

**MEUR 685.4**

+ >100%

# P&L RESULTS OF OPERATIONS MORE THAN DOUBLED

AMOUNTS IN MEUR AS OF 30 SEPTEMBER 2018		Q1-3 2018	Q1-3 2017	CHANGE ABSOLUTE	CHANGE IN %
Rental income	1	175.7	174.1	1.6	0.9%
Operating costs charged to tenants		67.0	62.9	4.2	6.6%
Other revenues		4.2	4.9	-0.7	-14.4%
<b>Revenues</b>		<b>246.9</b>	<b>241.9</b>	<b>5.1</b>	<b>2.1%</b>
Expenses from investment property	2	-47.9	-60.2	12.2	20.4%
Operating expenses		-64.5	-59.1	-5.4	-9.1%
<b>Results of asset management</b>	<b>3</b>	<b>134.5</b>	<b>122.6</b>	<b>12.0</b>	<b>9.7%</b>
<b>Results of property sales</b>		<b>28.1</b>	<b>2.7</b>	<b>25.4</b>	<b>≥ +100.0%</b>
<b>Results of property development</b>	<b>4</b>	<b>23.7</b>	<b>-26.1</b>	<b>49.9</b>	<b>n/a</b>
Other operating income		4.3	7.0	-2.7	-38.4%
Other operating expenses	5	-41.0	-39.9	-1.1	-2.8%
<b>Results of operations</b>		<b>149.7</b>	<b>66.2</b>	<b>83.5</b>	<b>≥ +100.0%</b>
Other revaluation results		0.4	-0.8	1.3	n/a
<b>Operating profit (EBIT)</b>		<b>150.1</b>	<b>65.4</b>	<b>84.8</b>	<b>≥ +100.0%</b>
Net financing costs	6	-44.6	-71.0	26.4	37.2%
Foreign exchange differences		0.1	-5.4	5.4	n/a
Other financial results	7	4.3	-10.1	14.4	n/a
Gains/losses from equity-accounted investments	8	72.6	175.1	-102.5	-58.6%
Taxes	9	-46.7	-37.7	-9.0	n/a
<b>Net profit for the period from continuing operations</b>		<b>135.8</b>	<b>116.3</b>	<b>19.5</b>	<b>16.8%</b>
Net profit for the period from discontinued operations		-0.8	-175.4	174.6	99.6%
<b>Net profit for the period</b>		<b>135.0</b>	<b>-59.1</b>	<b>194.1</b>	<b>n/a</b>

## COMMENTS

- Rental income increased by roughly 1%, in spite of property sales during the reporting period
- Property expenses reduced by 20.4%: Fit-out costs (MEUR -1.2 vs. MEUR -8.2) and vacancy costs (MEUR -6.6 vs. MEUR -8.9). Maintenance costs were slightly higher year-on-year at MEUR -16.3 (incl. MEUR -8.5 in Q3) after MEUR -16.0 in Q1-3 2017
- Improvement of nearly 10% in results of asset management – that represents a margin (earnings from AM/rental income) of ~77% vs. 70%\* in the comparable prior year period
- Positive valuation effects from the German properties *FLOAT* and *trivago Campus*
- Includes a one-time special bonus of MEUR -4.0 for the Executive Board (as announced in Q1) as well as MEUR -6.3 for non-recurring expenses and special projects to simplify the corporate structure
- Reduction of 37.2% in net financing costs to MEUR -44.6 based on extensive refinancing in 2017 and 2018
- In the previous year, other financial results were negatively influenced primarily by the incentivised conversion of the CB 2018
- Thereof a MEUR 66.2 book gain on the sale of the CA Immo investment, MEUR 24.0 for the proportional share of earnings from CA Immo for Q1-2 2018, MEUR -25.1 impairment loss on the S IMMO shares (market price and book value as of 30 September below acquisition cost of EUR 20/share)
- Thereof deferred taxes of MEUR -29.4; includes, among others, MEUR -10.7 from property valuation.

\*Personnel costs from AM included in expenses from investment property; adjusted margin therefore equals 79%

## FFO 1 SOUND IMPROVEMENT

AMOUNTS IN TEUR	P&L Q1-3 2018	ADJUST- MENTS	FFO Q1-3 2018
Results of asset management	134,534	363	134,897
Results of property sales	28,118	-28,118	
Results of property development	23,748	-23,748	
Other operating income	4,306	-873	3,433
Other operating expenses	-41,018	10,304	-30,714
<b>Results of operations</b>	<b>149,688</b>	<b>-42,072</b>	<b>107,616</b>
Other revaluation results	425	-425	
<b>EBIT</b>	<b>150,113</b>	<b>-42,497</b>	<b>107,616</b>
Financing costs	-51,336		
Financing income	6,734		
FX differences	73		
Other financial result	4,291		
Gains/losses from equity-accounted investments	72,566		
<b>Financial results</b>	<b>32,328</b>	<b>-76,988</b>	<b>-44,660</b>
<b>EBT/FFO 1 vor Steuern (exkl. CA Immo)</b>	<b>182,441</b>	<b>-119,486</b>	<b>62,955</b>
Dividends from CA IMMO			20,552
<b>FFO 1 before tax (excl. CA Immo)</b>			<b>83,507</b>
Number of shares (as per EPS calculation)			110,971,562
FFO 1 per share			0.57
FFO 1 per share adjusted			0.75

FFO 1 (before tax)\*

**MEUR 63.0** +100.0%(Q1-3 2017: MEUR 31.5)<sup>1</sup>

FFO 1 (before tax)/share\*

**EUR 0.57** +83.9%(Q1-3 2017: EUR 0.31)<sup>1</sup>

GUIDANCE FFO 1 2019\*

**> MEUR 100** 

\* excl. economic interest/dividend in CA Immo/S IMMO

## ADJUSTMENTS

1. Other operating expenses are adjusted for one-off effects (e.g. special bonus paid to Executive Board in Q1 and costs for streamlining the organisational structure)
2. The adjustments to financial results are related primarily to the contributions from CA Immo and S IMMO to the share of profit from equity-accounted investments

<sup>1</sup> Calculation method adjusted for Q1-3 2017. Number of shares per EPS calculation as of 30.9.2017: 103,072,897

# FINANCING – MATURITY PROFILE IMPROVED

## MATURITY PROFILE OF FINANCIAL LIABILITIES BY YEAR AS OF 30 SEPTEMBER 2018

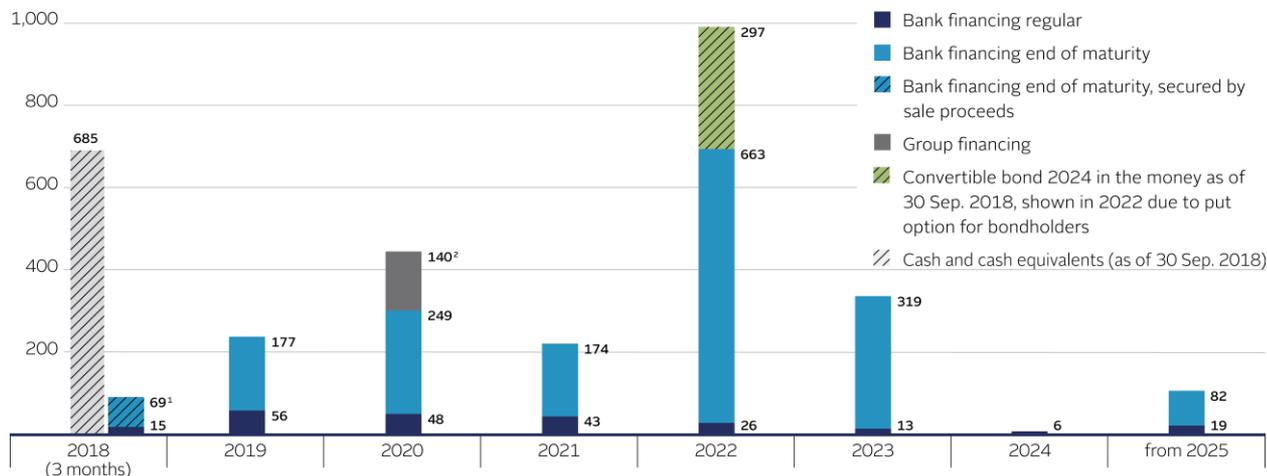
### CONSERVATIVE STRUCTURE:

Increase in cash and cash equivalents to MEUR 685.4 (12/2017: MEUR 478.0)

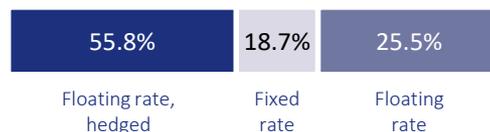
Net LTV equals 35.9% (12/2017: 40.8%) and is below the target of roughly 45%

The MEUR 69.5 financing scheduled to mature in FY 2018 is related entirely to properties which have already been sold and will be repaid from the sale proceeds

Average term to maturity of property financing of 3.75 years



### HEDGING QUOTA INCREASED TO 74.5% (12/2017: 63.5%):



	OUTSTANDING LIABILITY IN TEUR AT 30 SEPT 2018	WEIGHTED AVERAGE INTEREST RATE EXCL. DERIVATIVES <sup>1</sup>	SHARE OF FIXED RATE IN % <sup>1</sup>	SHARE OF FLOATING RATE IN % <sup>1</sup>	FIXED INTEREST RATE <sup>1</sup>	FLOATING INTEREST RATE <sup>1</sup>
Convertible bonds in EUR	281,967.4	2.00%	100.00%	n/a	2.00 %	n/a
Bank liabilities in EUR	2,092,341.3	1.77%	7.22%	92.78%	1.31%	1.81%
<b>IMMOFINANZ</b>	<b>2,374,308.7</b>	<b>1.80%</b>	<b>18.73%</b>	<b>81.27%</b>	<b>1.77%</b>	<b>1.81%</b>

<sup>1</sup> Calculation basis: remaining debt (nominal amount)

# STANDING INVESTMENTS PERFORMANCE Q1-3 2018

## OCCUPANCY RATE

**94.5%** (Q3 2017: 92.9%) **+1.6 Pp**

## GROSS RETURN

**6.2%** IFRS rent (Q3 2017: 6.3%)

**6.5%** Return on invoiced rents<sup>1</sup>

## LIKE-FOR-LIKE RENTAL INCOME (MEUR)<sup>2</sup>

**201.1** (2017: 195.2) **+3.0%**

## WEIGHTED AVERAGE REMAINING TERM OF RENTAL CONTRACTS (years)

**3.9** (Q3 2017: 4.3)

## STANDING INVESTMENTS (MEUR)

**3,676.1** (Q3 2017: 3,524.2)

<sup>1</sup> For better comparability in relation to peer group  
<sup>2</sup> Q1-3 annualised

## OCCUPANCY RATE

### TOTAL



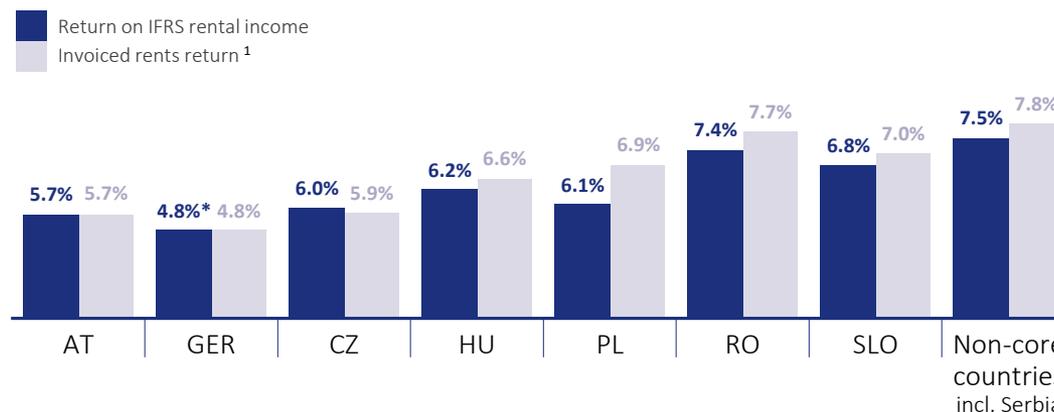
### OFFICE



### RETAIL



## RENTAL YIELD



\*Annualised gross return adjusted for the completion of the trivago Campus development project during the reporting year

## LIKE-FOR-LIKE – ONGOING POSITIVE DEVELOPMENTS

A like-for-like analysis (i.e. acquisitions, completions and sales are deducted to facilitate comparison with the first three quarters of 2017) shows an increase of 3.0% in rental income from MEUR 146.4 to MEUR 150.8. It resulted primarily from an improvement in the occupancy rate in individual markets and from higher rental income.

STANDING INVESTMENTS <sup>1</sup> , AMOUNTS IN MEUR AS OF 30 SEPTEMBER 2018	NUMBER OF PROPERTIES	CARRYING AMOUNT 30 SEPTEMBER 2018	CARRYING AMOUNT IN PERCENT	RENTAL INCOME Q1-3 2018	RENTAL INCOME Q1-3 2017	Q1-3 2018 VS. Q1-3 2017
Austria	29	780.6	24.5%	33.1	31.6	1.5
Germany	1	41.5	1.3%	1.5	1.4	0.1
Czech Republic	25	677.9	21.3%	30.3	29.9	0.4
Hungary	17	336.0	10.5%	15.2	14.1	1.1
Poland	23	465.7	14.6%	21.3	20.6	0.7
Romania	15	566.2	17.8%	32.2	32.0	0.2
Slovakia	13	211.2	6.6%	10.9	10.9	0.0
Non-core countries	10	105.9	3.3%	6.2	5.9	0.3
<b>IMMOFINANZ</b>	<b>133</b>	<b>3,185.0</b>	<b>100.0%</b>	<b>150.8</b>	<b>146.4</b>	<b>4.4</b>
Rental income from properties sold/acquired and development projects				24.8		
<b>IMMOFINANZ</b>				<b>175.7</b>		
Office	57	1,970.9	61.9%	82.7	81.0	1.7
Retail	72	1,213.1	38.1%	68.1	65.4	2.7
Other	4	1.0	0.0%	0.0	0.0	0.0
<b>IMMOFINANZ</b>	<b>133</b>	<b>3,185.0</b>	<b>100.0%</b>	<b>150.8</b>	<b>146.4</b>	<b>4.4</b>

1 Calculation only includes those properties which were fully owned by IMMOFINANZ in both periods, i.e. it excludes new acquisitions, completions and sales.

# OPERATIONAL UPDATE DEVELOPMENTS

## FOCUS ON GERMANY



**myhive  
Medienhafen  
Düsseldorf (DE)**

- > Office: 22,000 sqm
- > Completion: 2020
- > Direct adjoining the completed trivago Campus – 1st myhive property in Germany



**FLOAT  
(HQ Uniper),  
Düsseldorf (DE)**

- > Office; 30,000 sqm
- > Currently in transfer to the tenant
- > Occupancy rate: 95%

Sound ratio: development projects currently account for approx. 8% of the total portfolio

### DEVELOPMENT PROJECTS BY CORE MARKET

DEVELOPMENT PROJECTS	NUMBER OF PROPERTIES	CARRYING AMOUNT IN MEUR	CARRYING AMOUNT IN %	OUTSTANDING CONSTRUCTION COSTS IN MEUR	PLANNED RENTABLE SPACE IN SQM	EXPECTED FAIR VALUE ON COMPLETION IN MEUR	EXPECTED RENTAL INCOME WHEN FULLY LET IN MEUR	YIELD ON COST IN % <sup>1</sup>
Austria	1	22.6	8.6%	14.1	12,611	36.6	2.2	6.1%
Germany	2	231.6	88.0%	64.5	52,364	317.0	14.0	4.7%
Poland	2	2.0	0.8%	16.7	17,435	20.0	1.5	8.1%
Czech Republic	1	4.7	1.8%	3.2	6,667	9.0	0.7	8.4%
Non-core countries	1	2.2	0.8%	5.8	7,011	8.6	0.8	9.8%
<b>ACTIVE PROJECTS</b>	<b>7</b>	<b>263.0</b>	<b>100.0%</b>	<b>104.2</b>	<b>96,088</b>	<b>391.2</b>	<b>19.2</b>	<b>5.2%</b>
Projects in preparation	11	96.0						
<b>IMMOFINANZ</b>	<b>18</b>	<b>359.0</b>						

1. Expected rental income after completion in relation to the current carrying amount, including outstanding construction costs. The current carrying amount includes previously realised valuation gains.

# OUTLOOK

## PORTFOLIO

- > Acquisition of eight retail parks with a return of 8% in November 2018 - STOP SHOP portfolio now includes 80 locations in nine countries with 567,000 sqm of rentable space. Further growth through acquisitions and development projects is planned
- > Expansion of the myhive office brand to include additional locations in Vienna, Bratislava, Bucharest (refurbishments) and Düsseldorf

## FINANCING/ INVESTMENTS

- > Further measures to optimise the financing structure include possible issuance of bonds (Eurobonds) to lock in financing costs over the long-term
- > The closing for the purchase of roughly 19.5 million shares (29.14%) of S IMMO for approx. MEUR 390.0 took place in September 2018 – reciprocal investment between IMMOFINANZ and S IMMO creates a very good starting position for a possible combination of the two companies

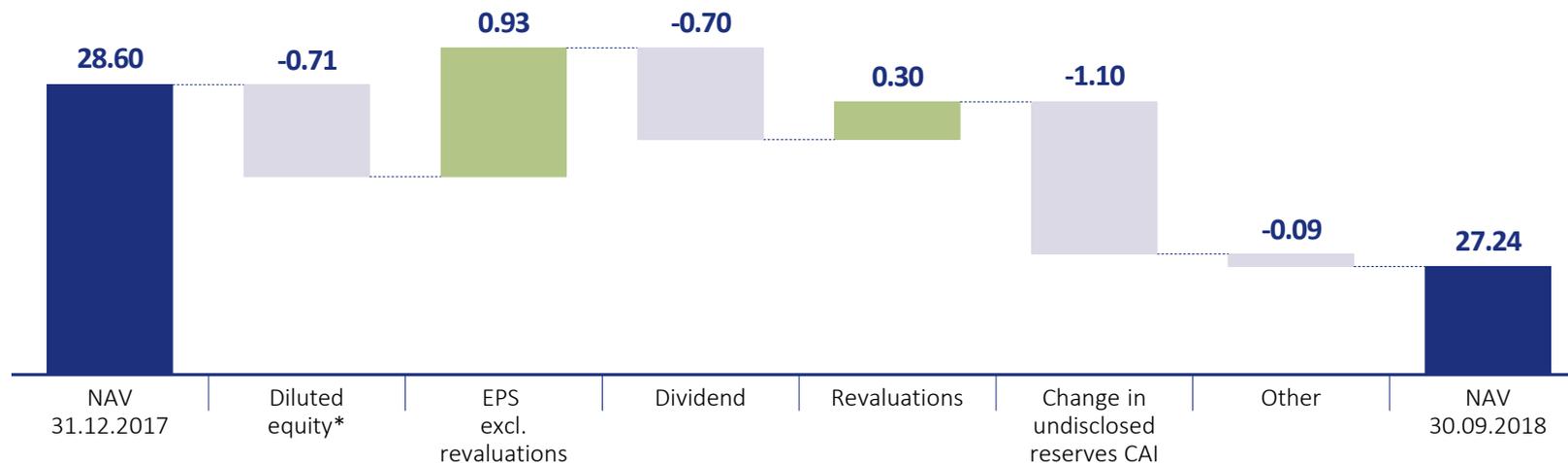
## DISTRIBUTION POLICY

- > Current share buyback programme 2018/2019 for up to 9.7 million shares, or 8.66%
- > Planned increase in dividend for 2018 to EUR 0.8 per share (after EUR 0.7)

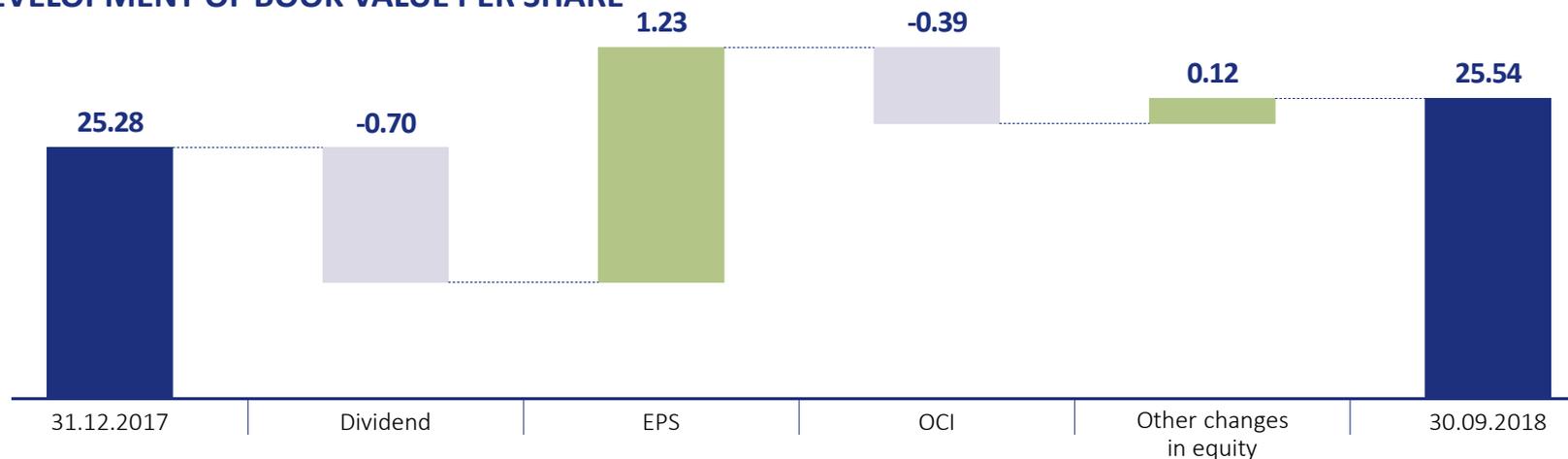
# APPENDIX

# DEVELOPMENT OF EPRA NAV AND BOOK VALUE PER SHARE

## DEVELOPMENT OF EPRA NAV PER SHARE



## DEVELOPMENT OF BOOK VALUE PER SHARE



\*Total number of shares diluted by 13.4 million shares from the convertible bond 2024, which was "in the money" as of 30.9.2018

# KEY FIGURES

**ASSET DATA**
**30 SEPT 2018**

Balance sheet total	in MEUR	5,731.6
Equity as % of balance sheet total	in %	48.2%
Net financial liabilities	in MEUR	1,688.9
Cash and cash equivalents	in MEUR	685.4
Loan to value ratio (net)	in %	35.9%
Gearing	in %	61.1%
Average interest rate on financial liabilities, incl. hedging	in %	2.2%
Average term of financial liabilities	in years	3.5

**STOCK EXCHANGE DATA**
**30 SEPT 2018**

Book value per share	in EUR	25.54
Share price at end of period	in EUR	22.44
Discount of share price to diluted NAV per share	in %	17.6%
Total number of shares		112,085,269
Thereof number of treasury shares		3,061,526
Market capitalisation at end of period	in MEUR	2,515.2

**Q1-3 2018**

Earnings per share (undiluted)	in EUR	1.23
Earnings per share (diluted)	in EUR	1.14

**EPRA INDICATORS**
**30 SEPT 2018**

EPRA net asset value	in MEUR	3,334.1
EPRA net asset value per share	in EUR	27.24
EPRA triple net asset value	in MEUR	3,324.6
EPRA triple net asset value per share	in EUR	27.16

**Q1-3 2018**

EPRA earnings	in MEUR	79.2
EPRA earnings per share	in EUR	0.71
EPRA earnings after company-specific adjustments	in MEUR	54.4
EPRA earnings per share after company-specific adjustments	in EUR	0.49
EPRA net initial yield	in %	5.6%

**EARNINGS DATA**
**Q1-3 2018**

Rental income	in MEUR	175.7
Results of asset management	in MEUR	134.5
Results of property sales	in MEUR	28.1
Results of property development	in MEUR	23.7
Results of operations	in MEUR	149.7
Revaluations	in MEUR	31.2
EBIT	in MEUR	150.1
Financial results	in MEUR	32.3
EBT	in MEUR	182.4
Net profit for the period	in MEUR	135.0
FFO 1 before tax (excl. CAI)	in MEUR	63.0

# CONTACT AND FINANCIAL CALENDAR

## INVESTOR RELATIONS

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## FINANCIAL CALENDAR

<b>Q1-3 2018 Results</b>	28 November 2018 <sup>1</sup>
<b>Q1-3 2018 Results</b>	29 November 2018
<b>Annual results 2018</b>	10 April 2019 <sup>1</sup>
<b>Annual report 2018</b>	11 April 2019
<b>26. General meeting</b>	22 Mai 2019

## TICKER SYMBOLS

Vienna Stock Exchange	IIA
Warsaw Stock Exchange	IIA
ISIN	AT0000A21KS2
Reuters	IMFI.VI
Bloomberg	IIA AV

<sup>1</sup> Publication is scheduled after the close of trading on the Vienna Stock Exchange