

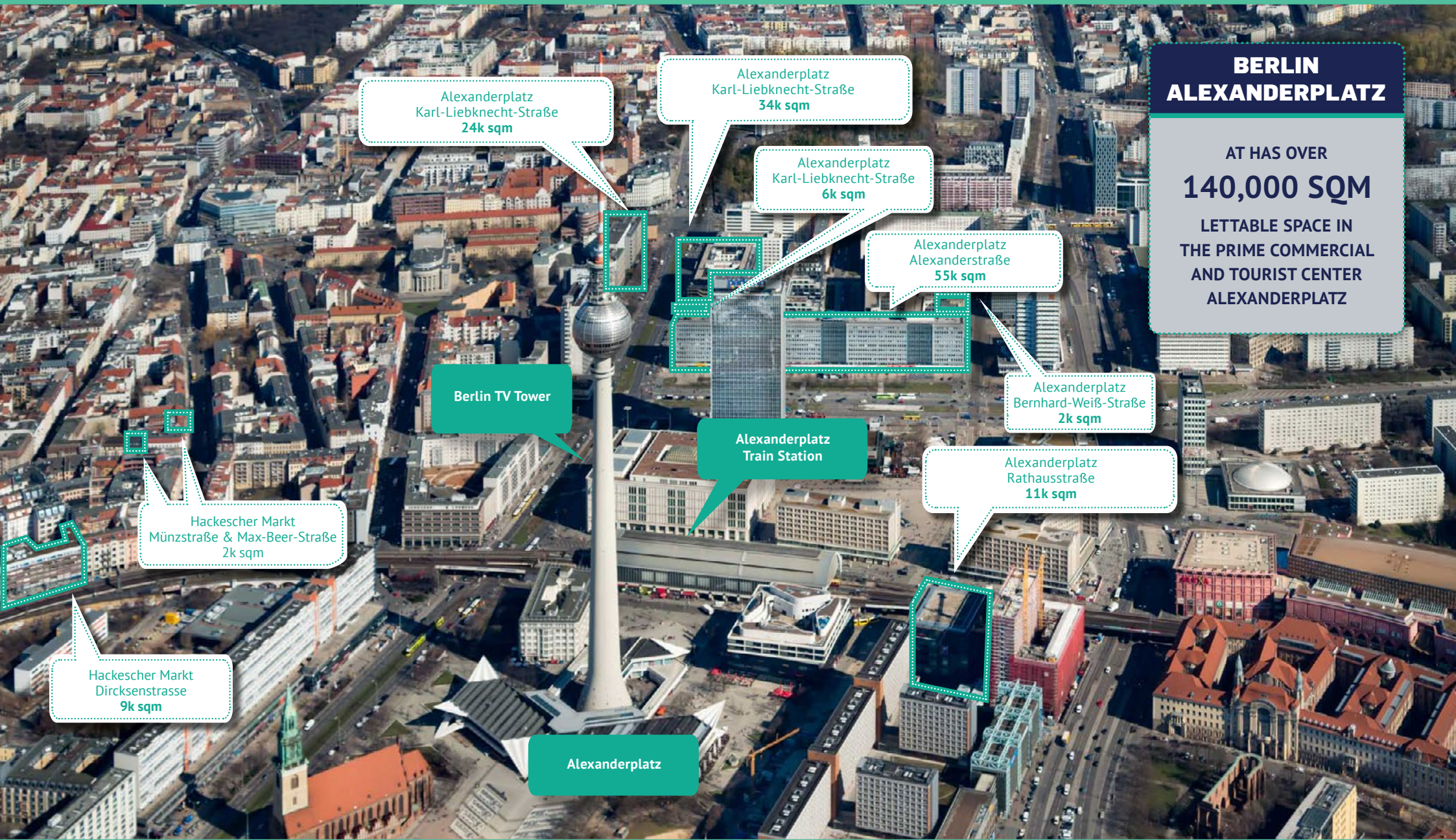
A decorative graphic consisting of several overlapping, slanted rectangular bars in shades of blue and teal, located in the bottom-left corner of the page.

# INTERIM CONSOLIDATED REPORT

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2022



# BERLIN ALEXANDERPLATZ



Alexanderplatz  
Karl-Liebknecht-Straße  
24k sqm

Alexanderplatz  
Karl-Liebknecht-Straße  
34k sqm

Alexanderplatz  
Karl-Liebknecht-Straße  
6k sqm

Alexanderplatz  
Alexanderstraße  
55k sqm

Alexanderplatz  
Bernhard-Weiß-Straße  
2k sqm

Alexanderplatz  
Rathausstraße  
11k sqm

Berlin TV Tower

Alexanderplatz  
Train Station

Hackescher Markt  
Münzstraße & Max-Beer-Straße  
2k sqm

Hackescher Markt  
Dircksenstrasse  
9k sqm

Alexanderplatz

**BERLIN  
ALEXANDERPLATZ**

AT HAS OVER  
**140,000 SQM**

LETTABLE SPACE IN  
THE PRIME COMMERCIAL  
AND TOURIST CENTER  
ALEXANDERPLATZ

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### INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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## FINANCIAL POSITION HIGHLIGHTS

in € millions unless otherwise indicated	Sep 2022	Dec 2021
Total Assets	38,717.4	39,383.1
Total Equity	18,957.7	19,156.4
Investment property	29,251.5	29,115.9
Investment property of assets held for sale	653.9	1,009.3
Cash and liquid assets <sup>1)</sup>	2,320.3	3,244.1
Total financial debt <sup>2)</sup>	14,825.4	15,588.2
Unencumbered assets ratio <sup>3)</sup>	83%	83%
Equity Ratio	49%	49%
Loan-to-Value	40%	39%

1) including cash and liquid assets under held for sale

2) including financial debt under held for sale

3) by rent

## KEY FINANCIALS

in € millions unless otherwise indicated	1-9/2022	Change	1-9/2021
Revenue	1,200.7	28%	935.8
Net rental income	916.5	19%	773.0
Adjusted EBITDA <sup>1)</sup>	757.9	6%	716.2
FFO I <sup>1) 2)</sup>	274.5	3%	266.9
FFO I per share (in €) <sup>1) 2)</sup>	0.25	9%	0.23
FFO II <sup>2)</sup>	564.2	(13%)	650.1
ICR <sup>3)</sup>	5.2x	0.3x	4.9x
Profit for the period	577.5	(11%)	649.6
EPS (basic) (in €)	0.27	(33%)	0.40
EPS (diluted) (in €)	0.27	(31%)	0.39

1) including AT's share in companies over which AT has significant influence, excluding contributions from assets held for sale

2) including extraordinary expenses for uncollected rent due to the Covid pandemic (€60 million in 9M 2022, €100 million in 9M 2021)

3) reclassified during Q4 2021 to exclude the contributions from joint venture positions

## NET ASSET VALUE

in € millions unless otherwise indicated	EPRA NRV	EPRA NTA	EPRA NDV
Sep 2022	13,172.4	11,623.2	10,382.5
Sep 2022 per share (in €)	11.8	10.4	9.3
Per share growth (dividend adjusted)	5%	4%	27%
Per share growth	3%	2%	24%
Dec 2021	13,057.5	11,564.0	8,462.5
Dec 2021 per share (in €)	11.5	10.2	7.5



# FRANKFURT HBF & CBD

## FRANKFURT HBF & CBD

APPROX. **200,000 SQM** LETTABLE SPACE  
IN FRANKFURT'S PRIME CENTERS, MAIN CENTRAL TRAIN  
STATION AND BANKING DISTRICT

**Frankfurt  
Büro Center (FBC)**  
Mainzer Landstraße  
43k sqm

**Frankfurt Stadtmitte**  
Bleichstraße  
9k sqm

**Intercontinental Frankfurt**  
Wilhelm-Leuschner Straße  
28k sqm

**Frankfurt HBF**  
Stuttgarter Straße  
9k sqm

**Frankfurt Office Campus**  
Gutleutstraße  
88k sqm

Banking District

Frankfurt Hauptbahnhof  
(Central Train Station)

VIEW FROM HAFENSTR. OFFICE TOWER

**Frankfurt HBF**  
Hafenstraße  
20k sqm

VIEW FROM HAFENSTR. OFFICE TOWER



# AROUNDTOWN



The Board of Directors of Aroundtown SA and its investees (the “Company”, “Aroundtown”, “AT”, or the “Group”), hereby submits the interim report as of September 30, 2022.

The figures presented are based on the interim consolidated financial statements as of September 30, 2022, unless stated otherwise.

Aroundtown SA is a real estate company with a focus on income generating quality properties with value-add potential in central locations in top tier European cities primarily in Germany, the Netherlands and London. Aroundtown invests in commercial and residential real estate which benefits from strong fundamentals and growth prospects. Aroundtown invests in residential real estate through its subsidiary Grand City Properties S.A. (“GCP”), a publicly traded real estate company that focuses on investing in value-add opportunities predominantly in the German residential real estate market, as well as in London. As of September 30, 2022, the Group’s holding in GCP is 60% excluding shares GCP holds in treasury (59% including these shares). GCP is consolidated in AT’s financials starting from July 1, 2021.

The Group’s unique business model and experienced management team led the Group to grow continuously since 2004.



Berlin



# NAVIGATING THROUGH THE CURRENT MARKET ENVIRONMENT WITH AN AGILE & ADAPTIVE STRATEGY

Maintaining focus on stable asset classes and strong economies



## STABLE OPERATIONS

**2.6%**  
Total LFL rental growth (Sep 2022)

Supported by indexation & diversification which provides multiple growth drivers & stability. LFL excluding hotels was 3.4%

## WELL-BALANCED PORTFOLIO

Higher footprint in residential, Focus on core

Resi: 60% holding in GCP currently vs. 44% at consolidation (July 1, 2021).

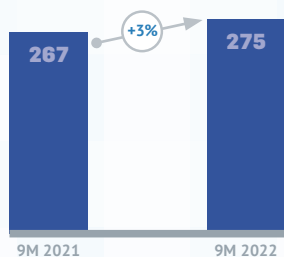
Among 9M 2022 disposals, 56% were development, retail and logistics/other, 14% were hotels

## CONSECUTIVE EPRA AWARDS

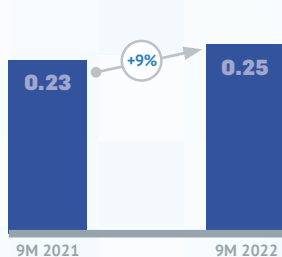
For high standards of financial transparency and sustainability reporting

AT received EPRA BPR Gold award for the 6th time and EPRA sBPR Gold award for the 5th time consecutively in Sep 2022

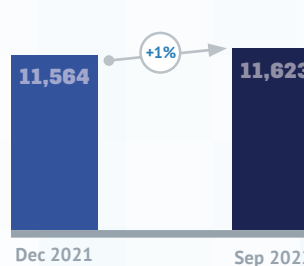
### FFO I (in € millions)



### FFO I PER SHARE (in €)



### EPRA NTA (in € millions)



### EPRA NTA PER SHARE (in €)







# NAVIGATING THROUGH THE CURRENT MARKET ENVIRONMENT WITH AN AGILE & ADAPTIVE STRATEGY

Focus on disposals, preserving liquidity & strengthening the balance sheet



## €1.1BN YTD SIGNED DISPOSALS

Large cash proceeds, strengthening the balance sheet

## ABILITY TO DISPOSE DURING DIFFICULT MARKET CONDITIONS

€170m signed in Q4-to-date 2022, €175m signed in Q3 2022, €505m signed in Q2 2022, €280m signed in Q1 2022

## SALES AROUND BOOK VALUE

Sales around book value, supporting the portfolio valuations

## €1BN YTD DEBT REPAYMENTS

Proceeds are channelled mainly into debt repayments, cleaning up the near-term debt maturity & strengthening the balance sheet

Well-positioned due to high liquidity, flexibility & disciplined financial profile



## HIGH LIQUIDITY/ DEBT COVER

UNTIL YEAR-END 2025

Current liquidity, expected proceeds from signed disposals and vendor loans cover the debt maturities until the end of 2025 with no significant maturity until 2025

## AMPLE LIQUIDITY

€2.3bn (cash & liquid assets), >€1bn (undrawn RCF, no MAC), €23.5bn (unenc. assets)

Ample liquidity mitigates the impacts of current market conditions. Undrawn RCF's (no MAC clause) & unencumbered assets provide additional flexibility as bank financing is currently more attractive

## CONSERVATIVE DEBT KPI'S

1.3% (avg. current CoD), 5.3y (avg. debt maturity)

Low current cost of debt and long average debt maturity

## LARGE HEADROOM

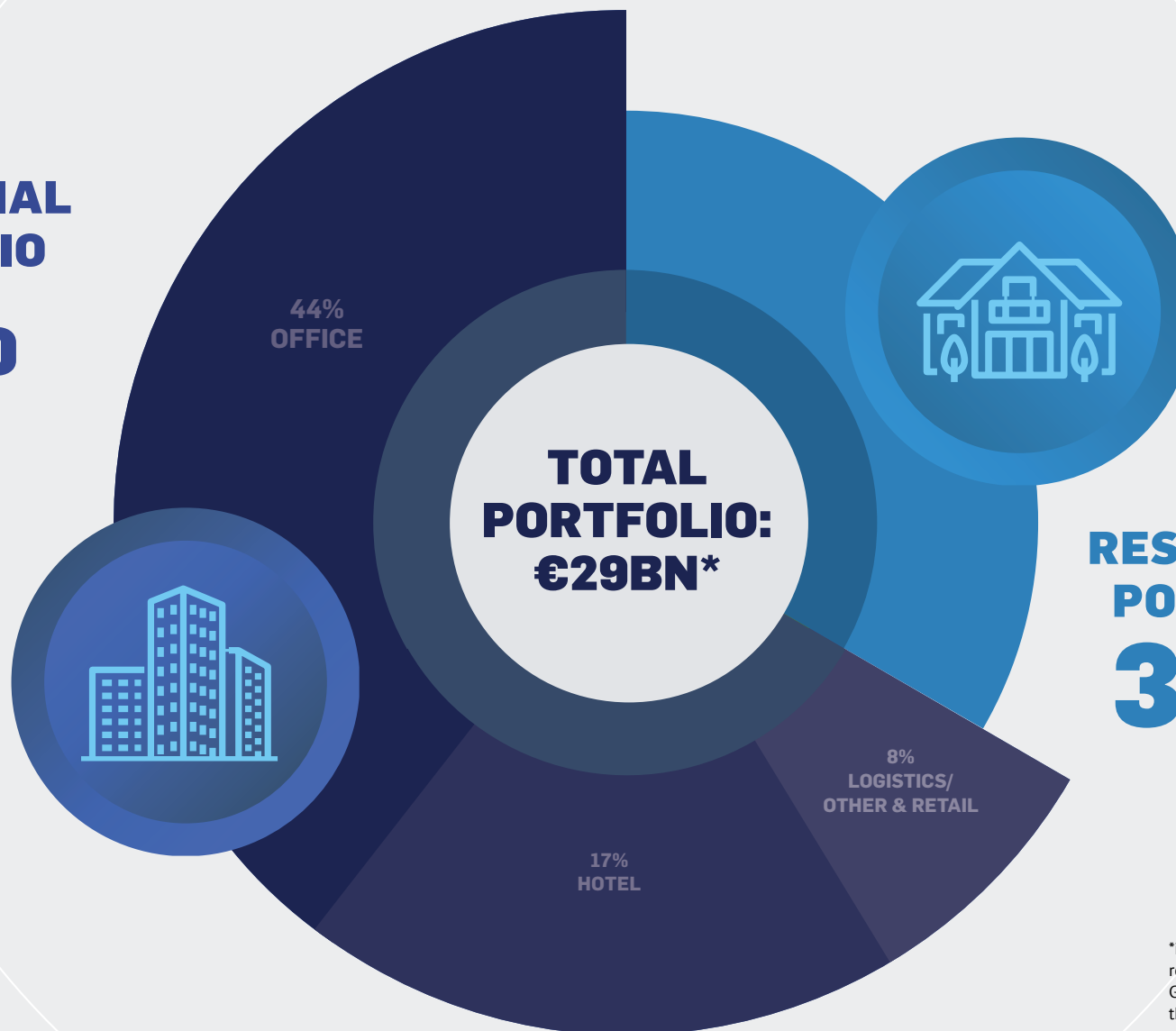
To all financial covenants

Bonds and secured debt



# AROUNDTOWN'S QUALITY PORTFOLIO

**COMMERCIAL  
PORTFOLIO  
69%**



**RESIDENTIAL  
PORTFOLIO  
31%**

\*including development rights & invest and representing GCP at 100%. AT's holding rate in GCP is 60% as of September 30, 2022, excluding the shares GCP holds in treasury

# GROUP PORTFOLIO OVERVIEW

8 OF THE 15 LARGEST METROPOLITANS IN THE EU ARE IN GERMANY & THE NL

TOGETHER MAKING UP MORE THAN A QUARTER OF THE EU'S ECONOMY

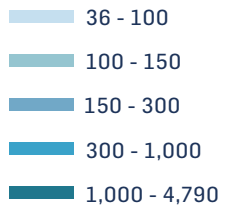
TWO OF THE STRONGEST ECONOMIES IN EUROPE WITH AAA CREDIT RATING

AMONG THE LOWEST UNEMPLOYMENT LEVELS IN EUROPE

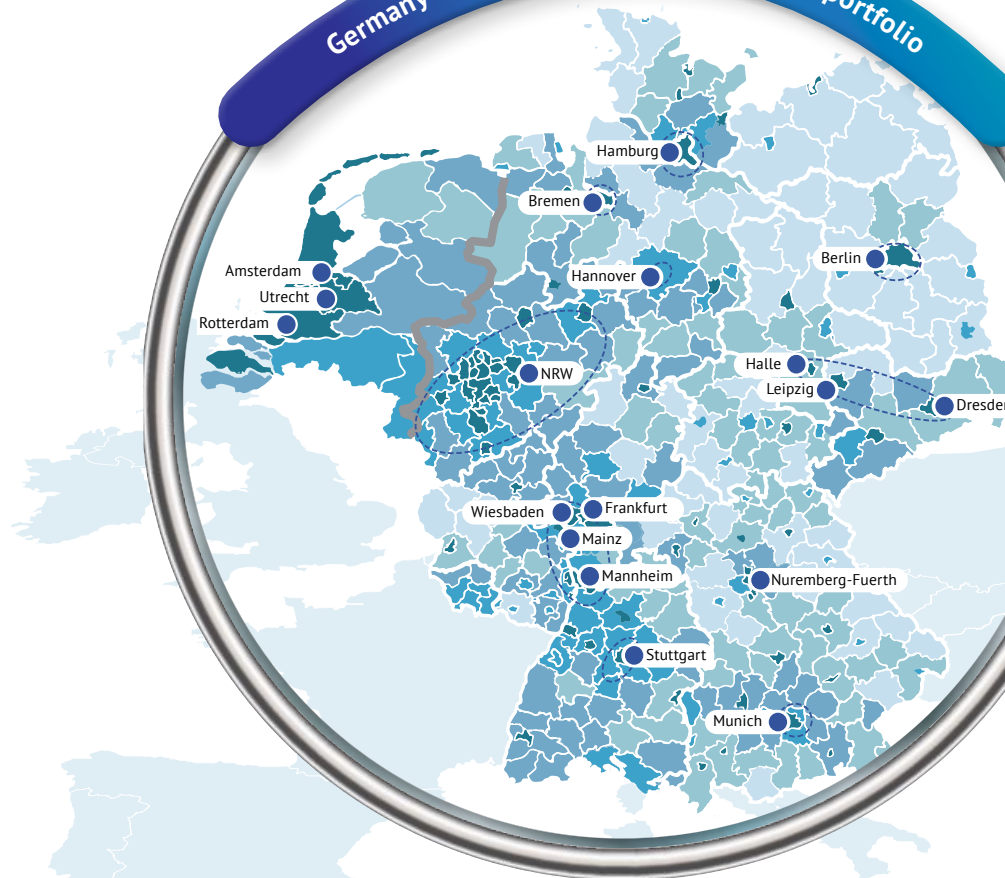
AMONG THE LOWEST DEBT/GDP LEVELS IN EUROPE

Germany & The Netherlands: 85% of the portfolio

## POPULATION DENSITY IN GERMANY AND THE NETHERLANDS



inhabitants per sqkm (Destatis & CBS, 2020)





# WELL-DIVERSIFIED GROUP PORTFOLIO WITH FOCUS ON STRONG VALUE DRIVERS



## ASSET TYPE

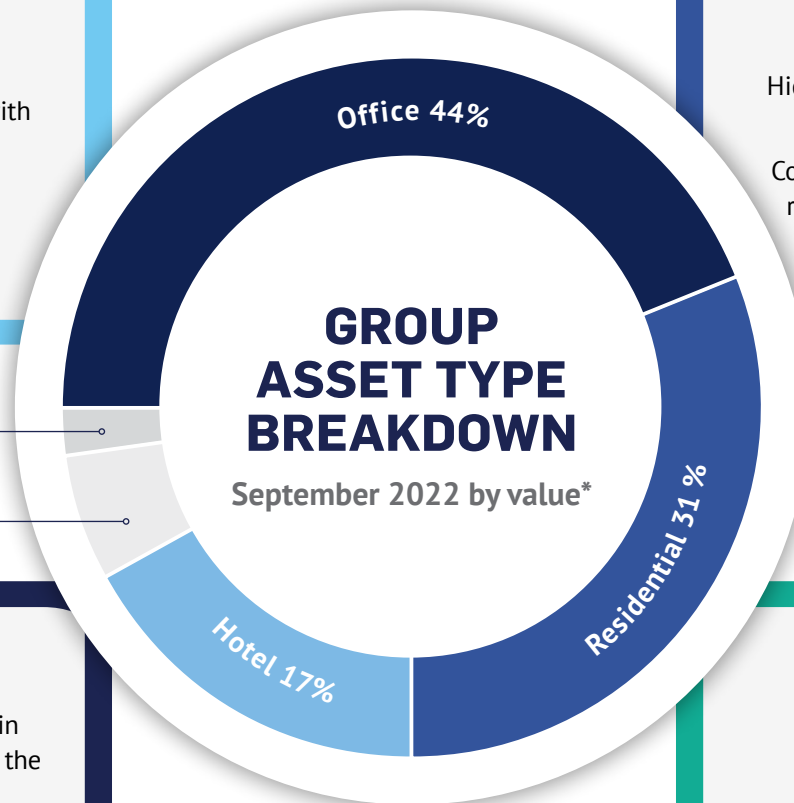
The largest asset type is Office (44%) and together with Residential, they make up 75% of the portfolio. Hotels make up 17%.



## TENANT

High tenant diversification with no material tenant or industry dependency.

Commercial portfolio with approx. 3,500 tenants and residential portfolio with very granular tenant base.



## LOCATION

The portfolio is focused on the strongest economies in Europe: 85% of the Group's portfolio is in Germany and the Netherlands, both AAA rated countries.

Focus on top tier cities of Germany and the Netherlands and on London.

Well-distributed across multiple regions with a large footprint in top tier cities such as Berlin, Munich, and Frankfurt.



## INDUSTRY

Each location has different key industries and fundamentals driving the demand.

Therefore, the Group's tenants are diversified into distinct sectors, eliminating the dependency on a single industry.

\*including development rights & invest and representing GCP at 100%



# HIGH GEOGRAPHICAL DIVERSIFICATION

## BEST-IN-CLASS BERLIN PORTFOLIO



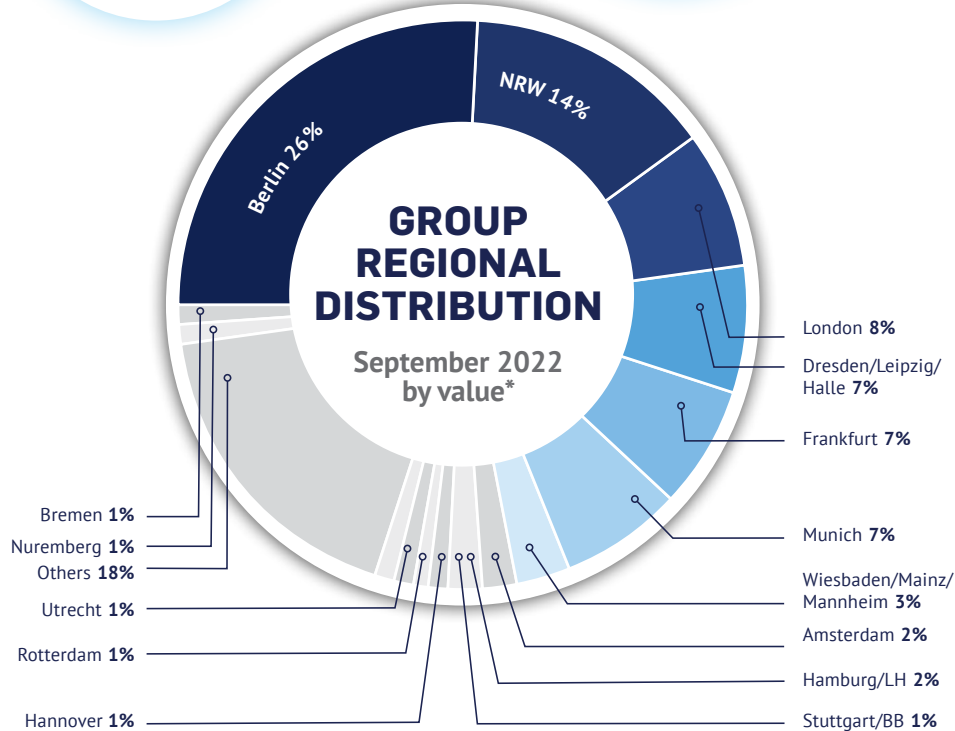
- **85%** of the portfolio is located in top tier neighborhoods including Charlottenburg, Wilmersdorf, Mitte, Kreuzberg, Friedrichshain, Lichtenberg, Schöneberg, Neukölln, Steglitz and Potsdam
- **15%** of the portfolio is well located primarily in Reinickendorf, Spandau, Treptow, Köpenick and Marzahn-Hellersdorf

- ◆ Commercial properties
- ◆ Residential properties

\*Map representing approx. 95% of the portfolio and 97% including central Potsdam

Berlin is the single largest location. AT is a leading landlord in Berlin across multiple asset types.

Central locations within top tier cities: A Berlin example

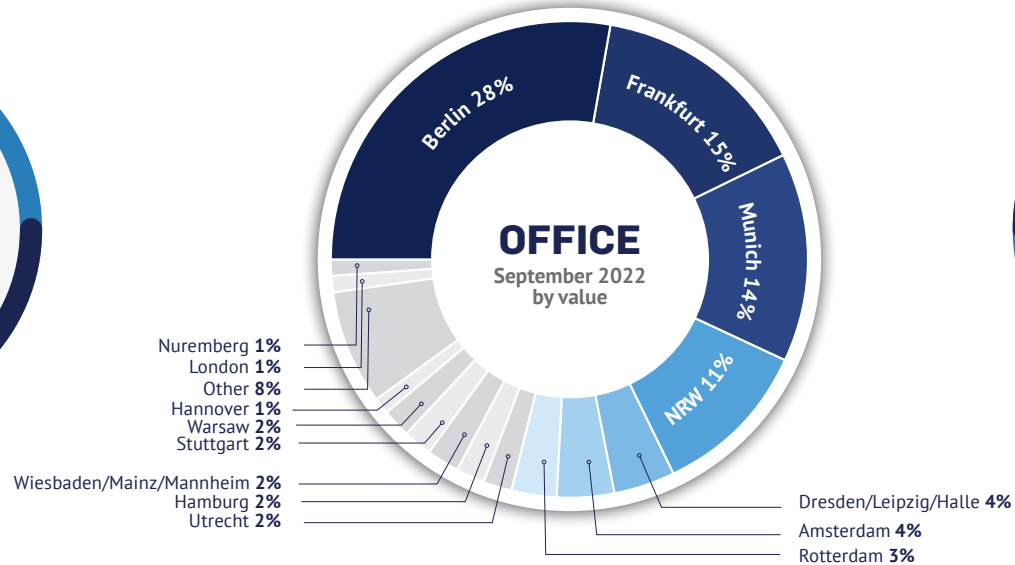


\*including development rights & invest and representing GCP at 100%



# OFFICE: HIGH QUALITY OFFICES IN TOP TIER CITIES

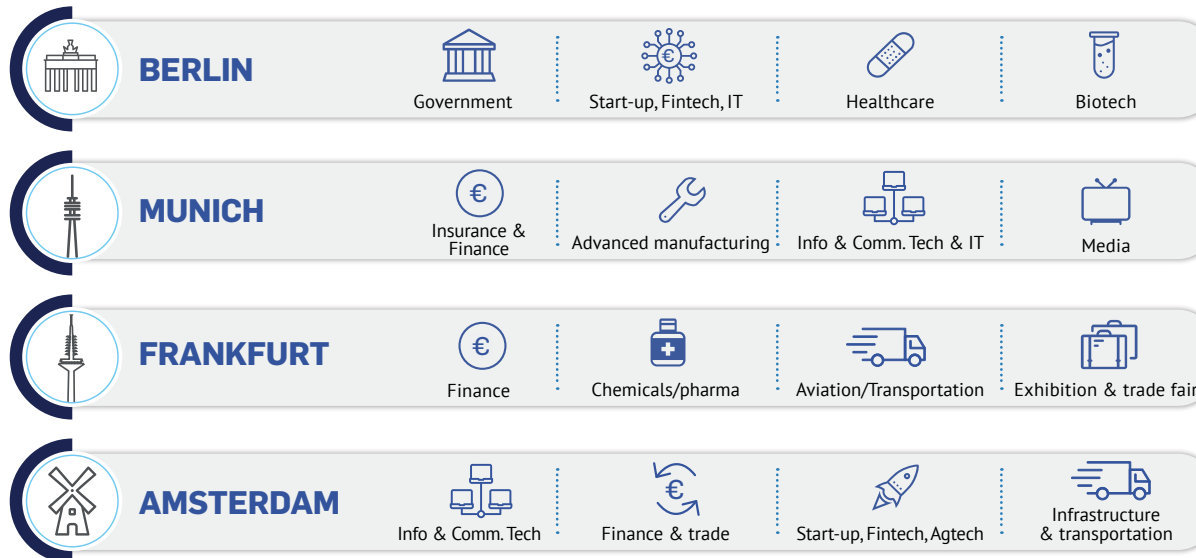
AT is the largest office landlord in Berlin, Frankfurt and Munich among publicly listed peers



Top 4 office cities: Berlin, Munich, Frankfurt and Amsterdam make up 61% of the office portfolio

## TOP OFFICE LOCATIONS Key Industries driving the business demand

Aroundtown's office assets are well-diversified and well-located across top tier cities in Europe with a focus on Germany and the Netherlands, two of the strongest and most stable economies in Europe



On top of geographical diversification, different macroeconomic characteristics of each location provide AT with an additional layer of diversification in terms of industry exposure



Berlin



Frankfurt



Munich



Amsterdam



Hamburg



Leipzig



Stuttgart



Dresden



Rotterdam

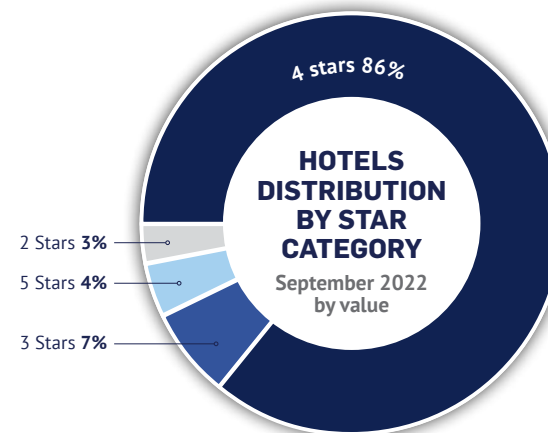


Cologne

# HOTELS: FOCUS ON CENTRAL LOCATIONS

**152**  
**HOTELS**

across top locations with fixed long-term leases with third party hotel operators



AT's hotel portfolio, valued at €4.7 billion as of September 2022, is well diversified and covers a total of 1.5m sqm. The largest share of the hotel portfolio is 4-star hotels with 86%, catching the largest market share from tourism and business travel. The hotels are branded under a range of globally leading branding partners which offer key advantages such as worldwide reservation systems, global recognition, strong loyalty programs, quality perception and benefits from economies of scale.

The hotel assets are let to hotel operators which are selected according to their capabilities, track record and experience. AT's management participates in the branding decision of the hotel, applying its expertise in selecting the optimal brand. AT maintains close relations with the operators and monitors their performance on an ongoing basis, making use of its tailor-made IT/software system.

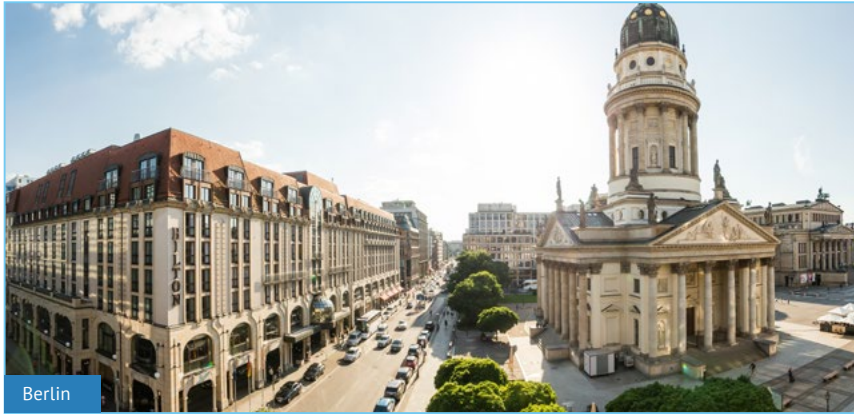
## HOTELS LEASED TO THIRD PARTY OPERATORS AND FRANCHISED WITH VARIOUS STRONG BRANDS AND A LARGE SCALE OF CATEGORIES WHICH PROVIDES HIGH FLEXIBILITY FOR THE BRANDING OF ITS ASSETS







# HIGH GEOGRAPHICAL DIVERSIFICATION



Berlin



Frankfurt



Berlin



London



Cologne

## DIVERSE EUROPEAN METROPOLITAN FOOTPRINT

### Fixed long term leases with third party hotel operators

Aroundtown's hotel assets are well-diversified and well-located across major European metropolitans, with a focus on Germany. The locations of AT's hotel assets benefit from a strong tourism industry since they are some of Europe's most visited cities as well as top business locations such as Berlin, Frankfurt, Munich, Cologne, Paris, Rome, Brussels, London and Vienna.



Meuse (Netherlands, Center Parcs)



Hamburg / Lüneburger Heide (Center Parcs)



Davos



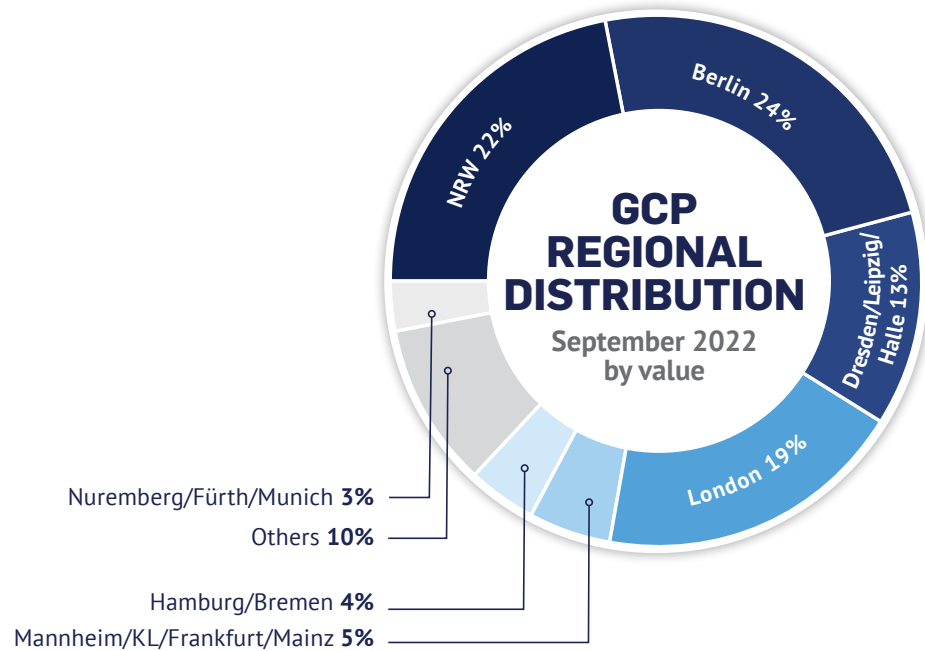
Berlin



Dresden



## GRAND CITY PROPERTIES (RESIDENTIAL PORTFOLIO)



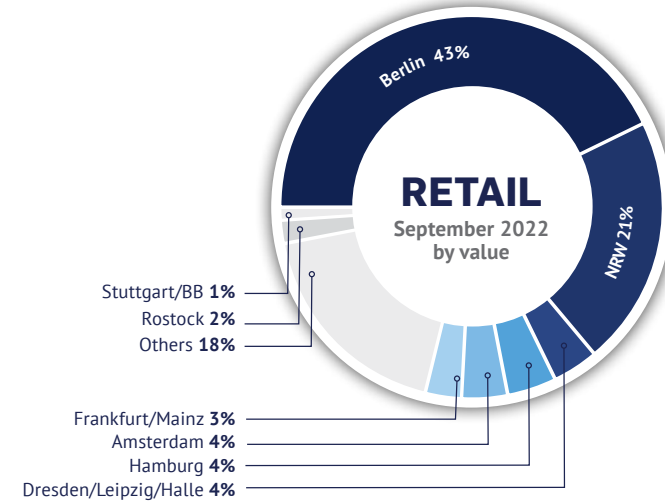
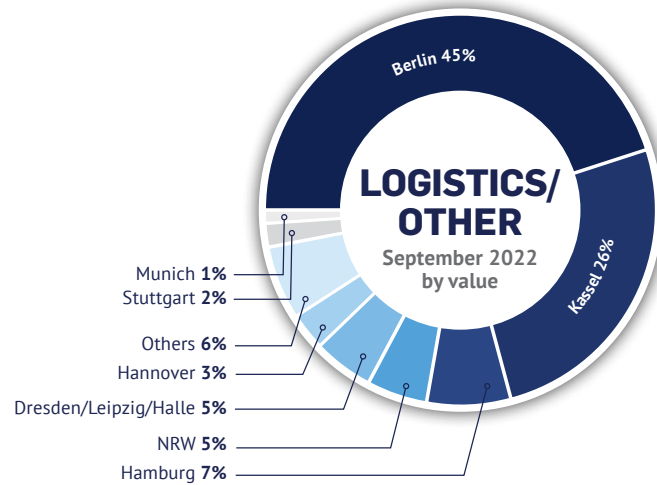
The residential portfolio is primarily held through a 60% stake in Grand City Properties (“GCP”) excluding the shares GCP holds in treasury (59% including these shares) as of September 30, 2022. GCP is a leading market player in the German residential market and a specialist in value-add opportunities in densely populated areas, predominantly in Germany, as well as in London. GCP is a publicly listed real estate company, traded in Frankfurt Stock Exchange. Since July 1, 2021, GCP is consolidated in AT’s financial accounts, providing the Group with a well-balanced portfolio breakdown. GCP’s portfolio has a value of €9.7 billion and operates at an in-place rent of €8.3/sqm and an EPRA vacancy of 4.4%. The portfolio generates an annualized net rental income of €397 million and includes a strong value-add potential. GCP holds 65k units in its portfolio with the properties spread across densely populated areas in Germany, with a focus on Berlin, North Rhine-Westphalia and the metropolitan regions of Dresden, Leipzig and Halle, as well as London. GCP’s portfolio includes a relatively small share of commercial properties which AT reclassifies into their relevant asset class. GCP puts a strong emphasis on growing relevant skills in-house to improve responsiveness and generate innovation across processes and departments. Through its 24/7 Service Center and by supporting local community initiatives, GCP established industry-leading service standards and lasting relationships with its tenants. For more information, please visit GCP’s [website](#).





# FURTHER PORTFOLIO DIVERSIFICATION THROUGH LOGISTICS/OTHER AND RETAIL

Largest focus is on resilient essential goods tenants and grocery-anchored properties catering strong and stable demand from local residential neighborhoods



## ASSET TYPE OVERVIEW

SEPTEMBER 2022	Investment properties (in €M)	Area (in k sqm)	EPRA vacancy	Annualized net rent (in €M)	In-place rent per sqm (in €)	Value per sqm (in €)	Rental yield	WALT (in years)
Office	11,751	3,655	10.9%	479	11.7	3,216	4.1%	4.3
Residential	8,537	3,720	4.4%	361	8.3	2,295	4.2%	NA
Hotel	4,720	1,532	4.1%	237	13.3	3,080	5.0%	14.8
Logistics/Other	447	455	8.6%	23	4.5	983	5.1%	5.0
Retail	1,678	656	11.6%	73	10.3	2,558	4.3%	4.5
Development rights & Invest	2,118							
<b>Total</b>	<b>29,251</b>	<b>10,018</b>	<b>7.6%</b>	<b>1,173</b>	<b>10.2</b>	<b>2,709</b>	<b>4.3%</b>	<b>7.4</b>
<b>Total (GCP at relative consolidation)</b>	<b>25,377</b>	<b>8,386</b>	<b>8.1%</b>	<b>1,015</b>	<b>10.6</b>	<b>2,785</b>	<b>4.3%</b>	<b>7.5</b>

## REGIONAL OVERVIEW

SEPTEMBER 2022	Investment properties (in €M)	Area (in k sqm)	EPRA vacancy	Annualized net rent (in €M)	In-place rent per sqm (in €)	Value per sqm (in €)	Rental yield
Berlin	6,670	1,559	6.3%	211	11.5	4,280	3.2%
NRW	3,939	1,994	7.8%	180	7.8	1,976	4.6%
London	2,106	286	4.9%	98	30.9	7,366	4.6%
Dresden/Leipzig/Halle	2,014	1,159	3.9%	96	7.1	1,737	4.8%
Munich	1,888	548	8.9%	55	8.5	3,443	2.9%
Frankfurt	1,861	517	13.5%	76	13.7	3,600	4.1%
Wiesbaden/Mainz/Mannheim	745	263	5.5%	34	10.8	2,834	4.5%
Hamburg/LH	633	223	3.9%	32	12.0	2,839	5.1%
Amsterdam	632	168	10.3%	27	14.0	3,760	4.2%
Stuttgart/BB	305	121	14.1%	13	11.0	2,522	4.4%
Hannover	284	156	13.0%	13	8.3	1,819	4.8%
Rotterdam	261	99	3.0%	17	13.6	2,628	6.6%
Utrecht	231	93	10.6%	14	12.5	2,473	5.9%
Other	5,564	2,832	8.6%	307	9.8	1,965	5.5%
Development rights & Invest	2,118						
<b>Total</b>	<b>29,251</b>	<b>10,018</b>	<b>7.6%</b>	<b>1,173</b>	<b>10.2</b>	<b>2,709</b>	<b>4.3%</b>

# CAPITAL MARKETS

## KEY INDEX INCLUSIONS

Aroundtown's share is a constituent of several major indices such as **MDAX, DAX 50 ESG, FTSE EPRA/NAREIT Index Series, FTSE Eurofirst 300, MSCI Index Series, S&P EUROPE 350, S&P EUROPE 350 ESG, STOXX Europe 600** as well as **GPR 250, GPR Global Top 100 ESG** and **DIMAX**. These inclusions are the result of Aroundtown's large market cap and high trading volumes on the Prime Standard of the Frankfurt Stock Exchange (XETRA).



A Division of S&P Global



## INVESTOR RELATIONS ACTIVITIES

The Group is proactively approaching a large investor audience in order to present its business strategy, provide insight into its progression and create awareness of its overall activities to enhance its perception in the market. AT participates in a vast amount of various national and international conferences, roadshows, one-on-one presentations and in virtual video conferences in order to present a platform for open dialogue. Explaining its unique business strategy in detail and presenting the daily operations allow investors to gain a full overview about the Group's successful business approach. The most recent information is provided on its website and open channels for communication are always provided. Currently, AT is covered by 18 different research analysts on an ongoing basis, with reports updated and published regularly.

## TRADING DATA

Placement	Frankfurt Stock Exchange
Market segment	Prime Standard
Trading ticker	AT1
Initial placement of capital	13.07.2015 (€3.2 per share)
Key index memberships	DAX 50 ESG MDAX FTSE EPRA / NAREIT: – Global – Developed Europe – Eurozone – Germany – Green Indexes MSCI Index Series S&P Europe 350 S&P Europe 350 ESG STOXX Europe 600 GPR 250 GPR Global Top 100 ESG DIMAX

### AS AT SEPTEMBER 30, 2022

Number of shares	1,537,025,609
Number of shares, base for share KPI calculations <sup>1)</sup>	1,116,617,636

<sup>1)</sup> excluding suspended voting rights, including the conversion impact of mandatory convertible notes

### AS AT NOVEMBER 25, 2022

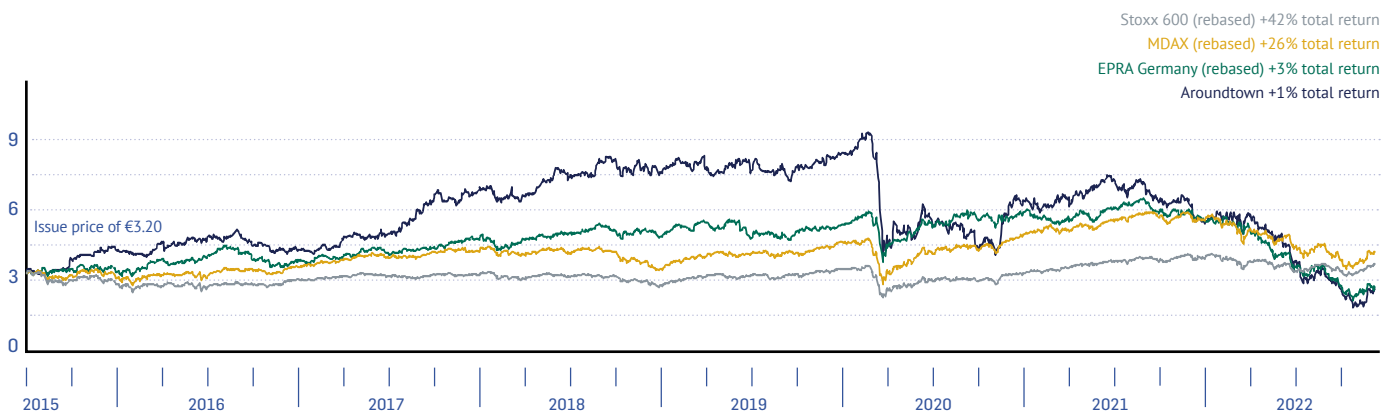
Number of shares, base for share KPI calculations <sup>1)</sup>	1,096,359,581
Shareholder Structure	Freefloat: 55% - of which Blackrock 6.3% Shares held in treasury <sup>2)</sup> : 30% Avisco Group/Vergepoint <sup>3)</sup> : 15%

<sup>2)</sup> 12% are held through TLG Immobilien AG, voting rights suspended

<sup>3)</sup> controlled by Yakir Gabay

Market cap	€3.9 bn / €2.8 bn (excl. treasury shares)
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## SHARE PRICE PERFORMANCE AND TOTAL RETURN SINCE INITIAL PLACEMENT OF CAPITAL (13.07.2015)





# NOTES ON BUSINESS PERFORMANCE



Berlin

## SELECTED CONSOLIDATED INCOME STATEMENTS DATA

	Nine months ended September 30,	
	2022	2021
	in € millions	
Revenue	1,200.7	935.8
<b>Net rental income</b>	<b>916.5</b>	<b>773.0</b>
Property revaluations and capital gains	408.8	321.6
Share of profit from investment in equity-accounted investees	51.5	157.8
Recurring property operating expenses <sup>1)</sup>	(447.0)	(269.8)
Extraordinary expenses for uncollected rent <sup>2)</sup>	(60.0)	(100.0)
Administrative and other expenses	(45.2)	(43.0)
Operating profit	1,108.8	1,002.4
<b>Adjusted EBITDA <sup>1) 3)</sup></b>	<b>757.9</b>	<b>716.2</b>
Finance expenses	(141.0)	(130.3)
Current tax expenses	(88.1)	(71.0)
<b>FFO I before extraordinary Covid adjustment <sup>1) 4)</sup></b>	<b>334.5</b>	<b>366.9</b>
<b>FFO I <sup>4)</sup></b>	<b>274.5</b>	<b>266.9</b>
<b>FFO I per share (in €) <sup>4)</sup></b>	<b>0.25</b>	<b>0.23</b>
<b>FFO II <sup>4)</sup></b>	<b>564.2</b>	<b>650.1</b>
Other financial results	(175.0)	(88.0)
Deferred tax expenses	(127.2)	(63.5)
<b>Profit for the period</b>	<b>577.5</b>	<b>649.6</b>

1) excluding extraordinary expenses for uncollected rent due to the Covid pandemic

2) extraordinary expenses for uncollected rent due to the Covid pandemic

3) including AT's share in the adjusted EBITDA of companies in which AT has significant influence, excluding the contributions from commercial assets held for sale. For more details regarding the methodology, please see pages 36-40

4) including AT's share in the FFO I of companies in which AT has significant influence, excluding FFO I relating to minorities and contributions from commercial assets held for sale. For more details regarding the methodology, please see pages 36-40

## OPERATING PROFIT

	Note	Nine months ended September 30,	
		2022	2021
		in € millions	
<b>Recurring long-term net rental income</b>		<b>902.7</b>	<b>755.6</b>
Net rental income related to properties marked for disposal		13.8	17.4
<b>Net rental income</b>		<b>916.5</b>	<b>773.0</b>
Operating and other income		284.2	162.8
<b>Revenue</b>	(a)	<b>1,200.7</b>	<b>935.8</b>
Share of profit from investment in equity-accounted investees	(b)	51.5	157.8
Property revaluations and capital gains	(c)	408.8	321.6
Recurring property operating expenses <sup>1)</sup>	(d)	(447.0)	(269.8)
Extraordinary expenses for uncollected rent <sup>2)</sup>	(d)	(60.0)	(100.0)
Administrative and other expenses	(e)	(45.2)	(43.0)
<b>Operating profit</b>		<b>1,108.8</b>	<b>1,002.4</b>

- 1) excluding extraordinary expenses for uncollected rent due to the Covid pandemic  
 2) extraordinary expenses for uncollected rent due to the Covid pandemic

### (a) Revenue

AT generated €1.2 billion of revenues in the nine-month period ending September 2022 ("9M 2022"), up by 28% compared to €936 million generated in the nine-month period ending September 2021 ("9M 2021"). Net rental income is the largest portion of revenues which amounted to €917 million in 9M 2022, up by 19% compared to €773 million in 9M 2021. This growth is mainly driven by the consolidation of GCP as of July 1, 2021. As a result, GCP has contributed to the full 9 months period during 2022 while only contributing one quarter (Q3 2021) in the comparable period. Excluding GCP's contribution, net rental income amounted to €622 million in 9M 2022, reflecting a decrease of 8% compared to €680 million in 9M 2021. This

decrease is mainly driven by disposals closed between the two periods, as well as disposals during 9M 2021 which had a full period impact only in 9M 2022. The impact from disposals was partially offset by the like-for-like net rental income growth and acquisitions. Excluding hotels, AT recorded a like-for-like net rental income growth of 3.4% as of September 2022. Including hotels, the total like-for-like amounted to 2.6% which is comprised of positive 3.0% in-place rent like-for-like and negative 0.4% occupancy like-for-like. The commercial portfolio excluding hotels had a like-for-like rental income growth of 3.3%, supported by CPI indexation adjustments. With regard to the residential portfolio, GCP's stable operations were supported

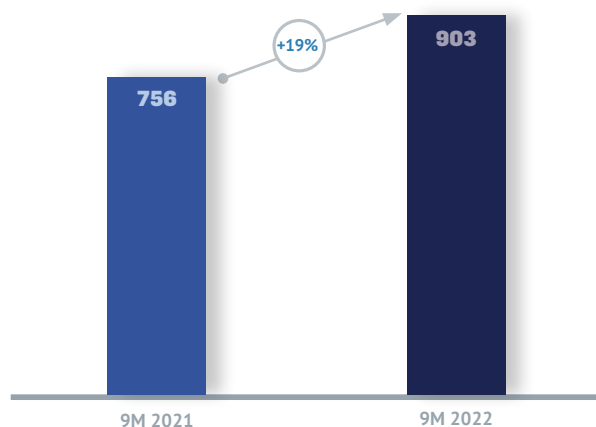
by tailwinds from the supply-demand imbalance, resulting in a 3.1% like-for-like rental growth as of September 2022. There have not been any significant rent increases or indexations for the hotel portfolio contractual rents, as the hospitality industry has not yet fully recovered from the Covid-19 pandemic, which together with other events led to significant cost inflation and staff shortages in the hotel industry, resulting in a stable rent like-for-like. Nevertheless, the collection rate for 9M 2022 amounted to 65% as compared to slightly over 40% in the same period of 2021, which is also reflected in a significant lower provision for uncollected rents. Acquisitions in 9M 2022 amounted to approx. €370 million. The majority of these were executed via GCP which were completed towards the end of the second quarter of 2022, primarily located in London and Berlin and had only a partial impact on the current period.

AT generated €284 million of operating and other income in 9M 2022, up by 75% compared to €163 million generated in 9M 2021, mainly due to the consolidation of GCP, additionally impacted by cost inflation. This income is mainly linked to ancillary expenses that are reimbursed by tenants such as utility costs (heating, energy, water, insurance, etc.) and charges for services provided to tenants (cleaning, security, etc.). The leases in residential real estate have a higher share of ancillary expenses compared to commercial real estate where net lease structures are more prevalent (e.g. hotels) and more of these costs are directly incurred by the tenants. As a result, the increase in operating and other income was higher than the increase in net rental income following the consolidation of GCP. The increase in operating and other income is correlated with the increase in purchased services as explained below in property operating expenses.



AT further breaks down its net rental income into the recurring long-term net rental income and net rental income generated by properties marked for disposal. Since AT intends to dispose the held-for-sale properties, AT views their contribution as non-recurring and therefore presents this in a separate line item. The net rental income from held-for-sale properties and disposed properties amounted to €14 million in 9M 2022, lower compared to €17 million in 9M 2021, mainly due to lower amount of held for sale properties balance. Correspondingly, the recurring net rental income amounted to €903 million in 9M 2022, up by 19% compared to €756 million in 9M 2021. The recurring net rental income also includes immaterial rental income from properties classified as development rights & invest which is excluded in the run rate. AT completed €1.3 billion of disposals in 9M 2022. Disposals that are signed but not closed amount to approx. €330 million.

### RECURRING LONG-TERM NET RENTAL INCOME (IN € MILLIONS)



#### (b) Share of profit from investment in equity-accounted investees

Share of profit from investment in equity-accounted investees amounted to €52 million in 9M 2022, lower compared to €158 million recorded in 9M 2021. This item represents AT's share of profits from investments which are not consolidated in AT's financial statements, but over which AT has significant influence. Prior to the consolidation of GCP as of July 1, 2021, GCP was the main contributor to this line item and thus, the result in 9M 2021 included GCP's profits for the first half of the year. The main equity-accounted investee as of September 2022 is the investment in Globalworth Real Estate Investments Limited ("Globalworth" or "GWI"), a leading publicly listed office landlord in the Polish and Romanian markets. The recurring contribution of the investees to the adjusted EBITDA and FFO I were €40 million and €30 million in 9M 2022, compared to €92 million and €61 million in 9M 2021.

#### (c) Property revaluations and capital gains

AT recorded €409 million of property revaluations and capital gains in 9M 2022, higher than €322 million recorded in 9M 2021. The higher level of property revaluation gains in 9M 2022 was mainly due to the consolidation of GCP whereas in the comparable period in 2021 GCP was accounted for as an equity-accounted investee until H1 2021 and only contributed to this line item in Q3 2021. During 9M 2022, 85% of portfolio was revalued, primarily during the first half of 2022. As AT revaluates its portfolio at least once a year, performed externally by independent and qualified valuers, more valuation updates will be included in the full year results. The property values increased on a like-for-like basis by 1.3%.

AT completed €1.3 billion of disposals in 9M 2022 with a margin of 4% above book value which was recorded as a capital gain in

the amount of €45 million. The disposal margin over total costs including capex was 30%. 30% of the disposals were offices, 14% were hotels, 32% were development projects and rights and 24% were retail, logistics and other. Nearly half were located in Berlin while the remaining were located in Dresden, Hamburg, Munich, Stuttgart, Wiesbaden and non-core locations across the UK, Netherlands and Germany.

As of September 2022, the portfolio reflects an average value of €2,709 per sqm and net rental yield of 4.3%, compared to €2,614 per sqm and 4.4% as of December 2021. This average value is significantly below the replacement costs (including land costs).

#### (d) Property operating expenses

Recurring property operating expenses amounted to €447 million in 9M 2022, higher compared to €270 million recorded in 9M 2021, mainly driven by the consolidation of GCP, mirroring the growth of the operating and other income. Excluding GCP's contribution, recurring property operating expenses increased as a result of cost inflation, partially offset by disposals. The main portion of property operating expenses are ancillary expenses and purchased services which are mainly recoverable from tenants such as utility costs (heating, energy, water, insurance, etc.), charges for services provided to tenants (cleaning, security, etc.) and other services contracted in relation to the management of properties. Property operating expenses additionally include maintenance and refurbishment costs, operating personnel expenses, depreciation and amortization and various operating costs such as marketing, letting and legal fees. Overall, ancillary expenses increased year-over-year mainly due to the consolidation of GCP and cost inflation. AT has seen cost inflation across most items, mainly in costs for personnel, external services and



IT. Additionally, AT has conservatively recorded in this line item a provision in the amount of approx. €25 million as a respond to the risk that utility expenses will not be recovered in full as part of the future settlement for higher energy costs. The provision was made precautionary, due to the uncertainty on the level of expenses and the fact that a large position of the expenses is settled at a later stage. The Company will examine and update the balance of the required provision from period to period.

Property operating expenses also include non-recurring extraordinary expenses for uncollected rent, which amounted to €60 million in 9M 2022 compared to €100 million in 9M 2021. AT created extraordinary expenses for uncollected rent in response to the impact of the Coronavirus pandemic, especially affecting the hotel industry. The extraordinary expenses recorded during 9M 2022 were relatively lower compared to 9M 2021 as the market was under a full lockdown for the most of first half of 2021. The rent collection in Q1 2022 was still heavily impacted by restrictions and increasing infection rates. Recovery began in Q2 2022 after restrictions were lifted and further progress was witnessed in Q3 2022 driven by higher demand during summer. However, profitability in the hotel industry was adversely impacted by cost inflation in utilities (in particular in energy costs) and staff (including staff shortages), as well as supply chain disruptions, which is still holding back a full recovery in the hotel portfolio.

*(e) Administrative expenses*

AT recorded €45 million of administrative and other expenses in 9M 2022, higher compared to €43 million in 9M 2021, mainly as a result of the consolidation of GCP. Excluding GCP's contribution, administrative and other expenses were lower mainly due to higher efficiency, partially offset by general cost inflation. These expenses consist mainly of administrative personnel expenses, fees for legal, professional, accounting and audit services, as well as sales, marketing and other administrative expenses.

## NET PROFIT

	Note	Nine months ended September 30,	
		2022	2021
		in € millions	
<b>Operating profit</b>		<b>1,108.8</b>	<b>1,002.4</b>
Finance expenses	(a)	(141.0)	(130.3)
Other financial results	(b)	(175.0)	(88.0)
Current tax expenses	(c)	(88.1)	(71.0)
Deferred tax expenses	(c)	(127.2)	(63.5)
<b>Profit for the period</b>	(d)	<b>577.5</b>	<b>649.6</b>
<b>Profit attributable to:</b>			
Owners of the Company		304.4	464.5
Perpetual notes investors		88.3	76.1
Non-controlling interests		184.8	109.0
<b>Basic earnings per share (in €)</b>	(d)	<b>0.27</b>	<b>0.40</b>
<b>Diluted earnings per share (in €)</b>	(d)	<b>0.27</b>	<b>0.39</b>
Weighted average basic shares (in millions)		1,113.5	1,175.3
Weighted average diluted shares (in millions)		1,114.9	1,176.5
<b>Profit for the period</b>		<b>577.5</b>	<b>649.6</b>
Total other comprehensive income for the period, net of tax	(d)	25.4	72.8
<b>Total comprehensive income for the period</b>	(d)	<b>602.9</b>	<b>722.4</b>

#### *(a) Finance expenses*

Finance expenses amounted to €141 million in 9M 2022, higher compared to €130 million in 9M 2021, mainly due to the consolidation of GCP. Excluding GCP's contribution, finance expenses were lower due to debt repayments in 9M 2022 and 2021. The finance expenses mainly include net interest on bonds and bank loans. During the period AT has repaid €2.4 billion of debt and raised new debt (mainly in Q4 2021) with a total amount of €1.5 billion so a net repayment of €0.9 billion. The repaid debt had an average cost of debt of 1.4% and average maturity of 2 years while the new debt had an average cost of debt of 0.8% and average maturity of 5 years. As a result, AT maintained a low cost of debt of 1.3% (current) and a long maturity of 5.3 years. The increase in finance expenses is the result of the consolidation of GCP which has contributed to the full 9 months period during 2022 while contributing for only one quarter (Q3 2021) in the comparable period.

AT has a current high hedging ratio of 96%. However, given that some of the interest hedging instruments mature in 2023, the expected 2023 ("2023E") hedging ratio is 85%. AT continues to maintain a high level of unencumbered assets (€23.5 billion as of September 2022) which provides good access to the secured debt market.

#### *(b) Other financial results*

Other financial results amounted to an expense of €175 million in 9M 2022, higher compared to an expense of €88 million in 9M 2021, partially due to the consolidation of GCP since July 2021. Other financial results are composed mainly of items that are non-recurring and/or non-cash with fluctuating values and thus the result varies from one period to another. Other financial results during 9M 2022 were mostly attributable to net

changes in the fair value of financial assets and liabilities including derivative financial instruments which were negatively impacted by the market environment driven by the volatility in financial markets and changes in yields and foreign exchange rates. Particularly, the increase in yields and volatility negatively impacted the net fair value of interest hedging instruments while the hedged debt is booked at amortized cost. If AT's bonds would be booked at mark-to-market, the effect on the other financial results would be an income of several hundreds of millions of euros which would more than offset these expenses. Furthermore, derivatives were impacted by inflation indexation hedging instruments on a couple of AT's bonds. As the inflation increased in 9M 2022 more than the pre-determined hedged level, an expense was recorded in the other financial results line, partially offset by an increase on the revenues line coming from inflation-indexed leases. The results also include changes in contingent liabilities relating to the takeover of TLG.

Additionally, other financial results included costs incurred as a result of debt repayments in 9M 2022 to optimize the debt profile, resulting in a cleaner debt schedule with no significant maturities until 2025, and expenses relating to currency hedging, bank fees and others.

#### *(c) Taxation*

Current tax expenses amounted to €88 million in 9M 2022, higher compared to €71 million expense in 9M 2021, mainly due to the consolidation of GCP, offsetting the lower portfolio size due to disposals. Current tax expenses are comprised of corporate income taxes and property taxes. Deferred tax expenses amounted to €127 million in 9M 2022, higher compared to €64 million in 9M 2021, mainly due to the consolidation of GCP but also due to higher revaluation gains for properties in jurisdictions with a higher tax rate.

The deferred tax expenses were partially offset by the positive tax impact relating to realization of loss carried forward and negative changes in the fair value of financial derivatives.

#### *(d) Net income & Earnings per share*

AT generated a net profit of €578 million in 9M 2022, lower compared to €650 million in 9M 2021. The full period impact of GCP's consolidation, higher revaluation and capital gains and lower extraordinary expenses for uncollected rent were offset mainly by disposals, higher deferred taxes and negative other financial results. The shareholders' profit amounted to €304 million in 9M 2022, accordingly lower compared to €465 million generated in 9M 2021. The profit attributable to non-controlling interests increased from €109 million in 9M 2021 to €185 million in 9M 2022, mainly due to the minorities as a result of the consolidation of GCP and their full period impact during 9M 2022. AT's effective holding rate in GCP during 9M 2022 was 55% on average (60% at the end of September 2022). Profit attributable to perpetual notes investors increased from €76 million in 9M 2021 to €88 million in 9M 2022 mainly due to the consolidation of GCP.

AT generated basic and diluted earnings per share of €0.27 in 9M 2022, lower compared to €0.40 and €0.39 per share recorded in 9M 2021, respectively. Per share KPI's were positively impacted by a 5% decrease in the average share count between the periods, driven by the share buyback program, partially offset by the impact of scrip dividends.

AT generated total comprehensive income of €603 million in 9M 2022, lower compared to €722 million recorded in 9M 2021 due to the decrease in the net profit and total other comprehensive income from €73 million in 9M 2021 to €25 million in 9M 2022 as a result of the foreign currency translation effects of foreign operations offsetting the impact of cash flow hedges.

## ADJUSTED EBITDA

	Nine months ended September 30,	
	2022	2021
	in € millions	
Operating profit	1,108.8	1,002.4
Total depreciation and amortization	14.1	5.8
<b>EBITDA</b>	<b>1,122.9</b>	<b>1,008.2</b>
Property revaluations and capital gains	(408.8)	(321.6)
Share of profit from investment in equity-accounted investees	(51.5)	(157.8)
Other adjustments incl. one-off expenses related to TLG merger <sup>1)</sup>	5.5	4.8
Contribution of assets held for sale	(9.8)	(9.1)
Add back: Extraordinary expenses for uncollected rent <sup>2)</sup>	60.0	100.0
<b>Adjusted EBITDA before JV contribution</b>	<b>718.3</b>	<b>624.5</b>
Contribution of joint ventures' adjusted EBITDA <sup>3)</sup>	39.6	91.7
<b>Adjusted EBITDA</b>	<b>757.9</b>	<b>716.2</b>

1) other adjustment is expenses related to employees' share incentive plans

2) extraordinary expenses for uncollected rent due to the Covid pandemic

3) the adjustment is to reflect AT's share in the adjusted EBITDA of companies in which AT has significant influence and that are not consolidated. GCP contributed to this line item until June 30, 2021. Starting from July 1, 2021, GCP is consolidated

Adjusted EBITDA is a key performance measure used to evaluate the operational results of the Group, derived by deducting from the EBITDA non-operational items such as revaluation and capital gains, extraordinary expenses and other adjustments. Additionally, in order to mirror the recurring operational results of the Group, the share of profit from investment in equity-accounted investees is subtracted as this also includes the Group's share in non-operational and non-recurring profits generated by these investees. Instead, to reflect their operational earnings, the Group includes in its adjusted EBITDA its share in the adjusted EBITDA generated by investments where the Group has a significant influence in according with its effective holding rate over the period. Prior to the third quarter of 2021, this line item was mostly attributed to AT's share in GCP's adjusted EBITDA, however, starting from July 1, 2021, GCP is consolidated in AT's financial accounts.

AT generated an adjusted EBITDA before JV contribution of €718 million in 9M 2022, up by 15% compared to €625 million in 9M 2021, mainly due to full period impact of GCP's consolidation, supported by like-for-like net rental income growth of 2.6%, overall offsetting partially the impact of disposals, cost inflation and provisions made in relation to higher energy prices. Higher rents from CPI indexation adjustments offset the higher costs due to inflation. Excluding GCP, adjusted EBITDA before JV contribution decreased 11% year-over-year mainly due to disposals. Including joint venture positions' adjusted EBITDA contribution, the Group generated an adjusted EBITDA of €758 million in 9M 2022, up by 6% compared to €716 million in 9M 2021, mainly driven by the full contribution of GCP during 9M 2022 whereas in the comparable period GCP only had a relative contribution during H1 2021 and a full contribution during Q3 2021, offsetting the disposal impact.

Adjusted EBITDA excludes the effect of extraordinary expenses for uncollected rent. Including this effect, adjusted EBITDA, Covid adjusted amounted to €698 million in 9M 2022, higher by 13% compared to €616 million in 9M 2021.

The adjusted EBITDA accounts for other adjustments in the amount of €5.5 million in 9M 2022 mainly related to non-cash expenses for employees' share incentive plans and other one-off costs related to the merger process with TLG. Furthermore, AT conservatively does not include the contributions from commercial properties marked for disposal since they are intended to be sold and therefore, their contributions are non-recurring. The adjustment amounted to €9.8 million in 9M 2022, slightly higher compared to €9.1 million in 9M 2021.



Cologne

## FUNDS FROM OPERATIONS (FFO I, FFO II)

Nine months ended September 30,

	2022	2021
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in € millions

<b>Adjusted EBITDA before JV contribution</b>	<b>718.3</b>	<b>624.5</b>
Finance expenses	(141.0)	(130.3)
Current tax expenses	(88.1)	(71.0)
Contribution to minorities <sup>1)</sup>	(100.0)	(45.8)
Adjustments related to assets held for sale <sup>2)</sup>	3.3	4.9
Perpetual notes attribution	(88.3)	(76.1)
<b>FFO I before JV contribution</b>	<b>304.2</b>	<b>306.2</b>
Contribution of joint ventures' FFO I <sup>3)</sup>	30.3	60.7
<b>FFO I before extraordinary Covid adjustment</b>	<b>334.5</b>	<b>366.9</b>
<b>FFO I per share before extraordinary Covid adjustment (in €)</b>	<b>0.30</b>	<b>0.31</b>
Extraordinary expenses for uncollected rent <sup>4)</sup>	(60.0)	(100.0)
<b>FFO I</b>	<b>274.5</b>	<b>266.9</b>
<b>FFO I per share (in €)</b>	<b>0.25</b>	<b>0.23</b>
Weighted average basic shares (in millions) <sup>5)</sup>	1,113.5	1,175.3
<b>FFO I</b>	<b>274.5</b>	<b>266.9</b>
Result from the disposal of properties <sup>6)</sup>	289.7	383.2
<b>FFO II</b>	<b>564.2</b>	<b>650.1</b>

1) including the minority share in GCP's and TLG's FFO

2) the net contribution which is excluded from the FFO amounts to €6.5 million in 9M 2022 and €4.2 million in 9M 2021

3) the adjustment is to reflect AT's share in the FFO I of companies in which AT has significant influence and that are not consolidated. GCP contributed to this line item until June 30, 2021. Starting from July 1, 2021 GCP is consolidated

4) extraordinary expenses for uncollected rent due to the Covid pandemic

5) weighted average number of shares excludes shares held in treasury and includes the conversion impact of mandatory convertible notes; base for share KPI calculations

6) the excess amount of the sale price, net of transaction costs and total costs (cost price and capex of the disposed properties)

Funds from Operations I (FFO I) is an industry standard performance indicator, reflecting the recurring operational profitability. FFO I starts by deducting the finance expenses, current tax expenses and the contribution to perpetual notes from the adjusted EBITDA. The calculation further includes the relative share in the FFO I of joint venture positions and excludes the share in minorities' operational profits. Prior to the third quarter of 2021, adjustment for joint venture positions included AT's share in GCP's FFO I. Starting from July 1, 2021, GCP is consolidated in AT's financial accounts and the minority share in GCP's FFO I is deducted instead. Furthermore, AT makes an adjustment related to assets held for sale.

In addition, AT provides the FFO II, which is an additional key performance indicator used in the real estate industry to evaluate the operational recurring profits including the disposal gains during the relevant period.

The Group generated in 9M 2022 an FFO I before extraordinary Covid adjustment of €335 million, lower by 9% compared to €367 million in 9M 2021. The like-for-like net rental income growth and the increased stake in GCP's and TLG's recurring operational profits were offset by the impact of disposals. FFO I per share before extraordinary Covid adjustment amounted to €0.30, slightly lower compared to €0.31 per share in 9M 2021. The decline in the absolute amount due to disposals was partially offset as a result of the ongoing share buyback program. The FFO I per share before extraordinary Covid adjustment of €0.30 in 9M 2022 is 7% higher than the €0.28 per share in 9M 2020 and 3% higher than the €0.29 per share in 9M 2019, reflecting the strong impact of the share buyback program initiated

since the pandemic, and validated the value creation on per share basis of the business, excluding the impact of the extraordinary Covid adjustment.

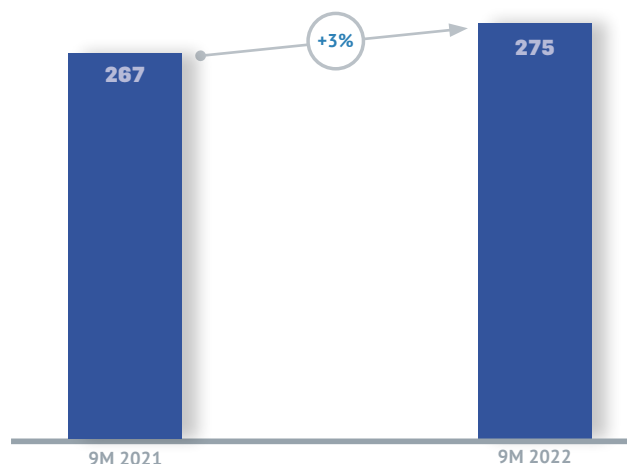
The consolidation of GCP has no material impact on FFO I as this figure previously already included AT's share in GCP's FFO I. However, the increased holding rate in GCP reduced the minorities.

The contribution from commercial properties held for sale, which is excluded from the FFO I, amounted to €6.5 million in 9M 2022, higher compared to €4.2 million in 9M 2021.

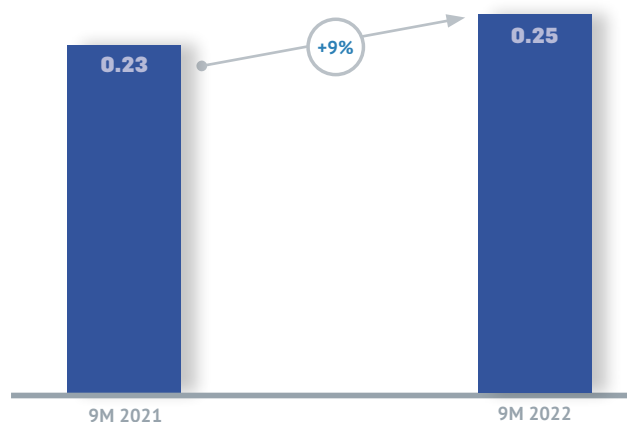
FFO I including extraordinary expenses for uncollected rent due to the Covid pandemic, which amounted to €60 million in 9M 2022, lower than €100 million in 9M 2021, amounted to €275 million in 9M 2022, 3% higher than €267 million in 9M 2021. Since the pandemic, AT has freed up funds from disposals and used the proceeds to repay debt and buy back shares with a deep discount to NTA. This capital recycling strategy contributed towards a relatively higher growth in the per share amount, partially offset by the impact of scrip dividends. As a result, FFO I per share amounted to €0.25 in 9M 2022, 9% higher compared to €0.23 per share in 9M 2021.

AT recorded an FFO II of €564 million in 9M 2022, 13% lower than €650 million recorded in 9M 2021. AT completed €1.3 billion of disposals in 9M 2022 with a 30% margin over their cost values in comparison to over €1.1 billion of disposals during 9M 2021 with a 51% margin over their cost values. High gains over cost value demonstrates AT's strong track record in effective profit and value creation across its portfolio.

## FFO I (IN € MILLIONS)



## FFO I PER SHARE (IN €)



## CASH FLOW

	Nine months ended September 30,	
	2022	2021
in € millions		
Net cash from operating activities	577.5	411.1
Net cash from investing activities	241.4	186.3
Net cash used in financing activities	(1,701.9)	(1,866.9)
<b>Net changes in cash and cash equivalents</b>	<b>(883.0)</b>	<b>(1,269.5)</b>
Cash and cash equivalents as at the beginning of the year	2,873.0	2,692.1
Cash and cash equivalents from business combinations	-	1,069.7
Other changes*	13.0	8.8
<b>Cash and cash equivalents as at the end of the period</b>	<b>2,003.0</b>	<b>2,501.1</b>

\* including change in balance of assets held for sale and movements in exchange rates on cash held



€578 million of net cash was provided by operating activities during 9M 2022, higher by 40% compared to €411 million that was provided during 9M 2021. The growth was mainly due to the consolidation of GCP, supported by growth in operational profits and like-for-like rent increases, as well as higher rent collection in the hotel properties and higher amount of cash dividends from joint venture positions. The growth was partially offset by the impact of disposals.

€241 million of cash was received from investing activities during 9M 2022, higher by 30% compared to €186 million that was received during 9M 2021. €1.0 billion of cash was received from disposals, including deposits and net of vendor loans granted. On the other hand, approx. €750 million of cash was used for capex investments, acquisition of assets, investment in associates and other.

€1.7 billion of cash was used in financing activities during 9M 2022, compared to €1.9 billion that was used during 9M 2021. The main cash uses during 9M 2022 were the repayment and redemption of over €1 billion debt, approx. €250 million of dividends paid by the Group, share buyback of over €200 million and acquisition of GCP shares in the amount of over €280 million.

As a result, AT utilized its large cash balance from year-end 2021 and used €0.9 billion of net cash during 9M 2022. Including other liquid assets, AT's liquidity position amounts to €2.3 billion at the end of September 2022, which is 16% of total debt position.



Frankfurt

## ASSETS

		Sep 2022	Dec 2021
	Note	in € millions	
<b>Total Assets</b>	(a)	<b>38,717.4</b>	<b>39,383.1</b>
<b>Non-current assets</b>	(a)	<b>34,471.3</b>	<b>33,854.2</b>
Investment property	(b)	29,251.5	29,115.9
Goodwill and intangible assets	(c)	1,714.2	1,717.3
Investment in equity-accounted investees	(d)	1,358.5	1,222.5
Other non-current assets	(e)	1,404.1	1,189.1

### (a) Total assets

Total assets amounted to €38.7 billion at the end of September 2022, 2% lower compared to €39.4 billion at year-end 2021, mainly due to utilizing the high cash balance for debt repayments during 9M 2022. Non-current assets amounted to €34.5 billion at the end of September 2022, 2% higher compared to €33.9 billion at year-end 2021, mainly due to value creation and portfolio investments, offsetting the impact of disposals.

### (b) Investment property

Investment property is the largest item under non-current assets and amounted to €29.3 billion at the end of September 2022, slightly higher compared to €29.1 billion at year-end 2021. Like-for-like value growth of 1.3% (net of capex), capex investments of approx. €300 million and acquisitions of approx. €370 million were the main drivers of this growth, offsetting the impact of disposals. The acquisitions were mainly residential properties in Berlin and London through GCP. The stability of the portfolio is driven by operational improvements and asset quality. The Group

has a large scale, well-balanced and quality portfolio with a focus on multiple asset types mainly in top tier cities, which was strengthened with the consolidation of GCP during 2021.

### (c) Goodwill and intangible assets

Goodwill and intangible assets amounted to €1.7 billion at the end of September 2022, stable compared to €1.7 billion at year-end 2021. The goodwill amount comprises €863 million goodwill created as a result of the consolidation of GCP and €822 million goodwill related to the TLG takeover. The goodwill balance will be evaluated at year-end due to the deteriorating market environment.

### (d) Investment in equity-accounted investees

Investment in equity-accounted investees amounted to €1.4 billion, compared to €1.2 billion at year-end 2021. This line item represents the Group's long-term investment in joint ventures in which the Group has a significant influence, but which are not consolidated. The largest investment in this item as of September 2022, which represents over 40% of the total balance, is AT's stake in Globalworth, a leading publicly listed office landlord in Poland and Romania. The holding rate in Globalworth is slightly above 30%, indirectly held through a joint venture with CPI Property Group S.A.. The remaining balance of equity-accounted investees mainly include several positions in real estate properties and investment in real estate related funds specialized among others in PropTech, digitalization and technology in the real estate sector, as well as yielding real estate loan funds, which work in a similar profile to the Group's loans-to-own investments and may provide future access to attractive deals, and additional investments in co-working and renewable energy solutions.

### (e) Other non-current assets

Other non-current assets are mainly comprised of vendor loans that are related to disposals, which make up only part of the total consideration of disposals, long-term financial investments and loans-to-own assets.

Loans-to-own assets are asset-backed and yielding loans where, under certain conditions, the default of the loan will enable the Group to take over the underlying asset at a material discount. Loans-to-own assets are provided to a diverse number of property owners and sourced through the Group's wide deal sourcing network established over the years. At the end of September 2022, the loans-to-own balance amounted to approx. €550 million, of which approx. half is presented under the non-current assets and the remaining half is presented under current assets. This item comprises of approx. 20 loans to a variety of property owners, with maturities primarily within the years 2022-2025, with an average LTV of 65%, bearing interest rates of 3%-10% and secured by the underlying property. The loans-to-own assets are expected to be repaid in stages in the upcoming periods and will reduce the Group's leverage. Although the loans-to-own balance is a relatively small part of the Group's balance sheet, it is extending the Group's deal sourcing opportunities, which may provide attractive options for alternative acquisition opportunities.

Vendor loans, which were given to several select buyers of assets that were sold, amounted to approx. €0.5 billion at the end of September 2022, with the majority being paid in instalments from 2022-2024. The vendor loans are secured against the property sold at an LTV of approx. 50% and in case of default gives AT the right to get the asset back with a significant penalty to





the defaulted buyer. Due to very low risk, the average interest rate of the vendor loans is ca. 2.5%. The future liquidity coming from the repayments of the vendor loans will reduce the Group's leverage.

The long-term financial investments amounted to approx. €350 million which comprise over a dozen of investments mainly in real estate funds and secured financial assets with the expectation for long-term yield and potentially co-investments in their attractive deals.

The other non-current assets also include long-term deposits of approx. €80 million, approx. €60 million tenant deposits which are used as a security for rent payments, approx. €60 million of receivables due to revenue straight-lining effect arising from rent-free periods granted to tenants and long-term minority position in real estate properties and other receivables.

Furthermore, non-current assets include long-term derivative financial assets, deferred tax assets and advance payments and deposits which mainly refer to advance payments for signed deals, deposits for deals in the due diligence phase and deposits for committed capex programs.

	Sep 2022	Dec 2021
	in € millions	
<b>Current assets</b>	<b>4,246.1</b>	<b>5,528.9</b>
Assets held for sale <sup>1)</sup>	665.9	1,029.2
Cash and liquid assets <sup>2)</sup>	2,320.3	3,244.1
Trade and other receivables	1,228.7	1,131.3

1) excluding cash in assets held for sale

2) including cash in assets held for sale, short term deposits and financial assets at fair value through profit or loss

Current assets amounted to €4.2 billion at the end of September 2022, lower than €5.5 billion at year-end 2021, mainly due to cash utilization for debt repayments, share buyback, cash dividend distribution, portfolio investments and increasing the holding rate in GCP. Assets held for sale balance decreased from €1.0 billion at year-end 2021 to €0.7 billion at the end of September 2022 due to disposals, partially offset by additional reclassification of properties into held for sale. This balance consists of non-core and and/or mature assets that are intended to be sold within the next 12 months, of which 50% are already signed as of the date of this report. The cash and liquid assets balance amounted to €2.3 billion at the end of September 2022.

Current assets also include €1.2 billion of trade and other receivables at the end of September 2022, increasing compared to €1.1 billion at year-end 2021. This item includes approx. €740 million of operating costs and operational rent receivables, pre-paid expenses and tax assets. Operating cost receivables relate to ancillary services to tenants and other charges billed to tenants. These services include utility and service costs such as heating, water, insurance, cleaning, waste, etc.. These operating cost receivables are mainly settled once per year against the advance payments received from the tenants and, thus, is correlated to pre-payments for ancillary services received from tenants presented under short-term liabilities. Due to sharp increases in energy and heating costs in recent months, the Group provided tenants, where relevant, with the option to voluntarily increase ancillary payments to cover these expenses. In addition, current assets include other short-term financial assets with a maturity of less than 1 year, made up of loans-to-own assets, vendor loans and other receivables in the amount of approx. €350 million which is explained above as part of the non-current assets.



Mainz

## LIABILITIES

	Sep 2022	Dec 2021
in € millions		
Short- and long-term loans and borrowings from financial institutions <sup>1)</sup>	1,212.6	1,166.2
Short- and long-term straight bonds, convertible bond and schuldscheins	13,612.8	14,422.0
Deferred tax liabilities (including those under held for sale)	2,929.3	2,796.5
Short- and long-term derivative financial instruments and other long-term liabilities	889.7	858.4
Other current liabilities <sup>2)</sup>	1,115.3	983.6
<b>Total Liabilities</b>	<b>19,759.7</b>	<b>20,226.7</b>

1) including loans and borrowings under held for sale

2) excluding current liability items that are included in the lines above

Total liabilities amounted to €19.8 billion at the end of September 2022, 2% lower compared to €20.2 billion at year-end 2021, mainly due to debt repayments. Total debt from bank loans, bonds and schuldscheins amounted to €14.8 billion at the end of September 2022, lower compared to €15.6 billion at year-end 2021. This was mainly due to €1 billion of debt repayments during 9M 2022, offset by approx. €290 million of new bank financing. The repayments included repayments of bank loans, bonds and schuldscheins and redemption of straight and convertible bond. The repaid and redeemed debt had a maturity of 1 year, enabling to further extend the debt maturity schedule. AT has a long average debt maturity of 5.3 years with no significant maturities until 2025. In addition, the Group has additional liquidity potential from undrawn credit facilities of over €1 billion (no MAC clause) with maturities mostly in 2025 and unencumbered investment properties of €23.5 billion. Given the fact that bank financing is more attractive than the bond market in the current market environment, a high balance of unencumbered assets provides the Group with additional financial flexibility.

Deferred tax liabilities amounted to €2.9 billion at the end of September 2022, higher compared to €2.8 billion at year-end 2021, mainly due to revaluation gains. Deferred tax liabilities make up 15% of total liabilities and are non-cash items that are predominantly tied to revaluation gains, calculated conservatively by assuming theoretical future property disposals in the form of asset deals and such the full corporate tax rate is applied in relevant jurisdictions.

Short- and long-term derivative financial instruments and other long-term liabilities were slightly higher compared to year-end 2021. The derivative financial instruments include a contingent liability created as part of the takeover of TLG.

Other current liabilities amounted to €1.1 billion at the end of September 2022, higher compared to €984 million at year-end 2021, mainly due to higher pre-payments for ancillary services received from tenants, increasing in correlation with the operating cost receivables under the current assets. Nevertheless, current assets cover current liabilities comfortably by 3 times which is a testament to AT's disciplined working capital management.



Limburg (Belgium, Center Parcs)

## DEBT METRICS

### LOAN-TO-VALUE (LTV)

	Sep 2022	Dec 2021
in € millions		
Investment property <sup>1)</sup>	29,216.0	29,206.3
Investment property of assets held for sale	653.9	1,009.3
Investment in equity-accounted investees	1,358.5	1,222.5
<b>Total value (a)</b>	<b>31,228.4</b>	<b>31,438.1</b>
Total financial debt <sup>2)</sup>	14,825.4	15,588.2
Less: Cash and liquid assets <sup>2)</sup>	(2,320.3)	(3,244.1)
<b>Net financial debt (b)</b>	<b>12,505.1</b>	<b>12,344.1</b>
<b>LTV (b/a)</b>	<b>40%</b>	<b>39%</b>

### UNENCUMBERED ASSETS

	Sep 2022	Dec 2021
in € millions		
Rent generated by unencumbered assets <sup>3)</sup>	987.0	998.0
Rent generated by the total Group <sup>3)</sup>	1,188.0	1,197.4
<b>Unencumbered assets ratio</b>	<b>83%</b>	<b>83%</b>

### INTEREST COVER RATIO (ICR)

	Nine months ended September 30,	
	2022	2021 <sup>4)</sup>
in € millions		
Finance expenses	141.0	130.3
Adjusted EBITDA <sup>5)</sup>	728.1	633.6
<b>ICR <sup>6)</sup></b>	<b>5.2x</b>	<b>4.9x</b>

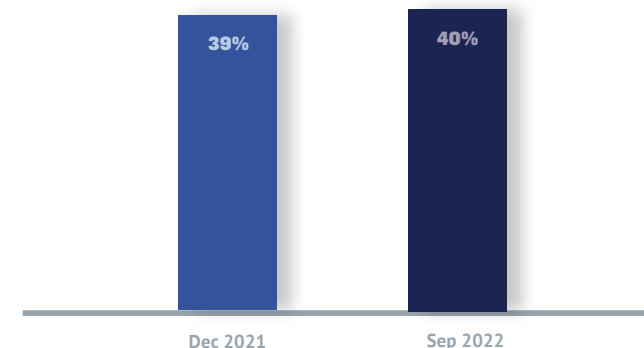
- 1) including advance payments and deposits and inventory - trading property, excluding right-of-use assets
- 2) including balances under held for sale
- 3) annualized net rent including the contribution from joint venture positions and excluding the net rent from assets held for sale
- 4) reclassified during Q4 2021 to exclude the JV contribution
- 5) including the contributions from assets held for sale, excluding extraordinary expenses for uncollected rent due to the Covid pandemic
- 6) including the extraordinary expenses for uncollected rent due to the Covid pandemic, the ICR, Covid adjusted amounted to 4.7x in 9M 2022 and 4.1x in 9M 2021

AT's disciplined debt management approach, strong credit profile and high financial strength are reflected in the solid debt metrics. The LTV amounted to 40% at the end of September 2022, slightly higher than 39% at year-end 2021, mainly due to share buybacks of €204 million executed in the period, approx. €250 million dividend paid by the Group, the acquisition of GCP shares in the amount of over €280 and partially granting disposal proceeds as vendor loans which will be collected in the next periods and are not included in the LTV calculation. The LTV remains well-below the internal limit of 45% set by the Board of Directors and has a significant headroom to bond covenants.

The Group's high operational profitability and financial discipline resulted in a high ICR of 5.2x in 9M 2022. An unencumbered investment property ratio of 83% (by rent) with a total value of €23.5 billion (excluding held for sale assets) as of September 2022 highlights the Group's financial flexibility and provides additional liquidity potential, along with undrawn revolving credit facilities of over €1 billion (no MAC clause).

## CONSERVATIVE LEVERAGE (LTV)

Board of Directors' limit of 45%



Mannheim

## EQUITY

	Sep 2022	Dec 2021
	in € millions	
<b>Total equity</b>	<b>18,957.7</b>	<b>19,156.4</b>
of which equity attributable to the owners of the Company	10,592.0	10,533.6
of which equity attributable to perpetual notes investors	4,747.0	4,747.7
of which non-controlling interests	3,618.7	3,875.1
<b>Equity ratio</b>	<b>49%</b>	<b>49%</b>

Total equity amounted to €19.0 billion at the end of September 2022, slightly lower than €19.2 billion at year-end 2021, due to lower non-controlling interest. Shareholders' equity amounted to €10.6 billion at the end of September 2022, slightly higher compared to €10.5 billion at year-end 2021, as the shareholders' profit and increased stake in GCP offset the share buyback and dividend impact. Since over one third of the shareholders opted for scrip dividend, AT distributed €169 million of cash dividend in July 2022 and the remaining was issued as company shares in the form of scrip dividend, contributing to the equity base. Equity attributable to the owners of the Company also includes mandatory convertible notes in the amount of approx. €190 million which following IFRS accounting treatment are classified as equity attributable to the owners of the Company.

The non-controlling interests amounted to €3.6 billion at the end of September 2022, lower compared to €3.9 billion at year-end 2021, mainly due to increased stake in GCP since year-end 2021. The effective holding rate in GCP increased from 49% as of December 2021 to 60% as of September 2022 due to participation in GCP's scrip dividend in July 2022 and acquisition of shares.

The perpetual notes balance remained stable at €4.7 billion at the end of September 2022. Following IFRS accounting treatment, perpetual notes are classified as equity as they do not have a repayment date, coupon payments are deferrable at the Company's discretion, they are subordinated to debt and do not have default rights nor covenants. The perpetual notes are equity to perpetuity under IFRS accounting treatment regardless to the definition of rating agencies and therefore are considered as equity for the bond covenants in any scenario.



London

## EPRA NAV KPI'S

The European Public Real Estate Association (EPRA) provides three key Net Asset Value (NAV) metrics designed to provide stakeholders with the most relevant information on the fair value of the Group's assets and liabilities. With the evolving nature of their business models, real estate companies progressed into actively managed entities, engaging in non-property operating activities, actively recycling capital and accessing capital markets for balance sheet financing. In line with these developments, EPRA has provided the market with the following three NAV KPI's: EPRA Net Reinstatement Value (EPRA NRV), EPRA Net Tangible Assets (EPRA NTA) and EPRA Net Disposal Value (EPRA NDV).

**The EPRA NRV's** purpose is to reflect the value of net assets required to re-build a company on a long-term basis assuming entities do not sell assets. Therefore, balance sheet items that are not expected to crystallize in normal circumstances such as the fair value movements of financial derivatives and deferred tax liabilities are added back to the equity. Additionally, gross purchasers' costs are added back since this metric is aiming to reflect what would be needed to recreate a company through the investment markets based on its capital financing structure.

**The EPRA NTA** aims to reflect the tangible value of a company's net assets assuming entities buy and sell assets, crystallizing certain levels of unavoidable deferred tax liabilities. Therefore, EPRA NTA excludes intangible assets and goodwill, and adds back the portion of deferred tax liabilities that is not expected to crystallize as a result of long-term hold strategy.

**The EPRA NDV** provides the shareholders with the value under the scenario that a company's assets are sold or its liabilities are not held until maturity. For this purpose, it assumes that deferred taxes, financial instruments and other adjustments are calculated to the full extent of their liability, net of any resulting tax.



	Sep 2022			Dec 2021		
	in € millions			in € millions		
	EPRA NRV	EPRA NTA	EPRA NDV	EPRA NRV	EPRA NTA	EPRA NDV
<b>Equity attributable to the owners of the Company</b>	<b>10,592.0</b>	<b>10,592.0</b>	<b>10,592.0</b>	<b>10,533.6</b>	<b>10,533.6</b>	<b>10,533.6</b>
Deferred tax liabilities <sup>1)</sup>	2,478.4	2,098.5	-	2,274.3	1,870.1	-
Fair value measurement of derivative financial instruments <sup>2)</sup>	(17.8)	(17.8)	-	113.8	113.8	-
Goodwill in relation to TLG <sup>3)</sup>	(822.0)	(822.0)	(822.0)	(822.0)	(822.0)	(822.0)
Goodwill in relation to GCP <sup>4)</sup>	(862.9)	(862.9)	(862.9)	(862.9)	(862.9)	(862.9)
Intangibles as per the IFRS balance sheet <sup>5)</sup>	-	(24.4)	-	-	(24.7)	-
Net fair value of debt	-	-	1,475.4	-	-	(386.2)
Real estate transfer tax <sup>6)</sup>	1,804.7	659.8	-	1,820.7	756.1	-
<b>NAV</b>	<b>13,172.4</b>	<b>11,623.2</b>	<b>10,382.5</b>	<b>13,057.5</b>	<b>11,564.0</b>	<b>8,462.5</b>
Number of shares (in millions) <sup>7)</sup>	1,117.8			1,132.7		
<b>NAV per share (in €)</b>	<b>11.8</b>	<b>10.4</b>	<b>9.3</b>	<b>11.5</b>	<b>10.2</b>	<b>7.5</b>

- 1) excluding significant minority share in deferred tax liabilities (DTL), as well as deferred tax assets on certain financial instruments in line with EPRA recommendations. EPRA NRV additionally includes DTL of assets held for sale
- 2) excluding significant minority share in derivatives
- 3) deducting the goodwill resulting from the business combination with TLG
- 4) deducting the goodwill resulting from the consolidation of GCP
- 5) excluding significant minority share in intangibles
- 6) including the gross purchasers' costs of assets held for sale and relative share in GCP's relevant RETT. EPRA NTA includes only the gross purchasers' costs of properties where RETT optimization at disposal can be achieved
- 7) excluding shares in treasury and including the conversion impact of mandatory convertible notes, base for share KPI calculations

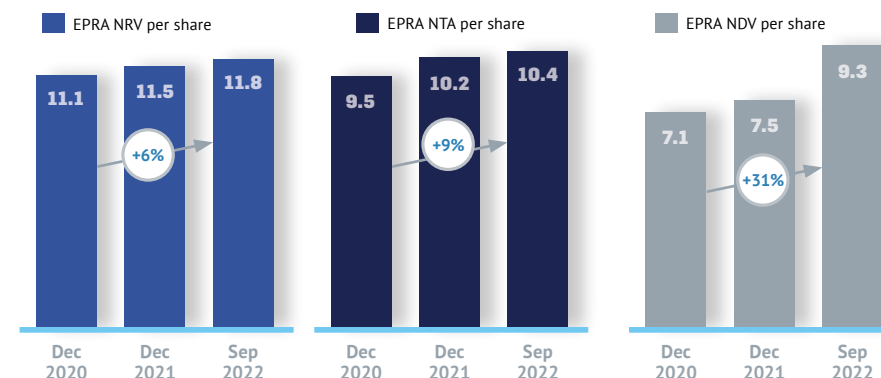
The profit generation and reduction of minorities in GCP contributed positively to the EPRA KPI's, partially offset by the impact of share buyback and dividends. As the shares were bought back at prices significantly below NAV, the EPRA per share KPI's increased at a higher rate than in absolute amounts. The per share growth was partially diluted by the impact of additional shares created by scrip dividend distribution in July 2022.

Accordingly, the EPRA NRV amounted to €13.2 billion at the end of September 2022, higher by 1% compared to €13.1 billion at year-end 2021. The EPRA NRV per share increased by 3% from €11.5 at year-end 2021 to €11.8 at the end of September 2022 or by 5% adjusted for dividends.

The EPRA NTA amounted to €11.6 billion at the end of September 2022, higher by 1% compared to €11.6 billion at year-end 2021. The EPRA NTA per share increased by 2% from €10.2 at year-end 2021 to €10.4 at the end of September 2022 or by 4% adjusted for dividends.

The EPRA NDV amounted to €10.4 billion at the end of September 2022, 23% higher compared to €8.5 billion at year-end 2021. Due to increased capital market volatility, the net fair value of debt was significantly lower than the book value of debt at the end of September 2022 and the difference, net of tax impact, is added back to the equity, resulting in an increase of EPRA NDV. The EPRA NDV per share increased at a higher rate of 24% from €7.5 at year-end 2021 to €9.3 at the end of September 2022 or by 27% adjusted for dividends.

### EPRA NAV PER SHARE KPI'S (IN €)



# ALTERNATIVE PERFORMANCE MEASURES (APM)

Aroundtown follows the real estate reporting criteria and provides Alternative Performance Measures. These measures provide more clarity on the business and enables benchmarking and comparability to market levels. In the following section, Aroundtown presents a detailed reconciliation for the calculations of its Alternative Performance Measures.

## ADJUSTED EBITDA

The adjusted EBITDA is a performance measure used to evaluate the operational results of the Group by deducting from the *EBITDA*, which includes the *Total depreciation and amortization* on top of the *Operating profit*, non-operational items such as the *Property revaluations and capital gains* and *Share of profit from investment in equity-accounted investees*, as well as *Contributions of assets held for sale*. Aroundtown adds to its adjusted EBITDA a non-recurring and/or non-cash item called *Other adjustments incl. one-off expenses related to TLG merger*, other adjustment being the expenses for employees' share incentive plans. In order to reflect only the recurring operational profits, Aroundtown deducts the *Share of profit from investment in equity-accounted investees* as this item also includes non-operational profits generated by Aroundtown's equity accounted investees. Instead, Aroundtown includes in its adjusted EBITDA its share in the adjusted EBITDA generated by investments where Aroundtown has significant influence in accordance with its economic holding rate over the period. This line item is labelled as *Contribution of joint ventures' adjusted EBITDA* which was renamed during 2021. Prior to the third quarter of 2021, this line item was mostly attributed to Aroundtown's share in GCP's adjusted EBITDA, however, starting from July 1, 2021, GCP is consolidated in Aroundtown's financial accounts.

Aroundtown created extraordinary expenses for uncollected rent due to Covid pandemic in response to the impact of Coronavirus on the hotel industry. Adjusted EBITDA excludes (adds back) these expenses which are called *Extraordinary expenses for uncollected rent*.

### Adjusted EBITDA calculation

Operating Profit	
(+) Total depreciation and amortization	
<b>(=) EBITDA</b>	
(-) Property revaluations and capital gains	
(-) Share of profit from investment in equity-accounted investees	
(+) Other adjustments incl. one-off expenses related to TLG merger <sup>1)</sup>	
(-) Contribution of assets held for sale	
(+) Add back: Extraordinary expenses for uncollected rent <sup>2)</sup>	
<b>(=) Adjusted EBITDA before JV contribution <sup>3)</sup></b>	
(+) Contribution of joint ventures' adjusted EBITDA <sup>4)</sup>	
<b>(=) Adjusted EBITDA</b>	

- 1) other adjustment is expenses related to employees' share incentive plans
- 2) extraordinary expenses for uncollected rent due to the Covid pandemic
- 3) previously defined as Adjusted EBITDA commercial portfolio, recurring long-term
- 4) the adjustment is to reflect AT's share in the adjusted EBITDA of companies in which AT has significant influence and that are not consolidated. GCP contributed to this line item until June 30, 2021. Starting from July 1, 2021, GCP is consolidated

## FUNDS FROM OPERATIONS I (FFO I)

Funds from Operations I (FFO I) is an industry standard performance indicator for evaluating operational recurring profits of a real estate firm. Aroundtown calculates *FFO I* by deducting from the *Adjusted EBITDA before JV contribution*, the *Finance expenses*, *Current tax expenses*, *Contribution to minorities* and adds back *Adjustments related to assets held for sale*. *Adjustments related to assets held for sale* refers to finance expenses and current tax expenses related to assets held for sale. *Contribution to minorities* additionally include the minority share in GCP's FFO I (starting from July 1, 2021) and the minority share in TLG's FFO I excluding the contribution from assets held for sale. Aroundtown additionally deducts the *Perpetual notes attribution* to reach at *FFO I before JV contribution*. Prior to 2021, this figure did not deduct the perpetual notes attribution.

Due to the deduction of the *Share of profit from investment in equity-accounted investees* in the adjusted EBITDA calculation which includes the operational profits from those investments, Aroundtown adds back its relative share in the FFO I of joint venture positions in accordance with the holding rate over the period to reflect the recurring operational profits generated by those investments. This item is labelled as *Contribution of joint ventures' FFO I* which was renamed during 2021. Prior to the third quarter of 2021, this item was mostly attributed to Aroundtown's share in GCP's FFO I, however, starting from July

1, 2021, GCP is consolidated in Aroundtown's financial accounts. By adding this item, Aroundtown reaches to *FFO I before extraordinary Covid adjustment*.

Aroundtown created *Extraordinary expenses for uncollected rent* due to the Covid pandemic in response to the impact of Coronavirus on the hotel industry. Therefore, Aroundtown's *FFO I* includes these expenses.

*FFO I per share before extraordinary Covid adjustment* is calculated by dividing the *FFO I before extraordinary Covid adjustment* by the *Weighted average basic shares* which excludes the shares held in treasury and includes the conversion impact of mandatory convertible notes. *FFO I per share* is calculated by dividing the *FFO I* by the *Weighted average basic shares* which excludes the shares held in treasury and includes the conversion impact of mandatory convertible notes.

#### Funds From Operations I (FFO I) Calculation

Adjusted EBITDA before JV contribution

(-) Finance expenses

(-) Current tax expenses

(-) Contribution to minorities <sup>1)</sup>

(+) Adjustments related to assets held for sale

(-) Perpetual notes attribution

**(=) FFO I before JV contribution <sup>2)</sup>**

(+) Contribution of joint ventures' FFO I <sup>3)</sup>

**(=) FFO I before extraordinary Covid adjustment**

(-) Extraordinary expenses for uncollected rent <sup>4)</sup>

**(=) FFO I**

1) including the minority share in GCP's and TLG's FFO

2) previously did not include perpetual notes attribution and defined as FFO I commercial portfolio, recurring long-term

3) the adjustment is to reflect AT's share in the FFO I of companies in which AT has significant influence and that are not consolidated. GCP contributed to this line item until June 30, 2021. Starting from July 1, 2021 GCP is consolidated

4) extraordinary expenses for uncollected rent due to the Covid pandemic

#### FFO I Per Share Before Extraordinary Covid Adjustment and FFO I Per Share Calculation

**(a) FFO I before extraordinary Covid adjustment**

(b) Weighted average basic shares <sup>1)</sup>

**(=) (a/b) FFO I per share before extraordinary Covid adjustment**

**(c) FFO I**

(d) Weighted average basic shares <sup>1)</sup>

**(=) (c/d) FFO I per share**

1) weighted average number of shares excludes shares held in treasury and includes the conversion impact of mandatory convertible notes; base for share KPI calculations

#### FUNDS FROM OPERATIONS II (FFO II)

Funds from Operations II (FFO II) is an additional measurement used in the real estate industry to evaluate operational recurring profits including the impact from disposal activities. To derive the *FFO II*, the *Results from disposal of properties* are added to the *FFO I*. The results from disposals reflect the profit driven from the excess amount of the sale price, net of transactions costs, to cost price plus capex of the disposed properties.

#### FFO II Calculation

**FFO I**

(+) Result from the disposal of properties <sup>1)</sup>

**(=) FFO II**

1) the excess amount of the sale price, net of transaction costs and total costs (cost price and capex of the disposed properties)

#### LOAN-TO-VALUE (LTV)

The Loan-to-Value (LTV) is a measurement aimed at reflecting the leverage of a company. The purpose of this metric is to assess the degree to which the total value of the real estate

properties can cover financial debt and the headroom against a potential market downturn. With regards to Aroundtown's internal LTV limit due to its conservative financial policy, the LTV shows as well the extent to which Aroundtown can comfortably raise further debt to finance additional growth. *Total value* is calculated by adding together the *Investment property* which includes *Advance payments and deposit* and *Inventories – trading property* but excludes the right-of-use assets, *Investment property of assets held for sale* and *Investment in equity-accounted investees*. *Net financial debt* is calculated by deducting the *Cash and liquid assets* from the *Total financial debt* which is a sum of *Short- and long-term loans and borrowings from financial institutions* and *Short- and long-term straight bonds, convertible bond and schuldscheins*. *Cash and liquid assets* are the sum of *Cash and cash equivalents*, *Short-term deposits* and *Financial assets at fair value through profit or loss*, as well as cash balances of assets held for sale. Aroundtown calculates the LTV ratio through dividing the *Net financial debt* by the *Total value*.

#### LTV Calculation

(+) Investment property <sup>1)</sup>

(+) Investment property of assets held for sale

(+) Investment in equity-accounted investees

**(=) (a) Total value**

(+) Total financial debt <sup>2) 3)</sup>

(-) Cash and liquid assets <sup>3)</sup>

**(=) (b) Net financial debt**

**(=) (b/a) LTV**

1) including advance payments and deposits and inventories – trading property, excluding the right-of-use assets

2) total bank loans, straight bonds, schuldscheins and convertible bond and excluding lease liabilities

3) including balances under held for sale

## EQUITY RATIO

*Equity Ratio* is the ratio of *Total Equity* divided by *Total Assets*, each as indicated in the consolidated financial statements. Aroundtown believes that Equity Ratio is useful for investors primarily to indicate the long-term solvency position of Aroundtown.

### Equity Ratio Calculation

(a) Total Equity

(b) Total Assets

---

**(=) (a/b) Equity Ratio**

## UNENCUMBERED ASSETS RATIO

The Unencumbered assets ratio is an additional indicator to assess Aroundtown's financial flexibility. As Aroundtown is able to raise secured debt over the unencumbered asset, a high ratio of unencumbered assets provides Aroundtown with additional potential liquidity. Additionally, unencumbered assets provide debt holders of unsecured debt with a headroom. Aroundtown derives the *Unencumbered assets ratio* from the division of *Rent generated by unencumbered assets* by *Rent generated by the total Group*. *Rent generated by unencumbered assets* is the net rent on an annualized basis generated by assets which are unencumbered, including the contribution from joint venture positions but excluding the net rent from assets held for sale. In parallel, *Rent generated by the total Group* is the net rent on an annualized basis generated by the total Group including the contribution from joint venture positions but excluding the net rent from assets held for sale.

### Unencumbered Assets Ratio Calculation

(a) Rent generated by unencumbered assets <sup>1)</sup>

(b) Rent generated by the total Group <sup>1)</sup>

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**(=) (a/b) Unencumbered Assets Ratio**

1) annualized net rent including the contribution from joint venture positions and excluding the net rent from assets held for sale

## INTEREST COVER RATIO (ICR)

The Interest Cover Ratio (ICR) is widely used in the real estate industry to assess the strength of a firm's credit profile. The multiple indicates the degree to which Aroundtown's operational results are able to cover its debt servicing. *ICR* is calculated by dividing the *Adjusted EBITDA* including the contributions from assets held for sale by the *Finance expenses*. *ICR* previously included the contribution from joint venture positions in both the finance expenses and adjusted EBITDA but it was reclassified during 2021 to exclude these contributions. Aroundtown additionally provides the *ICR, Covid adjusted* which is calculated by dividing the *Adjusted EBITDA* including extraordinary expenses for uncollected rent due to the Covid pandemic and the contributions from assets held for sale by the *Finance expenses*.

### ICR Calculation

(a) Finance Expenses

(b) Adjusted EBITDA <sup>1)</sup>

---

**(=) (b/a) ICR**

1) including the contributions from assets held for sale, excluding extraordinary expenses for uncollected rent due to the Covid pandemic

### ICR, Covid adjusted Calculation

(a) Finance Expenses

(b) Adjusted EBITDA <sup>1)</sup>

---

**(=) (b/a) ICR, Covid adjusted**

1) including the contributions from assets held for sale and extraordinary expenses for uncollected rent due to the Covid pandemic



## NET DEBT-TO-EBITDA AND NET DEBT-TO-EBITDA INCLUDING PERPETUAL NOTES

The Net debt-to-EBITDA is used in the real estate industry to measure the leverage position of a company. This KPI highlights the ratio of financial liabilities to the Company's recurring operational profits and thereby indicates how much of the recurring operational profits are available to debt holders. Aroundtown calculates its *Net debt-to-EBITDA* ratio by dividing the *Net financial debt* as at the balance sheet date by the *adjusted EBITDA (annualized)*. The *Net financial debt* is defined above under *Loan-to-Value* ratio. The *adjusted EBITDA (annualized)* includes contributions from assets held for sale and joint venture positions and excludes extraordinary expenses for uncollected rent due to the Covid pandemic. The *adjusted EBITDA (annualized)* is calculated by adjusting the adjusted EBITDA to reflect a theoretical full year figure. This is done by multiplying the adjusted EBITDA of the period by 4 if it is the three-month period result, by 2 if it is the six-month period result and by 4/3 if it is the nine-month period result. For the full year, there is no adjustment made.

Aroundtown additionally provides the *Net debt-to-EBITDA including perpetual notes* ratio by adding its *Equity attributable to perpetual notes investors* as at the balance sheet date to the *Net financial debt*. Although AT's perpetual notes are 100% equity instruments under IFRS, credit rating agencies, including S&P, can apply an adjustment to such instruments and consider AT's perpetuals as 50% equity and 50% debt. Additionally, some equity investors may find an adjustment that adds the full balance of perpetual notes to the net debt as relevant. For enhanced transparency, AT additionally provides this KPI including the full balance sheet amount of *Equity attributable to perpetual notes investors*.

### Net debt-to-EBITDA Calculation

- (a) Net financial debt <sup>1)</sup>  
 (b) Adjusted EBITDA (annualized) <sup>2)</sup>

#### (=) (a/b) Net debt-to-EBITDA

- 1) including balances under held for sale  
 2) including the contributions from assets held for sale and joint venture positions, excluding extraordinary expenses for uncollected rent due to the Covid pandemic

### Net debt-to-EBITDA including perpetual notes Calculation

- (a) Net financial debt <sup>1)</sup>  
 (b) Equity attributable to perpetual notes investors  
 (c) Adjusted EBITDA (annualized) <sup>2)</sup>

#### (=) [(a+b)/(c)] Net debt-to-EBITDA including perpetual notes

- 1) including balances under held for sale  
 2) including the contributions from assets held for sale and joint venture positions, excluding extraordinary expenses for uncollected rent due to the Covid pandemic

## EPRA NET REINSTATEMENT VALUE (EPRA NRV)

The EPRA NRV is defined by the European Public Real Estate Association (EPRA) as a measure to highlight the value of a company's net assets on a long-term basis, assuming entities never sell assets. This KPI aims to represent the value required to rebuild the company. Aroundtown's *EPRA NRV* calculation begins by adding to the *Equity attributable to the owners of the Company* the *Deferred tax liabilities* which includes balances in assets held for sale and excludes significant minority share in deferred tax liabilities, as well as excluding deferred tax assets on certain financial instruments in line with EPRA recommendations. Aroundtown also adds/deducts *Fair value measurement of derivative financial instruments* which includes the derivative financial instruments related to interest hedging and excludes significant minority

share in derivative financial instruments. These items are added back in line with EPRA's standards as they are not expected to materialize on an ongoing and long-term basis. Aroundtown then deducts the *Goodwill in relation to TLG*, *Goodwill in relation to GCP* and adds *Real estate transfer tax* which is the gross purchasers' costs in line with EPRA's standards which includes Aroundtown's share in TLG's and GCP's relevant real estate transfer taxes (RETT). Following the consolidation of GCP, the goodwill recognized in relation to GCP became relevant for EPRA NRV calculations. *EPRA NRV per share* is calculated by dividing the *EPRA NRV* by the *Number of shares* which excludes the treasury shares and includes the conversion impact of mandatory convertible notes.

### EPRA NRV and EPRA NRV Per Share Calculation

Equity attributable to the owners of the Company

(+) Deferred tax liabilities <sup>1)</sup>

(+/-) Fair value measurement of derivative financial instruments <sup>2)</sup>

(-) Goodwill in relation to TLG <sup>3)</sup>

(-) Goodwill in relation to GCP <sup>4)</sup>

(+) Real estate transfer tax <sup>5)</sup>

#### (=) (a) EPRA NRV

(b) Number of shares <sup>6)</sup>

#### (=) (a/b) EPRA NRV per share

- 1) excluding significant minority share in deferred tax liabilities (DTL), as well as deferred tax assets on certain financial instruments in line with EPRA recommendations, including DTL of assets held for sale  
 2) excluding significant minority share in derivatives  
 3) deducting the goodwill resulting from the business combination with TLG  
 4) deducting the goodwill resulting from the consolidation of GCP  
 5) including the gross purchasers' costs of assets held for sale and relative share in TLG's and GCP's relevant RETT  
 6) excluding shares in treasury and including the conversion impact of mandatory convertible notes, base for share KPI calculations

## EPRA NET TANGIBLE ASSETS (EPRA NTA)

The EPRA NTA is defined by the European Public Real Estate Association (EPRA) as a measure to highlight the value of a company's net tangible assets assuming entities buy and sell assets, thereby crystallizing certain levels of unavoidable deferred taxes. Aroundtown's *EPRA NTA* calculation begins by adding to the *Equity attributable to the owners of the Company* the *Deferred tax liabilities* which excludes the deferred tax liabilities of properties held for sale, retail portfolio, development rights & invest portfolio, GCP's portfolio cities classified as "Others" and significant minority share in deferred tax liabilities, as well as excluding deferred tax assets on certain financial instruments in line with EPRA recommendations. Aroundtown also adds/deducts *Fair value measurement of derivative financial instruments* which includes the derivative financial instruments related to interest hedging and excludes significant minority share in derivative financial instruments. Furthermore, Aroundtown deducts the *Goodwill in relation to TLG*, *Goodwill in relation to GCP* and *Intangibles as per the IFRS balance sheet* which excludes significant minority share in intangibles. Moreover, Aroundtown adds gross purchasers' cost of properties which enable RETT optimization at disposals based on track record. This figure includes Aroundtown's share in GCP's relevant RETT. The *EPRA NTA per share* is calculated by dividing the *EPRA NTA* by the *Number of shares* which excludes the treasury shares and includes the conversion impact of mandatory convertible notes.

### EPRA NTA and EPRA NTA Per Share Calculation

Equity attributable to the owners of the Company
(+) Deferred tax liabilities <sup>1)</sup>
(+/-) Fair value measurement of derivative financial instruments <sup>2)</sup>
(-) Goodwill in relation to TLG <sup>3)</sup>
(-) Goodwill in relation to GCP <sup>4)</sup>
(-) Intangibles as per the IFRS balance sheet <sup>5)</sup>
(+) Real estate transfer tax <sup>6)</sup>
<b>(=) (a) EPRA NTA</b>
(b) Number of shares <sup>7)</sup>
<b>(=) (a/b) EPRA NTA per share</b>

- 1) excluding significant minority share in deferred tax liabilities (DTL), as well as deferred tax assets on certain financial instruments in line with EPRA recommendations
- 2) excluding significant minority share in derivatives
- 3) deducting the goodwill resulting from the business combination with TLG
- 4) deducting the goodwill resulting from the consolidation of GCP
- 5) excluding significant minority share in intangibles
- 6) including only the gross purchasers' costs of properties where RETT optimization at disposal can be achieved. Additionally including relative share in GCP's relevant RETT
- 7) excluding shares in treasury and including the conversion impact of mandatory convertible notes, base for share KPI calculations

## EPRA NET DISPOSAL VALUE (EPRA NDV)

The EPRA NDV is defined by the European Public Real Estate Association (EPRA) as a measure that represents the shareholders' value under a disposal scenario, where deferred taxes, financial instruments and certain other adjustments are calculated to the full extent of their liability, net of any resulting tax. Aroundtown calculates its *EPRA NDV* by deducting from the *Equity attributable to the owners of the Company*, the *Goodwill in relation to TLG* and *Goodwill in relation to GCP* and deducting/adding the *Net fair value of debt* which is the difference between the market value of debt and the book value of debt, adjusted for taxes. The *EPRA NDV per share* is calculated by dividing the *EPRA NDV* by the *Number of shares* which excludes the treasury shares and includes the conversion impact of mandatory convertible notes.

### EPRA NDV and EPRA NDV Per Share Calculation

Equity attributable to the owners of the Company
(-) Goodwill in relation to TLG <sup>1)</sup>
(-) Goodwill in relation to GCP <sup>2)</sup>
(+/-) Net fair value of debt
<b>(=) (a) EPRA NDV</b>
(b) Number of shares <sup>3)</sup>
<b>(=) (a/b) EPRA NDV per share</b>

- 1) deducting the goodwill resulting from the business combination with TLG
- 2) deducting the goodwill resulting from the consolidation of GCP
- 3) excluding shares in treasury and including the conversion impact of mandatory convertible notes, base for share KPI calculations



### **RESPONSIBILITY STATEMENT**

To the best of our knowledge, the interim consolidated financial statements of Aroundtown SA, prepared in accordance with the applicable reporting principles for financial statements, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the management report of the Group includes a fair review of the development of the business, and describes the main opportunities, risks, and uncertainties associated with the Group.

### **DISCLAIMER**

The financial data and results of the Group are affected by financial and operating results of its subsidiaries. Significance of the information presented in this report is examined from the perspective of the Company including its portfolio with the joint ventures. In several cases, additional information and details are provided in order to present a comprehensive representation of the subject described, which in the Group's view is essential to this report.

By order of the Board of Directors, November 29, 2022

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**Frank Roseen**  
Executive Director

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**Jelena Afxentiou**  
Executive Director

# INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Note	Nine months ended September 30,		Three months ended September 30,	
		2022	2021	2022	2021
		Unaudited			
in € millions					
Revenue	7	1,200.7	935.8	410.8	394.4
Property revaluations and capital gains		408.8	321.6	8.1	212.9
Share of profit from investment in equity-accounted investees		51.5	157.8	19.4	66.2
Property operating expenses		(507.0)	(369.8)	(184.7)	(151.7)
Administrative and other expenses		(45.2)	(43.0)	(14.0)	(15.6)
<b>Operating profit</b>		<b>1,108.8</b>	<b>1,002.4</b>	<b>239.6</b>	<b>506.2</b>
Finance expenses		(141.0)	(130.3)	(46.9)	(49.5)
Other financial results		(175.0)	(88.0)	(44.0)	(86.5)
<b>Profit before tax</b>		<b>792.8</b>	<b>784.1</b>	<b>148.7</b>	<b>370.2</b>
Current tax expenses		(88.1)	(71.0)	(30.6)	(32.2)
Deferred tax expenses		(127.2)	(63.5)	(11.6)	(50.5)
<b>Profit for the period</b>		<b>577.5</b>	<b>649.6</b>	<b>106.5</b>	<b>287.5</b>
<b>Profit attributable to:</b>					
Owners of the Company		304.4	464.5	22.6	166.6
Perpetual notes investors		88.3	76.1	29.8	29.8
Non-controlling interests		184.8	109.0	54.1	91.1
<b>Profit for the period</b>		<b>577.5</b>	<b>649.6</b>	<b>106.5</b>	<b>287.5</b>
<b>Net earnings per share attributable to the owners of the Company (in €)</b>					
Basic earnings per share		0.27	0.40	0.02	0.14
Diluted earnings per share		0.27	0.39	0.02	0.14

# INTERIM CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

	Nine months ended September 30,		Three months ended September 30,	
	2022	2021	2022	2021
	Unaudited			
	in € millions			
<b>Profit for the period</b>	<b>577.5</b>	<b>649.6</b>	<b>106.5</b>	<b>287.5</b>
<b>Other comprehensive income (loss):</b>				
<i>Items that are or may be reclassified subsequently to profit or loss, net of tax:</i>				
Foreign currency translation, net of investment hedges of foreign operations	(45.1)	12.5	(31.2)	(0.8)
Cash flow hedges and cost of hedging	70.5	39.5	45.5	25.3
Equity-accounted investees – share of of other comprehensive income	-	20.8	-	10.9
<b>Total comprehensive income for the period</b>	<b>602.9</b>	<b>722.4</b>	<b>120.8</b>	<b>322.9</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	329.7	534.2	40.2	198.9
Perpetual notes investors	88.3	76.1	29.8	29.8
Non-controlling interests	184.9	112.1	50.8	94.2
<b>Total comprehensive income for the period</b>	<b>602.9</b>	<b>722.4</b>	<b>120.8</b>	<b>322.9</b>

# INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	As at September 30, 2022	As at December 31, 2021
		Unaudited	Audited
		in € millions	
<b>ASSETS</b>			
Property and equipment		171.1	132.0
Goodwill and intangible assets		1,714.2	1,717.3
Investment property	8	29,251.5	29,115.9
Advance payments and deposits		163.1	155.8
Investment in equity-accounted investees		1,358.5	1,222.5
Derivative financial assets		344.7	236.1
Other non-current assets		1,404.1	1,189.1
Deferred tax assets		64.1	85.5
<b>Non-current assets</b>		<b>34,471.3</b>	<b>33,854.2</b>
Cash and cash equivalents		2,003.0	2,873.0
Short-term deposits		48.3	27.5
Financial assets at fair value through profit or loss		267.0	339.8
Inventories – trading property	8.2	1.3	88.0
Trade and other receivables		1,228.7	1,131.3
Derivative financial assets		29.9	36.3
Assets held for sale	8.2	667.9	1,033.0
<b>Current assets</b>		<b>4,246.1</b>	<b>5,528.9</b>
<b>Total assets</b>		<b>38,717.4</b>	<b>39,383.1</b>

As at September 30, 2022

As at December 31, 2021

	Note	As at September 30, 2022	As at December 31, 2021
		Unaudited	Audited
in € millions			
<b>EQUITY</b>			
Share capital		15.4	15.4
Treasury shares	9.2	(2,983.4)	(2,937.3)
Retained earnings and other reserves		13,560.0	13,455.5
<b>Equity attributable to the owners of the Company</b>		<b>10,592.0</b>	<b>10,533.6</b>
Equity attributable to perpetual notes investors		4,747.0	4,747.7
<b>Equity attributable to the owners of the Company and perpetual notes investors</b>		<b>15,339.0</b>	<b>15,281.3</b>
Non-controlling interests	9.3	3,618.7	3,875.1
<b>Total equity</b>		<b>18,957.7</b>	<b>19,156.4</b>
<b>LIABILITIES</b>			
Loans and borrowings	10.3	1,151.3	1,091.8
Straight bonds and schuldscheins	10.1	13,512.8	13,934.6
Derivative financial liabilities		418.0	394.7
Other non-current liabilities		451.0	433.0
Deferred tax liabilities		2,915.3	2,766.0
<b>Non-current liabilities</b>		<b>18,448.4</b>	<b>18,620.1</b>
Current portion of long-term loans and loan redemptions		12.1	56.2
Straight and convertible bonds	10.1	100.0	487.4
Trade and other payables		790.4	620.9
Tax payable		108.7	112.6
Provisions for other liabilities and accrued expenses		205.2	235.3
Derivative financial liabilities		20.7	30.7
Liabilities associated with assets classified as held for sale		74.2	63.5
<b>Current liabilities</b>		<b>1,311.3</b>	<b>1,606.6</b>
<b>Total liabilities</b>		<b>19,759.7</b>	<b>20,226.7</b>
<b>Total equity and liabilities</b>		<b>38,717.4</b>	<b>39,383.1</b>

The Board of Directors of Aroundtown SA authorized these interim consolidated financial statements for issuance on November 29, 2022



Frank Roseen  
Executive Director



Jelena Afxentiou  
Executive Director

# INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2022 (UNAUDITED)

Notes	Attributable to the owners of the Company						Equity attributable to perpetual notes investors	Equity attributable to the owners of the Company and perpetual notes investors	Non-controlling interests	Total equity
	Share capital	Share premium and capital reserves	Cash flow hedge and cost of hedge reserves	Treasury shares	Retained earnings	Equity attributable to the owners of the Company				
	in € millions									
<b>Balance as at January 1, 2022 (audited)</b>	15.4	5,529.8	24.2	(2,937.3)	7,901.5	10,533.6	4,747.7	15,281.3	3,875.1	19,156.4
Profit for the period	-	-	-	-	304.4	304.4	88.3	392.7	184.8	577.5
Other comprehensive income (loss) for the period, net of tax	-	(45.1)	70.4	-	-	25.3	-	25.3	0.1	25.4
<b>Total comprehensive income for the period</b>	-	(45.1)	70.4	-	304.4	329.7	88.3	418.0	184.9	602.9
<b>Transactions with owners of the Company</b>										
<b>Contributions and distributions</b>										
Share buy-back program	9.2	-	-	(204.4)	-	(204.4)	-	(204.4)	-	(204.4)
Equity settled share-based payment	-	(1.8)	-	2.4	-	0.6	-	0.6	-	0.6
Dividend distribution to the owners of the Company	9.1	-	(325.1)	-	155.9	(169.2)	-	(169.2)	-	(169.2)
<b>Total contributions and distributions</b>	-	(326.9)	-	(46.1)	-	(373.0)	-	(373.0)	-	(373.0)
<b>Changes in ownership interests</b>										
Initial consolidations, transactions with non-controlling interests (NCI) and dividends distributed to NCI	9.3	-	-	-	101.7	101.7	-	101.7	(441.3)	(339.6)
<b>Total changes in ownership interests</b>	-	-	-	-	101.7	101.7	-	101.7	(441.3)	(339.6)
<b>Transactions with perpetual notes investors</b>										
Payment to perpetual notes investors	-	-	-	-	-	-	(89.0)	(89.0)	-	(89.0)
<b>Total transactions with perpetual notes investors</b>	-	-	-	-	-	-	(89.0)	(89.0)	-	(89.0)
<b>Balance as at September 30, 2022</b>	15.4	5,157.8	94.6	(2,983.4)	8,307.6	10,592.0	4,747.0	15,339.0	3,618.7	18,957.7



# INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2021 (UNAUDITED)

Attributable to the owners of the Company

	Share capital	Share premium and capital reserves	Cash flow hedge and cost of hedge reserves	Treasury shares	Retained earnings	Equity attributable to the owners of the Company	Equity attributable to perpetual notes investors	Equity attributable to the owners of the Company and perpetual notes investors	Non-controlling interests	Total equity
	in € millions									
<b>Balance as at January 1, 2021 (audited)</b>	15.4	5,752.4	(37.2)	(2,621.6)	7,315.8	10,424.8	3,132.9	13,557.7	2,025.3	15,583.0
Profit for the period	-	-	-	-	464.5	464.5	76.1	540.6	109.0	649.6
Other comprehensive income for the period, net of tax	-	33.1	36.6	-	-	69.7	-	69.7	3.1	72.8
<b>Total comprehensive income for the period</b>	-	33.1	36.6	-	464.5	534.2	76.1	610.3	112.1	722.4
<b>Transactions with owners of the Company</b>										
<b>Contributions and distributions</b>										
Share buy-back program	-	-	-	(281.5)	-	(281.5)	-	(281.5)	-	(281.5)
Equity settled share-based payment	-	(1.3)	-	2.0	-	0.7	-	0.7	-	0.7
Dividend distribution to the owners of the Company	-	(237.6)	-	146.4	-	(91.2)	-	(91.2)	-	(91.2)
<b>Total contributions and distributions</b>	-	(238.9)	-	(133.1)	-	(372.0)	-	(372.0)	-	(372.0)
<b>Changes in ownership interests</b>										
Share buy-back in a subsidiary	-	-	-	-	(7.0)	(7.0)	-	(7.0)	(205.8)	(212.8)
Initial consolidations, transactions with NCI and dividends distributed to NCI	-	-	-	-	(28.0)	(28.0)	-	(28.0)	(130.7)	(158.7)
Business combination with Grand City Properties S.A.	-	-	-	(19.8)	-	(19.8)	1,250	1,230.2	2,108.2	3,338.4
<b>Total changes in ownership interests</b>	-	-	-	(19.8)	(35.0)	(54.8)	1,250	1,195.2	1,771.7	2,966.9
<b>Transactions with perpetual notes investors</b>										
Issuance of perpetual notes, net of perpetual notes buy-back	-	(27.0)	-	-	-	(27.0)	365.5	338.5	-	338.5
Payment to perpetual notes investors	-	-	-	-	-	-	(76.8)	(76.8)	-	(76.8)
<b>Total transactions with perpetual notes investors</b>	-	(27.0)	-	-	-	(27.0)	288.7	261.7	-	261.7
<b>Balance as at September 30, 2021</b>	15.4	5,519.6	(0.6)	(2,774.5)	7,745.3	10,505.2	4,747.7	15,252.9	3,909.1	19,162.0

# INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Nine months ended September 30,	
	2022	2021
	Unaudited	
	in € millions	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit for the period	577.5	649.6
<b>Adjustments for the profit:</b>		
Depreciation and amortization	14.1	5.8
Property revaluations and capital gains	(408.8)	(321.6)
Share of profit from investment in equity-accounted investees	(51.5)	(157.8)
Finance expenses and other financial results	316.0	218.3
Current and deferred tax expenses	215.3	134.5
Share-based payment	3.6	3.9
Change in working capital	(31.5)	(55.8)
Dividend received	22.7	9.3
Tax paid	(79.9)	(75.1)
<b>Net cash from operating activities</b>	<b>577.5</b>	<b>411.1</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from (payments for) disposals (acquisitions) of property, equipment and intangible assets, net	(10.7)	(*) 32.3
Proceeds from disposals of investment property, trading property and proceeds from associates	1,001.0	(*) 1,049.5
Acquisitions of investment property and associates, investment in capex and advances paid	(608.3)	(691.1)
Investments in traded securities and other financial assets, net	(140.6)	(204.4)
<b>Net cash from investing activities</b>	<b>241.4</b>	<b>186.3</b>

(\*) reclassified

	Note	Nine months ended September 30,	
		2022	2021
		Unaudited	
		in € millions	
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Share buy-back program	9.2	(204.4)	(281.5)
Share buy-back in subsidiaries		-	(212.8)
Payments to mandatory convertible notes investors		(11.9)	(10.5)
Proceeds (payments) from (to) perpetual notes investors, net of buy-back		(89.0)	261.7
Buy-back and redemption of bonds	10.2	(827.1)	(486.6)
Proceeds (repayments) from (of) loans from financial institutions and others, net	10.3	46.6	(556.6)
Amortizations of loans from financial institutions and others		(9.9)	(13.8)
Transactions with non-controlling interests	9.3	(338.2)	(116.0)
Dividend paid to non-controlling interests	9.3	(79.9)	(44.6)
Dividend paid to the owners of the Company	9.1	(169.2)	(252.0)
Proceeds from hedge relations and others		141.8	-
Interest and other financial expenses paid, net		(160.7)	(154.2)
<b>Net cash used in financing activities</b>		<b>(1,701.9)</b>	<b>(1,866.9)</b>
<b>Net changes in cash and cash equivalents</b>		<b>(883.0)</b>	<b>(1,269.5)</b>
Cash and cash equivalents as at January 1		2,873.0	2,692.1
Change in cash and cash equivalents held for sale		1.7	(1.4)
Cash and cash equivalents from business combinations		-	1,069.7
Effect of foreign exchange rates changes		11.3	10.2
<b>Cash and cash equivalents as at September 30</b>		<b>2,003.0</b>	<b>2,501.1</b>

# NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

## 1. GENERAL

### 1.1 Incorporation and principal activities

Aroundtown SA (the “Company” or “Aroundtown”), a public limited liability company (Société Anonyme), incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 37, Boulevard Joseph II, L-1840 Luxembourg (formerly: 40, Rue du Curé, L-1368, Luxembourg). Aroundtown’s shares are listed on the Prime Standard of the Frankfurt Stock Exchange and included in the MDAX index of the Deutsche Börse (symbol: AT1).

Aroundtown is a real estate company with a focus on income generating quality properties with value-add potential in central locations in top tier European cities, primarily in Germany and the Netherlands, as well as in London. Aroundtown invests in commercial and residential real estate which benefits from strong fundamentals and growth prospects.

These interim consolidated financial statements for the nine-month period ended September 30, 2022, consist of the financial statements of the Company and its investees (the “Group”).

### 1.2 Group rating

Aroundtown’s credit rating is ‘BBB+’ with a stable outlook given by Standard and Poor’s (S&P). The rating of ‘BBB+’ also applies to the Company’s unsecured debt. The Group’s subordinated perpetual notes’ rating is ‘BBB-’.

Grand City Properties S.A.’s (a subsidiary of the Company, “GCP”) corporate credit rating is ‘BBB+’ with a stable outlook given by S&P, and ‘Baa1’ given by Moody’s Investors Service (Moody’s). The ‘BBB+’ and ‘Baa1’ ratings also apply to the GCP’s unsecured debt, and the GCP’s subordinated perpetual notes are rated ‘BBB-’ and ‘Baa3’, by S&P and Moody’s, respectively.

As at September 30, 2022, and as of the date of issuance of these interim consolidated financial statements, Aroundtown’s and GCP’s rating remained unchanged, as described above.

### 1.3 Definitions

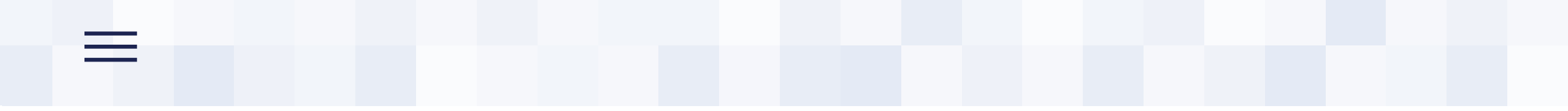
Throughout the notes to the interim consolidated financial statements following definitions apply:

The Company	Aroundtown SA
The Group	The Company and its investees
Subsidiaries	Companies that are controlled by the Company (as defined in IFRS 10) and whose financial statements are consolidated with those of the Company
Associates	Companies over which the Company has significant influence (as defined in IAS 28) and that are not subsidiaries. The Company’s investment therein is included in the consolidated financial statements of the Company using equity method of accounting
Investees	Subsidiaries, jointly controlled entities and associates
GCP	Grand City Properties S.A. (a subsidiary of the Company; listed for trade in the Prime Standard of the Frankfurt Stock Exchange)
TLG	TLG Immobilien AG (a subsidiary of the Company)
Related parties	As defined in IAS 24
The reporting period	The nine-month period ended on September 30, 2022

## 2. SIGNIFICANT CHANGES IN THE REPORTING PERIOD

The financial position and performance of the Group were affected by the following events and transactions during the reporting period:

- Disposals of investment property and trading property in a total book value of over €1.2 billion (see note 8.2).
- Repayment of bonds, schuldscheins and bank loans with nominal value of over €0.7 billion (see notes 10.2 and 10.3), net of draw-down of new loans from financial institutions.
- Distribution of Scrip Dividend of €0.23 per share in July 2022 to the shareholder of the Company (see note 9.1).
- Increasing the holding rate in GCP during the reporting period from 48.8% to 60.1% (see note 9.3).
- Continuation of share buy-back of the Company’s own shares (see note 9.2).
- For additional information about changes in the Group’s financial position and performance, see the “Notes on business performance” section in the Board of Directors’ Report.
- Geopolitical situation around Russia – Ukraine  
On February 24, 2022, following several months of increasing escalation, the Russian Federation (Russia) announced the beginning of a “special military operation” in Ukraine. Following the announcement, Russia started moving military forces into Ukraine and launched missile strikes and air-strikes



at targets in across Ukraine, initiating a full-scale invasion of Ukraine (the “Invasion” or the “Conflict”). The Invasion received wide-spread international condemnation and on March 2, 2022, the General Assembly of the United Nations, under an Emergency Special Sessions, adopted resolution A/RES/ES-11/1, among others, condemning the Invasion by Russia and demanding immediate ceasing of hostilities and withdrawal of military forces from the territory of Ukraine. As of the date of this report hostilities continue. In a reaction to Russian hostilities many nations and organizations, including Germany and the European Union (EU), have announced sanctions against Russia, Russian companies, and individuals in and from Russia. These sanctions, as well as increased uncertainty resulting from the conflict, have so far resulted in increased volatility in financial markets and increases in prices for a range of commodities, particularly in energy prices, among others. A large number of Ukrainian refugees have fled the country since the start of the conflict, seeking asylum in the EU. In response to this the EU invoked the Temporary Protection Directive (the “Directive”), granting expanded rights to Ukrainian citizens in the EU, granting such citizens residence permits in the EU for the duration of the directive as well as, among others, access to employment, accommodation, social welfare or means of subsistence, access to medical treatment, access to education for minors, and more.

The Group’s operations are not directly impacted by the conflict, as neither its portfolio nor its operations have direct exposure to Ukraine or Russia. However, the Company has been impacted by the indirect consequences of the conflict. Firstly, as a result of the conflict inflationary pressures have

increased, particularly on heating and energy costs, which have an impact on the operating costs of the Group. Such pressures may also have an impact on the ability of the Group’s tenants to pay rent and/or for the Group to recover expenses related to recoverable expenses from tenants in the future. Furthermore, higher levels of inflation have impacted interest rates, which have risen and increased the cost of obtaining new financing, while increased volatility in the capital markets have reduced the Group’s ability to raise capital at attractive prices, resulting in an increase in its cost of capital and potentially limiting its growth opportunities.

As a result of the Conflict, a large number of refugees that have entered and are expected to enter the EU. The Company expects large numbers of refugees to continue entering Germany as the conflict continues. The large numbers of refugees are likely to result in increased strain on the residential real estate market in Germany, similar to what has been seen as a result of the height of the refugee crisis in relation to the Syrian civil war in 2015. This may further exacerbate the supply and demand mismatch, increase political pressure for home construction and higher utilization of already limited construction capacity, which may result in increased construction costs and delays, particularly if the crisis will be prolonged. The full effects are currently still unclear and will depend significantly on the duration and final outcome of the conflict as well as the distribution of refugees across the EU.

#### 8. Inflation and interest rates

The Coronavirus pandemic, the high amount of cash injected into the market as a monetary response and the geopolitical situation around Russia and Ukraine and the subsequent disruption of the global economy have resulted

in significant demand and supply shocks, which have resulted in higher inflationary pressures and supply shortages in much of 2021 and 2022. The inflationary pressure has been particularly strong in material costs and energy prices and there is uncertainty as to the development of prices in the coming periods. Higher levels of inflation particularly for materials and energy may have an impact on the Group’s ability to acquire materials for capex measures at a reasonable price, increase utility costs across its operations or result in delays across the Group’s operations. Furthermore, higher levels of inflation across the economy may result in higher personnel expenses and expenses for external services, which could have a negative impact on the profitability. In addition, high levels of inflation have resulted in increases in interest rates, yields and volatility in capital markets, which has a negative impact on the cost of new financing for the Group on one hand and may put upward pressure on discount rates and cap rates if prolonged on the other hand, which may have a negative impact on the fair value of Group’s assets.

Increases in material costs have an impact on the cost of capex projects for the Group. However, material costs generally form a relatively smaller component of total capex and maintenance expenses and a large share of capex projects are executed at the Group’s discretion. These projects can usually be deferred if costs increase to such an extent that they become uneconomical. The Group is able to offset some of these expenses due to its economies of scale. The Group believes that, while increases in costs for personnel and external services are likely to have an impact on its cost structure, rent indexation adjustments, efficiency gains,

internal growth and cost recovery from tenants will be able to offset such higher expenses. Regarding higher interest rates, the Group maintains a high interest hedge ratio, with 96% of its debt protected against interest rate increases. Furthermore, due to balanced and long debt maturity schedule with no significant maturities until 2025 and a strong liquidity position, the Group does not face material refinancing risk in the near term. In addition, the Group's conservative Loan-to-Value ("LTV") of 40%, well below the 45% limit set by the Board of Directors and higher bond covenant levels, leaves significant headroom in the event of downward portfolio revisions.

### 3. BASIS OF PREPARATION

These interim consolidated financial statements have been prepared in accordance with International Accounting Standard (IAS) 34 Interim Financial Reporting and are in compliance with the International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

These interim consolidated financial statements do not include all the information required for a complete set of IFRS financial statements and should be read in conjunction with the Group's audited annual consolidated financial statements as at and December 31, 2021. However, selected explanatory notes are included to explain events and transactions that are significant for an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements as at and for the year ended December 31, 2021.

The accounting policies adopted in the preparation of these interim consolidated financial statements, including the judgments, estimates and special assumptions that affect the

application of those accounting policies, are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2021, except for the changes in accounting policies and the adoption of new standard, amendments to standards and interpretations as described in note 4.

These interim consolidated financial statements have not been reviewed by an auditor, unless otherwise indicated.

#### Functional and presentation currency

The Group's interim consolidated financial statements are presented in euro, which is also the Group's functional currency, and reported in millions of euros rounded to one decimal point, unless stated otherwise.

As at September 30, 2022, the Group's main foreign exchange rates versus the euro were as follows:

	EUR/GBP ("British Pound")	EUR/USD ("US Dollar")
<b>September 30, 2022</b>	<b>0.883</b>	<b>0.975</b>
September 30, 2021	0.861	1.158
December 31, 2021	0.840	1.133
Average rate 01-09/2022	0.847	1.064
<b>Changes (%) during the period:</b>		
Nine months ended September 30, 2022	5.1%	(13.9%)
Nine months ended September 30, 2021	(4.3%)	(5.6%)
Year ended December 31, 2021	(6.5%)	(7.7%)

### 4. CHANGES IN ACCOUNTING POLICIES

The following amendments were adopted for the first time in these interim consolidated financial statements, with an effective date of January 1, 2022:

- **Amendments to IFRS 3 *Business Combinations***

The amendments replace a reference to a previous version of the IASB's Conceptual Framework with a reference to the current version issued in March 2018 without significantly changing its requirements. The amendments add an exception to the recognition principle of IFRS 3 *Business Combinations* to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* or IFRIC 21 *Levies*, if incurred separately. The exception requires entities to apply the criteria in IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date. The amendments also add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

These amendments had no impact on the interim consolidated financial statements of the Group as there were no contingent assets, liabilities and contingent liabilities within the scope of these amendments arising during the period.

- **Amendments to IAS 16 *Property, Plant and Equipment***

The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment, any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the costs of producing those items, in profit or loss.

These amendments had no impact on the interim consolidated financial statements of the Group as there were no sales of such items produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented.

- **Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets**

An onerous contract is a contract under which the unavoidable costs (for example, the costs that the Group cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services include both incremental costs (for example, the costs of direct labor and materials) and an allocation of costs directly related to contract activities (for example, depreciation of equipment used to fulfil the contract as well as costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

These amendments had no material impact on the interim consolidated financial statements of the Group.

- **Annual Improvements 2018-2020 Cycle**

- » **IFRS 1 First-time Adoption of International Financial Reporting Standards**

The amendment permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported in the parent's

consolidated financial statements, based on the parent's date of transition to IFRS, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of IFRS 1.

These amendments had no impact on the interim consolidated financial statements of the Group as it is not a first-time adopter.

- » **IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities**

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. There is no similar amendment proposed for IAS 39 *Financial Instruments: Recognition and Measurement*.

These amendments had no impact on the interim consolidated financial statements of the Group as there were no modifications of the Group's financial instruments during the period.

- » **IAS 41 Agriculture – Taxation in fair value measurements**

The amendment removes the requirement in paragraph 22 of IAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of IAS 41.

These amendments had no impact on the interim consolidated financial statements of the Group as it did not have assets in the scope of IAS 41 as at the reporting date.

The following amendments were adopted by the EU, with effective date of January 1, 2023:

- **Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies**
- **Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates**
- **Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction**

The amendments introduce a further exception from the initial recognition exemption. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences.

Depending on the applicable tax law, equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting nor taxable profit. For example, this may arise upon recognition of a lease liability and the corresponding right-of-use asset applying IFRS 16 at the commencement date of a lease.

Following the amendments to IAS 12, an entity is required to recognize the related deferred tax asset and liability, with the recognition of any deferred tax asset being subject to the recoverability criteria in IAS 12.

The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period an entity recognizes:

- » A deferred tax asset (to the extent that it is probable that



taxable profit will be available against which the deductible temporary difference can be utilized) and a deferred tax liability for all deductible and taxable temporary differences associated with:

- Right-of-use assets and lease liabilities
- Decommissioning, restoration and similar liabilities and the corresponding amounts recognized as part of the cost of the related asset
- » The cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at that date

The amendments are effective for annual reporting periods beginning on or after 1 January 2023, with earlier application permitted.

These amendments are not expected to have a material impact on the Group.

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.



Hannover



## 5. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

### Fair value hierarchy

The following table presents the Group's financial assets and liabilities measured and presented at fair value as at September 30, 2022 and December 31, 2021 on a recurring basis under the relevant fair value hierarchy. Also presented are the Group's financial assets and liabilities measured at amortized cost for which the carrying amount materially differs from the fair value.

	As at September 30, 2022					As at December 31, 2021				
	Fair value measurement using					Fair value measurement using				
	Carrying amount	Total fair value	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Carrying amount	Total fair value	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
	in € millions					in € millions				
<b>FINANCIAL ASSETS</b>										
Financial assets at fair value through profit or loss <sup>(1)</sup>	561.8	561.8	235.2	300.2	26.4	605.6	605.6	300.4	282.9	22.3
Derivative financial assets	374.6	374.6	-	374.6	-	272.4	272.4	-	272.4	-
<b>Total financial assets</b>	<b>936.4</b>	<b>936.4</b>	<b>235.2</b>	<b>674.8</b>	<b>26.4</b>	<b>878.0</b>	<b>878.0</b>	<b>300.4</b>	<b>555.3</b>	<b>22.3</b>
<b>FINANCIAL LIABILITIES</b>										
Straight and convertible bonds and schuldscheins <sup>(2)</sup>	13,612.8	11,364.2	11,043.9	320.3	-	14,422.0	14,886.6	14,314.5	572.1	-
Derivative financial liabilities	438.7	438.7	-	438.7	-	425.4	425.4	-	425.4	-
<b>Total financial liabilities</b>	<b>14,051.5</b>	<b>11,802.9</b>	<b>11,043.9</b>	<b>759.0</b>	<b>-</b>	<b>14,847.4</b>	<b>15,312.0</b>	<b>14,314.5</b>	<b>997.5</b>	<b>-</b>

(1) includes also the non-current financial assets at fair value through profit or loss

(2) the carrying amount excludes accrued interest

**Level 1:** the fair value of financial instruments traded in active markets (such as debt and equity securities) is based on quoted market prices at the end of the reporting period.

**Level 2:** the fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data

and rely as little as possible on entity-specific estimates. If all significant input required to fair value of financial instrument are observable, the instrument is included in level 2.

**Level 3:** if one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The Group's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

When the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model. The

inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of input such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments and is discussed further below.



## Valuation techniques used to determine fair values

The following methods and assumptions were used to estimate the fair values:

- The fair values of the quoted bonds are based on price quotations at the reporting date. The fair value of unquoted bonds is measured using the discounted cash flow method with observable inputs.
- There is an active market for the Company's listed equity investments and quoted debt instruments.
- For the fair value measurement of investments in unlisted funds, the net asset value is used as a valuation input and an adjustment is applied for lack of marketability and restrictions on redemptions as necessary. This adjustment is based on management judgment after considering the period of restrictions and the nature of the underlying investments.
- The Company enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Interest rate and foreign exchange swap and forward contracts are valued using valuation techniques, which employ the use of market observable inputs. The most frequently applied valuation technique includes forward pricing and swap models using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves.



## 6. OPERATING SEGMENTS

### 6.1 Reportable segments

#### Products and services from which reportable segments derive their data

Information reported to the Group's Chief Operating Decision Maker (CODM) for the purposes of resource allocation and assessment of segment performance is based on Arountown's commercial portfolio and GCP's portfolio, and contains the segments' revenue, net operating income and property revaluation and capital gains. The Group's reportable segments under IFRS 8 are therefore as follows:

#### Commercial portfolio

The portfolio includes mainly office and hotel properties. The Group's assets are well-diversified and well-located across top tier cities in Europe with a focus on Germany and the Netherlands.

#### GCP portfolio

GCP is a specialist in residential real estate, investing in value-add opportunities in densely populated areas predominantly in Germany and London. GCP's portfolio, excluding assets held for sale and properties under development, as at September 30, 2022, consists of 65 thousand units, located in densely populated areas with a focus on Berlin, North Rhine-Westphalia (Germany's most populous federal state), the metropolitan regions of Dresden, Leipzig and Halle and other densely populated areas as well as London.

## 6.2 Segment revenues and net operating income

The following is an analysis of the Group's revenue and results by reportable segment:

Nine months ended September 30, 2022					
in € millions					
	Commercial portfolio	GCP portfolio	Total segments	Adjustments	Total
Segment revenue	777.6	424.4	1,202.0	(1.3)	1,200.7
Net operating income	464.7	244.4	709.1	(1.3)	707.8
Property revaluations and capital gains	174.3	234.5	408.8	-	408.8
Share of profit from equity-accounted investees					51.5
Administrative and other expenses					(45.2)
Depreciation and amortization					(14.1)
Finance expenses					(141.0)
Other financial results					(175.0)
<b>Profit before tax</b>					<b>792.8</b>
Current tax expenses					(88.1)
Deferred tax expenses					(127.2)
<b>Profit for the period</b>					<b>577.5</b>

Nine months ended September 30, 2021					
in € millions					
	Commercial portfolio	GCP portfolio	Total segments	Adjustments	Total
Segment revenue	806.3	130.0	936.3	(0.5)	935.8
Net operating income	496.0	76.3	572.3	(0.5)	571.8
Property revaluations and capital gains	174.5	147.1	321.6	-	321.6
Share of profit from equity-accounted investees					157.8
Administrative and other expenses					(43.0)
Depreciation and amortization					(5.8)
Finance expenses					(130.3)
Other financial results					(88.0)
<b>Profit before tax</b>					<b>784.1</b>
Current tax expenses					(71.0)
Deferred tax expenses					(63.5)
<b>Profit for the period</b>					<b>649.6</b>

The accounting policies of the reportable segments are the same as the Group's accounting policies described in the Group's consolidated financial statements as at and for the year ended December 31, 2021. Segment revenue, net operating income and revaluation and capital gains represent the results earned by each segment without allocation of the depreciation and amortization, administration expenses, share of profits from equity-accounted investees, finance expenses, and tax expenses. These are the measures reported to the Group's CODM for the purpose of resource allocation and assessment of segment performance. The geographical disaggregation is not considered by the Group's CODM on how the operating results are monitored. The comparative figures represent GCP portfolio's contribution since the initial consolidation with GCP that took place in July 2021.

## 7. REVENUE

Nine months ended September 30,		
	2022	2021
in € millions		
Net rental income	916.5	773.0
Operating and other income	284.2	162.8
	<b>1,200.7</b>	<b>935.8</b>

### Geographical distribution of revenue

Nine months ended September 30,		
	2022	2021
in € millions		
Germany	887.7	657.6
United Kingdom	133.2	117.2
The Netherlands	119.9	106.6
Belgium	20.3	19.0
Others	39.6	35.4
	<b>1,200.7</b>	<b>935.8</b>

The Group is not exposed to significant revenue derived from an individual customer.

## 8. INVESTMENT PROPERTY

### 8.1 Reconciliation of investment property

	2022	2021
	(*) Level 3	(*) Level 3
	Unaudited	Audited
	in € millions	
<b>Balance as at January 1</b>	29,115.9	21,172.4
Plus: investment property classified as held for sale	1,009.3	830.2
<b>Total investment property</b>	<b>30,125.2</b>	<b>22,002.6</b>
Initially consolidated from business combination with GCP	-	8,420.3
Acquisitions	371.3	669.4
Capital expenditures	302.6	432.8
Disposals of investment property (see note 8.2)	(1,127.8)	(2,193.5)
Transfer to trading property	-	(86.1)
Effect of foreign currency exchange differences	(129.3)	135.6
Fair value adjustments	363.4	744.1
<b>Total investment property</b>	<b>29,905.4</b>	<b>30,125.2</b>
Less: investment property classified as held for sale	(653.9)	(1,009.3)
<b>Balance as at September 30 / December 31</b>	<b>29,251.5</b>	<b>29,115.9</b>

(\*) classified in accordance with the fair value hierarchy. Since one or more of the significant inputs is not based on observable market data, the fair value measurement is included in level 3

### 8.2 Disposals

During the reporting period, the Group disposed of investment property with a book value of €1,127.8 million (the yearly sales of 2021 amounted to €2,193.5 million). The sales were done above book value and resulted in profit of €47.9 million (the yearly sales of 2021 resulted in profit of €65.6 million) was presented as part of the property revaluations and capital gains in the interim consolidated statement of profit or loss. The consideration received for the sales included vendor loans granted by the Group that amounted to €243.1 million (full year 2021: €220.7 million) carrying

average interest of 2.5% p.a. (with future step-ups) that were presented as part of other non-current assets and trade and other receivables in the interim consolidated statement of financial position.

In addition, the Group disposed of trading property for a total selling price of €103.2 million, which its accumulated carrying amount including costs of sale amounted to €87.6 million. The total outcome of €15.7 million gain has been presented as part of the property revaluations and capital gains in the interim consolidated statement of profit or loss, of which €2.5 million loss was recognized in the reporting period.

As at September 30, 2022, an amount of €667.9 million is presented as disposal group held for sale, of which €653.9 million stands for investment property (December 31, 2021: €1,033.0 million and €1,009.3 million, respectively). The Company expects to complete the plan to sell the rest outstanding assets within the next twelve months.



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## 9. EQUITY

### 9.1 Dividend distributions

#### Dividend announcement in June 2022

On June 29, 2022, the shareholders' Annual General Meeting ("AGM") resolved upon the distribution of the dividend attributed to 2021 financial year in the amount of €0.23 per share from the share premium, in accordance with the proposal of the Company's Board of Directors. The Company provided the shareholders with the option receive their net dividend in the form of Aroundtown shares ("Scrip Dividend"). The results and payment took place in July 2022 and concluded in delivering 31,134,933 shares from the Company's treasury shares and cash payment of €169.2 million paid in July (in 2021 there was the settlement of the dividend distributed in December 2020 and the one distributed in June 2021 – both together resulted in delivering 29,280,757 shares and cash payment of €252.0 million).

### 9.2 Treasury shares

#### Share buy-back program

In March 2021, the Company's Board of Directors resolved on a buy-back program (the "Program") to acquire the Company's own shares, following authorization received by the ordinary general meeting held in May 2020. The Program was initially planned to reach volume of €500 million and maximum of 100 million shares and expected to be finalized by June 30, 2022. In February 2022, the Company's Board of Directors resolved on increasing the volume of the Program by additional €500 million (to a total amount of €1 billion), up to a maximum of additional 100 million shares (and in total to 200 million shares) and extended it to run until December 31, 2022.

Since commencement of the Program and by September 30, 2022, the Group has acquired 117.7 million of its own shares. During the reporting period, 46.2 million shares were acquired for a total amount of €204.4 million (during 1-9/2021: 44.0 million shares for a total amount of €281.5 million).

The shares bought back and which are held in treasury by the Company and the Company's wholly owned affiliates are suspended from voting and dividend rights. In other cases, shares held in treasury are also suspended from voting rights but entitled to dividends.

### 9.3 Non-controlling interests

During the reporting period, the Company increased its holding rate in subsidiaries within the Group, mainly in GCP (in which the effective holding rate increased to 60.1% as at September 30, 2022 – resulted from active acquisitions as well as preferring shares of GCP in its Scrip Dividend distribution took place in July 2022), and that led to a decrease of €425.6 million in the total NCI amount. The net cash effect of the various NCI acquisitions during the reporting period amounted to payment of €374.7 million. The rest transactions with NCI include net positive cash injections of €36.5 million received from the NCI in joint ventures as well as €27.7 million of net NCI arose from initial consolidations and deconsolidations of subsidiaries.

Additionally, the Group subsidiaries distributed dividends to the NCI in the amount of €79.9 million, of which €44.4 million referred to the cash portion associated with the Scrip Dividend to the minority shareholders in GCP and €11.9 million to a dividend to the minority shareholders in TLG.



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## 10. LOANS, BORROWINGS, BONDS AND SCHULDSCHEINS

### 10.1 Bonds and schuldscheins composition

Set out below, is an overview of the Group's bonds and schuldscheins as at September 30, 2022, and December 31, 2021:

Series	Note	Currency	Nominal amount in original currency	Nominal amount in euro	Coupon rate (p.a.)	Maturity	Carrying amount as at September 30, 2022	Carrying amount as at December 31, 2021
			in millions	in millions			Unaudited	Audited
							in € millions	
<b>Non-current portion</b>								
Series H	(a) (b) (c)	USD	400.0	372.4	1.365	03/2032	396.0	337.7
Series NOK	(a) (b) (c)	NOK	750.0	79.3	0.818	07/2027	70.1	74.2
Series I		EUR	251.0	251.0	1.88	01/2026	247.3	246.5
Series J		GBP	500.0	566.3	3.00	10/2029	553.3	580.1
Series K		EUR	700.0	700.0	1.00	01/2025	693.1	691.0
Series L	(b) (c) (f)	USD	150.0	125.2	1.75	02/2038	153.0	131.6
Series M	(c)	CHF	250.0	223.6	0.73	01/2025	261.1	241.5
Series N		EUR	800.0	800.0	1.63	01/2028	785.0	783.1
Series O		EUR	305.2	305.2	2.00	11/2026	301.7	301.0
Series P	(b) (c) (g)	AUD	250.0	157.6	1.605	05/2025	158.6	158.8
Series Q	10.2	GBP	-	-	3.25	07/2027	-	94.3
Series R	(b) (c) (h)	CAD	250.0	164.3	1.70	09/2025	185.4	172.4
Series S	(e)	EUR	100.0	100.0	0.75 + Euribor (6M)	08/2023	-	99.9
Series T	(b) (i)	EUR	150.0	150.0	2.00	09/2030	149.9	149.9
Series U		EUR	75.0	75.0	2.97	09/2033	73.5	73.4
Series V		EUR	50.0	50.0	2.70	10/2028	49.7	49.6
Series W		EUR	76.0	76.0	3.25	11/2032	74.8	74.7
Series X	(c)	CHF	100.0	91.5	1.72	03/2026	104.4	96.6
Series Y	10.2 (e)	EUR	-	-	1.35 + Euribor (6M)	02/2026	-	99.0
Series Z	10.2 (e)	EUR	-	-	0.9 + Euribor (6M)	02/2024	-	124.4
Series 27	(b) (c)	HKD	430.0	48.3	1.62	03/2024	56.2	48.6
Series 28	(b) (c) (j)	USD	600.0	530.9	1.75	03/2029	609.4	524.0
Series 29	(b) (c) (k)	NOK	1,735.0	179.0	1.75	03/2029	142.7	173.2

Series	Note	Currency	Nominal amount in original currency	Nominal amount in euro	Coupon rate (p.a.)	Maturity	Carrying amount as at September 30, 2022	Carrying amount as at December 31, 2021
			in millions	in millions			Unaudited	Audited
							in € millions	
<b>Non-current portion</b>								
Series 30	(b) (c) (l)	GBP	400.0	468.6	1.75	04/2031	344.7	465.3
Series 31	(c)	JPY	7,000.0	61.3	1.42	05/2029	49.4	53.5
Series 32		EUR	800.0	800.0	0.63	07/2025	790.8	788.4
Series 33		EUR	600.0	600.0	1.45	07/2028	591.8	590.8
Series 34	(b) (c)	NOK	500.0	45.9	1.055	07/2025	47.2	50.0
Series 36		EUR	600.0	600.0	1.50	05/2026	615.0	618.2
Series 38		EUR	1,000.0	1,000.0	0.00	07/2026	984.1	981.0
Series 39		EUR	1,250.0	1,250.0	0.375	04/2027	1,222.8	1,218.8
GCP series E		EUR	205.6	205.6	1.50	04/2025	212.4	215.3
GCP series G		EUR	600.0	600.0	1.38	08/2026	625.7	630.8
GCP series H		EUR	255.0	255.0	2.00	10/2032	279.9	281.7
GCP series I	(b) (c) (m)	HKD	900.0	92.6	1.00	02/2028	111.0	108.6
GCP series J		EUR	667.6	667.6	1.50	02/2027	699.5	704.9
GCP series K	(c)	CHF	125.0	116.2	0.96	09/2026	133.9	124.8
GCP series L	(c)	JPY	7,500.0	75.5	1.40	06/2038	53.0	57.2
GCP series M	(b) (n)	EUR	47.0	47.0	1.70	07/2033	46.0	44.2
GCP series N	(b)	EUR	88.0	88.0	1.71 + Euribor (3M)	02/2039	76.9	107.2
GCP series O	(b)	EUR	15.0	15.0	1.68 + Euribor (3M)	02/2034	13.2	17.2
GCP series P	(b) (c)	HKD	290.0	32.8	1.38 + Euribor (3M)	03/2029	34.5	36.0
GCP series Q	(c)	CHF	130.0	119.4	0.57	06/2024	137.0	127.4
GCP series R		EUR	40.0	40.0	2.50	06/2039	46.4	46.7
GCP series U		EUR	80.0	80.0	0.75	07/2025	81.4	81.8
GCP series V	(b) (o)	EUR	70.0	70.0	1.50	08/2034	64.8	72.1
GCP series W		EUR	204.7	204.7	1.70	04/2024	208.6	212.7
GCP series X		EUR	1,000.0	1,000.0	0.13	01/2028	977.6	974.5
<b>Total non-current portion</b>							<b>13,512.8</b>	<b>13,934.6</b>



Series	Note	Currency	Nominal amount in original currency	Nominal amount in euro	Coupon rate (p.a.)	Maturity	Carrying amount as at September 30, 2022	Carrying amount as at December 31, 2021
							Unaudited	Audited
							in € millions	
<b>Current portion</b>			in millions	in millions	%			
Series S	(e)	EUR	100.0	100.0	0.75 + Euribor (6M)	08/2023	100.0	-
Series 37	10.2	EUR	-	-	0.38	09/2022	-	221.7
GCP – convertible bond series F	10.2	EUR	-	-	0.25	03/2022	-	265.7
<b>Total current portion</b>							<b>100.0</b>	<b>487.4</b>
<b>Total accrued interest on straight bonds and schuldscheins</b>	(d)						<b>104.8</b>	<b>123.3</b>

- (a) coupon and principal are linked to Consumer Price Index (CPI) through derivative instruments
- (b) effective coupon in euro
- (c) the Company / GCP hedged the currency risk of the principal amount until maturity
- (d) presented as part of the provisions and current liabilities in the consolidated statement of financial position
- (e) schuldschein
- (f) the Company hedged the currency risk of the principal amount and coupon with a cross-currency swap; the effective annual euro coupon is 1.75% p.a., semi-annually until Q1 2023, and 1.780% p.a. plus Euribor (6M), semi-annually for the following years until maturity
- (g) the Company hedged the currency risk of the principal amount and coupon with a cross-currency swap; the effective annual euro coupon is 1.605% p.a., semi-annually until Q2 2023, and 1.244% p.a. plus Euribor (6M), semi-annually for the following years until maturity

- (h) the Company hedged the currency risk of the principal amount and coupon with a cross-currency swap; the effective annual euro coupon is 1.7% p.a., semi-annually until Q3 2023, and 2.72% p.a. plus Euribor (6M), semi-annually for the following years until maturity
- (i) the Company hedged the interest rate risk, the effective annual euro coupon is 2.0% until Q3 2023, and a semi-annual coupon of 2.266% p.a. plus Euribor (6M) for the following years until maturity
- (j) the Company hedged the currency risk of the principal amount and coupon with a cross-currency swap; the effective annual euro coupon is 1.75% p.a., semi-annually until Q1 2023, and 2.636% p.a. plus Euribor (6M), semi-annually for the following years until maturity
- (k) the Company hedged the currency risk of the principal amount and coupon with a cross-currency swap; the effective annual euro coupon is 1.75% p.a. until Q1 2023, and 2.52% p.a. plus Euribor (6M), semi-annually for the following years until maturity

- (l) the Company hedged the currency risk of the principal amount and coupon with a cross-currency swap; the effective annual euro coupon is 1.75% p.a. until Q2 2023, and 2.11% p.a. plus Euribor (6M), semi-annually for the following years until maturity
- (m) GCP hedged the currency risk of the principal amount and coupon with a cross-currency swap; the effective annual euro coupon is 1.00% p.a. until Q1 2023, and 1.1725% p.a. plus Euribor (6M), semi-annually for the following years until maturity
- (n) GCP hedged the interest rate risk, the effective annual euro coupon is 1.7% until Q3 2023, and a semi-annual coupon of 1.39% p.a. plus Euribor (6M) for the following years until maturity
- (o) GCP hedged the interest rate risk, the effective annual euro coupon is 1.5% until Q3 2024, and a semi-annual coupon of 1.472% p.a. plus Euribor (6M) for the following years until maturity





## 10.2 Buy-back and redemption of bonds

During the reporting period, the Company completed the early repayments of some of its straight bonds and schuldscheins. The purpose of the early repayments follows the utilization of the real estate disposal proceeds and is part of the Group's pro-active debt optimization strategy with the aim to extend the average debt maturity and reduce the cost of debt.

Set forth are the amounts early repaid and redeemed upon maturity as at September 30, 2022:

Bond / schuldschein	Currency	Original maturity	Nominal value redeemed		Outstanding nominal value as at September 30, 2022
			in millions (original currency)	in € millions	in millions (original currency)
Series F of GCP (convertible bond) <sup>(a)</sup>	EUR	03/2022	263.3	263.3	Fully redeemed
Series Q	GBP	07/2027	81.1	97.3	Fully redeemed
Series Y	EUR	02/2026	100.0	100.0	Fully redeemed
Series Z	EUR	02/2024	125.0	125.0	Fully redeemed
Series 37	EUR	09/2022	221.7	221.7	Fully redeemed
<b>Total nominal value bought-back / redeemed</b>				<b>807.3</b>	

(a) the convertible bond series F of GCP matured in March 2022 and the outstanding €263.3 million nominal value was repaid to the bondholders, where no conversion to shares of GCP has occurred. Upon maturity, an amount of €186.7 million nominal value of convertible bond series F of GCP was held by the Group affiliates and has been repaid to them accordingly.

During 1-9/2021: bond buybacks and redemptions amounted to a total nominal value of €455.0 million.

## 10.3 Bank loans

During the reporting period, the Group repaid bank loans in an amount of approximately €233 million (during 1-9/2021: approximately €540 million) and drew down an amount of €288 million of new bank financing.

As at September 30, 2022, the fair value of the encumbered investment property amounted to €5.3 billion (December 31, 2021: €5.3 billion), leaving the Company with a large amount of unencumbered real estate properties.

## 11. COMMITMENTS

As at September 30, 2022, the Group had commitments for future capital expenditures on the real estate properties and other financial obligations of approximately €0.2 billion. Furthermore, the Group had signed several deals to sell real estate in a volume of approximately €0.2 billion which were not yet completed and are subject to several conditions precedent. The Company estimates the completion of the transactions to take place within the next twelve months.

## 12. CONTINGENT ASSETS AND LIABILITIES

The Group had no significant contingent assets and liabilities as at September 30, 2022.

## 13. SIGNIFICANT SUBSEQUENT EVENTS

After the reporting period, the Group signed on additional deals to sell investment property in a total value of €0.2 billion. The deals are expected to be completed in the next twelve months.

## 14. AUTHORIZATION OF THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

These interim consolidated financial statements were authorized for issuance by the Company's Board of Directors on November 29, 2022.

