

## **LEG Immobilien AG**

11 March 2019

## **FY-2018 Results**

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## **HIGHLIGHTS FY-2018**

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## **II. PORTFOLIO AND OPERATING PERFORMANCE**

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## **III. FINANCIAL PERFORMANCE**

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## **IV. OUTLOOK**

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## **V. APPENDIX**

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# Highlights FY-2018



## Overall company development

- |                             |   |
|-----------------------------|---|
| ▪ <b>Management changes</b> | Lars von Lackum (CDO) appointed as new CEO (as at June 1), best mutual agreement with Thomas Hegel (becomes Senior Advisor);<br>Volker Wiegel appointed as new COO as at June 1 |
| ▪ <b>Disposal program</b>   | Portfolios with total volume c. 2,000 units in negotiation phase  |

## Attractive rent momentum persists

- |                               |   |
|-------------------------------|---|
| ▪ <b>In-place rent, l-f-l</b> | <b>€5.67/sqm</b> (+3.0%; free financed units +3.9%) |
| ▪ <b>EPRA-Vacancy, l-f-l</b>  | <b>3.3%</b> (+/-0 bps YOY)                          |
| ▪ <b>Maintenance/Capex</b>    | <b>€29.4/sqm</b> (+31.3% YOY)                       |

## Financials: FY targets reached; strong dividend growth

- |  |  |
|--|--|
| ▪ <b>Net cold rent</b>                 | <b>€560.2m</b> (+4.8% YOY from €534.7m)  |
| ▪ <b>Adjusted EBITDA</b>               | <b>€405.2m</b> (+5.1% YOY from €385.7m)  |
| ▪ <b>FFO I</b>                         | <b>€318.6m</b> (+7.9% YOY from €295.3m), €5.04 per share (+7.9% YOY from €4.67)  |
| ▪ <b>Dividend</b> (proposal)           | <b>€3.53</b> per share (up from €3.04 in FY-2017, +16.1% YOY)  |
| ▪ <b>EPRA-NAV</b> (excl. goodwill)     | <b>€96.10</b> per share (up from €83.81 in FY-2017; +15.0% YOY )   |
| ▪ <b>Pro forma NAV</b> post conversion | <b>€93.40</b> per share (up from €80.90 in FY-2017; +15.4% YOY);<br>NAV after a simulated, executed conversion of the 2014/2021 convertible;<br>objective is to increase transparency with respect to potentially dilutive NAV effects |

# Agenda

## I. HIGHLIGHTS FY-2018



## PORTFOLIO AND OPERATING PERFORMANCE

## III. FINANCIAL PERFORMANCE

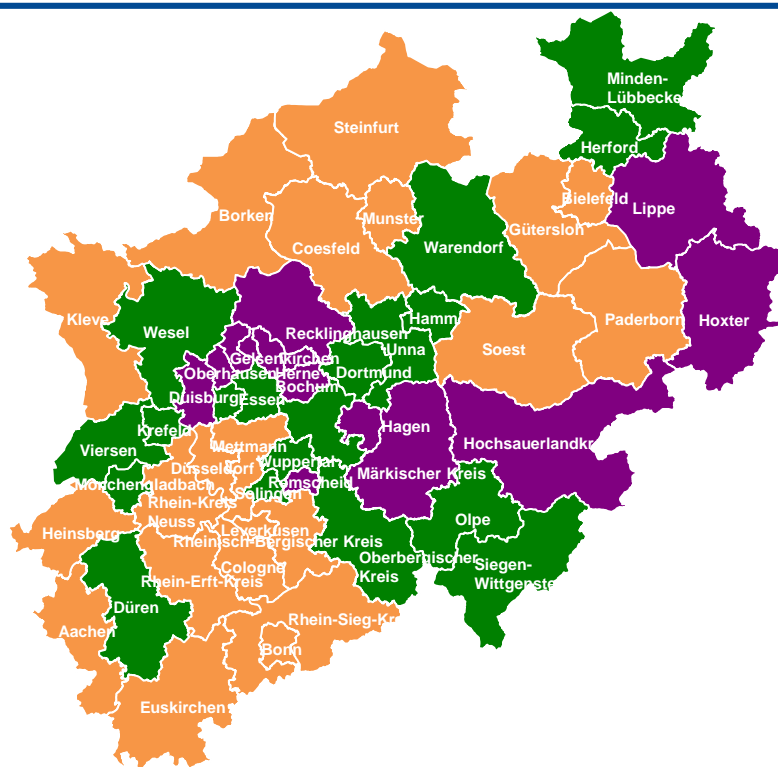
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# Portfolio Overview

## Positive rent development across all submarkets

**Strong results on the basis of tailor-made management strategies**



### Total Portfolio

	31.12.2018	Δ (YOY)
# of units	133,969	+3.0%
In-place rent (sqm), l-f-l	€5.67	+3.0%
EPRA-Vacancy, l-f-l	3.3%	+/-0 bps

### High-Growth Markets

	31.12.2018	Δ (YOY)
# of units	41,423	+1.0%
In-place rent (sqm), l-f-l	€6.36	+3.4%
EPRA-Vacancy, l-f-l	2.0%	+30 bps

### Stable Markets

	31.12.2018	Δ (YOY)
# of units	48,965	+2.8%
In-place rent (sqm), l-f-l	€5.35	+2.8%
EPRA-Vacancy, l-f-l	3.0%	-20 bps

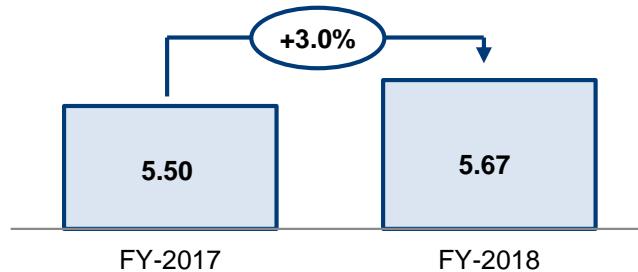
### Higher-Yielding Markets

	31.12.2018	Δ (YOY)
# of units	41,731	+5.5%
In-place rent (sqm), l-f-l	€5.26	+2.9%
EPRA-Vacancy, l-f-l	5.7%	+/-0 bps

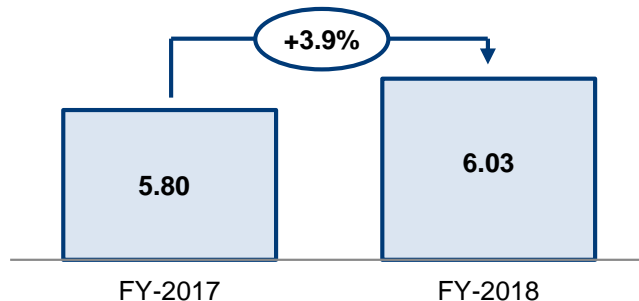
# Rent Development

## Sound underlying rent dynamics

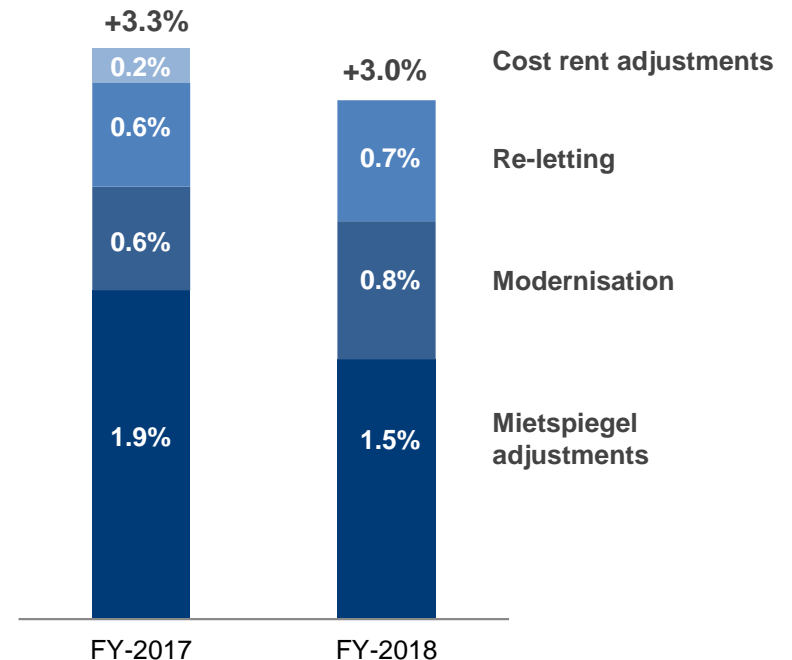
### L-f-I residential rent (€/sqm/month)



### L-f-I free financed rent (€/sqm/month)



### Rent growth drivers



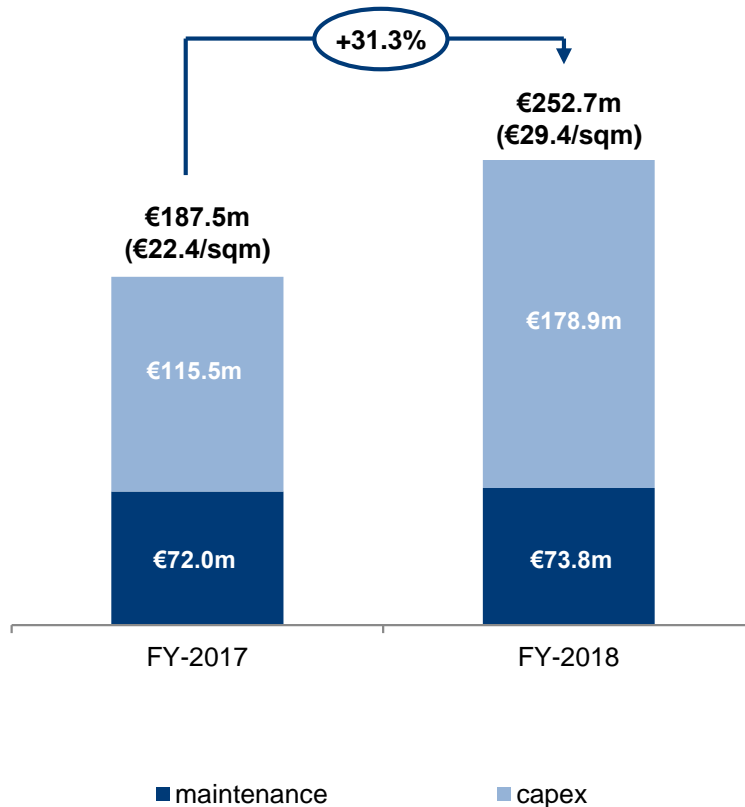
- Performance of free financed units demonstrates strong underlying fundamentals
- Rent restricted units: +0.4% year-on-year (like-for-like)
- High exposure to structural growth markets and respective commuter belts supports outperformance

- Well diversified mix of growth drivers (low execution risk)
- Growth not boosted by overspending (capex) though supported by modernization program
- Effects from capex are now partially included in the re-letting cluster

# Capex & Maintenance

## Lifting internal growth potential

Lifting growth potential while maintaining high capital efficiency



- Investments have **increased c.31%** year-over-year in line with increased value enhancing capex (29.4 €/sqm)
- **Enhanced capex program ongoing** with major investments in Dortmund, Monheim, Münster, Mönchengladbach and Cologne in 2018
- **Capex ratio** has increased from 61.6% in FY-2017 to **70.8%** in FY-2018
- **Outlook of 30-32 €/sqm in 2019**



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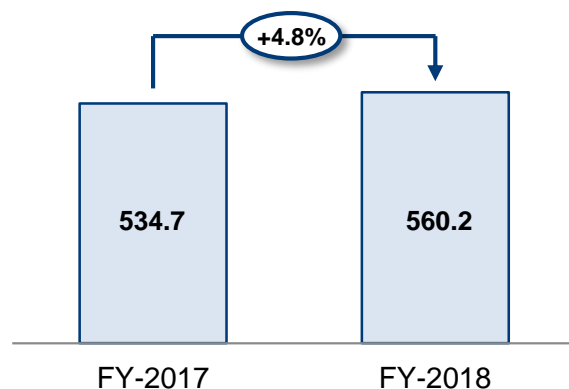
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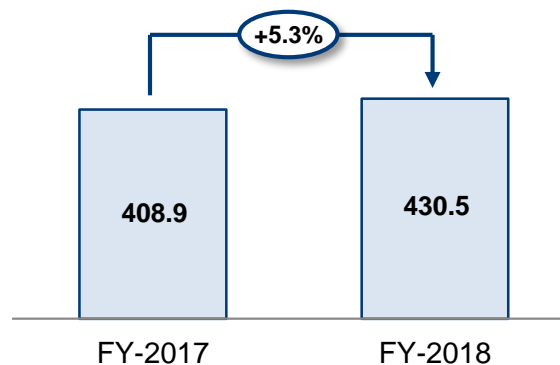
# Financial Highlights FY-2018

## Margin expansion story is set to continue

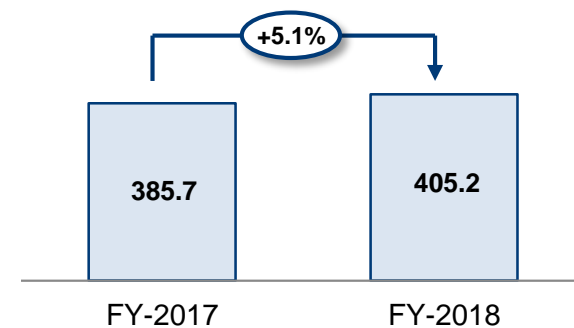
### Net Cold Rent (€m)



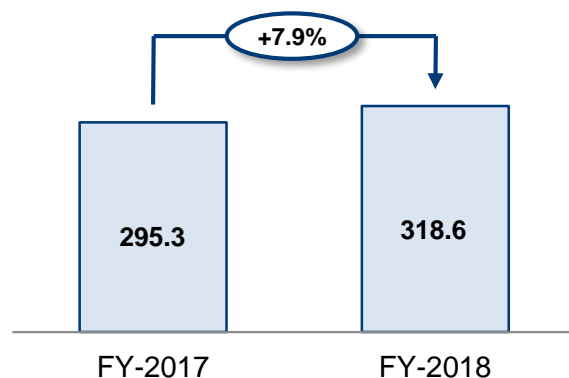
### Adj. Net Rental and Lease Income (€m)



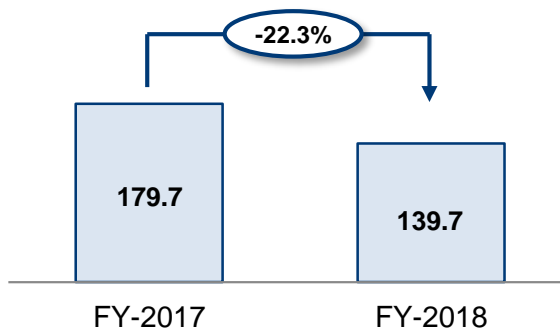
### Adj. EBITDA (€m)



### FFO I (€m)



### Capex-Adj. FFO I / AFFO (€m)



### Margin (%)

	FY-2017	FY-2018	Comment
Adj. NRI	76.5	76.9	Ongoing efficiency gains
Adj. EBITDA	72.1	72.3	See above + lower income "Others"
FFO I	55.2	56.9	See above + lower interests
AFFO	33.6	24.9	See above + higher growth capex

# FFO Calculation

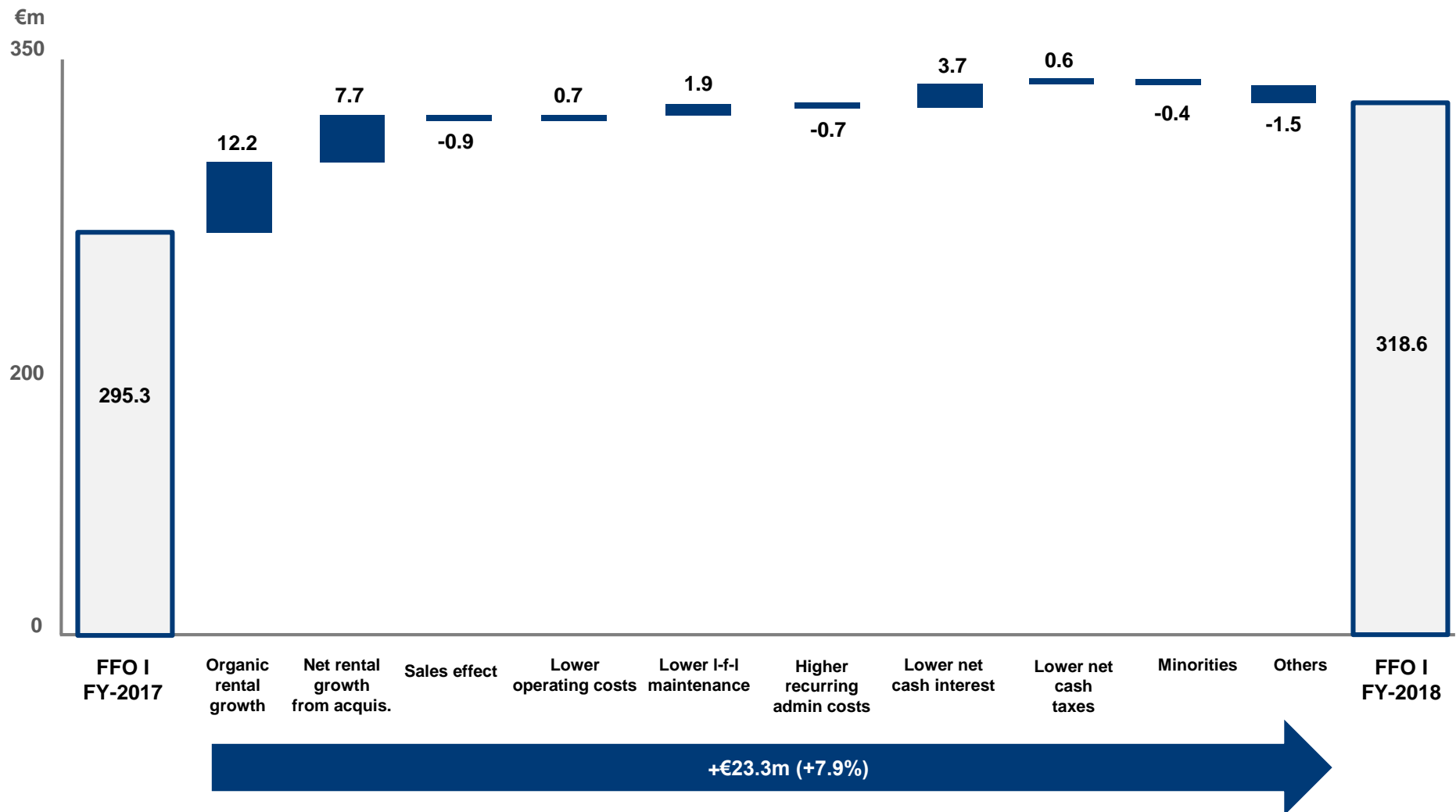
## FY-2018



€ million	FY-2018	FY-2017	
Net cold rent	560.2	534.7	▪ +€25.5m/+4.8%
Profit from operating expenses	-4.5	-2.8	
Maintenance (externally-procured services)	-51.8	-51.2	
Staff costs	-60.3	-55.8	▪ Growth in staff costs mainly due to additional FTE's for crafts services and enhanced capex program
Allowances on rent receivables	-8.4	-7.2	
Other	-10.4	-12.2	
Non-recurring project costs (rental and lease)	5.8	3.4	
<b>Recurring net rental and lease income</b>	<b>430.6</b>	<b>408.9</b>	▪ Adj. NRI increased by +€21.7m YOY (+5.3%); rising cost inflation more than offset by efficiency gains
<b>Recurring net income from other services</b>	<b>7.8</b>	<b>8.7</b>	
Staff costs	-24.8	-22.2	
Non-staff operating costs	-18.4	-18.5	
Non-recurring project costs (admin.)	9.2	7.4	
<b>Recurring administrative expenses</b>	<b>-34.0</b>	<b>-33.3</b>	▪ Admin. Costs: moderate increase (YOY) despite wage inflation and additional regulatory requirements (below level of 2013)
<b>Other income and expenses</b>	<b>0.8</b>	<b>1.4</b>	
<b>Adjusted EBITDA</b>	<b>405.2</b>	<b>385.7</b>	▪ EBITDA increased by +€19.5m YOY (+5.1%)
Cash interest expenses and income	-77.2	-80.9	
Cash income taxes from rental and lease	-5.8	-6.4	
<b>FFO I (including non-controlling interests)</b>	<b>322.2</b>	<b>298.4</b>	▪ Lower interest costs (average costs of FY-2018: 1.72% vs. 1.88% in FY-2017) despite rising debt volume
Non-controlling interests	-3.6	-3.1	
<b>FFO I (excluding non-controlling interests)</b>	<b>318.6</b>	<b>295.3</b>	
<b>FFO II (including disposal of investment property)</b>	<b>318.8</b>	<b>294.1</b>	
<b>Capex-adjusted FFO I (AFFO)</b>	<b>139.7</b>	<b>179.8</b>	

# FFO Bridge

## FY-2018



# Cash Effective Interest Expense

## FY-2018

€ million	FY-2018	FY-2017	
Reported interest expense	109.3	152.3	
Interest expense related to loan amortisation	-14.0	-57.8	<ul style="list-style-type: none"> <li>One-off refinancing effect of €41m in FY-2017 from refinancing of subsidised loans (loan amortisation)</li> </ul>
Prepayment penalties / breakage costs	-13.5	-9.5	<ul style="list-style-type: none"> <li>Release of swaps and fixed interest loans (refinancing)</li> </ul>
Interest costs related to valuation of assets/liabilities	0.0	-0.4	
Leasing related interest expense	-0.8	-0.9	
Interest expenses related to changes in pension provisions	-2.4	-2.4	
Other interest expenses	-0.5	0.0	
<b>Cash effective interest expense (gross)</b>	<b>78.1</b>	<b>81.3</b>	
Cash effective interest income	0.8	0.4	
<b>Cash effective interest expense (net)</b>	<b>77.2</b>	<b>80.9</b>	<ul style="list-style-type: none"> <li>Interest coverage improved further (5.3x up from 4.8x YOY)</li> </ul>

# EPRA-Net Asset Value

Reported values still below transaction prices; services as hidden gem



€ million	31.12.2018	31.12.2017
<b>Equity (excl. minority interests)</b>	<b>4,757.6</b>	<b>4,087.4</b>
Effect of exercising options, convertibles and other rights	553.9	559.2
<b>NAV</b>	<b>5,311.5</b>	<b>4,646.6</b>
Fair value measurement of derivative financial instruments	222.2	259.8
Deferred taxes <sup>1)</sup>	1,132.7	899.3
<b>EPRA-NAV</b>	<b>6,666.4</b>	<b>5,805.7</b>
Number of shares fully-diluted incl. convertible (m) <sup>2)</sup>	68.824	68.644
<b>EPRA-NAV per share in €</b>	<b>96.86</b>	<b>84.58</b>
Goodwill resulting from synergies	52.7	52.7
<b>Adjusted EPRA-NAV (excl. goodwill)</b>	<b>6,613.7</b>	<b>5,753.0</b>
<b>Adjusted EPRA-NAV per share in €</b>	<b>96.10</b>	<b>83.81</b>
Effects from a simulated executed conversion	-185.7	-199.4
<b>Pro forma NAV (excl. goodwill) post-conversion</b>	<b>6,428.0</b>	<b>5,553.6</b>
<b>Pro forma NAV post conversion per share in €</b>	<b>93.40</b>	<b>80.90</b>

- €843m net profit
- -€192.1 dividends
- €19.3m others

## Comment on pro forma NAV post conversion

- This figure incorporates a simulated, executed conversion of the 2014/2021 convertible with a put and a call option in 2019
- It is shown to further increase transparency with regard to potentially dilutive NAV effects

- Attractive rental yield of 5.5% (thereof free financed portfolio: 5.7%) and low value per sqm (€1,198) still reflect decent gap to recent portfolio transactions
- Value of services business not included in NAV
  - Scenario: additional value approx. €4.60-€6.90 per share (discount rate of 4.0%-6.0%)<sup>3)</sup>

<sup>1)</sup> And goodwill resulting from deferred taxes on EPRA-adjustments

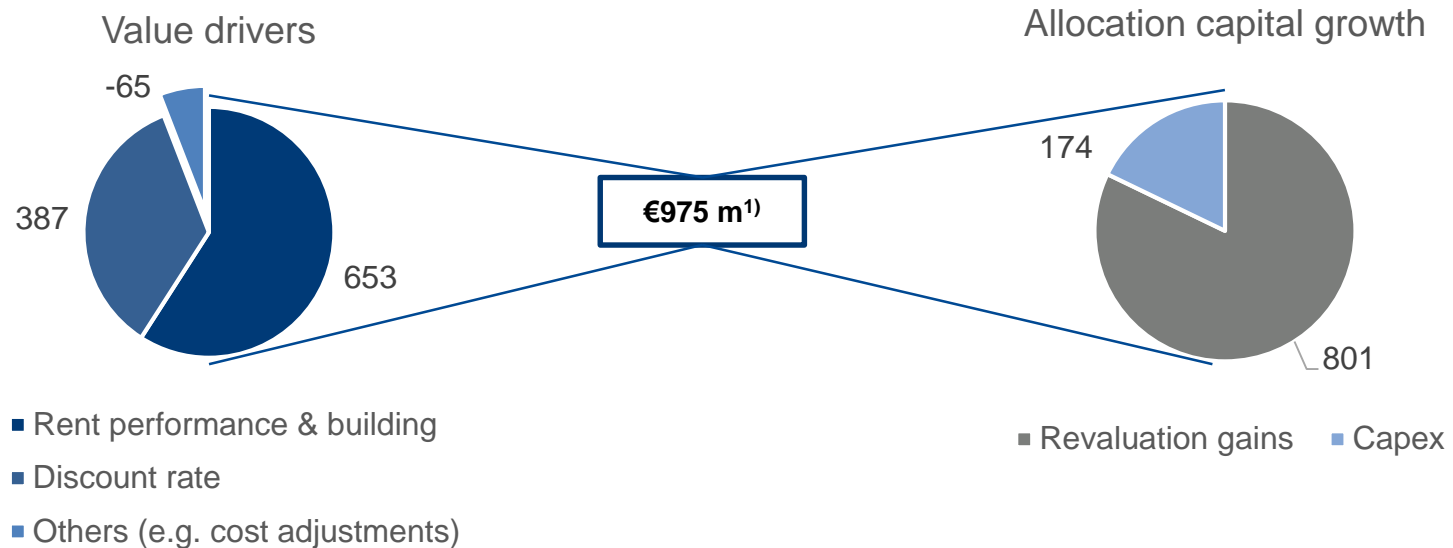
<sup>2)</sup> Actual number of shares outstanding 63.1FY

<sup>3)</sup> Assumption: expected 2019 FFO, growth rate of 0%

# Portfolio Valuation FY-2018

Valuation uplifts driven by letting performance and yield compression

## Breakdown revaluation gains (€ million)



- **Yield compression** (especially in Green and Purple markets) and broad-based strong letting performance drive portfolio values
- Visible **catch-up effects** with respect to multiple B-cities and commuter towns
- Adjustment of discount rate from 5.3% in FY-2017 to 5.2% (cap rate from 6.3% to 6.1%)

<sup>1</sup>) Change in Gross Asset Value, I-f-I

# Portfolio Valuation FY-2018

## Broadbased valuation uplifts continue across market segments

### Valuation uplift by markets (l-f-l), including commercial and other assets

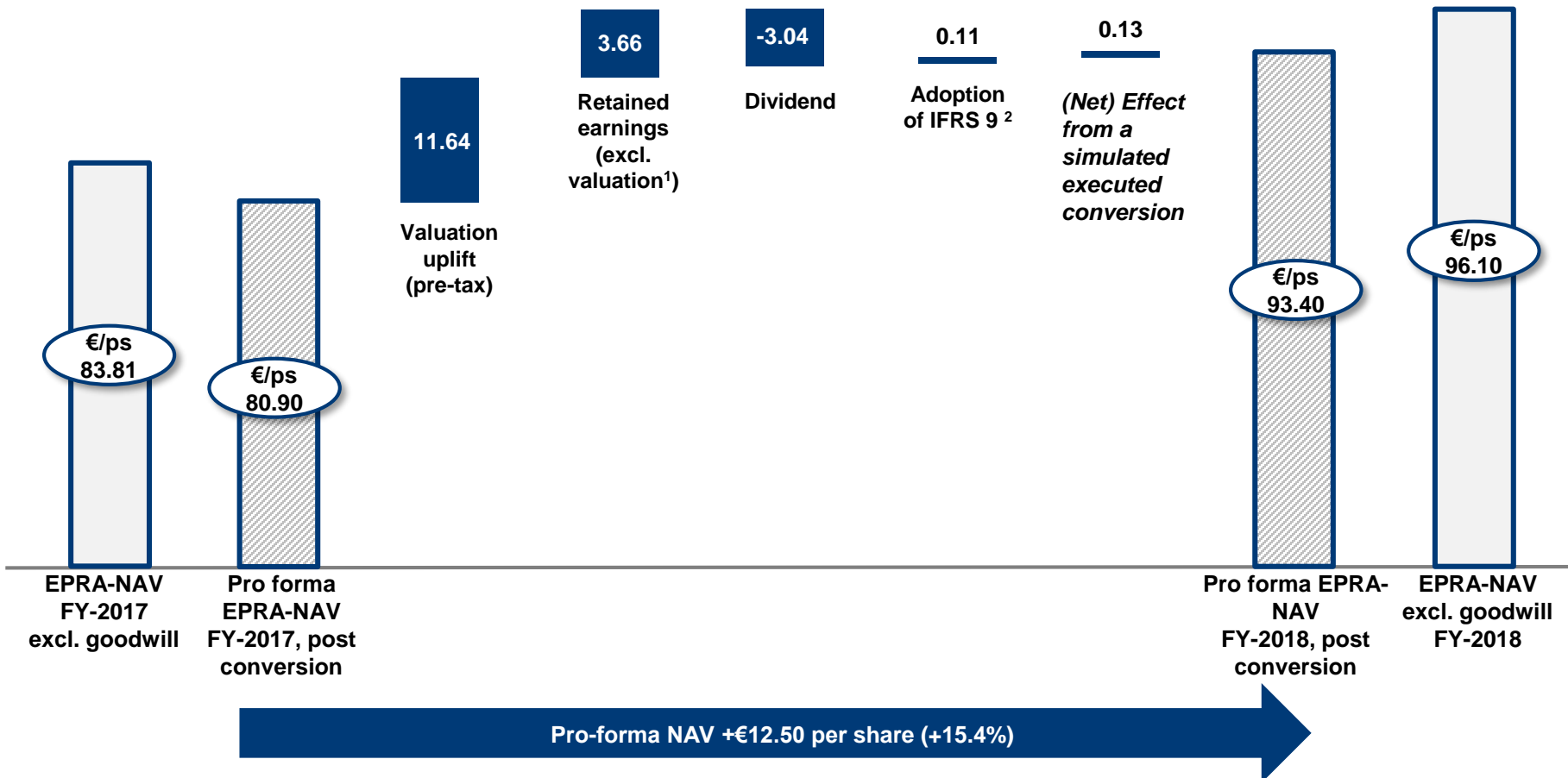
	Valuation uplift FY-18	Valuation uplift H2-18	Gross yield FY-18
<b>High-Growth Markets</b>	<b>7.5%</b> (15.5% in FY-17, l-f-l)	2.8%	<b>4.5%</b> (4.7% in FY-17)
Münster (6,125 units)	5.3%	1.1%	4.0% (4.1%)
Düsseldorf (5,307 units)	4.7%	1.5%	4.3% (4.2%)
Bielefeld (3,232 units)	13.7%	5.1%	5.4% (5.9%)
<b>Stable markets</b>	<b>10.7%</b> (12.5% in FY-17, l-f-l)	7.6%	<b>6.0%</b> (6.5% in FY-17)
Dortmund (13,596 units)	13.8%	9.2%	5.3% (6.0%)
Essen (3,372 units)	11.3%	8.4%	5.9% (6.5%)
Mönchengladbach (6,444 units)	10.1%	7.6%	6.2% (6.6%)
<b>Higher-yielding markets</b>	<b>6.9%</b> (8.8% in FY-17, l-f-l)	3.2%	<b>6.9%</b> (7.3% in FY-17)
Duisburg (6,907 units)	12.6%	4.5%	6.5% (7.1%)
Bochum (1,626 units)	12.0%	7.5%	5.5% (6.2%)
Gelsenkirchen (7,325 units)	3.4%	1.4%	7.0% (7.1%)
<b>Total portfolio</b>	<b>8.2%</b> (12.4% in FY-17, l-f-l)	4.2%	<b>5.5%</b> (5.9% in FY-17)

- Increasingly **positive momentum in the B-cities including higher-yielding markets**
- Especially smaller towns in the catchment areas are showing significant uplifts (Ratingen (7.8%; 3,129 units), Erkrath (12.7%; 719 units), Witten (13.5%; 1,558 units))



# EPRA-Net Asset Value

31 December 2018



1) Valuation effects derivatives + deferred taxes are added back; 2) Valuation effects with respect to rent receivables and nominal, non-consolidated investments

# Portfolio

## Sound property fundamentals basis for value growth



As of 31.12.2018

Market	Residential Units	GAV Residential Assets (€m)	% of Total Residential GAV	GAV/sqm (€)	In-Place Rent Multiple	Market Multiples, Estimated Rental Values <sup>1)</sup>	GAV Commercial/ Other Assets (€m)	Total GAV
High-Growth Markets	41,423	4,604	45%	1,675	22.1x	18.8x	219	4,824
Stable Markets	48,965	3,298	32%	1,048	16.6x	15.0x	119	3,417
Higher-Yielding Markets	41,731	2,215	22%	864	14.4x	13.2x	64	2,280
Subtotal NRW	132,119	10,118	98%	1,196	18.0x	16.0x	403	10,521
Portfolio outside NRW	1,850	165	2%	1,323	18.4x	16.8x	2	167
Total Portfolio	133,969	10,282	100%	1,198	18.0x	16.0x	405	10,687
Other Assets								
Total								10,755

<sup>1)</sup> As of December 31, 2018.

# Balance Sheet

## Strong balance sheet



€ million	31.12.2018	31.12.2017
Investment property	10,709.0	9,460.7
Other non-current assets	175.9	172.3
<b>Non-current assets</b>	<b>10,884.9</b>	<b>9,633.0</b>
Receivables and other assets	55.5	63.7
Cash and cash equivalents	233.6	285.4
<b>Current assets</b>	<b>289.0</b>	<b>349.1</b>
Assets held for sale	20.3	30.9
<b>Total Assets</b>	<b>11,194.2</b>	<b>10,013.0</b>
<b>Equity</b>	<b>4,783.9</b>	<b>4,112.4</b>
Non-current financing liabilities	4,113.3	3,821.4
Other non-current liabilities	1,382.3	1,158.8
<b>Non-current liabilities</b>	<b>5,495.6</b>	<b>4,980.2</b>
Current financing liabilities	484.8	478.2
Other current liabilities	429.9	442.2
<b>Current liabilities</b>	<b>914.7</b>	<b>920.4</b>
<b>Total Equity and Liabilities</b>	<b>11,194.2</b>	<b>10,013.0</b>

- Revaluation €800.9 m
- Net additions €257.5m
- Capex €174.0m

- Cash flow from operating activities €288.6m
- Investing activities - €431.9m
- Financing activities €91.5m

- Loan proceeds €392.2m and proceeds from commercial paper €150m
- Repayment of loans -€252.3m

# LTV

## Strong credit profile in more volatile financing environment



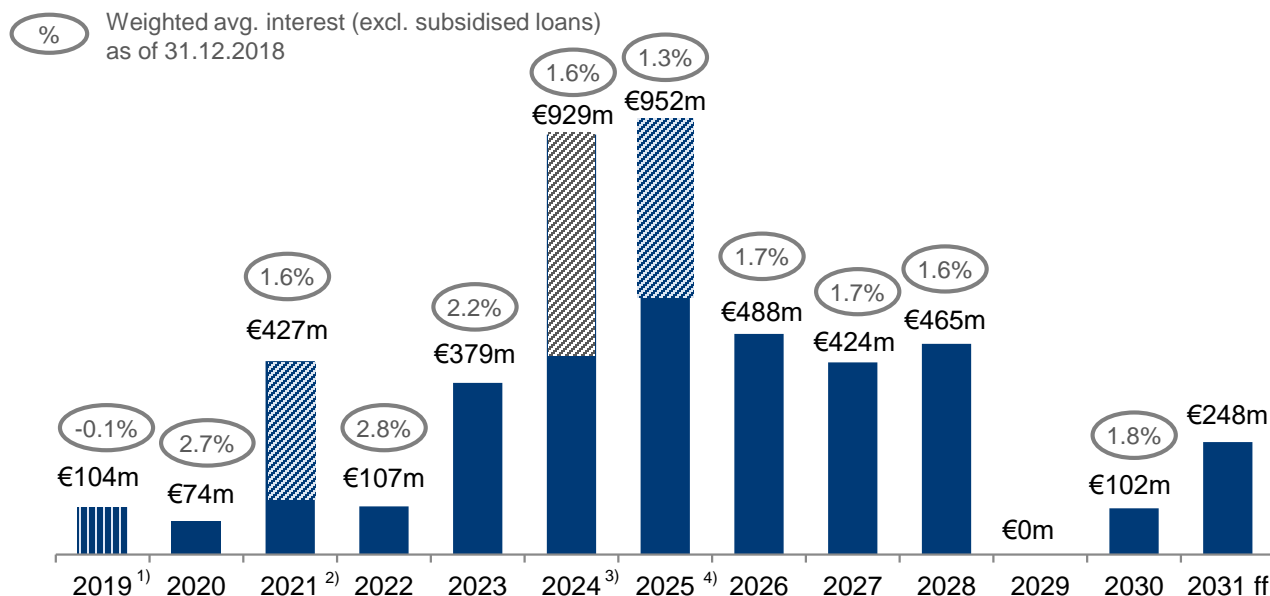
€ million	31.12.2018	31.12.2017
Financial liabilities	4,598.1	4,299.6
Cash & cash equivalents	233.6	285.4
<b>Net Debt</b>	<b>4,364.5</b>	<b>4,014.2</b>
Investment properties	10,709.0	9,460.7
Properties held for sale	20.3	30.9
Prepayments for investment properties	-	-
Business combinations	-	2.0
<b>Property values</b>	<b>10,729.3</b>	<b>9,493.6</b>
<b>Loan to Value (LTV) in %</b>	<b>40.7</b>	<b>42.3</b>
<b>Pro forma LTV post conversion in %</b>	<b>38.0</b>	<b>39.4</b>

- Strong balance sheet with LTV at the lower end of the target range(40-45%) leaves headroom for growth investments without raising fresh equity
- Potential for further de-gearing via capital growth

- Potential impact on LTV from future conversion of 1<sup>st</sup> convertible (€300m nominal, currently -270bps)

# Financing Structure – 31 December 2018

## LT financing secures future earnings growth

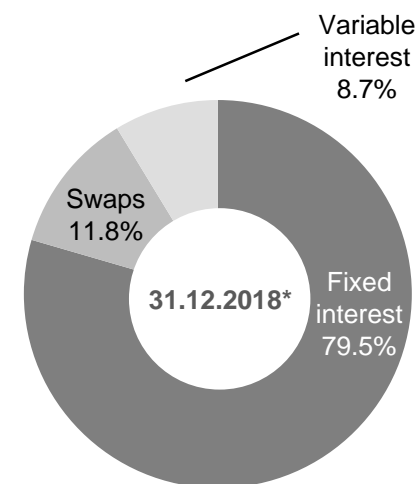


<sup>1)</sup> Commercial paper

<sup>2)</sup> €300 m convertible bond with investor put option 2019

<sup>3)</sup> Corporate bond (€500 m)

<sup>4)</sup> €400 m convertible bond



\*Including commercial paper

### Key Facts

Average debt maturity	7.7 years (7.6 years*)
Interest costs	Ø 1.61% (1.58%*)
Hedging ratio	91.1% (91.3%*)
Rating	Baa1 (Moody's)

### Maturities

0-2 years	0.6% (3.6%*)
3-5 years	20.1% (19.5%*)
6-8 years	52.1% (50.5%*)
≥ 9 years	27.2% (26.4%*)

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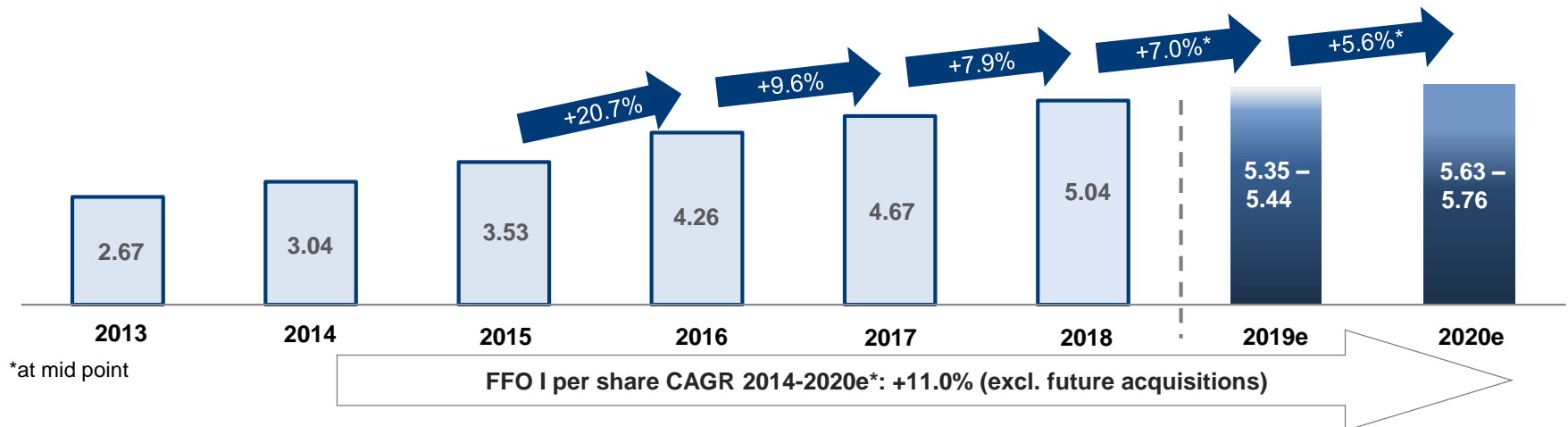
# Outlook

## Guidance for 2019 & 2020 confirmed

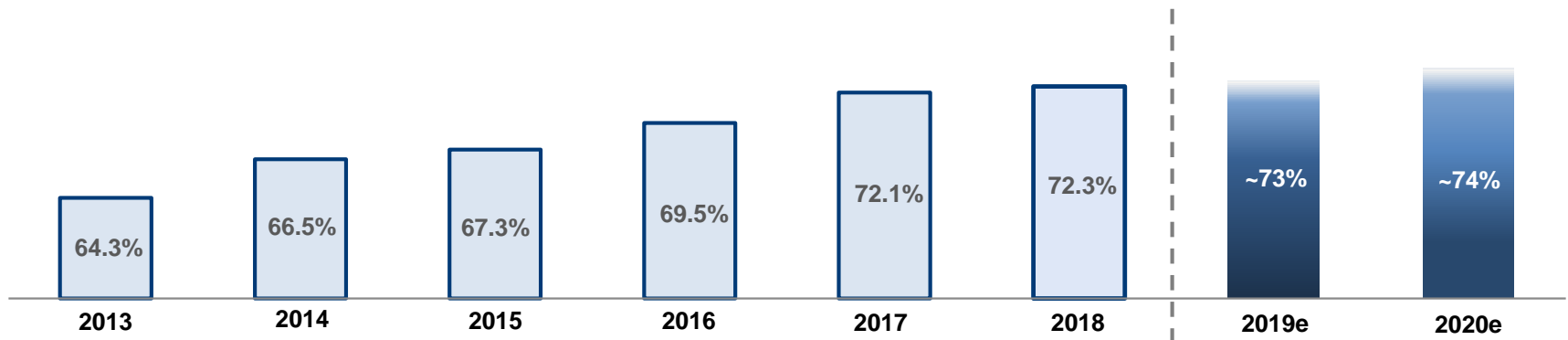
	2019	2020
<b>KPI</b>		
<b>FFO I</b>	€338m - €344m	€356m - €364m
<b>FFO I per share</b>	€5.35 - €5.44	€5.63 - €5.76
<b>L-F-L rent growth</b>	3.0-3.2%	3.2-3.4%
<b>L-F-L vacancy</b>	slightly decreasing	
<b>EBITDA margin</b>	~73%	~74%
<b>Investments</b>	~30-32€/sqm	~31-33€/sqm
<b>Dividend</b>	70 % of FFO I	70 % of FFO I

# Steady Expansion of Leading FFO-Profitability

## FFO I per share (€)



## EBITDA Margin





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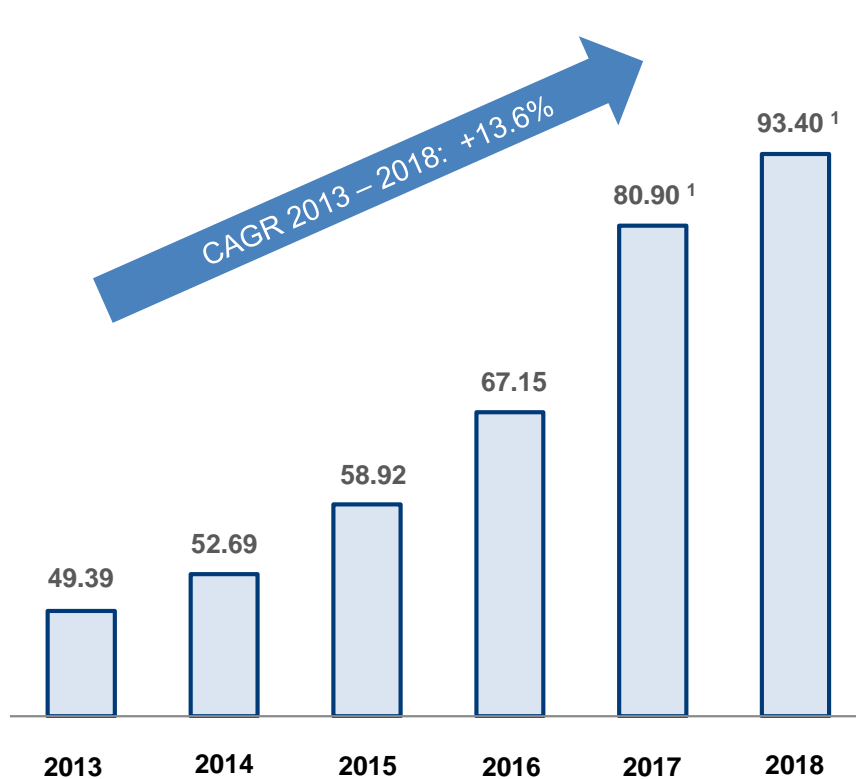


## APPENDIX

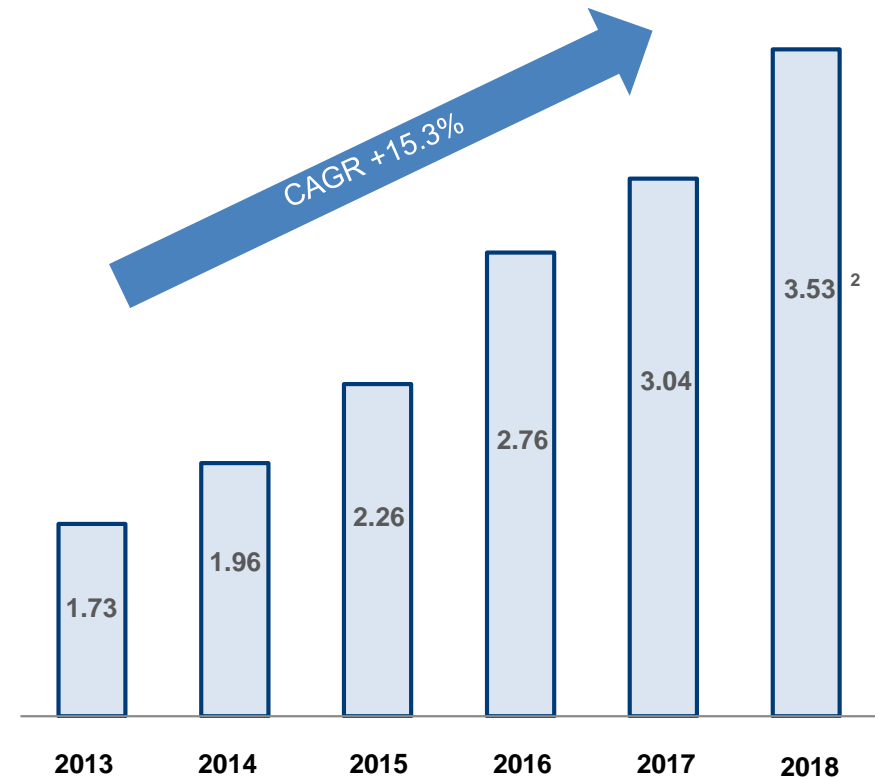
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# Generating Appealing Shareholder Returns

NAV per share (€), excl. goodwill



Dividend per share (€)



1) For 2017 & 2018, pro forma NAV per share is shown and applied.

2) Proposal to Annual General Meeting.

# Income Statement

## FY-2018

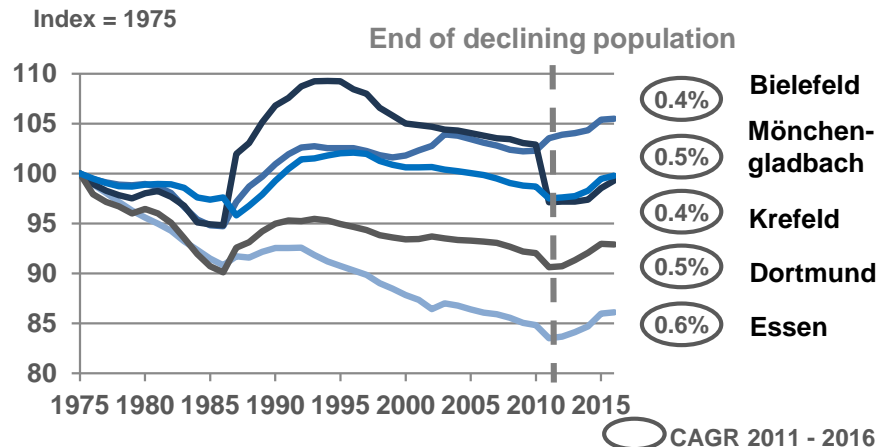


€ million	FY-2018	FY-2017	
Net rental and lease income	418.6	399.4	<ul style="list-style-type: none"> <li>Higher rental income (+€25.5m YOY/+4.8%)</li> <li>Higher personnel expenses (+€4.5m) and one-time costs (+€2.4m)</li> </ul>
Net income from the disposal of investment property	-0.9	-1.4	
Net income from the valuation of investment property	800.9	1,036.8	
Net income from the disposal of real estate inventory	-1.6	-2.3	<ul style="list-style-type: none"> <li>Portfolio revaluation resulted in 8.2% appraisal gain (FY-2018)</li> </ul>
Net income from other services	5.3	6.3	
Administrative and other expenses	-44.8	-41.3	<ul style="list-style-type: none"> <li>Recurring admin. costs nearly stable (€34m/+€0.7m YOY), despite wage inflation and rising costs for regulatory requirements etc.</li> </ul>
Other income	0.8	1.4	
<b>Operating earnings</b>	<b>1,178.3</b>	<b>1,398.9</b>	
<b>Net finance costs</b>	<b>-81.9</b>	<b>-278.6</b>	<ul style="list-style-type: none"> <li>Net income from fair value measurement of derivatives €25.4m; thereof €26.5m from convertibles (FY-2017: -€138.2m)</li> <li>Lower cash interests (€77.2m; -€3.7m YOY) despite rising debt volume</li> </ul>
<b>Earnings before income taxes</b>	<b>1,096.4</b>	<b>1,120.3</b>	
<b>Income tax expenses</b>	<b>-249.3</b>	<b>-275.5</b>	
<b>Consolidated net profit</b>	<b>847.1</b>	<b>844.8</b>	<ul style="list-style-type: none"> <li>Cash taxes (-€5.8m)</li> </ul>

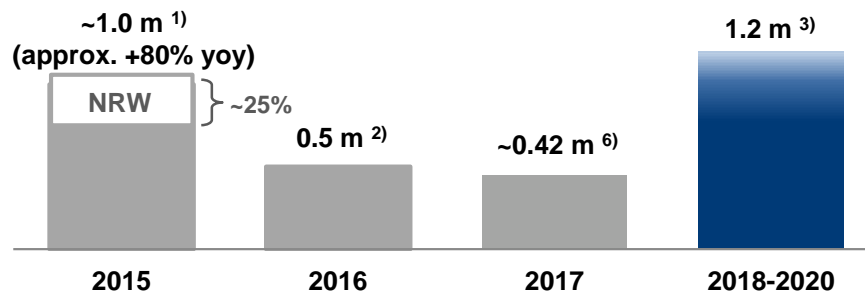
# Attractive NRW Market

## Positive demographics with stabilising net immigration

### Cities entering upswing mode



### Net immigration to Germany



Sources:

- 1) Interview with director of Federal Agency of Migration and Refugees (Aug 2016)
- 2) Federal Statistical Office, press release 13 Mar 2018
- 3) Deutsche Bundesbank, Monthly Report June 2018
- 4) Federal Statistical Office, press release 2 Nov 2017
- 5) Bundesamt für Migration und Flüchtlinge, January 2019
- 6) Federal Statistical Office, press release 15 Oct 2018

### Key facts

- **Federal Agency of Migration and Refugees** collected data that **net immigration of foreigners to Germany** amounted to about **0.42 million** in 2017, thereof 0.18 million non-EU nationals<sup>6)</sup>
- **Deutsche Bundesbank** forecasts **1.2 million additional immigrants (net) for 2018-2020<sup>3)</sup>**
- **End of 2016**, 1.6 million people seeking protection (incl. asylum seekers) were registered in Germany (+113% vs 2014), the **majority living in NRW (27%)<sup>4)</sup>**
- **Stabilising net immigration** is already ongoing with **decreasing share of refugees** (c. -70% asylum seekers 2017 YOY; c. 0.2 million new asylum seekers in 2017)<sup>5)</sup>
- Immigration is **driving overall population growth, triggering additional growth in net new households**
- **Additional pressure on affordable housing segment**
- **Outperformance of German economy attracts qualified new immigration**
- **Liquid labour market and affordable living as pull-factors for NRW**

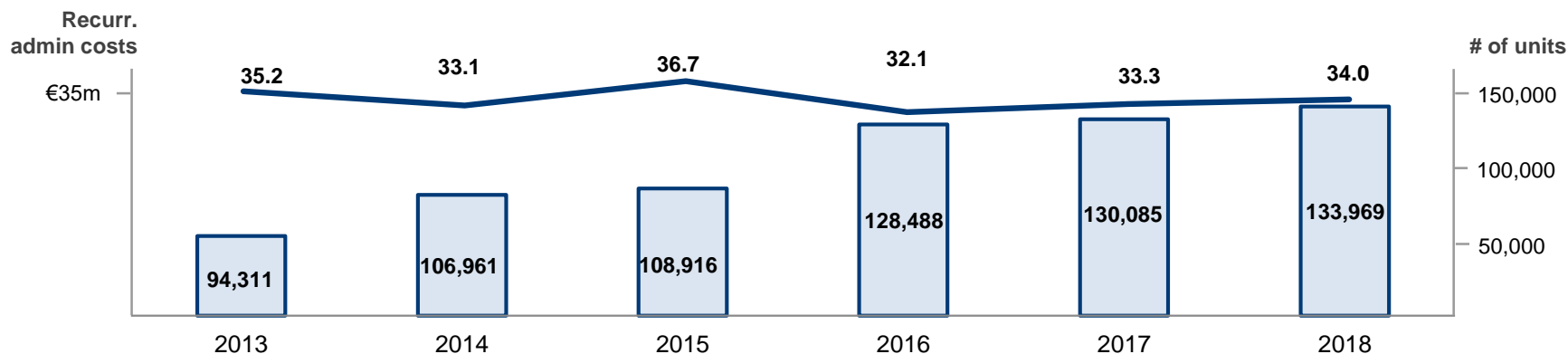
# Acquisitions: Leading Management Skills Paying Off

## Scalability of platform + cost discipline support value accretive growth

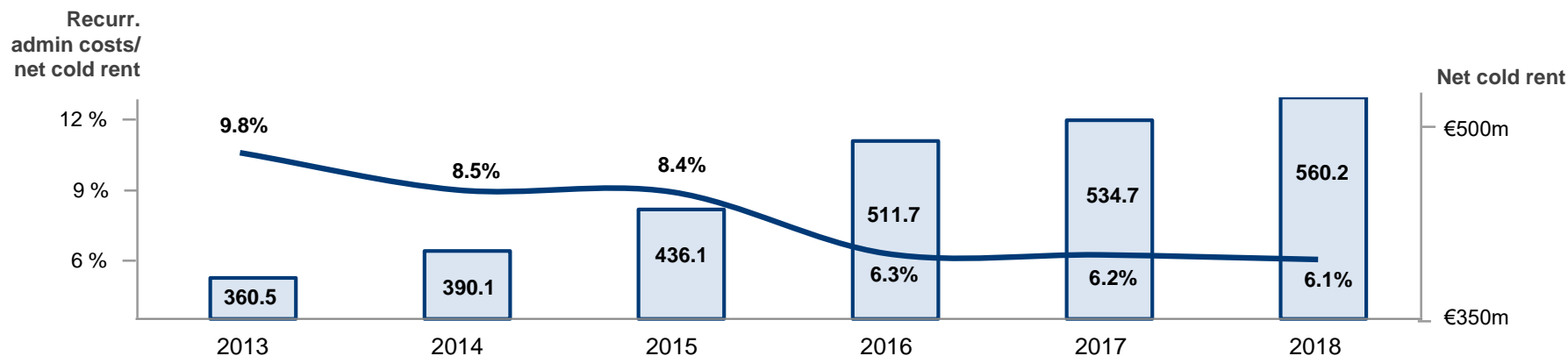
**LEG**

*gewohnt gut.*

### Strong volume growth at decreasing overhead cost...



### ...leads to a significant drop of the administrative costs ratio



# EPRA Net Initial Yield FY-2018

€ million	31.12.2018	31.12.2017
<b>Investment properties</b>	<b>10,702.2</b>	<b>9,448.0</b>
Assets held for sale	20.3	30.9
<b>Market value of residential property portfolio (net)</b>	<b>10,722.5</b>	<b>9,478.9</b>
Estimated incidental costs	1,056.9	934.3
<b>Market value of residential property portfolio (gross)</b>	<b>11,779.4</b>	<b>10,413.2</b>
<b>Annualised cash flow from rental income (gross)</b>	<b>564.9</b>	<b>524.3</b>
Non recoverable operating costs	-61.8	-60.4
<b>Annualised cash flow from rental income (net)</b>	<b>508.0</b>	<b>468.0</b>
<b>EPRA Net Initial Yield in %</b>	<b>4.3</b>	<b>4.5</b>

# LEG – Adj. EBITDA Margin

LEG

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Leading profitability despite short term distortion from restricted units

Adj. EBITDA margin	FY-2018		FY-2017	
	€m	margin %	€m	margin %
As reported	405.2	72.3	385.7	72.1
Gap restricted vs. unrestricted rents <sup>1)</sup>	33.5	73.7	30.1	73.6

<sup>1)</sup> €/sqm: €4.77 vs. €6.00 in 2018, €/sqm: €4.74 vs. €5.81 in 2017

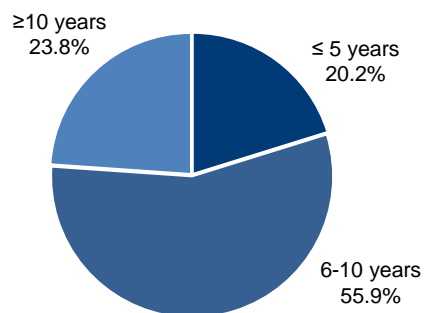
- EBITDA as reported distorted by restricted units (compensation for lower rents included in interest result below the EBITDA line)
- Scenario analysis: closing gap between restricted vs. unrestricted rents; **Adjusted EBITDA margin approx. 150 bps higher**

# Rent revisionary potential

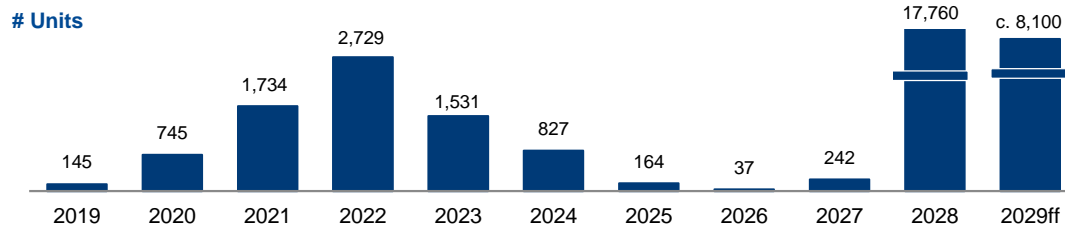
## Refinancing of subsidised loans lifting value

### Rent Potential Subsidised Units

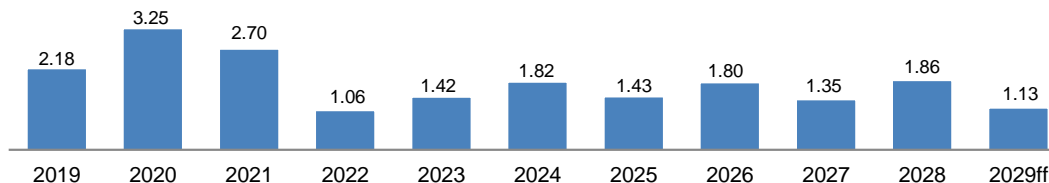
- In the following 10 years more than **25,000 units will come off rent restriction**
- Units show **significant upside to market rents**
- Subject to general legal and other restrictions, the **economic upside can theoretically be realised the year after restrictions expire**



### Number of Units Coming Off Restriction and Rent Upside



### Spread to Market Rent (in €/sqm/month)



	≤ 5 years <sup>2)</sup>	6 – 10 years <sup>2)</sup>	≥ 10 years <sup>2)</sup>
In-place rent	€4.68	€4.87	€4.84
Market rent <sup>1)</sup>	€6.52	€6.71	€5.97
Upside potential <sup>3)</sup>	39%	38%	23%
Upside potential p.a. <sup>3)</sup>	€10.43m	€22.62m	€11.97m

Source: LEG as of FY-2018

1) Employed by CBRE as indicator of an average rent value that could theoretically be achieved, not implying that an adjustment of the in-place rent to the market rent is feasible, as stringent legal and contractual restrictions regarding rent increases exist.

2) ≤5 years = 2019-2023; 6-10 years = 2024-2028; ≥10 years = 2029ff.

3) Rent upside is defined as the difference between LEG in-place rent as of FY-2018 and market rent (defined in footnote 1) as of FY-2017.



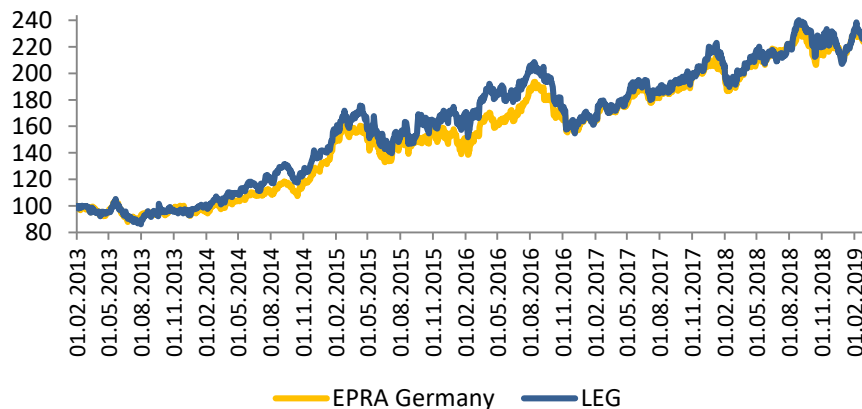
# LEG Share Information



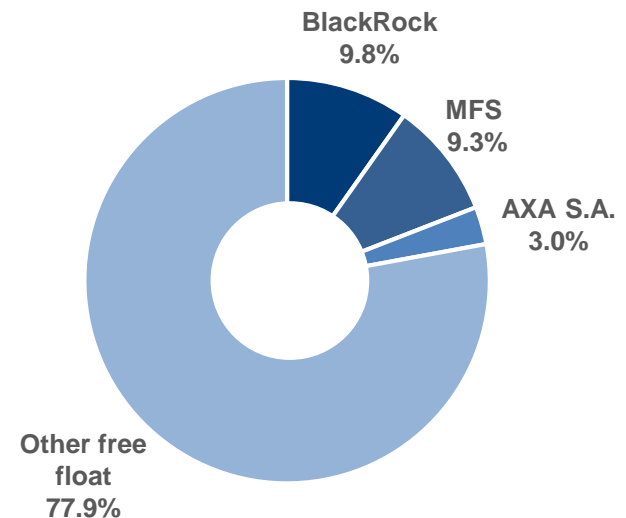
## Basic data

- Prime Standard, Frankfurt Stock Exchange
- Total no. of shares: 63,188,185
- Ticker symbol: LEG
- ISIN: DE000LEG1110
- Indices: MDAX, FTSE EPRA/NAREIT, GPR 250, Stoxx Europe 600
- Weighting (31.01.2019): MDAX 2.78%; EPRA 2.79%
- Rating: Baa1 (stable) by Moody's

## Share price (27.02.2018, indexed; 31.01.2013 = 100)



## Well-balanced shareholder structure



Source: LEG; shareholdings according to voting rights notifications

# Financial Calendar



Date	Report/Event
<b>11.03.2019</b>	<b>Annual Report 2018</b>
27.03.2019	Roadshow, Deutsche Bank, London
28.03.2019	European Real Estate Conference, Bank of America Merrill Lynch, London
28.03.2019	German Real Estate Forum, Commerzbank, London
09.04.2019	Roadshow, Hauck & Aufhäuser, Zurich
<b>09.05.2019</b>	<b>Quarterly Statement Q1 as of 31 March 2019</b>
<b>29.05.2019</b>	<b>Annual General Meeting, Düsseldorf</b>
<b>09.08.2019</b>	<b>Quarterly Report Q2 as of 30 June 2019</b>
<b>15.11.2019</b>	<b>Quarterly Statement Q3 as of 30 September 2019</b>

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Thank you for your interest.