

Strong position as global partner for European real estate investment

## **PATRIZIA makes a strong start to 2018**

- ♦ Q1 2018 operating income of EUR 42.7m, up from EUR 9.3m in Q1 2017
- ♦ TRIUVA acquisition contributes to significantly increased recurring fee income
- ♦ Full-year guidance of EUR 85-100m operating income confirmed

**Augsburg, 17 May 2018.** PATRIZIA Immobilien AG has delivered a strong first quarter of 2018 with good performance across its pan-European real estate investment management business. Despite softer transaction markets compared to the prior year, management and performance fees as well as net sales revenues and co-investment income have been major drivers of the strong results. Operating income more than quadrupled compared to the same period in 2017, from EUR 9.3m to EUR 42.7m. Assets under management (AUM) increased to EUR 39.1bn, up from pro-forma EUR 38.7bn at the end of 2017.

Commenting on the results, PATRIZIA CFO Karim Bohn said: “The strong start to 2018 validates our pan-European business strategy, delivering a significant increase in recurring income while more than compensating for what has been a weaker quarter overall in terms of transaction activity in European markets. The investments we have made on behalf of our clients are performing very well, and in some cases are significantly outperforming, which underlines our strong position as global partner for pan-European real estate investment.”

For the first time, the results include the earnings contribution of TRIUVA, the investment manager acquired by PATRIZIA in November 2017. The larger volume of AUM – both from organic as well as inorganic growth – accounts for the 63% year-on-year increase in management fees during the reporting period. The most recent acquisition – Rockspring – will start to contribute to results from Q2 2018 onwards. Due to closing of the transaction at the end of Q1 2018, Rockspring’s AUM are already included in the Q1 2018 reporting. Overall, the integration of both companies along with that of Sparinvest Property Investors (now known as PATRIZIA Multi Managers) is firmly on track.

The first-time application of IFRS 9 accounting standards, through which co-investments are now reflected in the balance sheet at fair value, has significantly increased PATRIZIA Immobilien AG’s shareholders’ equity by almost EUR 300m year-to-date, further strengthening the Group’s already solid financial position. Together with net profit for the period of EUR 33m, total shareholders’ equity as at 31 March 2018 amounts to around EUR 1.1bn.

PATRIZIA’s strong performance in the first quarter is in line with company expectations and therefore operating income guidance for the full year is confirmed at EUR 85-100m.

### **PATRIZIA Immobilien AG:**

PATRIZIA Immobilien AG has been active as an investment manager in the real estate market across Europe for more than 30 years. PATRIZIA’s activities include the acquisition, management, repositioning and sale of residential and commercial real estate through its own licensed investment platforms. As a global partner for pan-European real estate investment, PATRIZIA operates as a respected business partner of large institutional investors and retail investors in all major European countries. PATRIZIA manages almost EUR 40 billion of real estate assets, primarily as an investment manager for insurance companies, pension fund institutions, sovereign funds, savings and cooperative banks and as co-investor. For further information, please visit: [www.patrizia.ag](http://www.patrizia.ag).

## Press release

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