



URBAN
BENCHMARKS.

WELCOME TO BERLIN!
CAPITAL MARKETS DAY 2013



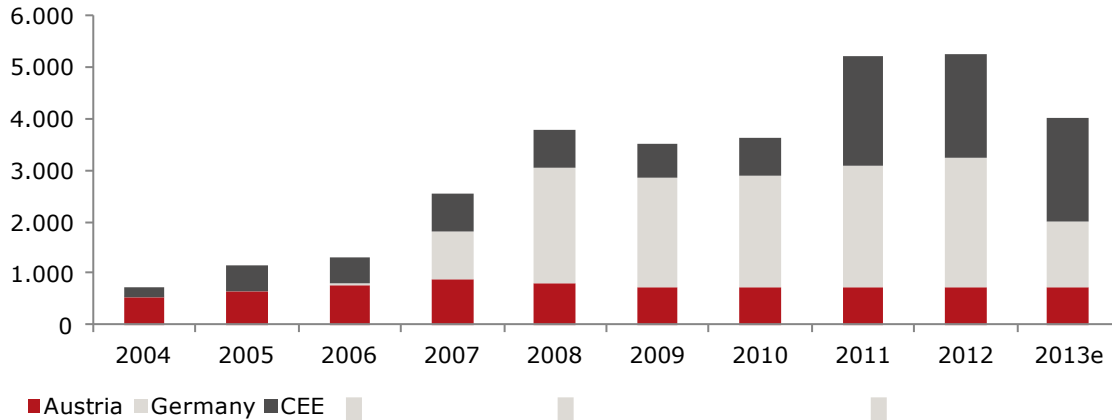


STRATEGY

Dr. Bruno Ettenauer

CEO

Portfolio growth (fair value, EUR mn)



GROWTH → CONSOLIDATION → GROWTH

- A period of rapid growth follows a **consolidation** phase in order to achieve a **higher profitability** and **sharper profile**
- 2013: portfolio cut of more than EUR 1 bn ⇒ major step towards **portfolio realignment** and achievement of **debt level targets**
- The strategic acquisitions in recent years have shaped a **scalable portfolio and competence platform**
- 2014 onwards: **Organic growth** driven by development pipeline in Germany and optimisation of investment portfolio

Hesse – Portfolio (2006)

- Market entry Germany

Vivico (2008)

- Access to land reserves in German inner city locations
- Deepened development expertise

Europolis (2011)

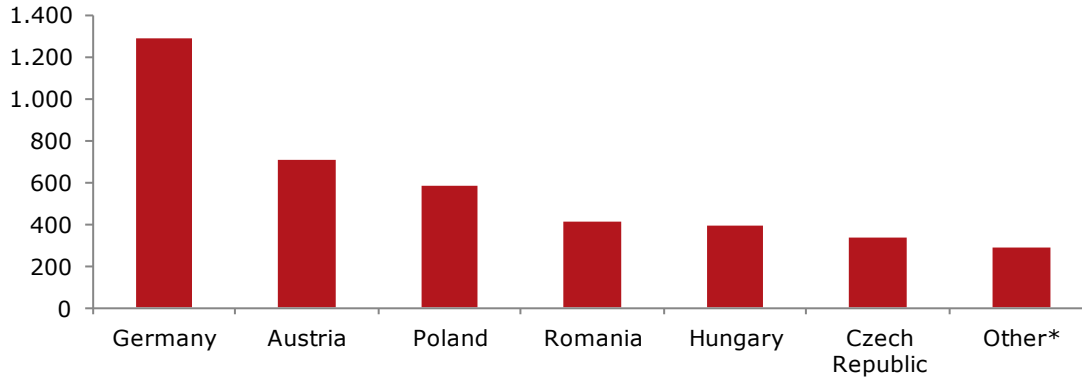
- Critical size in major Eastern European capitals
- Strengthened recurring cash flow

CA IMMO 2014 +

- Strong investment portfolio in 8 major Central European cities
- Fully-integrated property player covering entire real estate value chain

Total property portfolio

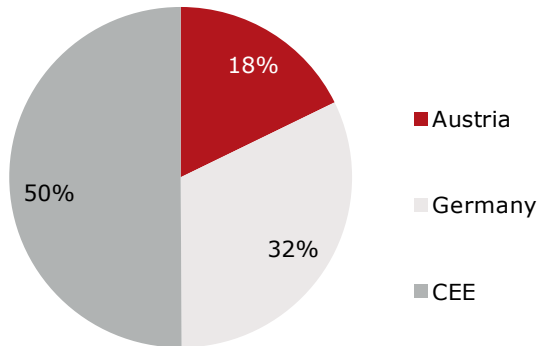
Property portfolio (fair value, EUR mn)



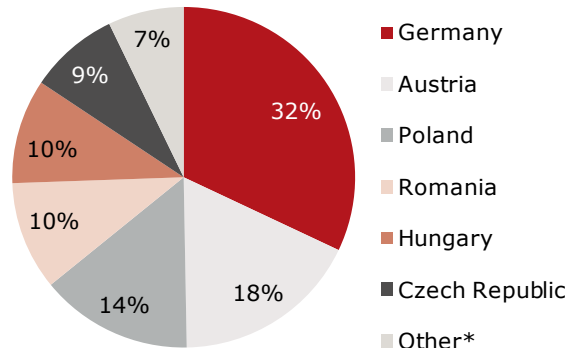
PROPERTY PORTFOLIO

- Total property asset base of approx. EUR 4 bn at year-end
- Germany accounts for largest single market share
- Regional exposure has shifted towards CEE post sale transactions in Germany
- The **Eastern European and German property portfolios** should be rebalanced over the next two years to achieve an **equal weighting** with the Austrian exposure remaining largely stable (asset sales in CEE, portfolio growth through German developments)

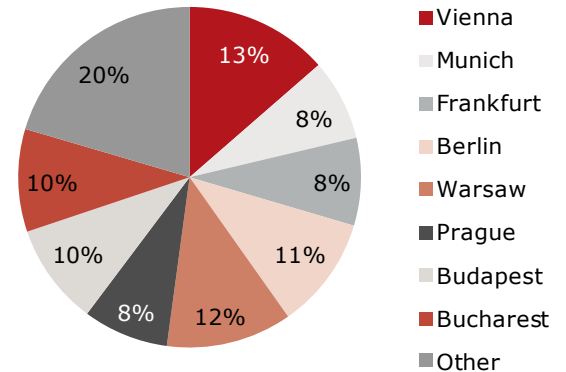
Exposure by region (FV)



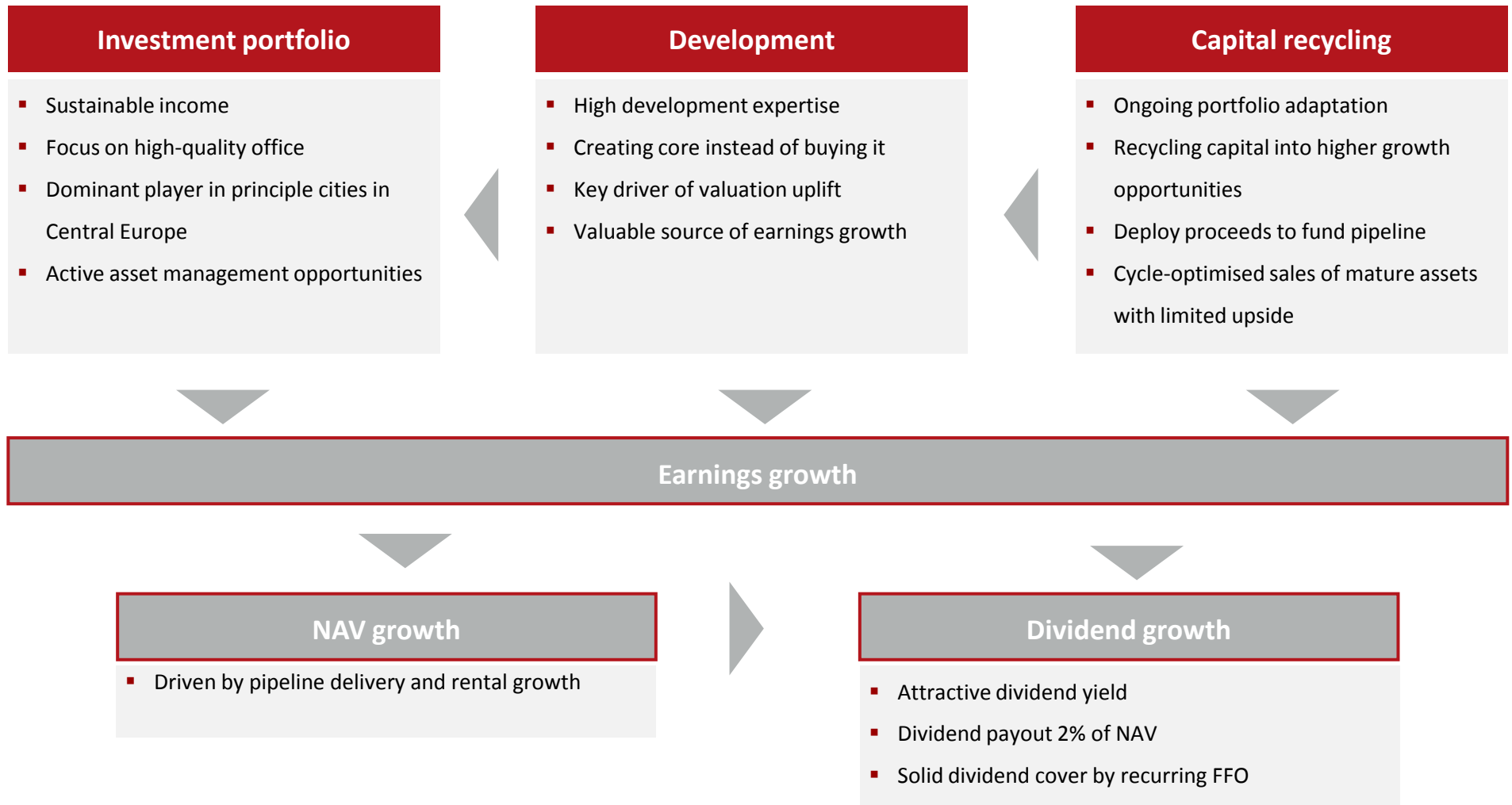
Exposure by country (FV)



Exposure by city (FV)



* Slovakia, Serbia, Bulgaria, Slovenia, Croatia, Switzerland



Strategic agenda

1

Strategic asset sales

- Closing of 2013 property transactions

Stronger equity base
Lower company risk



2

Portfolio focus

- Optimisation and sale of non-strategic assets
- Focus on office in core locations

Higher recurring profitability
Lower earnings volatility

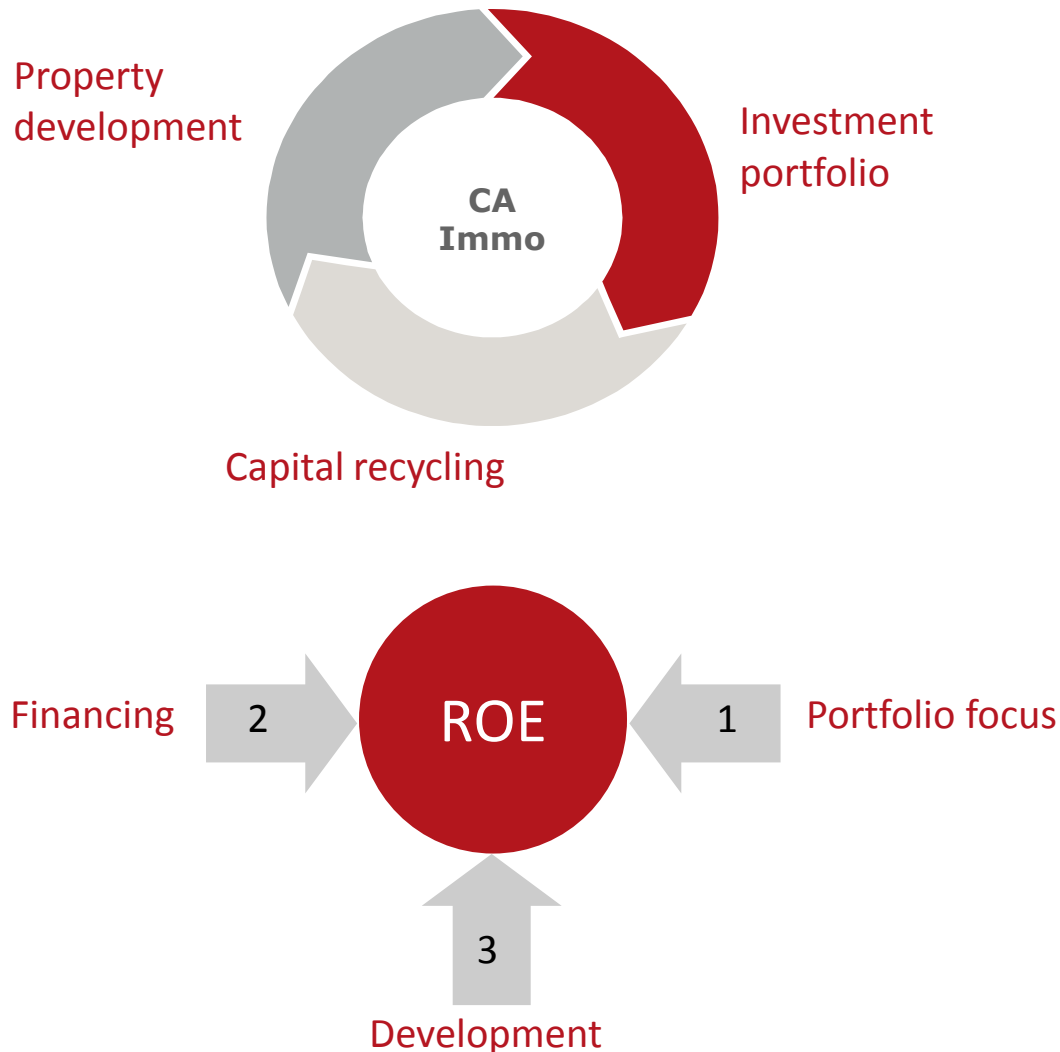
Development

- Streamlining development activities
- Monetising land reserves
- Recurring cash flow driver

Higher dividend capacity

Financing

- Optimization of financing structure
- Reducing cost of funding



CORE EXPERTISE AND CORE STRENGTHS

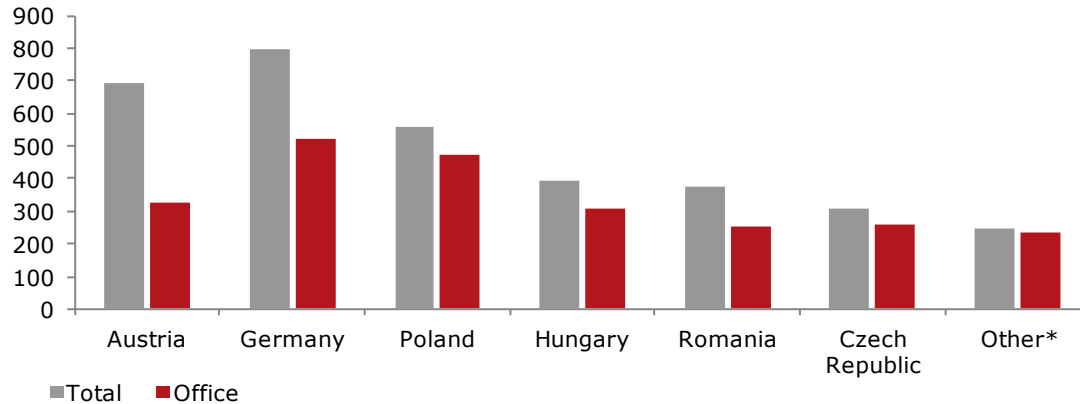
- **Core expertise:** development, ownership and management of large and modern office properties in Central Europe
- **Fully integrated property player**
- **Core strength 1:** Development business in Germany
- **Core strength 2:** Office property holdings in CEE (deep market knowledge, strong market position in core segment)
- **Core strength 3:** Local asset management (closer ties to relevant market participants)

KEY TARGET ROE INCREASE

- Increased **portfolio focus** to enhance efficiency and fully capitalise on core competence
- Further **institutionalize development business** as major organic growth source
- Restructure and optimise **debt profile**
- **Achieve higher earnings quality** ⇒ rising recurring income portion of FFO

Investment portfolio focus

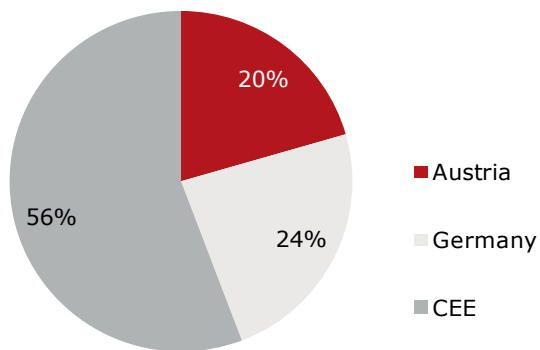
Investment portfolio (fair value, EUR mn)



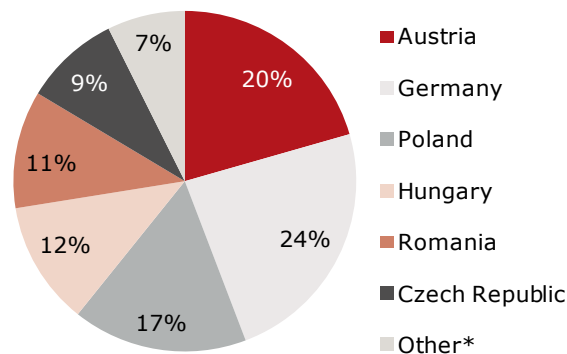
STRATEGIC PORTFOLIO TARGETS

- Further **enhancing market position in existing core markets** has clear priority over new market entries
- Increasing portfolio **share of high-quality office properties** to drive operational efficiency
- Disposal of Hesse-Portfolio has **reduced exposure to secondary cities**
- Partial sale of Tower 185 has **improved the risk profile** of the portfolio (lower concentration/location risk)

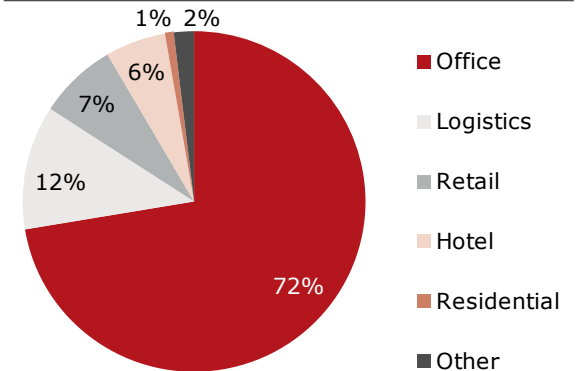
Split by region(FV)



Split by country (FV)



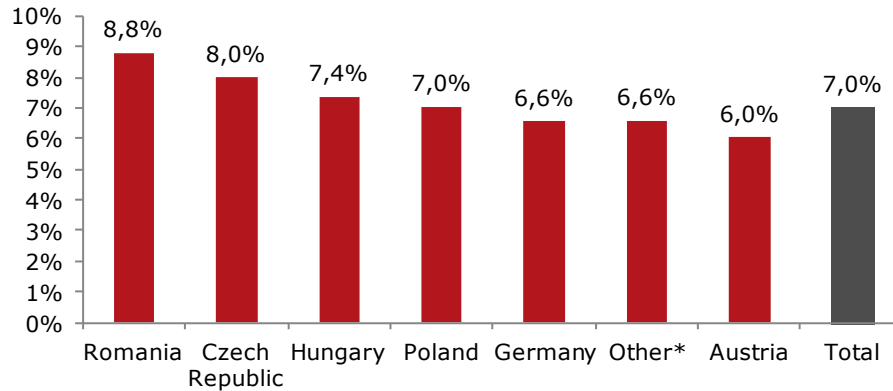
Split by sector (FV)



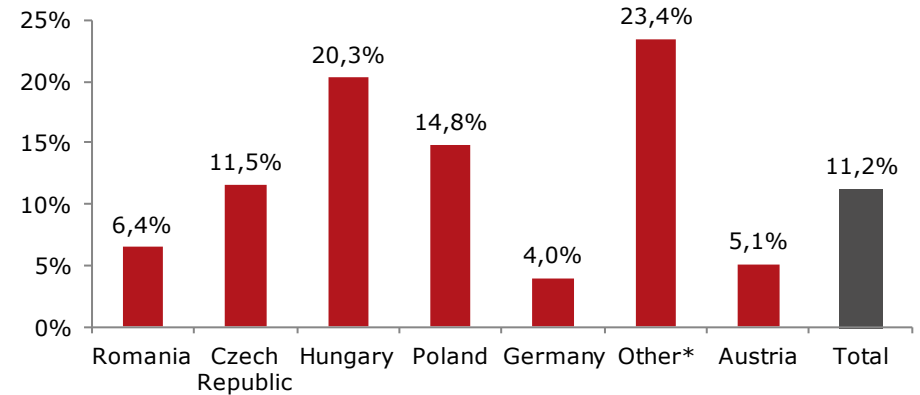
* Slovakia, Serbia, Bulgaria, Slovenia, Croatia

Investment portfolio focus

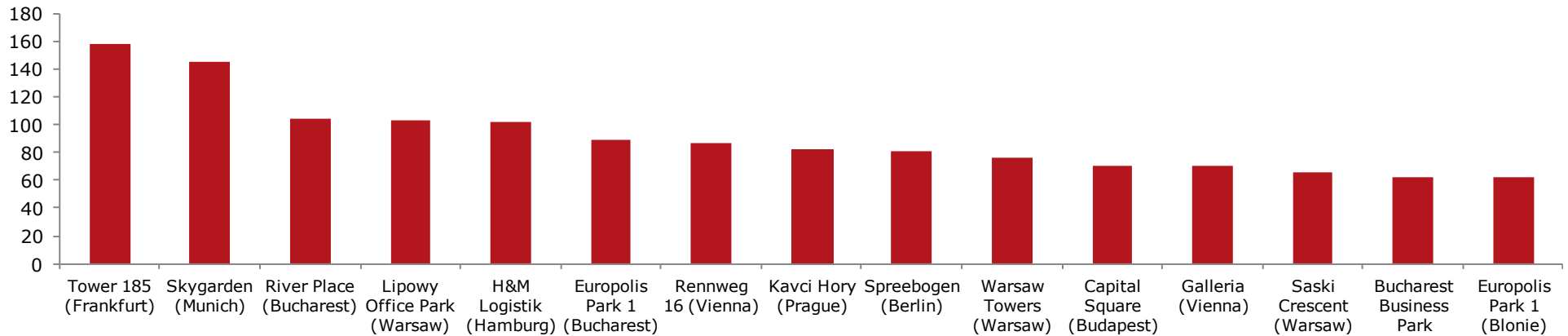
Gross initial yields



Vacancy



Top 15 properties (fair value, EUR mn)



* Slovakia, Serbia, Bulgaria, Slovenia, Croatia

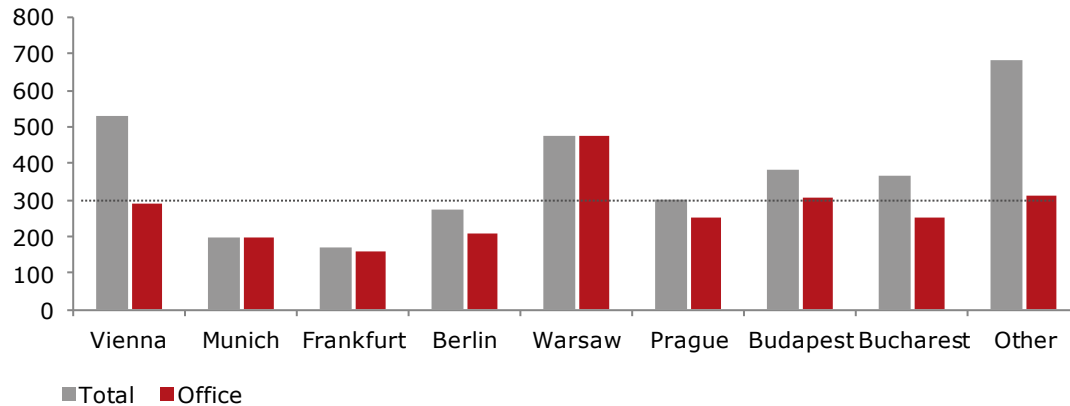


CORE REGIONS AND LOCATIONS

- **3 core regions**
- **6 core countries**
- Property assets of at **least EUR 300 mn** per core location in order to run local platform efficiently
- **Austria:** Vienna
- **Germany:** Munich, Frankfurt, Berlin
- **CEE:** Warsaw, Prague, Budapest, Bucharest

Core markets and assets

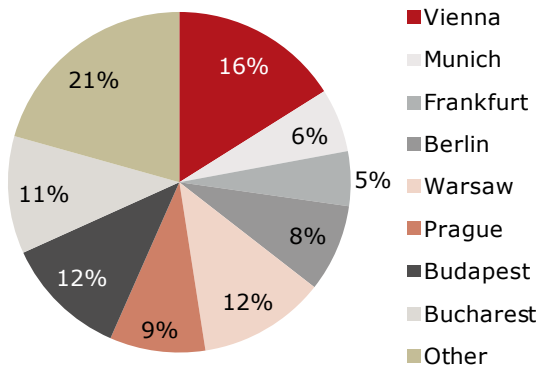
Core markets (fair value, EUR mn)



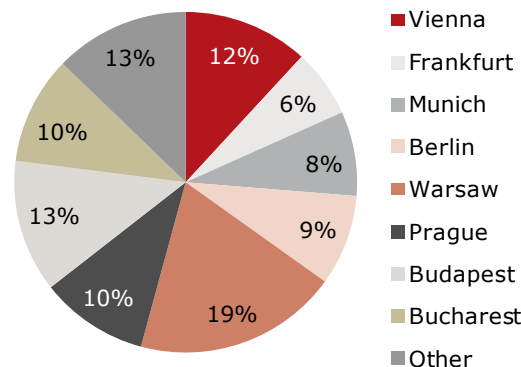
CORE OFFICE

- Large-scale, energy-efficient, modern office space
- Centrally located, well-connected to public transport
- Multi-tenant
- Managed internally by local asset management team

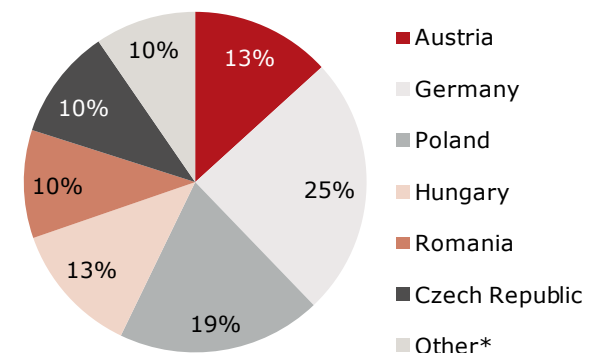
Core markets (FV)



Core markets - office assets (FV)



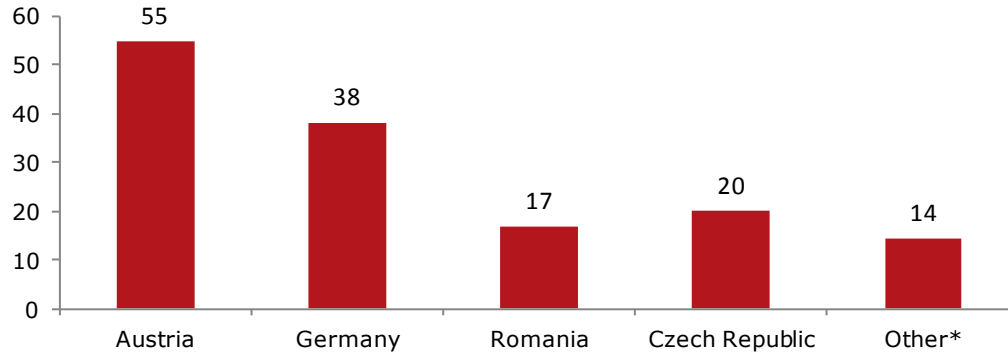
Core segment - office (FV)



* Slovakia, Serbia, Bulgaria, Slovenia, Croatia

Non-strategic assets

Properties < EUR 10 mn (fair value, EUR mn)

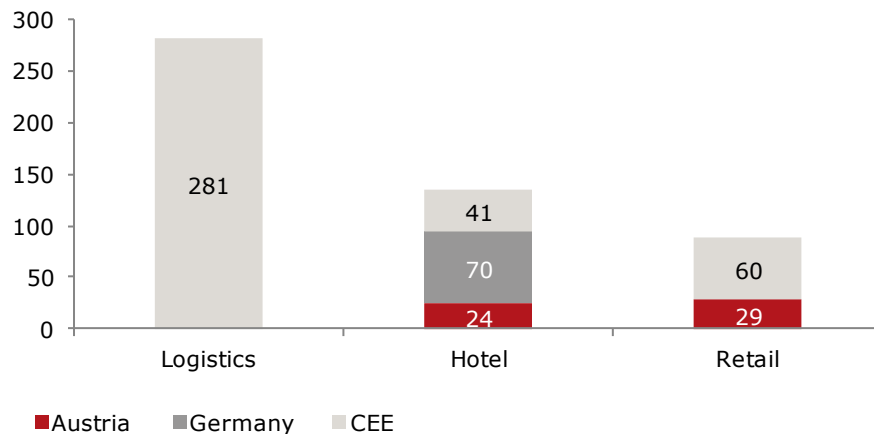


* Hungary, Bulgaria

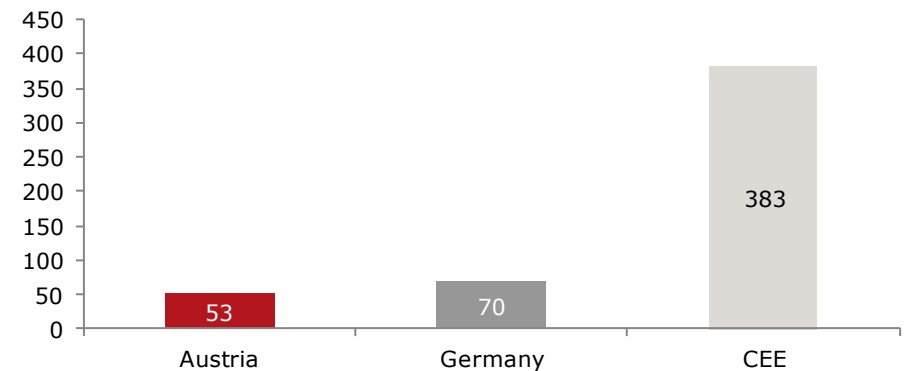
NON-CORE ASSETS

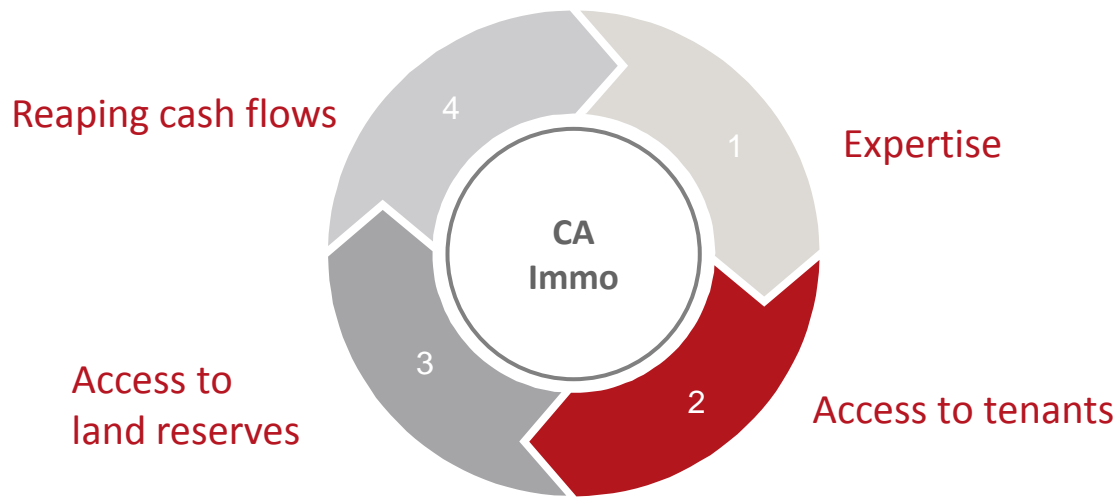
- Small amount of non-strategic assets in non-core markets
- Running disposal program for **small-scale properties** with a fair value of less than EUR 10 mn (in total approx. EUR 145 mn)
- New **hotel developments** such as InterCity Berlin are kept over a certain stabilisation period to optimise sales process
- **Sale of CEE logistics assets** has priority from an operational point of view over the sale of office assets in non-core locations

Non-core by sector (fair value, EUR mn)



Non-core by region (fair value, EUR mn)

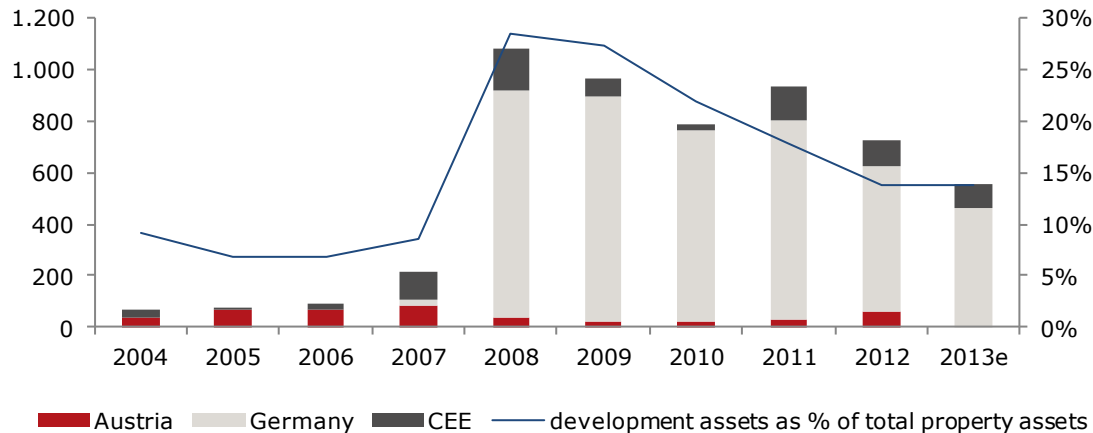




DEVELOPMENT MODEL

- High **development expertise** after integration of Vivico
- Strong development **track record** has further facilitated access to high-quality tenants
- **Land reserves** in German metropolitans with significant embedded value
- **Better balanced and steady cash flow model going forward**

Development assets (fair value, EUR mn)



STRATEGIC APPROACH

- Activities will be concentrated on fundamentally strong **German market**
- Development focus on **core offices** which fit the investment portfolio (individual project volumes EUR 50 – 150 mn)
- Annual development capex of **EUR 150-200 mn**
- Around **15% of group equity** as indication for future development business size



Galleria, Vienna



Rennweg 16, Vienna

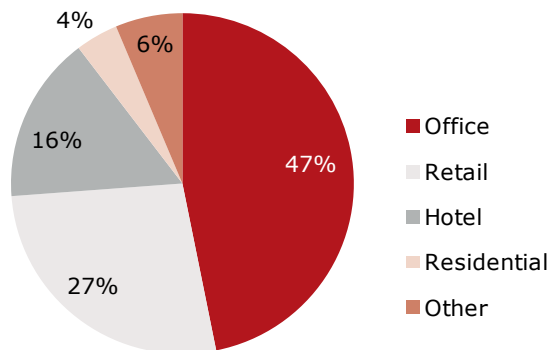


Silbermöwe/Lände 3, Vienna

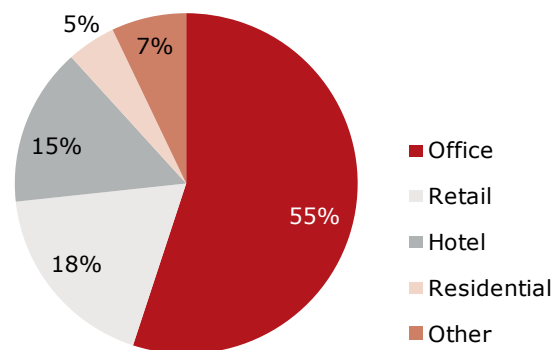
MARKET POSITION

- Clear focus on capital **Vienna**
- Office properties match well with market segment mainly sought-after
- Strong position in terms of **occupancy** versus peers
- **Major tenants:** Österreichische Post, Verkehrsbüro, Robert Bosch AG, UPC, Siemens, Peek & Cloppenburg

Investment portfolio (FV)



Investment portfolio (sqm)



PORTFOLIO METRICS

- **FV investment properties:** EUR 696 mn
- **Investment portfolio share:** 20.6% (FV), 16% (sqm)
- **Lettable area:** 322,163 sqm
- **Occupancy:** 95%
- **Gross initial property yield:** 6%



Tower 185, Frankfurt



Tour Total, Berlin

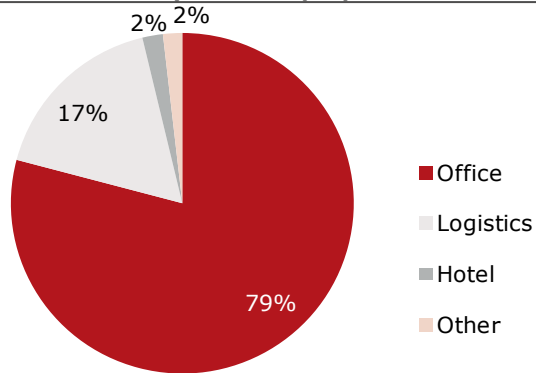


Skygarden, Munich

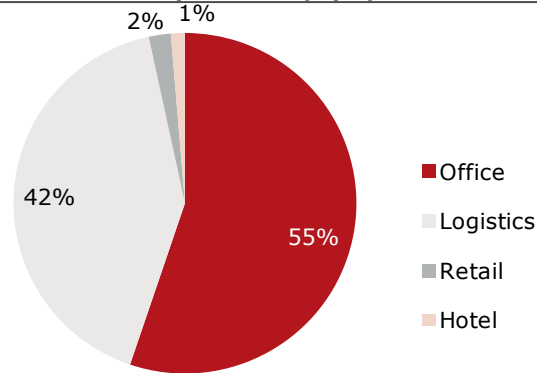
MARKET POSITION

- Focus on **Munich, Frankfurt, Berlin**
- High portfolio quality on the back of own developments
- **Major tenants:** PWC, Total, H&M

Investment portfolio (FV)



Investment portfolio (sqm)



PORTFOLIO METRICS

- **FV investment properties:** EUR 800 mn
- **Investment portfolio share:** 23.6% (FV), 18% (sqm)
- **Lettable area:** 366,120 sqm
- **Occupancy:** 96%
- **Gross initial property yield:** 6.6%