

A photograph of a modern office lobby. The ceiling is a large, curved structure with a complex, geometric pattern of white, illuminated panels. The walls are white, and there is a large, curved glass wall on the right side. A blue reception desk is visible in the foreground on the left. The floor is light-colored and polished.

S IMMO

Conference Call HY results 2016
25 August 2016

Friedrich Wachernig | Wilhelm Bayer



Total space: 1.3 million m²

EBIT: EUR 145.9m

Portfolio: EUR 2,091.1m

Occupancy rate: 93.3%

Rental yield: 6.2%

S IMMO at a glance

A specialised real estate company

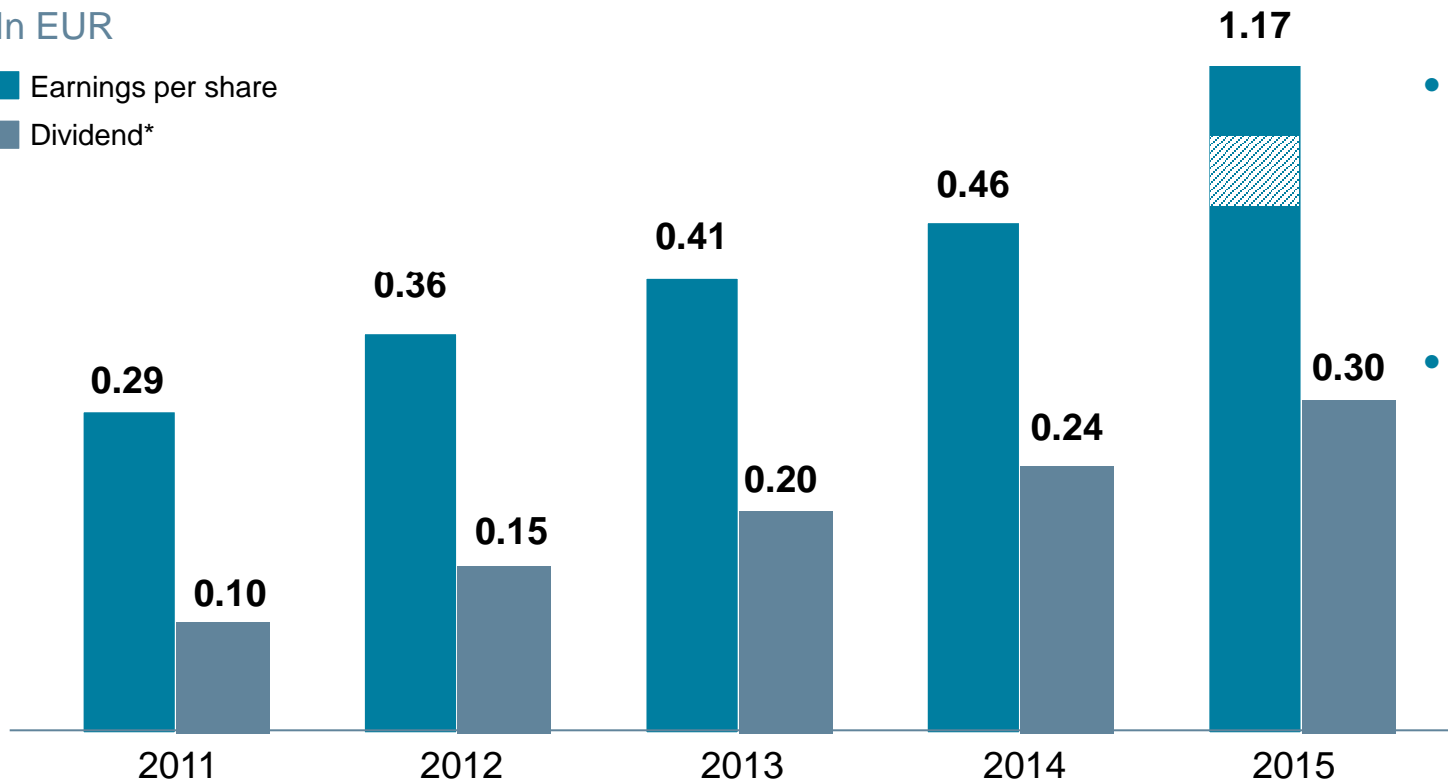
- 100% invested in EU
- Focus on capital cities and use types commercial and residential
- Specialist in our proven markets
- Operating in attractive market niches, investment in properties with potential
- Local inhouse expertise for successful development projects and effective property portfolio management
- Convincing track record in terms of value development and cash flow: basis for attractive dividend policy

Sustainable dividend policy

Attractive yield

In EUR

■ Earnings per share
■ Dividend*



- Dividend for 2015 at EUR 0.30 per share
- Attractive dividend yield of 3.66%**

* Dividend for the stated year. Payout in the following year.

** At closing price as at 31 December 2015 and based on dividend for 2015

S IMMO on the capital market

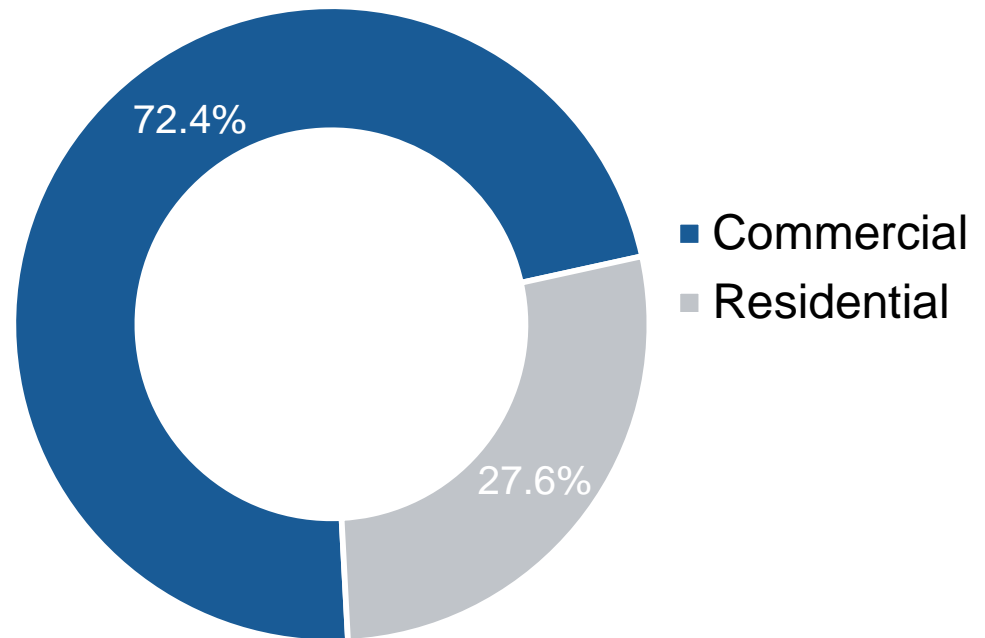
Shareholder structure



Robust business model

Focus on commercial properties

- Over 72% of the portfolio are commercial properties
- Great potential on the Berlin office market
- High quality standards
- 4.1% of portfolio are properties with development potential
- Over 150,000 m² of projects with potential and land bank



Robust business model

Portfolio generating strong earnings and cash flows

64.7% in “safe havens”



35.3% in CEE & SEE states with higher economic growth



	Austria	Germany
Total space in '000 m ²	259.9	455.4
Book value in EUR m	594.4	758.3
Gross rental yield	5.4%	4.8%
Vacancy rate	7.7%	6.0%

	CEE	SEE
Total space in '000 m ²	252.1	295.9
Book value in EUR m	352.6	385.8
Gross rental yield	7.4%	9.2%
Vacancy rate	7.1%	6.7%

Robust business model

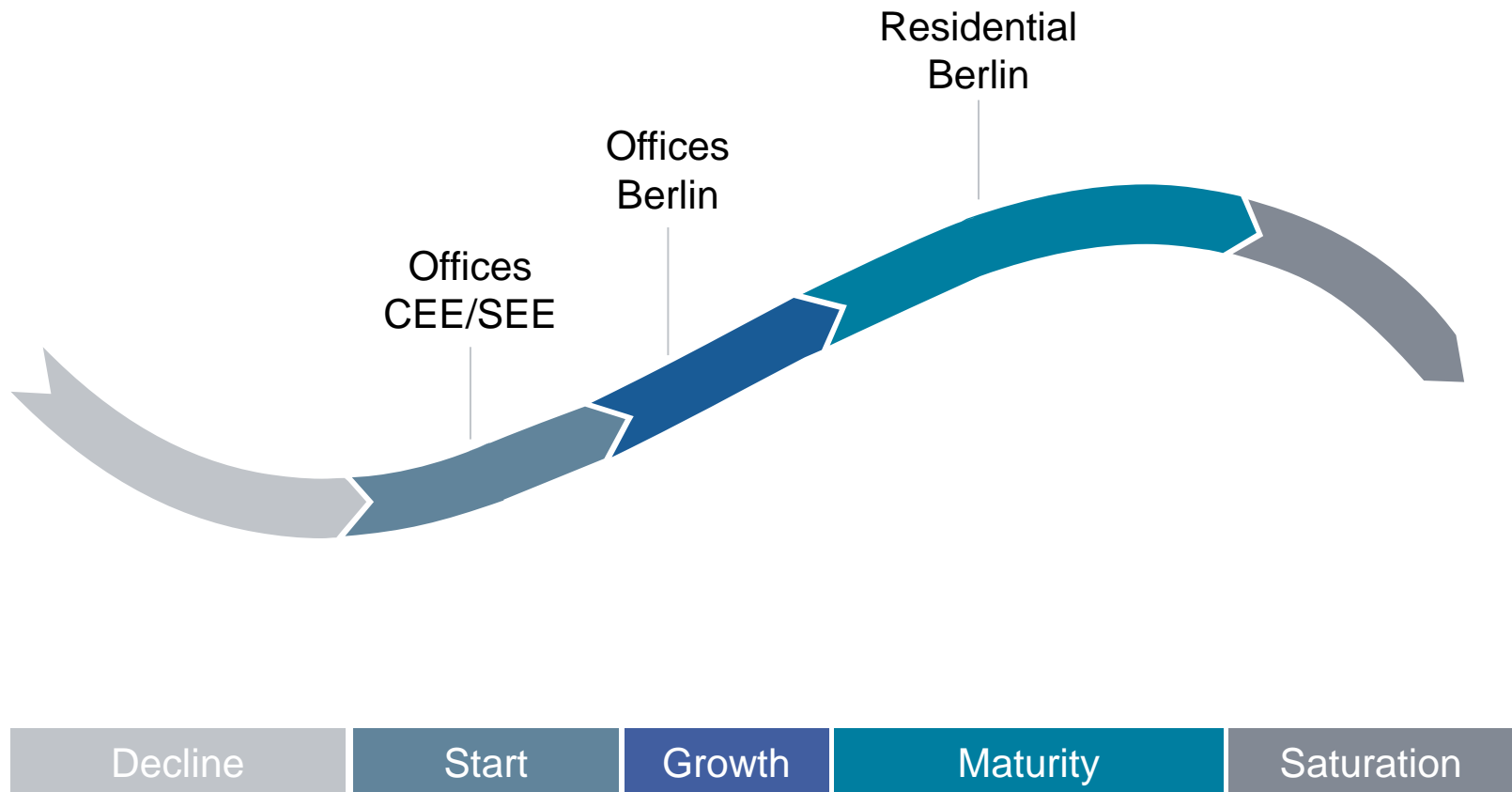
Value-adding approach

S IMMO operates in attractive market niches

- **Less competition** in chosen market segment, purchase prices between EUR 2m – EUR 30m for properties with potential
- **Adding value** through property development based on profound local market expertise
- **Potentials:** profiting from potentials through ongoing optimisation of standing properties
- **Using the cycle:** S IMMO realises profits when peak in the cycle is reached (e.g. German residential portfolio).

Robust business model

Cycle-oriented strategy



Robust business model

Example for value-adding process

- Property was acquired in 2013
- Cost of purchase EUR 560/m² plus EUR 290/m² refurbishment costs amount to a total investment of EUR 850/m²
- S IMMO revitalised the property by right-sizing units and by applying innovative marketing concepts
- The restructuring process took 2.5 years
- Started at average rent of about EUR 7/m² – recently achieved EUR 13/m²
- Current rental yield about 11%



Sonnenallee

Potentials and prospects

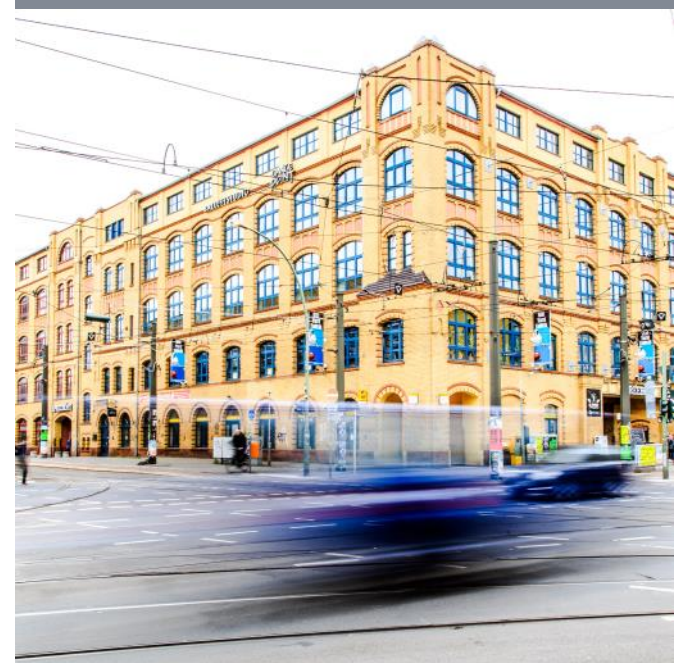
Development of standing properties

Completed: Sonnenallee



- Purchased in 2013
- Cost of purchase EUR 560/m² plus EUR 290/m² refurbishment costs
- Current rental yield about 11%

Under construction: Leuchtenfabrik



- Purchased in 2015
- Cost of purchase EUR 620/m² plus EUR 430/m² refurbishment costs
- Target yield 8 to 9%

Potentials and prospects

Development projects

Completed: Gemini



- Start of construction 2006
- Investment volume of EUR 68m
- 2009 sale at full occupancy, sale price EUR 110m

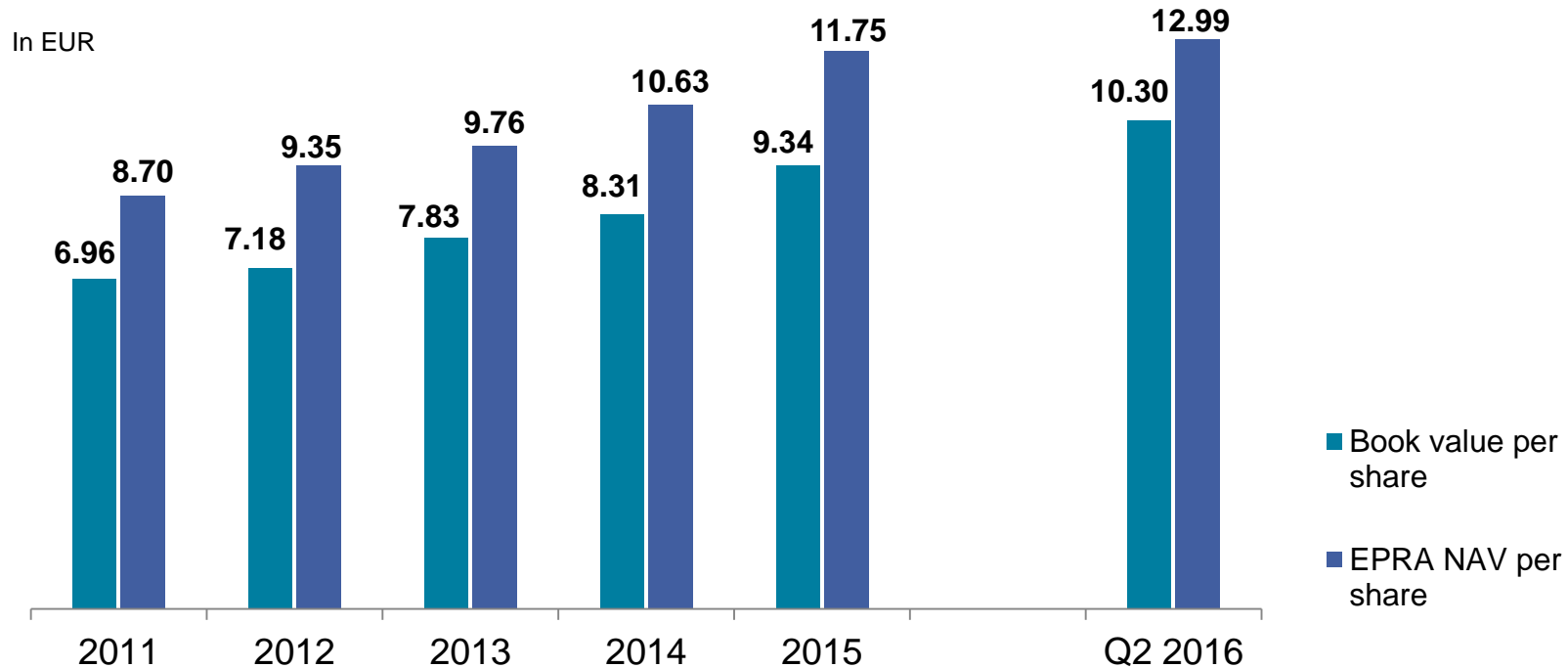
Under construction: The Mark



- Start of construction Q3 2016
- Investment volume of EUR 45m
- Target yield 8.5 to 9.5%

Potentials and prospects

Potential on the capital market



Value potential

S IMMO share lists below book value and well below EPRA NAV

Financing

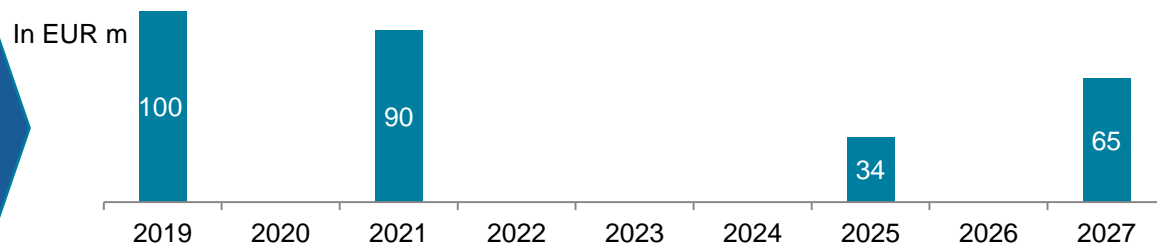
PRUDENT DEBT MANAGEMENT

- Cost of funding as at 30 June 2016: 3.14%
- Average weighted interest rate for all long-term loans: 2.18%
- Average weighted final maturity of long-term loans at 6.5 years

LOAN-TO-VALUE RATIO

- LTV ratio for secured financing: 44.1% of portfolio value
- LTV ratio for unsecured financing (bonds): 14.6%
- Total LTV at 58.7%

MATURITY PROFILE BONDS



A photograph of a modern building's entrance. The building has a curved glass facade and a prominent glass and metal revolving door. Above the door, the word 'RIVER' is visible in a stylized font. The entrance is flanked by two white planters with greenery. The sky is overcast.

HY results 2016

Consolidated income statement

In kEUR	01-06/2016	01-06/2015
Revenues	95,258	92,199
thereof rental income	58,497	54,632
thereof revenues from operating costs	18,430	16,703
thereof revenues from hotel operations	18,331	20,864
Other operating income	1,338	1,382
Expenses directly attributable to properties	-31,217	-27,003
Hotel operating expenses	-14,855	-15,854
Gross profit	50,524	50,724
Income from property disposals	786	5
Management expenses	-8,341	-7,659
EBITDA	42,969	43,070

Consolidated income statement

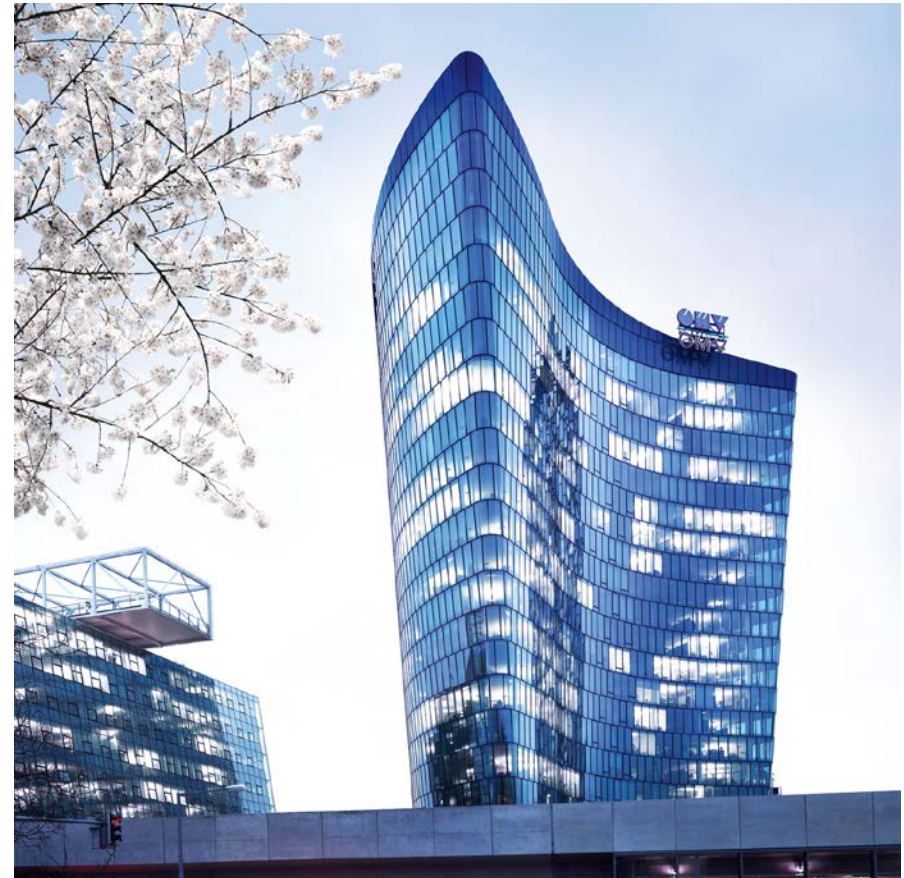
In kEUR	01-06/2016	01-06/2015
EBITDA	42,969	43,070
Depreciation and amortisation	-4,042	-3,834
Results on property valuation	106,928	9,675
Operating result (EBIT)	145,855	48,911
Financing result	-35,316	-20,559
Participating certificates result	-3,272	-1,434
Net income before tax (EBT)	107,267	26,918
Taxes on income	-21,740	-5,994
Consolidated net income for the period	85,527	20,924

Key figures

		01-06/2016	01-06/2015
FFO I	EUR m	19.0	17.9
FFO I per share	EUR	0.29	0.27
EPRA NAV per share	EUR	12.99	10.26
EPS	EUR	1.27	0.30
EBIT	EUR m	145.9	48.9

Summary

- Continuing dynamic development of German property market
- Great value potential in CEE & SEE
- Attractive development pipeline in Berlin, Bucharest und Vienna
- Target: expansion of international shareholder basis
- Rising dividends since 2011, attractive dividend yield



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Thank you for your attention!

A large, dark grey rectangular box containing the word 'Appendix' in a white, bold, sans-serif font.

Appendix



APPENDIX

FFO

In kEUR

	01–06/2016
Net Income	85,527
Non-cash tax expenses	21,067
Adjusted Net Income	106,594
Property valuations	-106,928
Depreciation & amortisation	4,042
Gains on property disposals	-785
Other non-cash / non-recurring items (e.g. effects from interest rate hedges, exchange rate differences)	16,096
FFO (without sales-related effects)	19,019

APPENDIX

Segment reporting

In kEUR	Austria*	Germany	CEE	SEE
Rental income	14,207	18,277	9,705	16,308
Revenues	25,974	23,641	22,678	22,965
Gross profit	13,071	10,566	11,867	15,020
EBITDA	8,988	7,810	11,481	14,689
Results on property valuation	3,331	98,310	5,289	-2
EBIT	10,250	106,072	15,199	14,333

* Including all group-wide costs

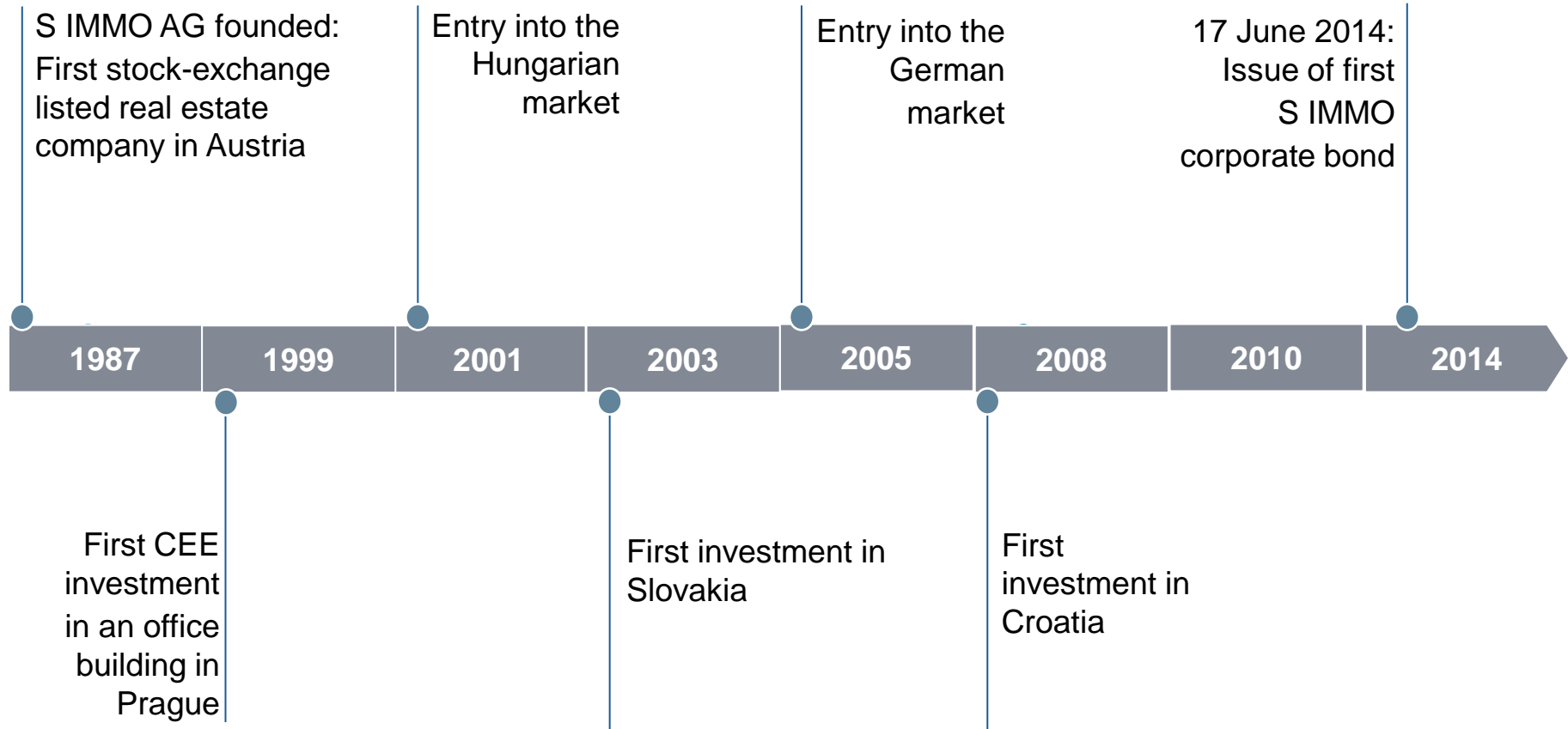
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Coverage

Research house	Target price	Last Update	Recommendation
Alpha Deal Group	EUR 10.25	27 January 2016	Buy
Baader Bank	EUR 9.00	22 July 2016	Hold
Erste Group	EUR 9.20	25 July 2016	Buy
Kepler Cheuvreux	EUR 8.00	30 June 2016	Hold
Raiffeisen Centrobank	EUR 8.90	24 May 2016	Hold
SRC Research	EUR 11.50	15 August 2016	Buy
Average target price	EUR 9.475		

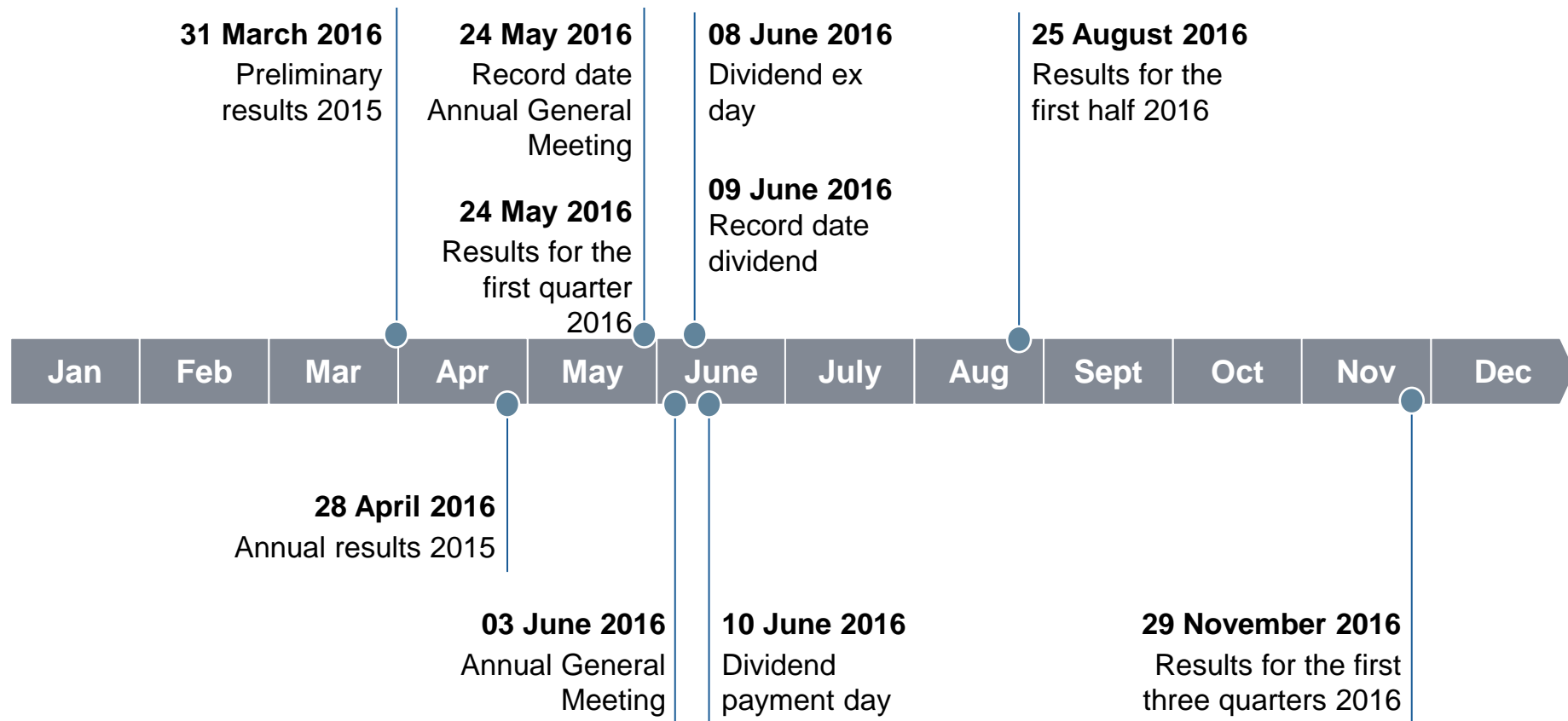
APPENDIX

Company history



APPENDIX

Financial calendar 2016



APPENDIX

Services

We offer the following services on www.simmoag.at/en:

- Newsletter subscription/SMS services/RSS feeds



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Our network on Xing:
<https://www.xing.com/companies/simmo>



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View our profile on LinkedIn:
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APPENDIX

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