

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

S IMMO

Conference Call Q3 results 2016
29 November 2016

Ernst Vejdovszky | Friedrich Wachernig, MBA



Total space: 1.2 million m²

EBIT: EUR 170.5m

Portfolio: EUR 1,975.1m

Occupancy rate: 93.5%

Rental yield: 6.5%

S IMMO at a glance

A specialised real estate company

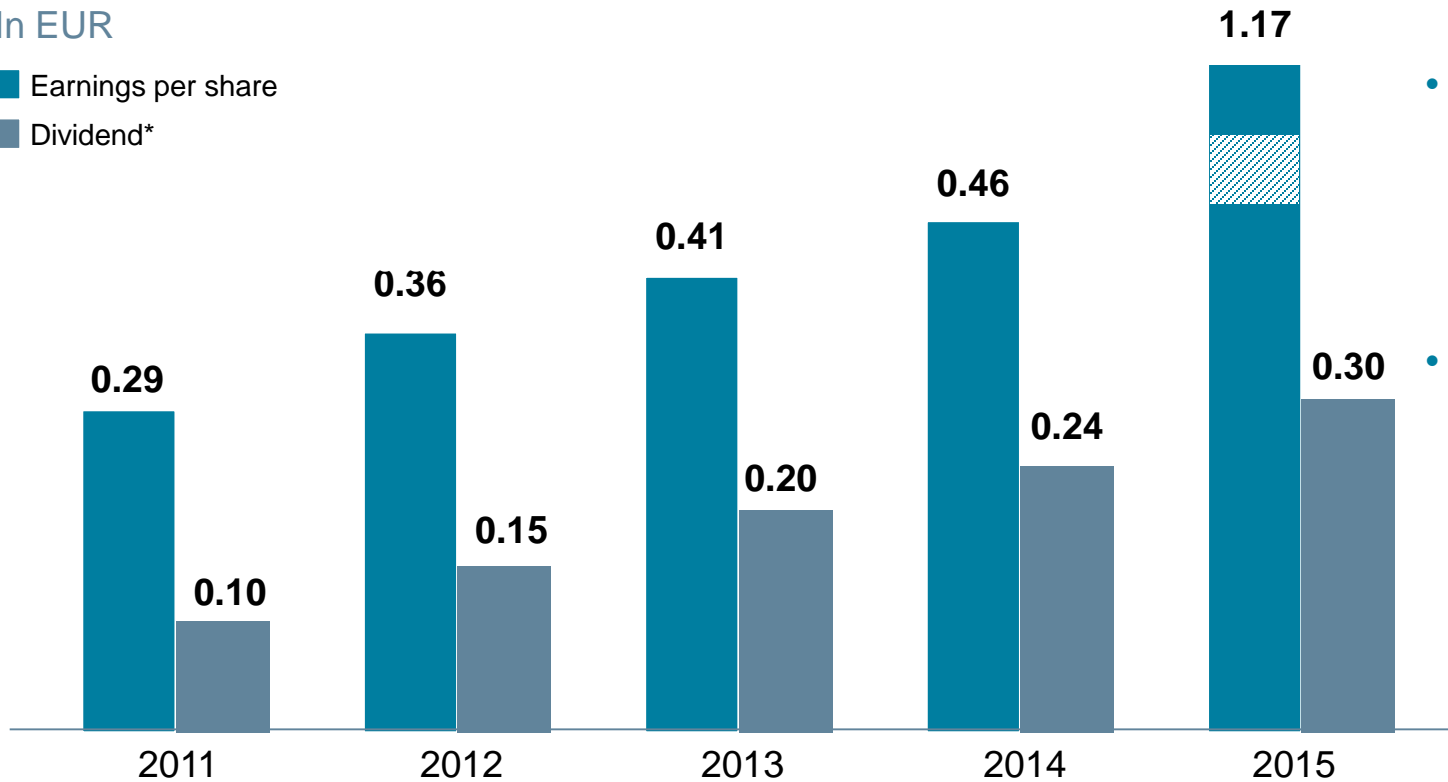
- 100% invested in EU
- Focus on capital cities and use types commercial and residential
- Specialist in our proven markets
- Operating in attractive market niches, investment in properties with potential
- Strong track record in terms of value development and cash flow: basis for attractive dividend 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%**

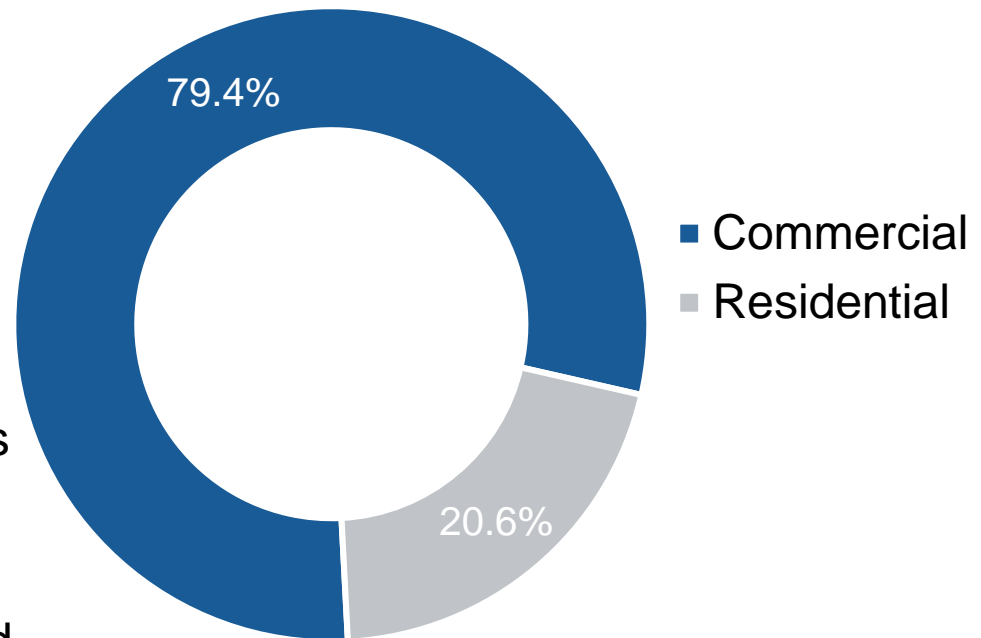
* Dividend for the stated year. Payout in the following year.

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

Robust business model

Focus on commercial properties

- Over 79% of the portfolio are commercial properties
- Great potential on the Berlin office market
- High quality standards
- Ongoing focus on Germany:
 - Purchase of eight properties with over 45,000 m² total space
 - Further acquisitions planned



Robust business model

Portfolio generating strong earnings and cash flows

62.1% in “safe havens”



37.9% in CEE & SEE states with higher economic growth



	Austria	Germany
Total space in '000 m ²	259.9	405.6
Book value in EUR m	595.3	630.7
Gross rental yield	5.4%	5.4%
Vacancy rate	7.0%	6.5%

	CEE	SEE
Total space in '000 m ²	248.1	295.3
Book value in EUR m	353.2	395.9
Gross rental yield	7.5%	9.2%
Vacancy rate	6.0%	6.8%

Robust business model

Value-adding approach

S IMMO operates in attractive market niches

- **Less competition** in chosen market segments, purchase prices between EUR 2m and 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 within the cycle is reached (e.g. Berlin residential portfolio).

Robust business model

Cycle-oriented strategy



Robust business model

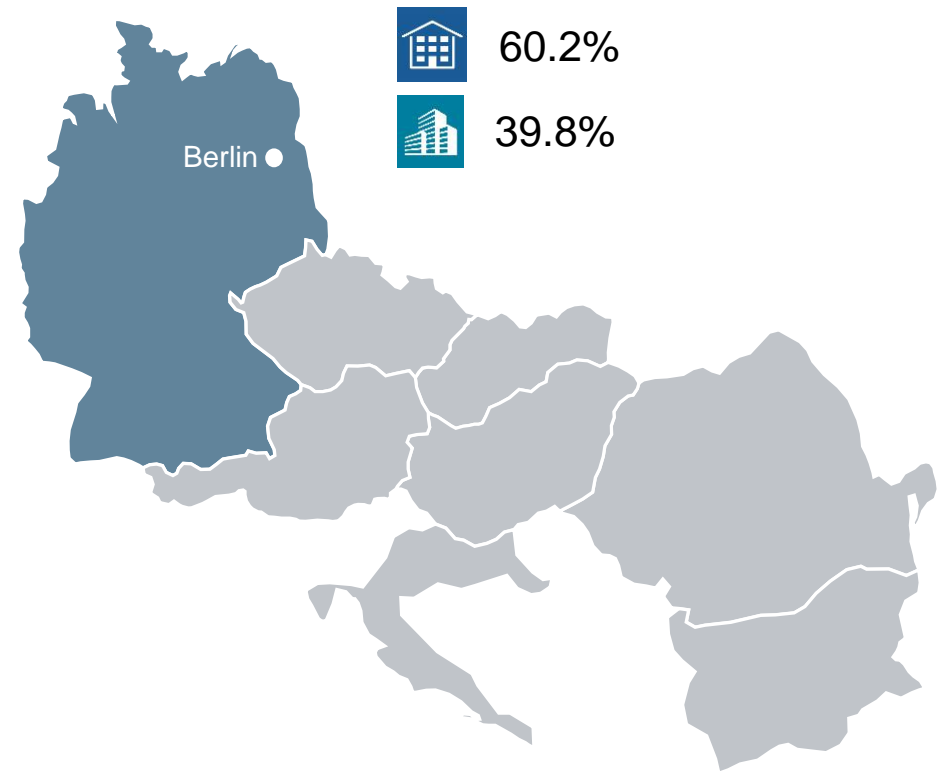
Sale of residential portfolio Berlin

- Sale of roughly 20% of S IMMO's total German portfolio (in terms of space)
- Most properties purchased in 2007 at an average price of EUR 765/m²
- Average rental yield about 6.8% p.a.
- CapEx and refurbishment costs of about 2.2% p.a.
- Disposal price roughly three times above purchase price
- Additionally, significant positive effect on tax result due to reversal of deferred taxes



Potentials and prospects Germany

- Germany remains key market
- Purchases in Berlin, Hamburg, Leipzig etc. with focus on:
 - Development projects & commercial properties
 - Sustainable yield
 - Opportunistic purchases



Potentials and prospects

Current projects

Karl-Marx-Strasse, Berlin



Office and retail property,
22,000 m²

Renovation and restructuring
into modern, loft type office and
retail space in high frequency
area

Square location in the centre of
Neukölln

Target yield 7.5 to 8.5%

QBC, Vienna



Highly modern office space,
realisation of up to
42,000 m²

S IMMO as investor with a stake
of 35%

Excellent location next to central
station and Erste Campus

Target yield 5.5 to 6%

Siebenbrunnengasse, Vienna



Exciting development project;
residential and office space;
18,000 m²

About 150 apartments, up to
3.80 m room height –
significantly above new
construction standard

As of 2023 new subway station
Bacherplatz closeby

Target yield 10 to 15%

The Mark, Bucharest



Office property, roughly
24,000 m² planned

Investment volume of about
EUR 45m starting with
construction, reachable prime
rent of EUR 18.50 per m²*

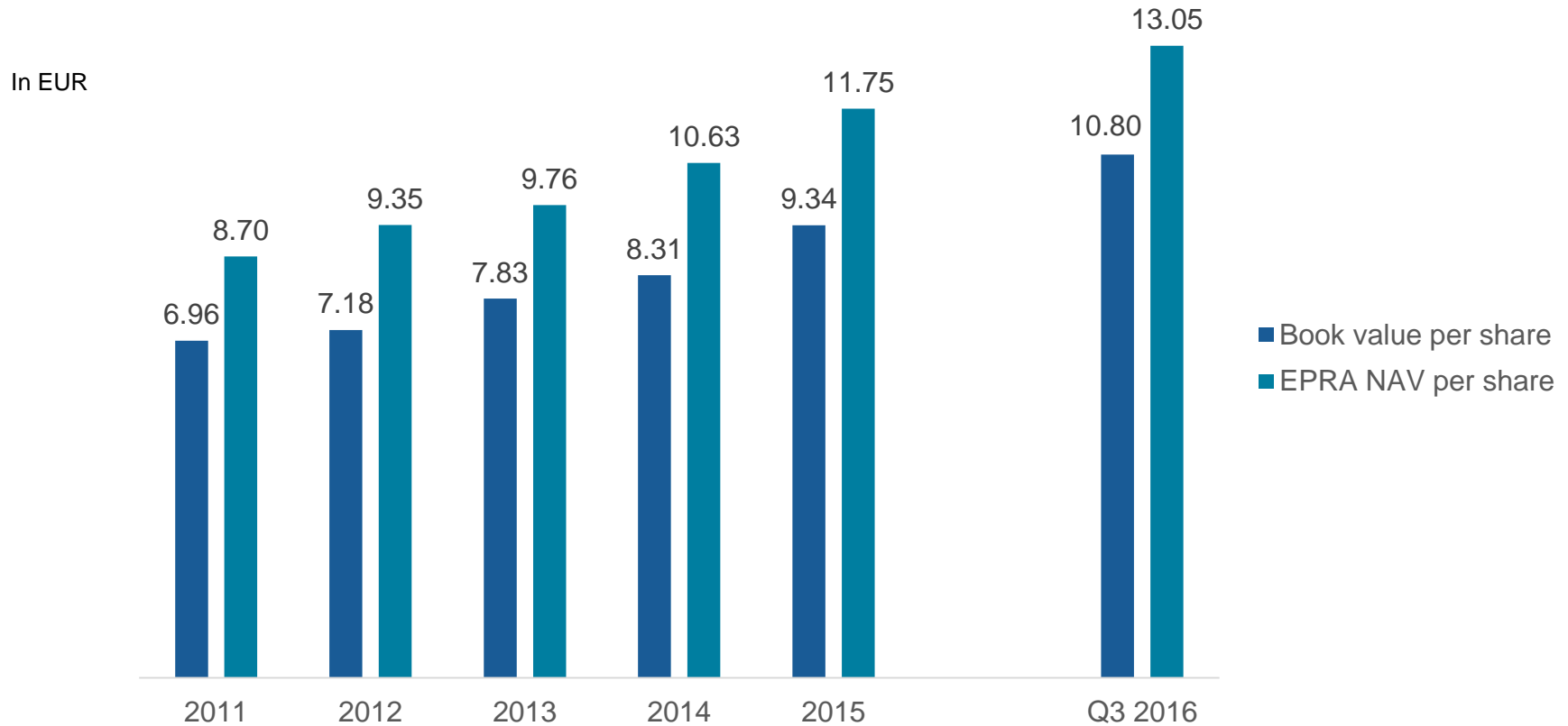
Ideally located in CBD, attractive
and modern office space

Target yield 8.5 to 9.5%

*JLL Bucharest City Report Q3 2016

Potentials and prospects

Potential on the capital market



Value potential

S IMMO share lists at a price below book value and well below EPRA NAV

Financing

Key figures

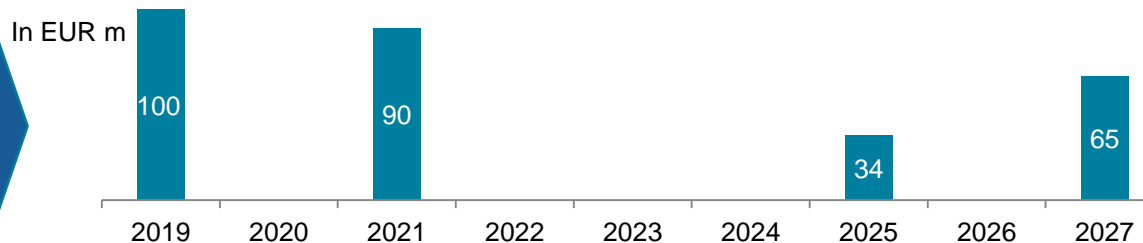
PRUDENT DEBT MANAGEMENT

- Cost of funding as at 30 September 2016: 3.07%
- Average weighted interest rate for all long-term loans: 2.02%
- Average weighted final maturity of long-term loans at 6.1 years

LOAN-TO-VALUE RATIO

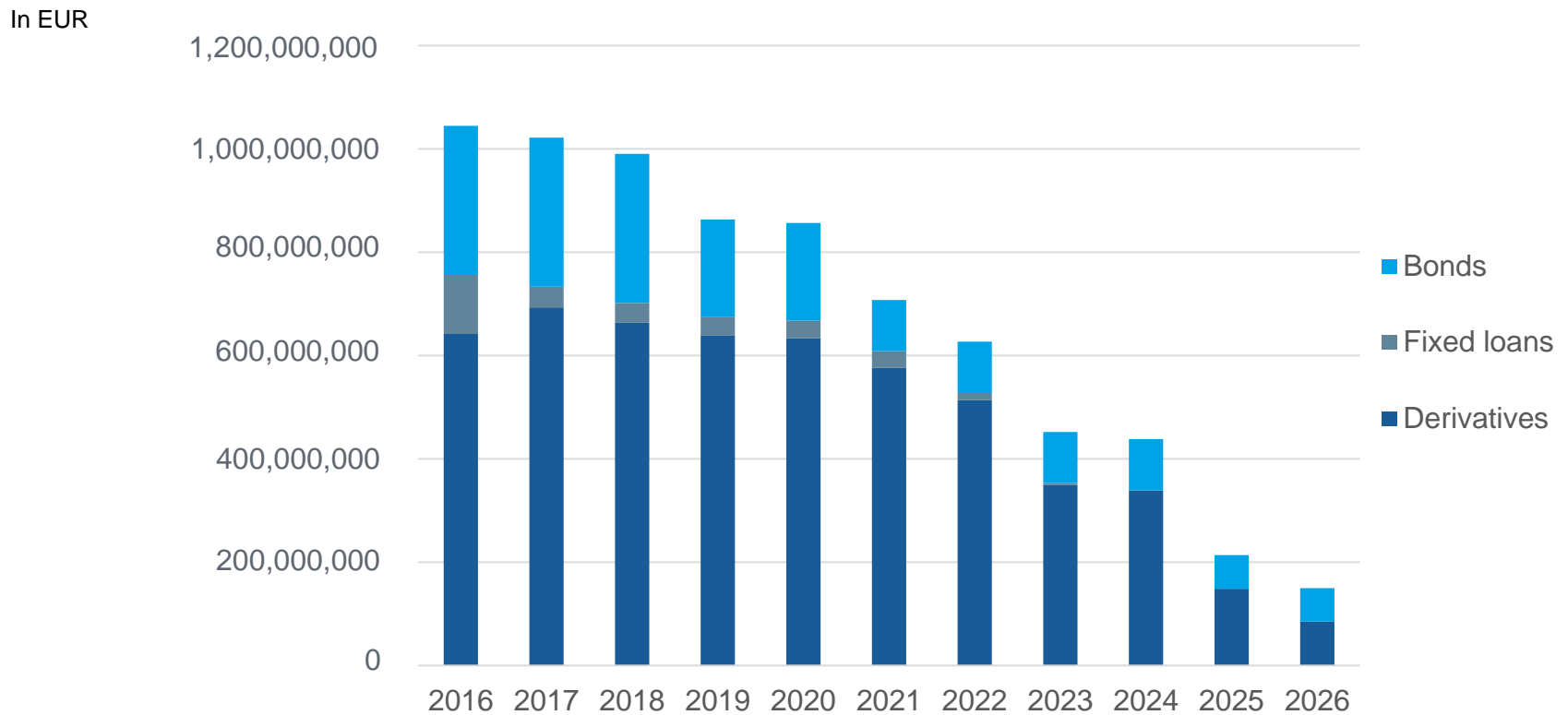
- LTV ratio for secured financing: 45.5% of portfolio value
- LTV ratio for unsecured financing (bonds): 12.2%
- Total LTV at 57.7%

MATURITY PROFILE BONDS



Financing

Sustainable hedging policy



Secure financing

97% of all loans with variable interest rates are hedged in 2017.

A photograph of a modern building's entrance. The entrance is a curved glass structure with a revolving door. Above the door, the word 'RIVER' is visible in a stylized font. The building has a white facade and a large glass canopy above the entrance. Two potted plants are visible on either side of the revolving door.

Q3 results 2016

Consolidated income statement

In EUR m	01-09/2016	01-09/2015
Revenues	147.1	141.6
thereof rental income	88.5	83.2
thereof revenues from operating costs	28.3	25.4
thereof revenues from hotel operations	30.2	33.0
Other operating income	2.1	2.3
Expenses directly attributable to properties	-48.9	-42.6
Hotel operating expenses	-22.7	-23.9
Gross profit	77.6	77.4
Gains on property disposals	4.4	0
Management expenses	-13.2	-12.2
EBITDA	68.7	65.2

Consolidated income statement

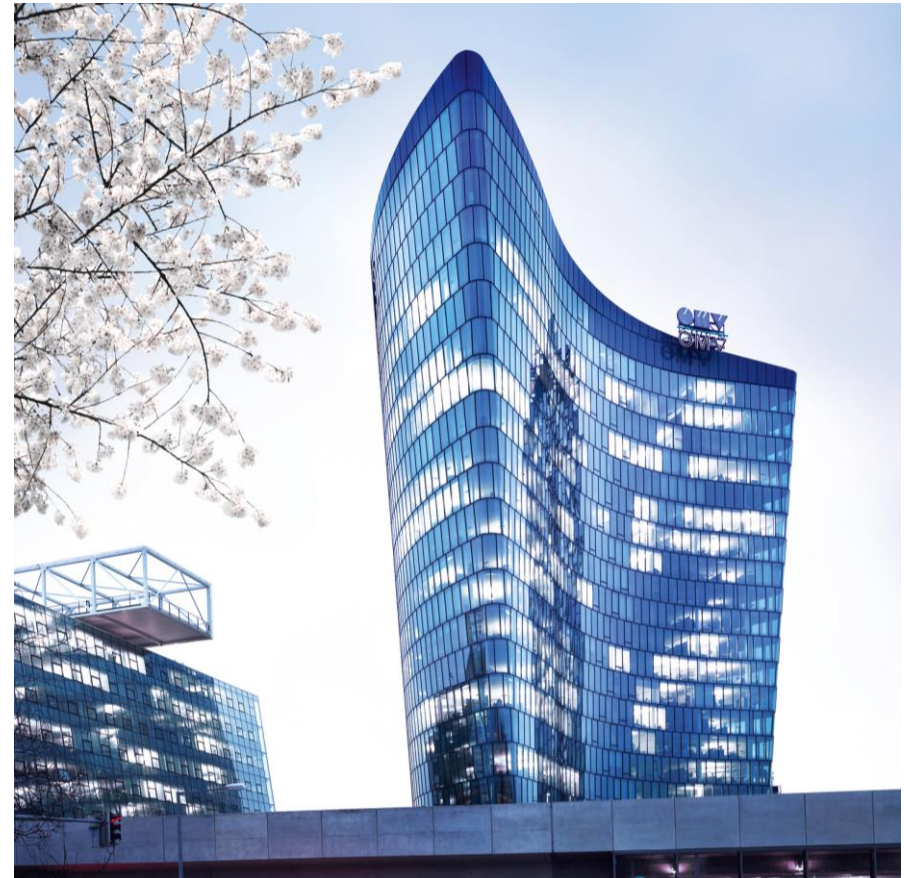
In EUR m	01-09/2016	01-09/2015
EBITDA	68.7	65.2
Depreciation and amortisation	-5.9	-5.8
Results on property valuation	107.6	16.8
Operating result (EBIT)	170.5	76.1
Financing result	-48.2	-39.4
Participating certificates result	-3.9	-2.2
Net income before tax (EBT)	118.4	34.6
Taxes on income	1.4	-6.4
Consolidated net income for the period	119.8	28.2

Key figures

		01-09/2016	01-09/2015
FFO I	EUR m	31.3	26.8
FFO I per share	EUR	0.47	0.40
EPRA NAV per share	EUR	13.05	10.43
EPS	EUR	1.78	0.40
EBIT	EUR m	170.5	76.1

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



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.

Thank you for your attention!

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

Appendix



APPENDIX

FFO

In EUR m

	01-09/2016
Net income for the period	119.8
Non-cash tax income	-2.4
Adjusted net income for the period	117.4
Property valuations	-107.6
Depreciation & amortisation	5.9
Gains on property disposals	-4.4
Other non-cash / non-recurring items (e.g. effects from interest rate hedges, exchange rate differences)	20.1
FFO (without sales-related effects)	31.3

APPENDIX

Segment reporting

In EUR m	Austria*	Germany	CEE	SEE
Rental income	21.1	28.2	14.6	24.6
Revenues	40.8	37.0	35.3	34.0
Gross profit	19.5	16.6	19.0	22.4
EBITDA	12.7	16.0	18.1	21.9
Results on property valuation	3.3	99.0	5.3	0
EBIT	13.0	114.9	21.1	21.4

* Including all group-wide costs

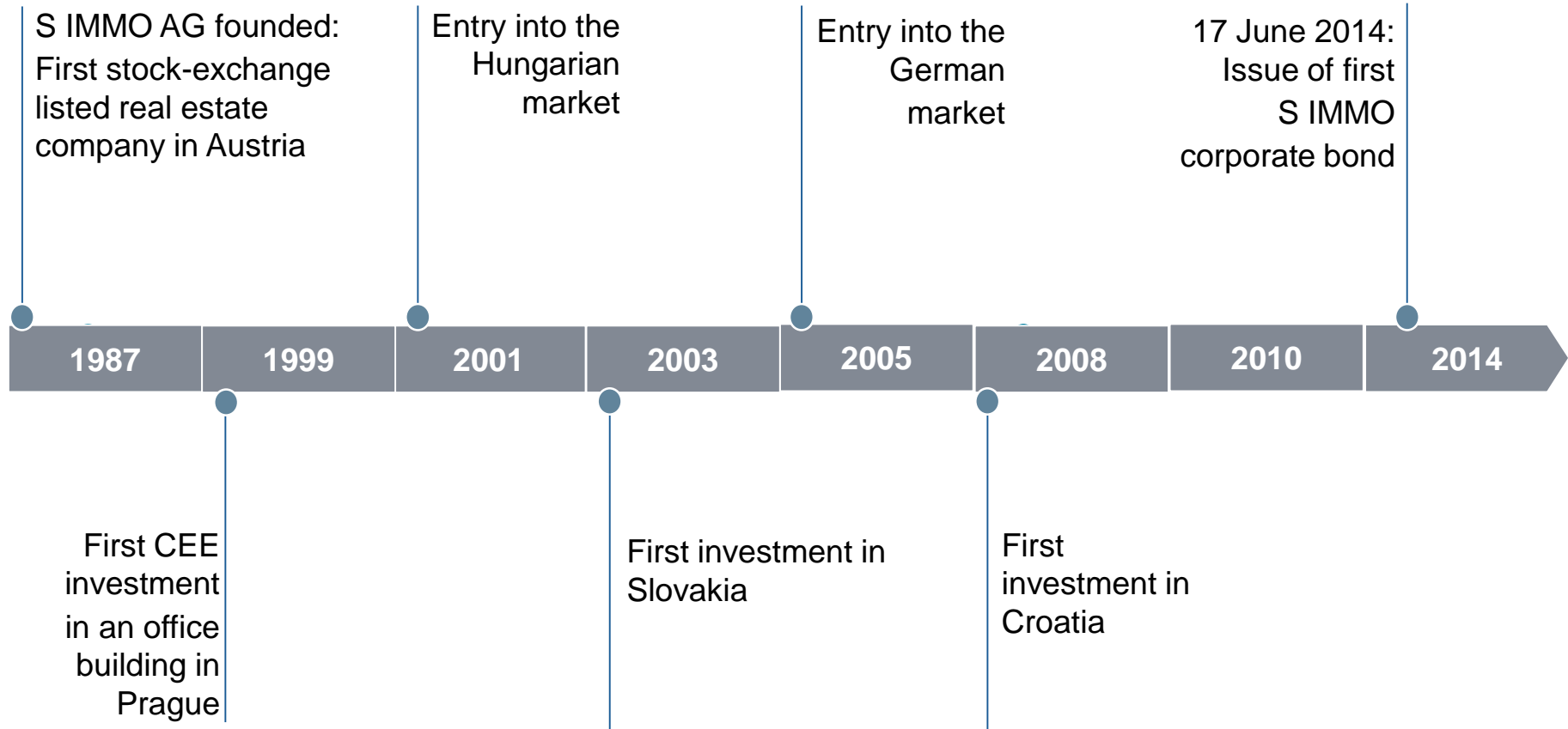
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Coverage

Research house	Target price	Last Update	Recommendation
Alpha Deal Group	EUR 10.25	27 January 2016	Buy
Baader Bank	EUR 9.00	28 November 2016	Hold
Erste Group	EUR 12.50	28 November 2016	Buy
Raiffeisen Centrobank	EUR 10.90	26 August 2016	Buy
SRC Research	EUR 11.50	25 August 2016	Buy
Average target price	EUR 10.83		

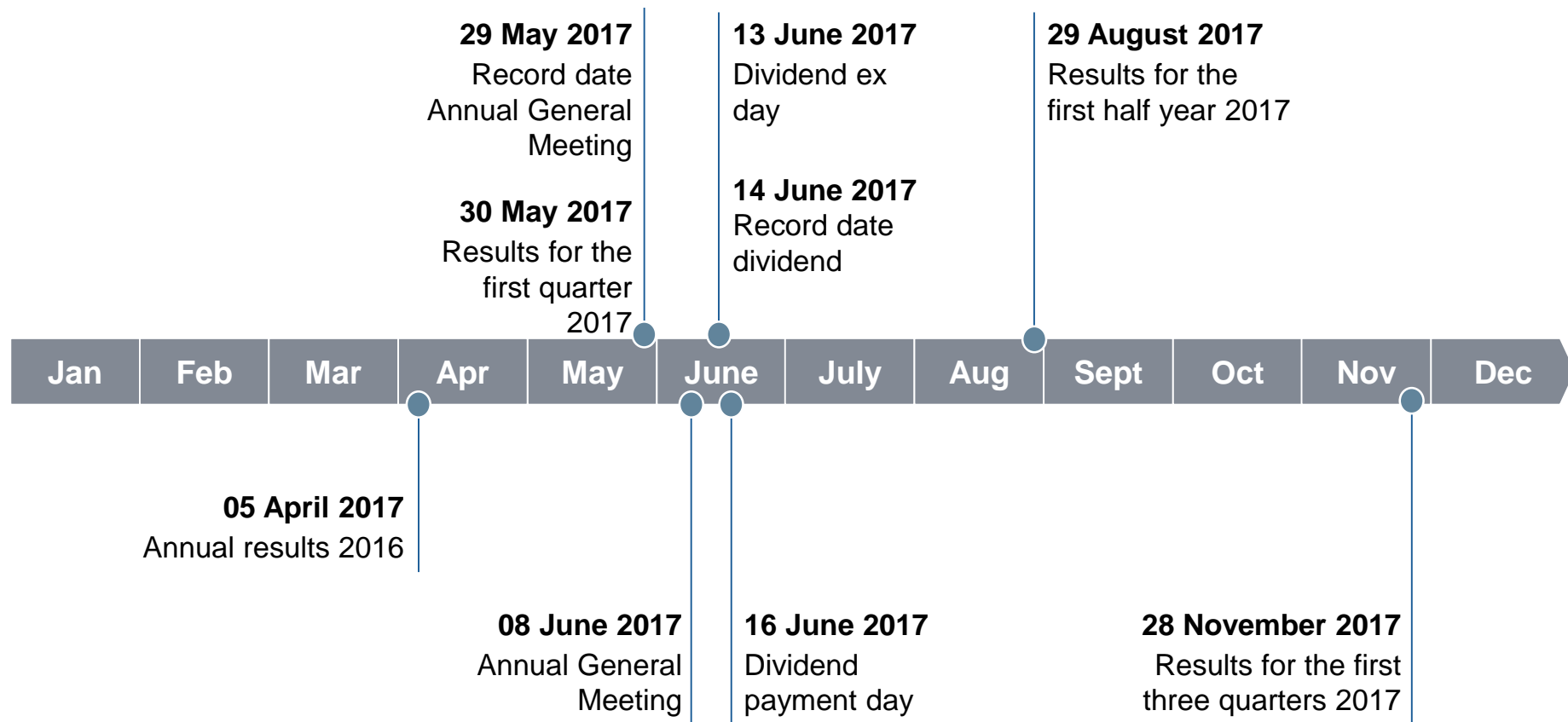
APPENDIX

Company history



APPENDIX

Financial calendar 2017



APPENDIX

Services

We offer the following services on our newly designed website www.simmoag.at/en:

- Newsletter subscription/RSS feeds/E-Mail services



Follow us on Twitter:
<http://twitter.com/simmoag>



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



View our videos on YouTube:
<http://www.youtube.com/simmoag1>



View our profile on LinkedIn:
<http://www.linkedin.com/company/2279913>

APPENDIX

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