



REAL **TRUST** – REAL **PERFORMANCE**

9M 2018

Quarterly Statement

Table of contents

1. Results of operations	2
2. Highlights.....	3
3. Development of key financial performance indicators (KPIs)	4
4. Capital allocation.....	9
5. Consolidated Income Statement.....	10
6. Consolidated statement of comprehensive income.....	12
7. Reconciliation of operating income.....	13
8. Consolidated Balance Sheet.....	14
9. Guidance	16
10. Contact Investor Relations and financial calendar	17
11. Appendix.....	18

1. Results of operations

PATRIZIA continued its successful path in the first nine months of 2018. Organic growth combined with the first-time consolidation of acquisitions TRIUVA (1 January 2018) and Rockspring (31 March 2018) significantly improved the company's key performance indicators – assets under management and operating income – compared to the previous year. Accordingly, TRIUVA contributed to the figures for nine months and Rockspring for six months as at 30 September 2018.

Assets under management grew 83.5% year-to-date from EUR 21.9bn as at 31 December 2017 to EUR 40.2bn as at 30 September 2018. Operating income increased 110.5% from EUR 46.6m in the first nine months of 2017 to EUR 98.1m in the first nine months of 2018.

Thanks to the growth in assets under management recurring management fees increased by 91.5% year-on-year from EUR 66.7m to EUR 127.7m. Transaction fees remained virtually stable, up 1.9% year-on-year from EUR 31.4m to EUR 32.0m. Performance fees showed another marked 62.8% increase from EUR 30.7m to EUR 50.0m due to the outstanding investment performance PATRIZIA generated for its institutional and private investors.

Overall total service fee income – which combines the three positions above – grew 62.8% year-on-year from EUR 128.8m to EUR 209.7m. Management fees remain the major contributor (60.9% of total), followed by performance fees (23.8%) and transaction fees (15.3%).

Net sales revenues and co-investment income increased 98.2% year-on-year from EUR 19.2m to EUR 38.0m driven by both, co-investment income as well as the strategic sale of phase-out principal investments.

Growth in net operating expenses – primarily due to the first-time consolidation of TRIUVA and Rockspring – stayed well below the growth in total service fee income of 62.8% with an increase of 47.7%, from EUR 95.8m to EUR 141.5m.

Overall, the integration of the three most recent acquisitions Sparinvest Property Investors (now known as PATRIZIA Multi Managers), TRIUVA and Rockspring is firmly on track. Another milestone in the successful integration was the announcement of the unified brand – PATRIZIA – for all Group businesses and subsidiaries mid September 2018. As indicated with H1 2018 results, a first tranche of reorganisation expenses was booked during Q3 2018 (EUR 14.3m), which impacted net profit but was adjusted in operating income.

Shortly after the end of the reporting period, PATRIZIA announced the acquisition of a strategic stake in EVANA, a provider of data management services including artificial intelligence technology for the real estate industry - another step forward in digitalising PATRIZIA and in becoming the technology leader in our industry.

PATRIZIA's equity grew 47.5% year-to-date to EUR 1.1bn driven by net profit for the period of EUR 59.6m and the first-time application of IFRS 9 accounting standards (reference is made to page 90 of the 2017 Annual Report). At the same time cash and term deposits of EUR 556.0m give the Group sufficient flexibility for its further strategic development.

Update on operating income guidance 2018: With H1 2018 results PATRIZIA increased its guidance from EUR 85.0 – 100.0m to EUR 100.0 – 110.0m based on cost efficiency measures of annualised EUR 22.0m (fully effective 2019 onwards). Following the strong 9M 2018 operating income of EUR 98.1m PATRIZIA once more increases its guidance significantly to slightly above EUR 140.0m. The increase relates to better than expected development of revenues in the fourth quarter of 2018, especially higher performance fees.



Wolfgang Egger
CEO



Karim Bohn
CFO

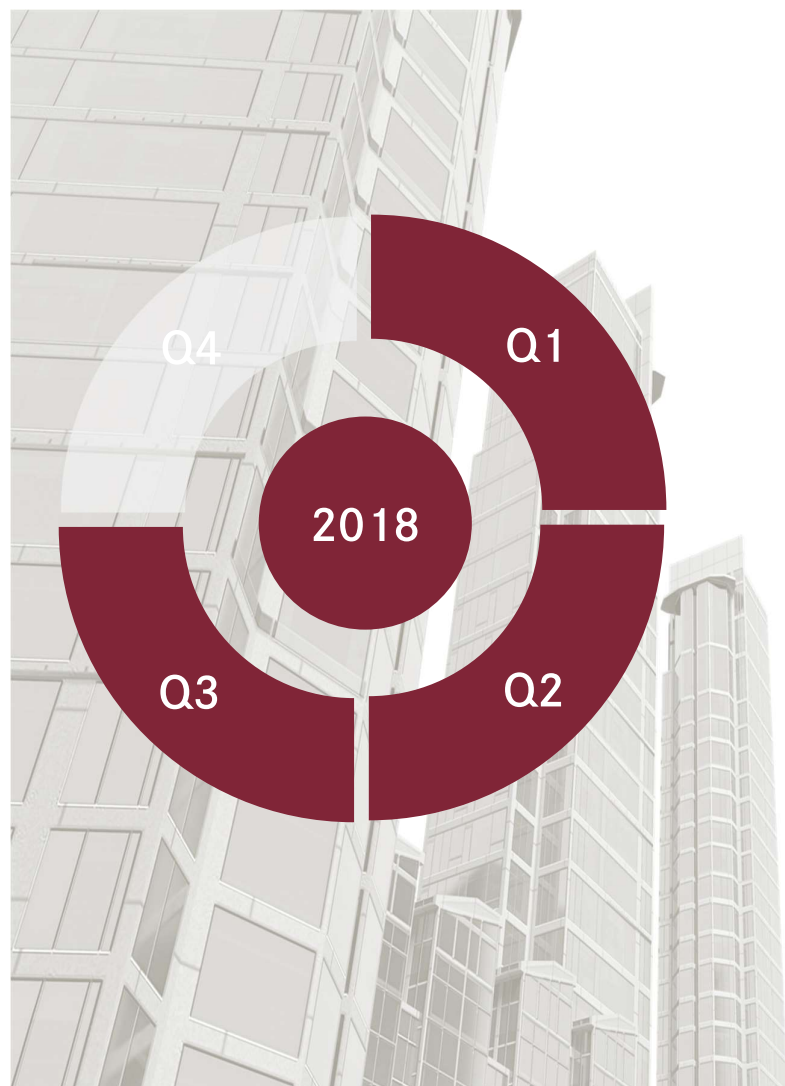


Anne Kavanagh
CIO



Klaus Schmitt
COO

2. Highlights

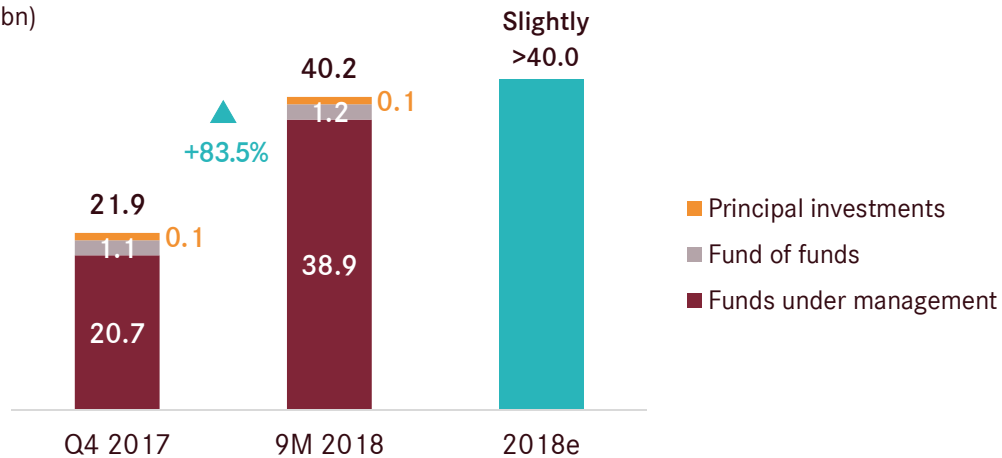


- ◆ **Operating income** up 110.5% year-on-year, from EUR 46.6m in 9M 2017 to EUR 98.1m in 9M 2018
- ◆ **AUM** grew from EUR 21.9bn (Q4 2017) to EUR 40.2bn as at 30 September 2018 primarily due to the first-time consolidation of TRIUVA (1 January 2018) and Rockspring (23 March 2018) as well as organic growth
- ◆ **Total service fee income** up 62.8% from EUR 128.8m in 9M 2017 to EUR 209.7m in 9M 2018, primarily driven by recurring asset management fees
- ◆ Growth in **management fees** by 91.5% to EUR 127.7m reflects organic growth in assets under management and additional management fees generated by TRIUVA and Rockspring
- ◆ Strong investment performance leads to rising **performance fees** both in revenues (EUR 37.6m) and income from participations (EUR 12.4m); transaction fees slightly up 1.9% year-on-year to EUR 32.0m
- ◆ Continued strategic and profitable reduction of **principal investments** contributes with EUR 18.7m to strong 9M 2018 results
- ◆ Growth in **net operating expenses** – primarily due to the first-time consolidation of TRIUVA and Rockspring – stayed well below the growth in total service fee income of 62.8% with an increase of 47.7%, from EUR 95.8m to EUR 141.5m.
- ◆ Strong **balance sheet** with total equity of EUR 1.1bn and **liquidity** (cash, term deposits and securities) of EUR 560.0m
- ◆ Increase in **operating income guidance** 2018 to slightly more than EUR 140.0m given expectation of another strong fourth quarter 2018 (previous guidance EUR 100.0m – 110.0m)

3. Development of key financial performance indicators (KPIs)

Assets under management (AUM)

(EUR bn)



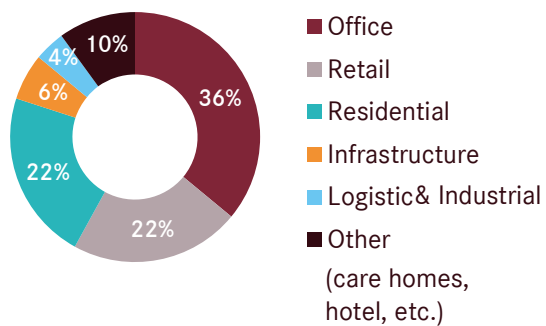
Highlights

- ◆ AUM increased by 83.5% to EUR 40.2bn
- ◆ EUR 25.2bn (63%) of AUM is related to Germany and EUR 15.0bn (37%) is related to assets outside of Germany
- ◆ AUM growth in line with company guidance

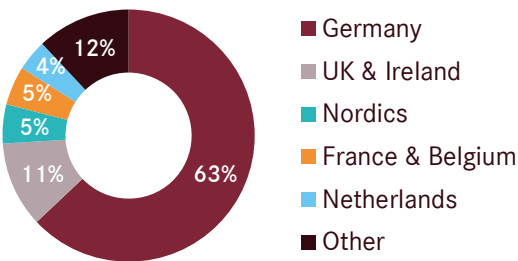
Guidance 2018e

- ◆ Organic AUM growth of EUR 2.0-3.0bn
- ◆ Total AUM growth (including corporate acquisitions) of EUR 18.9-19.9bn

Sectoral distribution



Geographical distribution



3. Development of financial performance indicators (KPIs)

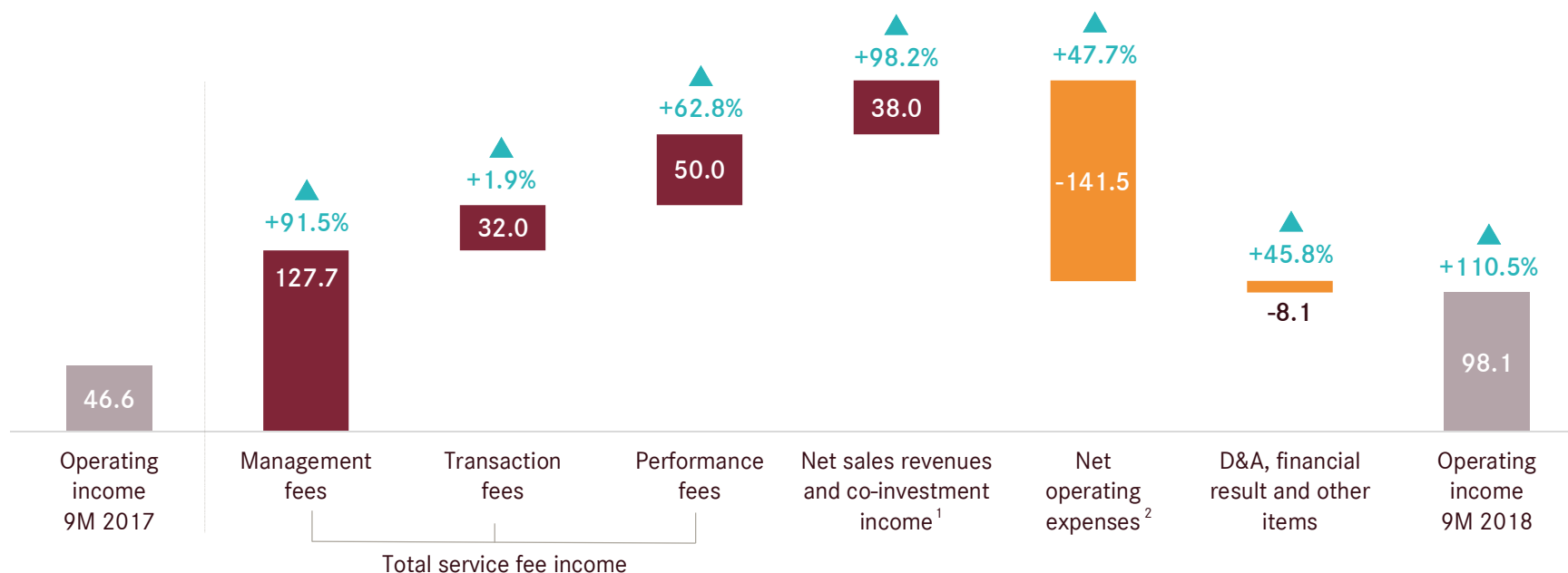
Operating income

- ◆ Significant increase by 110.5% to EUR 98.1m (9M 2017: EUR 46.6m)
- ◆ Increase in **operating income guidance** 2018 to slightly above EUR 140.0m given expectation of another strong fourth quarter 2018

Highlights

- ◆ Strong management and performance fee growth
- ◆ High net sales revenues and co-investment income reflect the strategic and profitable reduction of principal investments as well as the successful performance of co-investment products
- ◆ Net operating expenses increased year-on-year below growth of total service fee income

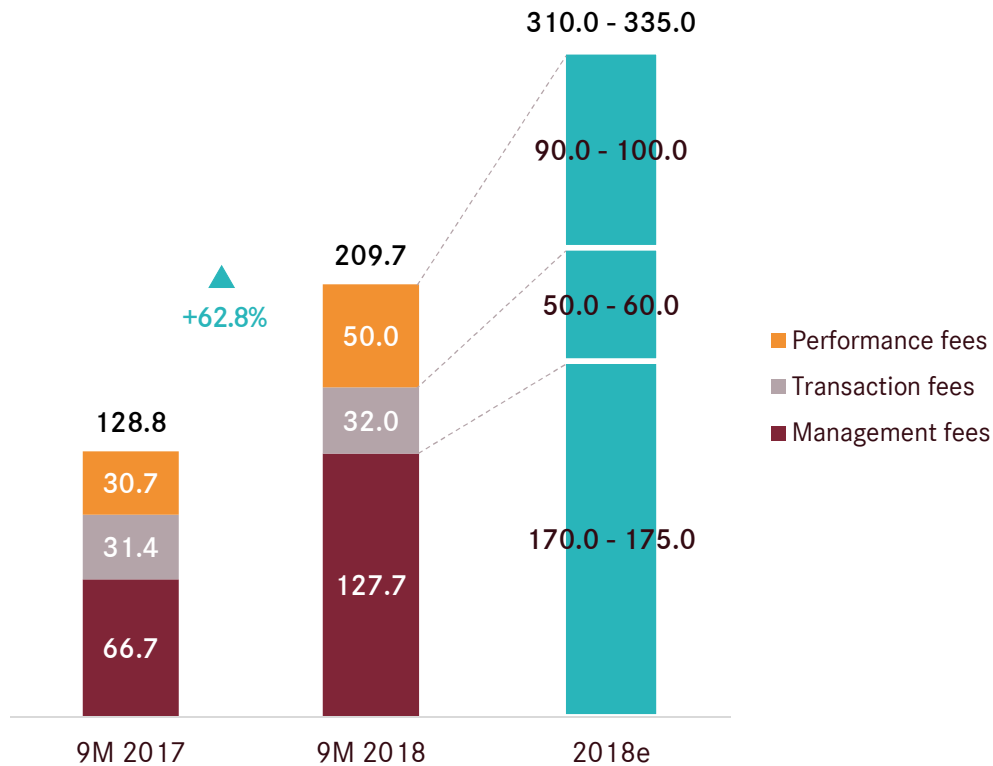
Composition of operating income 9M 2018 (EUR m)



¹ Including EUR 8.0m realised changes in value from the sale of investment property | ² Inter alia netted against other operating income of EUR 12.5m

3. Development of financial performance indicators (KPIs)

Total service fee income (EUR m)



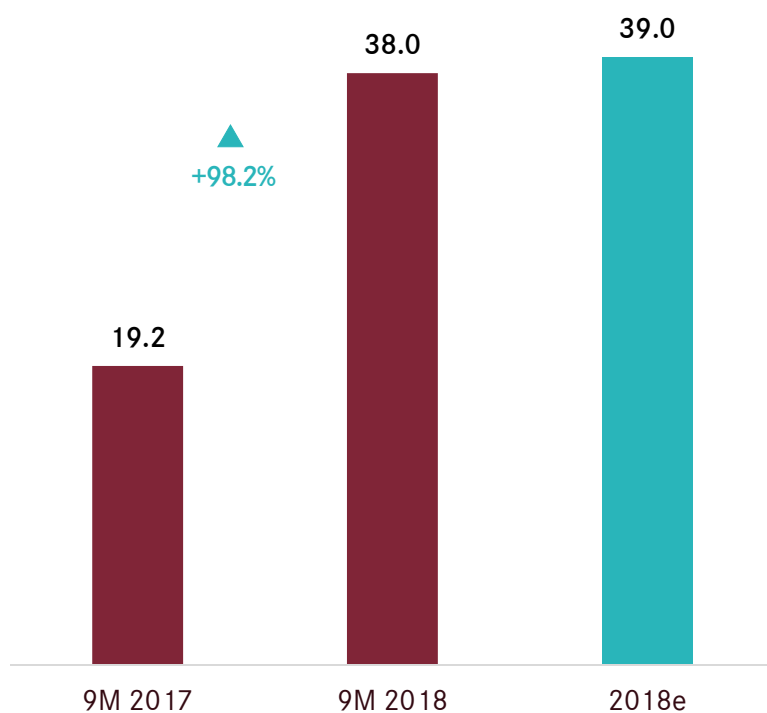
Highlights

- ◆ **Total service fee income** up **62.8%** to EUR 209.7m driven by organic growth in assets under management and acquisition of TRIUVA and Rockspring as well as superior investment performance
- ◆ Significant increase in **management fees** by **91.5%** to EUR 127.7m reflects organic growth in assets under management and additional management fees generated by TRIUVA and Rockspring. These fees are partly included in revenues (EUR 120.6m) and partly in income from participations (EUR 7.1m)
- ◆ **Transaction fees** contribute EUR 32.0m to total service fee income. Acquisitions accounted for EUR 17.9m and disposals for EUR 14.1m
- ◆ Strong **performance fees** of EUR 50.0m. In the income statement, these fees are partly included in revenues (EUR 37.6m) and partly in income from participations (EUR 12.4m)
- ◆ Due to the strong performance so far and better than expected development of revenues in the fourth quarter of 2018, PATRIZIA has adjusted its **2018 guidance** for management, transaction and performance fees

3. Development of financial performance indicators (KPIs)

Net sales revenues and co-investment income

(EUR m)



Highlights

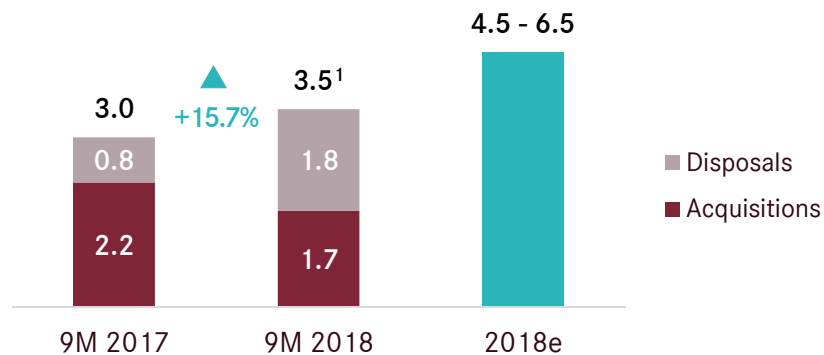
- ◆ **Net sales revenues and co-investment income** amounts to EUR 38.0m
- ◆ Biggest driver of this strong result is the strategic and profitable **reduction of principal investments** totalling EUR 18.7m
- ◆ Successful performance of **co-investment products** contributes another EUR 15.5m
- ◆ **Rental revenues** of remaining phase-out principal investments as well as assets held temporarily on the balance sheet contribute EUR 3.8m to net sales revenues and co-investment income

3. Development of financial performance indicators (KPIs)

Transaction volume

(EUR bn)

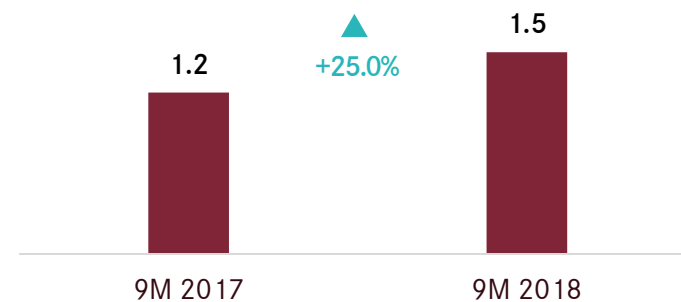
- ◆ Transactions worth EUR 3.5bn completed in 9M 2018 (9M 2017: EUR 3.0bn) thereof EUR 1.7bn acquisitions and EUR 1.8bn disposals
- ◆ Growth in transaction fees (+1.9% y-o-y) below growth in transaction volume, due to higher performance fee share in selected investment fund vehicles, that disposed assets during 9M 2018; overall transaction fee margins stable



Equity raised

(EUR bn)

- ◆ Equity of EUR 1.5bn was raised from institutional and private investors (incl. TRIUVA, Rockspring and PATRIZIA Multi Managers) for various national and international investments (9M 2017: EUR 1.2bn)



¹ In addition EUR 0.5bn mandates transferred to PATRIZIA that are not included in transaction volume, but increased AUM

4. Capital allocation

30.09.2018	Assets under management	Invested capital (fair value)	Invested capital (at cost)	Participations
	EUR m	EUR m	EUR m	in %
Third-party business	33,623.9			
Co-investments	6,506.9	1 473.9	176.0	
Residential	5,409.7	445.4	153.5	
GBW GmbH	4,205.3	¹ 127.6	52.2	5.1
GBW performance fee claims	-	¹ 216.5	0.0	0.1
WohnModul I SICAV-FIS	1,204.4	80.1	80.1	10.1
Harald	-	21.1	21.1	5.1
Other	-	0.1	0.1	0.0
Commercial Germany	1,094.4	26.7	20.7	
Alliance	205.0	5.4	5.4	5.1
Seneca	189.8	¹ 5.1	4.9	5.1
PATROffice	15.9	1.6	1.6	6.3
sono west	36.2	8.8	3.5	28.3
TRIUVA/IVG logistics	384.2	2 ¹ 3.9	3.4	2.1
TRIUVA/IVG commercial	263.3	¹ 2.0	1.9	11.0
Commercial international	2.8	1.8	1.8	
Citruz Holdings LP (UK)	2.8	0.5	0.5	10.0
First Street Development LTD (UK)	-	1.3	1.3	10.0
Principal investments	71.1	79.8		
Other balance sheet items	-	² 312.0		
Tied-up investment capital	40,201.9	865.7		
Available liquidity	-	539.7		
of which debt (bonded loans)	-	300.0		

¹ Net of deferred taxes from valuation in accordance with IFRS 9

² Including goodwill and fund management contracts

Highlights

- 1** Invested capital (fair value) in co-investments increased compared to year-end 2017 due to the first time application of IFRS 9
- 2** With the acquisition of TRIUVA, PATRIZIA acquired co-investment stakes in TRIUVA funds

5. Consolidated Income Statement (I)

EUR k	9M 2018	9M 2017	Change
Revenues	1 239,995	163,006	47.2%
Income from the sale of investment property	662	268	147.0%
Changes in inventories	2 -26,058	-19,359	34.6%
Other operating income	3 12,458	13,152	-5.3%
Income from the deconsolidation of subsidiaries	317	1	-
Total operating performance	227,374	157,068	44.8%
Cost of materials	-8,632	-11,411	-24.4%
Cost of purchased services	-10,148	-8,977	13.0%
Staff costs	4 -89,850	-59,780	50.3%
Other operating expenses	4 -55,169	-40,167	37.3%
Income from participations	5 23,395	13,680	71.0%
Earnings from companies accounted for using the equity method	6 11,562	2,109	448.2%
Cost from the deconsolidation of subsidiaries	-376	-750	-49.9%
EBITDAR	98,156	51,772	89.6%
Reorganisation expenses	7 -14,252	-3,578	298.3%
EBITDA	8 83,904	48,194	74.1%

Highlights

- 1 Revenues increased by 47.2% year-on-year due to the first time consolidation of TRIUVA and Rockspring with increased management fees from the increased AUM base, strong performance fees and the sale of principal investments (e.g. Plot 9 and 10 Manchester First Street)
- 2 Changes in inventories reflect book value of principal investments sold (-) and cost of materials allocated to inventories (+). Year-on-year increase due to higher volume of sales of principal investments
- 3 Lower level of income from expired obligations compared to the previous year
- 4 Staff costs and other operating expenses both increased due to the first time consolidation of TRIUVA and Rockspring
- 5 Income from participations increased by 71.0% and relate to performance-related shareholder compensation of EUR 12.4m
- 6 Earnings from companies accounted for using the equity method increased due to allocated earnings of a co-investment
- 7 Reorganisation expenses of EUR 14.3m relate to the integration of TRIUVA and Rockspring
- 8 EBITDA increased 74.1% year-on-year

5. Consolidated Income Statement (II)

EUR k	9M 2018	9M 2017	Change
EBITDA	83,904	48,194	74.1%
Amortisation of other intangible assets ¹ and software, depreciation of property, plant and equipment	-6,954	-4,234	64.2%
Earnings before interest and taxes (EBIT)	76,950	43,960	75.0%
Financial income	1,170	759	54.2%
Financial expenses	1 -4,420	-3,454	28.0%
Result from currency translation	1,370	-2,106	-165.1%
Earnings before taxes (EBT)	75,070	39,159	91.7%
Income taxes	-15,454	-8,866	74.3%
Net profit for the period	2 59,616	30,293	96.8%
Earnings per share (basic) in EUR	0.61	0.33	83.6%
Net profit for the period attributable to:			
Shareholders of the parent company	55,625	30,293	83.6%
Non-controlling interests	3 3,991	0	-
	59,616	30,293	96.8%

Highlights

- 1** Financial expenses increased year-on-year due to bonded loan (issued during Q2 2017)
- 2** Net profit for the period up 96.8% year-on-year despite EUR 14.3m reorganisation expenses booked in the first nine months of 2018
- 3** Non-controlling interests increased due to remaining minority shareholdings in acquired companies

¹ In particular fund management agreements transferred as part of the acquisition of PATRIZIA GewerbeInvest KVG mbH and PATRIZIA Multi Managers (SPI)

6. Consolidated statement of comprehensive income

EUR k	9M 2018	9M 2017
Net profit for the period	59,616	30,293
Items of other comprehensive income reclassified to net profit for the period		
Profit/loss arising on the translation of the financial statements of foreign operations	-987	-464
Value adjustments resulting from equity instruments measured including capital gains (IFRS 9)	333	0
Total comprehensive income for the reporting period	58,962	29,829
Total comprehensive income attributable to:		
Shareholders of the parent company	54,971	29,829
Non-controlling interests	3,991	0
	58,962	29,829

7. Reconciliation of operating income

EUR k	9M 2018	9M 2017
EBITDA	83,904	48,194
Amortisation of other intangible assets ¹ and software, depreciation of property, plant and equipment	-6,954	-4,234
EBIT	76,950	43,960
Financial income/expenses	-3,250	-2,695
Result from currency translation	1,370	-2,106
EBT	75,070	39,159
Change in the value of derivatives	51	0
+ Amortisation of fund management contracts ¹	1 2,701	1,476
Realised changes in value of investment property (net)	8,015	374
Reorganisation expenses	2 14,252	3,578
Expenses/income from unrealised currency translation	3 -2,004	2,007
OPERATING INCOME	98,086	46,594

Highlights

- 1** Amortisation of fund management contracts increased due to additional depreciation on the fund management contracts of acquired companies
- 2** Reorganisation expenses of EUR 14.3m relate to acquisition of TRIUVA and Rockspring
- 3** Adjustment of expenses/income from unrealised currency translation as these effects were not realised in the reporting period, primarily GBP exposure

¹ In particular fund management agreements transferred as part of the acquisition of PATRIZIA GewerbeInvest KVG mbH and PATRIZIA Multi Managers (SPI)

8. Consolidated Balance Sheet (I)

Assets

EUR k		30.09.2018	31.12.2017
A.	Non-current assets		
	Difference amount before purchase price allocation 1	118,581	0
	Goodwill	144,111	7,366
	Other intangible assets 2	130,815	35,224
	Software	11,378	11,207
	Investment property	5,729	15,979
	Equipment	5,953	4,483
	Participations in associated companies	80,424	88,905
	Participations 3	445,175	89,114
	Non-current borrowings and other loans	27,407	23,291
	Deferred taxes	6,031	331
	Total non-current assets	975,604	275,900
B.	Current assets		
	Inventories	74,066	99,791
	Securities	4,012	5,010
	Current tax assets	10,648	9,098
	Current receivables and other current assets 4	232,549	479,920
	Cash and cash equivalents	434,329	382,675
	Total current assets	755,604	976,494
	TOTAL ASSETS	1,731,208	1,252,394

Highlights

- 1** Difference amount before purchase price allocation due to acquisition of Rockspring. Final purchase price allocation expected by year-end 2018
- 2** Increase in other intangible assets relate to purchase price allocation of TRIUVA
- 3** Participation increased due to first time application of IFRS 9 (see page 9)
- 4** Current receivables and other current assets decreased in connection with the transfer of ownership of TRIUVA and Rockspring. The position includes investment term deposits with maturity of over three months of EUR 121.7m, which together with cash and cash equivalents of EUR 434.3m and securities of EUR 4.0m represent the Group's balance sheet liquidity

8. Consolidated Balance Sheet (II)

Equity and liabilities

EUR k	30.09.2018	31.12.2017
A. Equity		
Share capital	90,995	89,555
Capital reserves	154,179	129,545
Retained earnings		
Legal reserves	505	505
Currency translation difference	-12,573	-11,586
Revaluation reserve according to IFRS 9	333	0
Consolidated unappropriated profit 1	872,001	546,682
Non-controlling interests	10,046	1,691
Total equity	1,115,486	756,392
B. Liabilities		
NON-CURRENT LIABILITIES		
Deferred tax liabilities 2	96,169	15,833
Retirement benefit obligations 3	22,699	776
Bonded loans	300,000	300,000
Non-current liabilities	7,630	9,062
Total non-current liabilities	426,498	325,671
CURRENT LIABILITIES		
Bonded loans	0	22,000
Other provisions 4	25,185	16,083
Current liabilities	120,452	93,123
Tax liabilities	43,587	39,125
Total current liabilities	189,224	170,331
TOTAL EQUITY AND LIABILITIES	1,731,124	1,252,394

Highlights

- 1** Consolidated unappropriated profit increased significantly due to the application of IFRS 9 and net profit for the period
- 2** Deferred tax liabilities increased significantly due to the first time application of IFRS 9 and purchase price allocation of TRIUVA
- 3** Retirement benefit obligations increased significantly due to the consolidation of TRIUVA
- 4** Increase in other provisions due to reorganisation in relation to the acquisition of TRIUVA and Rockspring

9. Guidance

Guidance changes during 2018

	Original guidance 2018e	Updated guidance H1 2018	Updated guidance 9M 2018	Change
Assets under Management (organic growth)	Growth of EUR 2.0–3.0bn	unchanged	unchanged	-
Assets under Management (including acquisitions)	Growth of EUR 18.9–19.9bn	unchanged	unchanged	-
Operating income	EUR 85.0-100.0m	EUR 100.0-110.0m	slightly >EUR 140.0m	▲
Transaction volume	EUR 4.5-6.5bn	unchanged	unchanged	-
Management fees	EUR 162.5–170.0m	unchanged	EUR 170.0–175.0m	▲
Transaction fees	EUR 55.0–62.5m	unchanged	EUR 50.0–60.0m	▼
Performance fees	EUR 50.0–70.0m	unchanged	EUR 90.0–100.0m	▲
Total service fee income	EUR 267.5–302.5m	unchanged	EUR 310.0–335.0m	▲
Net sales revenues and co-investment income	EUR 39.0m	unchanged	unchanged	-
Net operating expenses incl. personnel expenses	EUR 210.0–230.0m	EUR 200.0–210.0m	unchanged	-

Background to guidance update 9M 2018:

Second increase in guidance for 2018 – **operating income** of slightly above EUR 140.0m expected - this is based on better than expected development of revenues in the fourth quarter of 2018. **Management fees** are expected in the range of EUR 170.0–175.0m based on increased assets under management (previous: EUR 162.5–170.0m). Based on scheduled real estate transactions for its international institutional investors during the fourth quarter of 2018, PATRIZIA expects slightly lower **transactions fees** of EUR 50.0–60.0m (previous: EUR 55.0–62.5m). At the same time, the Group expects significantly higher than planned **performance fees** in a range of EUR 90.0–100.0m (previous: EUR 50.0–70.0m). The guidance for **transaction volume**, growth in **assets under management**, **net sales revenues and co-investment income** and **net operating expenses incl. personnel expenses** remain unchanged. Also guidance for **restructuring costs** of ~EUR 30.0m expected in H2 2018 and **annual cost efficiencies** from the integration of SPI, TRIUVA and Rockspring of ~EUR 22m from 2019 onwards remain unchanged.

10. Contact Investor Relations and financial calendar



Karim Bohn
CFO
PATRIZIA Immobilien AG
PATRIZIA Bürohaus
Fuggerstrasse 26
86150 Augsburg
Germany



Martin Praum
Senior Managing Director
Head of Investor Relations
T +49 821 50910-402
F +49 821 50910-399
M +49 151 19685445
martin.praum@patrizia.ag



Laura Wanzl
Senior Associate
Investor Relations
T +49 821 50910-347
F +49 821 50910-399
M +49 151 41411174
laura.wanzl@patrizia.ag



Verena Schopp de Alvarenga
Senior Associate
Investor Relations
T +49 821 50910-351
F +49 821 50910-399
M +49 151 58339292
verena.schoppdealvarenga@patrizia.ag

To stay informed, visit www.patrizia.ag

- ◆ **Events:** Corporate news, Conference call presentation, Quarterly Statement, Recording of the conference call
- ◆ **Presentations:** Conference call presentation, Current company presentation

Disclaimer

The information contained herein is directed only at professional clients and intended solely for use by the recipient. No part of this document or the information herein may be distributed, copied or reproduced in any manner, in whole or in part, without our prior written consent. This document is for information and illustrative purposes only. It does not constitute advice, a recommendation or a solicitation of an offer to buy or sell shares or other interests, financial instruments or the underlying assets, nor does this document contain any commitment by PATRIZIA Immobilien AG or any of its affiliates. Whilst prepared in good faith, the information contained in this document does not purport to be comprehensive. PATRIZIA Immobilien AG and its affiliates provide no warranty or guarantee in relation to the information provided herein and accept no liability for any loss or damage of any kind whatsoever relating to this material. The information herein is subject to change without notice. This document contains specific forward-looking statements that relate in particular to the business development of PATRIZIA Immobilien AG and the general economic and regulatory environment and other factors to which PATRIZIA Immobilien AG is exposed. These forward-looking statements are based on current estimates and assumptions by the Company made in good faith, and are subject to various risks and uncertainties that could render a forward-looking estimate or statement inaccurate or cause actual results to differ from the results currently expected. PATRIZIA Immobilien AG does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of this publication. Due to commercial rounding of figures and percentages small deviations may occur.

Financial calendar 2019:

- ◆ **21 March:** Annual Report 2018
- ◆ **16 May:** Quarterly Statement for the first quarter of 2019
- ◆ **22 May:** Annual General Meeting, Augsburg
- ◆ **7 August:** Interim Report for the first half of 2019
- ◆ **14 November:** Quarterly Statement for the first nine months of 2019

11. Appendix

Appendix ▶

Key figures

EUR k	9M 2018	9M 2017	Change
Revenues	239,995	163,006	47.2%
Total operating performance	227,374	157,068	44.8%
EBITDA	83,904	48,194	74.1%
EBIT	76,950	43,960	75.0%
EBT	75,070	39,159	91.7%
Operating income ¹	98,086	46,594	110.5%
Net profit for the period	59,616	30,293	96.8%

EUR k	30.09. 2018	31.12.2017	Change
Non-current assets	975,604	275,900	253.6%
Current assets	755,604	976,494	-22.6%
Equity (excl. non-controlling interests)	1,105,440	754,701	46.5%
Equity ratio (excl. non-controlling interests)	63.9%	60.3%	3.6 PP
Non-current liabilities	426,498	325,671	31.0%
Current liabilities	189,224	170,331	11.1%
Total assets	1,731,208	1,252,394	38.2%

¹ Please see page 12 for the reconciliation of operating income

11. Appendix



Supplementary report

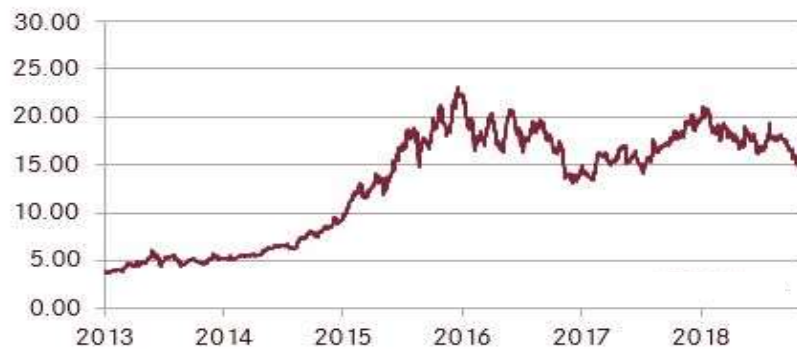
No events after the end of the reporting period.

11. Appendix

PATRIZIA shares as at 30.09.2018

ISIN	DE000PAT1AG3
SIN (Security Identification Number)	PAT1AG
Code	PAT
Issued shares as at 30.09.2018	92,351,476 shares
Outstanding shares as at 30.09.2018 ¹	90,994,735 shares
Nine months 2018 high ²	EUR 21.10
Nine months 2018 low ²	EUR 16.06
Closing price as at 30.09.2018 ²	EUR 16.54
Share price performance (nine months 2018) ²	-14.5%
Market capitalisation as at 30.09.2018	EUR 1.5bn
Average trading volume per day (nine months 2018) ³	112,000 shares
Indices	SDAX, DIMAX

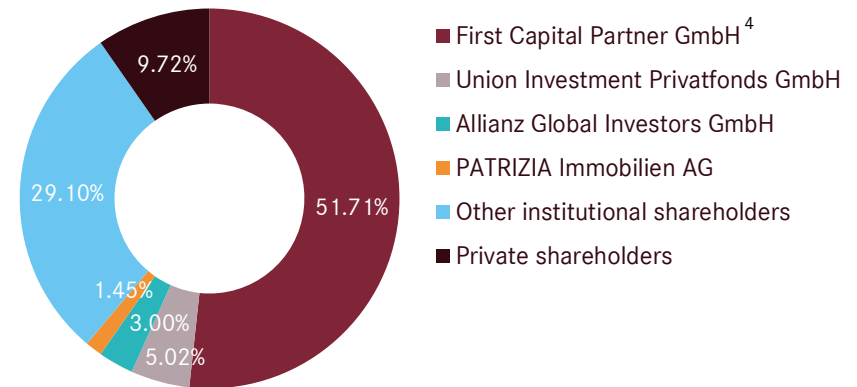
PATRIZIA share performance as at 07.11.2018



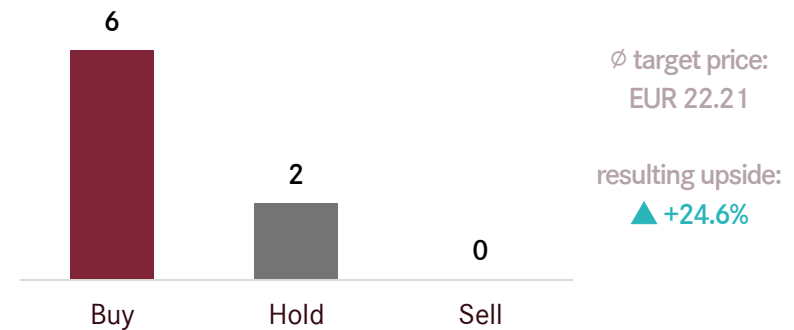
¹ Reduced number of shares compared to the issued shares due to share buybacks in 2017; ² Closing price on Xetra trading; ³ All German stock exchanges;

⁴ First Capital Partner is attributable to CEO Wolfgang Egger; Source: Thomson Reuters, PATRIZIA share register

Shareholder structure as at 31.10.2018



Analyst recommendations as at 07.11.2018



11. Appendix

Treasury shares

	Number of shares	Price per share in EUR	Total value in EUR
As at 01.01.2018	2,796,417		48,860,567
Disposal of shares (via M&A transactions)	-1,362,379	18.29	-24,917,912
Adjustment of treasury shares as part of the Rockspring closing	16,042	20.10	322,445
Scrip dividend payment	-93,339	15.84	-1,478,490
As at 30.09.2018	1,356,741		22,786,610

11. Appendix

Consolidated statement of changes in equity

EUR k	Share capital	Capital reserves	Retained earnings (legal reserves)	Currency translation difference	Revaluation reserve according to IFRS 9	Consolidated unappropriated profit	Equity of the shareholders of the parent company	Equity of non-controlling interests	Total
As at 01.01.2017	83,956	184,005	505	-10,803	0	491,679	749,342	1,691	751,033
Net amount recognised directly in equity, where applicable less income taxes	0	0	0	-464	0	0	-464	0	-464
Issue of bonus shares	8,396	-8,396	0	0	0	0	0	0	0
Expense incurred in issuing bonus shares	-2,210	-36,207	0	0	0	0	-38,417	0	-38,417
Net profit for the period	0	0	0	0	0	30,293	30,293	0	30,293
As at 30.09.2017	90,142	139,402	505	-11,267	0	521,972	740,754	1,691	742,445
As at 01.01.2018 before retrospective changes according to IAS 1	89,555	129,545	505	-11,586	0	546,682	754,700	1,691	756,392
Changes in course of first-time application of IFRS 9 financial instruments	0	0	0	0	0	297,312	297,312	0	297,312
As at 01.01.2018 after retrospective changes according to IAS 1	89,555	129,545	505	-11,586	0	843,994	1,052,012	1,691	1,053,704
Net amount recognised directly in equity, where applicable less income taxes	0	0	0	-987	0	0	-987	0	-987
Transfer of own shares (net)	77	1,079	0	0	0	-1,524	-368	0	-368
Disposal of shares	1,362	23,556	0	0	0	0	24,918	0	24,918
Non-controlling interests arising from the inclusion of new companies	0	0	0	0	0	0	0	12,803	12,803
Purchases of shares of non-controlling interests	0	0	0	0	0	-4,843	-4,843	-5,881	-10,724
Payout of profit shares to non-controlling interests	0	0	0	0	0	0	0	-2,558	-2,558
Changes in course of revaluation of IFRS 9 financial instruments	0	0	0	0	333	0	333	0	333
Dividend distribution to shareholders	0	0	0	0	0	-21,251	-21,251	0	-21,251
Net profit for the period	0	0	0	0	0	55,625	55,625	3,991	59,616
As at 30.09.2018	90,995	154,179	505	-12,573	333	872,001	1,105,439	10,046	1,115,486

11. Appendix

Consolidated statement of cash flows (I)

EUR k	9M 2018	9M 2017
Net profit for the period	59,616	30,293
Income taxes recognised through profit or loss	15,454	8,866
Financial expenses recognised through profit or loss	4,420	3,454
Financial income recognised through profit or loss	-1,170	-759
Income from divestments of participations, recognised through profit or loss	68	-2,453
Amortisation of other intangible assets and software, depreciation of property, plant and equipment	6,954	4,234
Income from the sale of investment property	-662	-268
Expenses of the deconsolidation of subsidiaries	376	750
Income from the deconsolidation of subsidiaries	-317	-1
Other non-cash effects	-14,242	-7,108
Changes in inventories, receivables and other assets not attributable to investing activities	-32,614	-79,703
Changes in liabilities not attributable to financing activities	-9,789	45,987
Interest paid	-5,409	-3,421
Interest received	975	316
Income tax payments	-13,567	-13,407
Cash inflow/outflow from operating activities	10,093	-13,220

11. Appendix

Consolidated statement of cash flows (II)

EUR k	9M 2018	9M 2017
Investments in other intangible assets, software and equipment	-2,561	-3,045
Payments received from the sale of investment property	10,961	2,955
Payments for the development of investment property	-49	-90
Payments for the acquisition of securities and short-term investments	-2	-237,966
Payments received from the disposal of securities and short-term investments	38,500	0
Payments for the acquisition of participations	-2,348	-394
Payments received from the equity reduction of participations	4,614	735
Payments received from the disposal of participations	985	2,456
Payments for investments in companies accounted for using the equity method	-253	-5,171
Payment received through distributions of companies accounted for using the equity method	137	0
Payments received from the repayment of shares of companies accounted for using the equity method	16,766	9,456
Payments received from the disposal of companies accounted for using the equity method	3,393	0
Payments for loans to companies	-4,116	-7,637
Payments received from the disposal of consolidated companies and other business units	5,600	13
Payments for the disposal of consolidated companies and other business units	-570	-8,962
Payments for the acquisition of consolidated companies and other business units	-41,744	1
Cash outflow/inflow from investing / divesting activities	29,312	-247,649
Borrowing of loans	71,534	404,500
Repayment of loans	-24,384	-13,485
Payments to non-controlling interests	-13,282	0
Payments of dividends to shareholders	-21,251	0
Payments to buy back treasury shares	-368	-38,417
Cash inflow from financing activities	12,249	352,598
Change in cash and cash equivalents	51,654	91,729
Cash and cash equivalents as at 01.01.	382,675	440,219
Effects of changes in foreign exchange rates on cash and cash equivalents	0	1
Cash and cash equivalents as at 30.09.	434,329	531,949

11. Appendix

Revenues – 9 months

EUR k	9M 2018	9M 2017	Change
Revenues from management services	190,239	121,698	56.3%
Proceeds from the sale of principal investments	44,680	31,924	40.0%
Rental revenues	2,956	6,809	-56.6%
Revenues from ancillary costs	862	1,870	-53.9%
Other	1,258	705	78.4%
Revenues	239,995	163,006	47.2%

Reconciliation of total service fee income – 9 months

EUR m	9M 2018	9M 2017	Change
Management fees (excluding income from participations)	120.6	59.6	102.4%
Transaction fees	32.0	31.4	1.9%
Performance fees (excluding income from participations)	37.6	30.7	22.6%
Revenues from management services	190.2	121.7	56.3%
Shareholder contribution for management services (in income from participations)	7.1	7.1	0.0%
Performance-related shareholder contribution (in income from participations)	12.4	0.0	-
Total service fee income	209.7	128.8	62.8%

11. Appendix

Reconciliation of total operating performance – 9 months

EUR k	9M 2018	9M 2017	Change
Revenues	239,995	163,006	47.2%
Income from the sale of investment property	662	268	147.0%
Changes in inventories	-26,058	-19,359	34.6%
Other operating income	12,458	13,152	-5.3%
Income from the deconsolidation of subsidiaries	317	1	-
Total operating performance	227,374	157,068	44.8%

Reconciliation of EBITDA – 9 months

EUR k	9M 2018	9M 2017	Change
Total operating performance	227,374	157,068	44.8%
Cost of materials	-8,632	-11,411	-24.4%
Costs for purchased services	-10,148	-8,977	13.0%
Staff costs	-89,850	-59,780	50.3%
Other operating expenses	-55,169	-40,167	37.3%
Income from participations	23,395	13,680	71.0%
Earnings from companies accounted for using the equity method	11,562	2,109	448.2%
Cost from the deconsolidation of subsidiaries	-376	-750	-49.9%
EBITDAR	98,156	51,772	89.6%
Reorganisation expenses	-14,252	-3,578	298.3%
EBITDA	83,904	48,194	74.1%

11. Appendix

Staff costs – 9 months

EUR k	9M 2018	9M 2017	Change
Fixed salaries	54,084	35,272	53.3%
Variable salaries	20,253	14,065	44.0%
Social security contributions	11,296	6,724	68.0%
Sales commission	2,207	1,633	35.2%
Effect of long-term variable remuneration ¹	-626	351	-278.3%
Other	2,636	1,735	51.9%
Total	89,850	59,780	50.3%

Other operating expenses – 9 months

EUR k	9M 2018	9M 2017	Change
Tax, legal, other advisory and financial statement fees	13,056	13,824	-5.6%
IT and communication costs and cost of office supplies	9,160	5,199	76.2%
Rent, ancillary costs and cleaning costs	8,053	5,205	54.7%
Vehicle and travel expenses	4,395	3,618	21.5%
Advertising costs	3,662	3,580	2.3%
Recruitment and training costs and cost of temporary workers	3,529	1,554	127.1%
Contributions, fees and insurance costs	2,944	1,470	100.3%
Commission and other sales costs	1,865	1,370	36.1%
Other taxes	1,284	528	143.2%
Costs of management services	296	1,127	-73.7%
Other	6,925	2,692	157.2%
Total	55,169	40,167	37.3%

11. Appendix

Income from participations & Earnings from companies accounted for using the equity method – 9 months

EUR k	9M 2018	9M 2017	Change
GBW GmbH	21,865	9,515	129.8%
Harald portfolio	938	645	45.4%
Co-investments in the UK (Citruz)	333	174	91.4%
SENECA	153	141	8.5%
TRIUVA	100	0	-
Private fund business	6	750	-99.2%
PATRIZIA Projekt 150 GmbH	0	2,453	-100.0%
Other	0	2	-100.0%
Income from participations	23,395	13,680	71.0%
Earnings from companies accounted for using the equity method	11,562	2,109	448.2%
Total	34,957	15,789	121.4%

Reconciliation of net profit for the period – 9 months

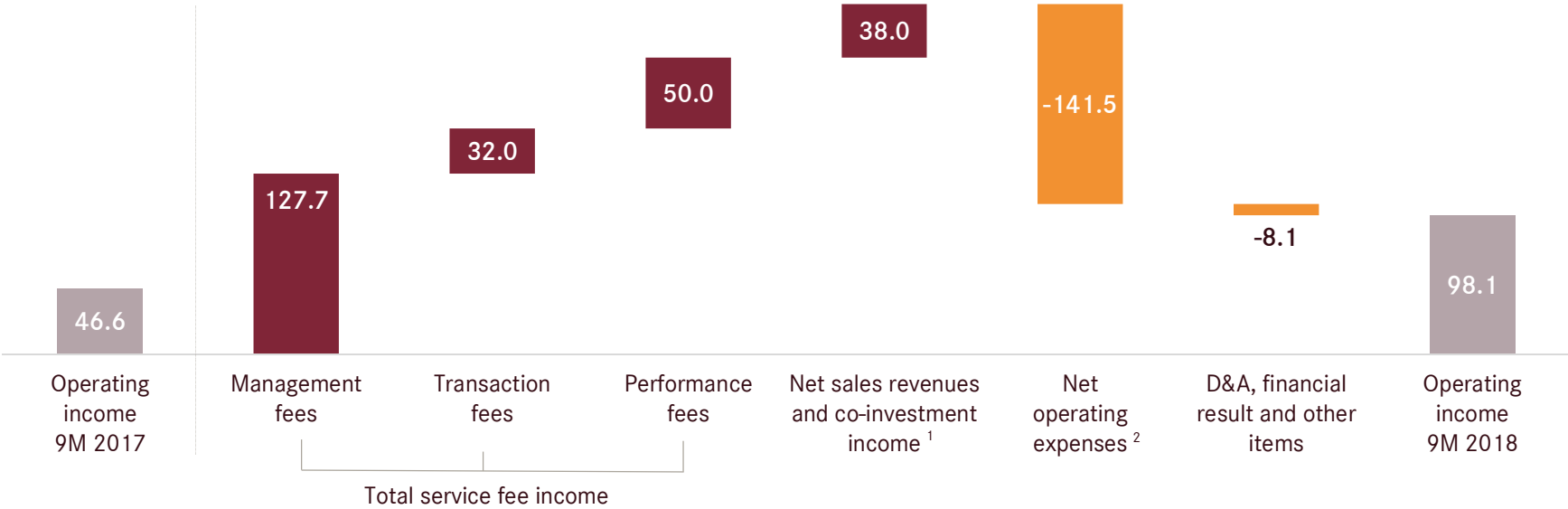
EUR k	9M 2018	9M 2017	Change
EBITDA	83,904	48,194	74.1%
Amortisation of other intangible assets and software, depreciation of property, plant and equipment	-6,954	-4,234	64.2%
Earnings before interest and taxes (EBIT)	76,950	43,960	75.0%
Financial income	1,170	759	54.2%
Financial expenses	-4,420	-3,454	28.0%
Result from currency translation	1,370	-2,106	-165.1%
Net finance costs	-1,880	-4,801	-60.8%
Earnings before taxes (EBT)	75,070	39,159	91.7%
Income taxes	-15,454	-8,866	74.3%
Net profit for the period	59,616	30,293	96.8%

11. Appendix

Detailed reconciliation of key performance indicators

Operating income - composition as at 30 September 2018 (EUR m)

The following section explains the reconciliation of the individual components of operating income to their respective line items, in particular within the consolidated income statement (rounding errors may occur).



¹ Including EUR 8.0m realised changes in value from the sale of investment property | ² Inter alia netted against other operating income of EUR 12.5m

Management fees of EUR 127.7m are predominantly derived from “Revenues from management services”, which includes EUR 120.6m in management fees (excluding income from participations). In addition, there are management services provided as a shareholder contribution for a co-investment in the amount of EUR 7.1m, which is included in “Income from participations” (see page 25).

Transaction fees of EUR 32.0m are also included in “Revenues from management services”, as shown in the overview of fee income on page 25.

Similar to management fees, **performance fees** of EUR 50.0m are partly derived from “Revenues from management services” and partly from “Income from participations”. The breakdown in the first nine months of 2018 was as follows (see also page 25): EUR 37.6m in performance fees (excluding income from participations) and EUR 12.4m in performance-related shareholder contributions which is included in “Income from participations”.

These three fee streams add up to **total service fee income** of EUR 209.7m.

Net sales revenues and co-investment income of EUR 38.0m consists of the following items: “Proceeds from the sale of principal investments” of EUR 44.7m (page 25) plus “Changes in inventories” of EUR -26.1m (page 10) and “Costs of materials” of EUR -8.6m (page 10); also “Rental revenues” of EUR 3.0m and “Revenues from ancillary costs” of EUR 0.9m (page 25) as well as “Income from the sale of investment property” of EUR 0.7m (page 26) are included. Finally “Realised changes in the value of investment property” (net) of EUR 8.0m were also included in the calculation (page 13) – in total EUR 22.5m. Co-investment income contributes a total of EUR 15.5m and results from “Earnings from companies accounted for using the equity method” of EUR 11.6m (page 10) and the remaining EUR 4.0m of “Income from participations” (page 10).

The **Net operating expenses** of EUR 141.5m include staff costs of EUR 89.9m (page 10) and the following non-staff operating costs and other income items: “Other operating expenses” of EUR 55.2m and “Cost of purchased services” of EUR 10.1m (page 10). Offsetting income items consist of “Other operating income” of EUR 12.5m, “Income from the deconsolidation of subsidiaries” of EUR 0.3m (page 10) and other revenues of EUR 1.3m (page 25).

“**Depreciation and amortisation, financial result and other items**” of EUR -8.1m consists of “Amortisation of other intangible assets and software, depreciation of property, plant and equipment” of EUR -4.3m (page 13, not including amortisation of fund management contracts of EUR 2.7m), “Financial income” of EUR 1.2m and “Financial expenses” of EUR -4.4m (page 11). The “Result from currency translation” (EUR 1.4m, page 11) is adjusted for the expense/income from unrealised currency translation (EUR -2.0m, page 13) and thus included in the calculation in the amount of EUR -0.6m. By contrast, reorganisation expenses of EUR 14.3m are entirely disregarded in this analysis (page 10).

11. Appendix

Financial position of the PATRIZIA Group

PATRIZIA's key asset and financial data at a glance

EUR k	9M 2018	9M 2017	Change
Total assets	1,731,208	1,252,394	38.2%
Equity (excl. non-controlling interests)	1,105,440	754,701	46.5%
Equity ratio	63.9%	60.3%	3.6 PP
+ Bonded Loans	300,000	322,000	-6.8%
- Cash and cash equivalents	434,329	382,675	13.5%
- Term deposits	121,650	197,000	-38.2%
- Securities	4,000	5,000	-20.0%
= Net liquidity (-) / net debt (+)	-259,979	-262,675	-1.0%
Net equity ratio¹	77.2%	81.1%	-3.9 PP

Investment property and inventories

EUR k	9M 2018	9M 2017	Change
Inventories	74,066	99,791	-25.8%
Investment property	5,729	15,979	-64.1%
Real estate assets	79,795	115,770	-31.1%

¹ Net equity ratio: Equity (excl. non-controlling interests) divided by total net assets (total assets less liabilities covered by cash in hand)

PP = Percentage points

11. Appendix

Financial liabilities

EUR k	9M 2018	9M 2017	Change
Non-current bonded loans	300,000	300,000	0.0%
Current bonded loans	0	22,000	-100.0%
Total financial liabilities	300,000	322,000	-6.8%

Liquidity

EUR k	9M 2018	9M 2017
Cash and cash equivalents	434,329	382,675
Term deposits	121,650	197,000
Securities	4,000	5,000
Current liquidity	559,979	584,675
- Regulatory reserve for asset management companies	-11,764	-8,383
- TRIUVA transaction liabilities	-8,466	0
- Liquidity in private funds business property companies	-80	-86
= Available liquidity	539,669	576,206