

Conference call presentation

Q3 2019

TAG
Immobilien AG

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TAG 2019

TAG highlights Q3 2019

TAG highlights Q3 2019

Operational performance

	Q3 2019	Q2 2019	FY 2018	Q3 2018
▪ Vacancy (residential units)	4.9%	5.2%	4.7%/5.0%*	5.2%
▪ Vacancy (total portfolio)	5.2%	5.6%	5.3%	5.6%
▪ L-f-I rental growth y-o-y	2.0%	2.5%	2.3%	2.4%
▪ L-f-I rental growth y-o-y (incl. vacancy reduction)	2.7%	3.0%	2.6%	2.8%
▪ FFO I (EURm)	41.2	40.8	146.5	37.5
▪ FFO I (EUR/share)	0.28	0.28	1.00	0.26

* including acquisitions in 2018, part of vacancy in residential units from Q1 2019 onwards

EPRA NAV and LTV

	30 Sep-2019	30 Jun-2019	31 Dec-2018	30 Sep-2018
▪ EPRA NAV (EUR/share)	18.82	18.59	17.32	15.36
▪ LTV	45.5%	46.2%	47.3%	49.4%

New Guidance 2020

- **FFO** EUR 168-170m (2019e: EUR 154-156m; 9% increase y-o-y)
- **FFO/s** EUR 1.15 (2019e: EUR 1.06; 9% increase y-o-y)
- **Dividend/s** EUR 0.87 (2019e: EUR 0.80; 9% increase y-o-y)

Acquisitions and disposals

- **1,331 units acquired** in 2019 (FY 2018: 2,727 units). Total purchase price of EUR 50.1m (FY 2018: EUR 111.9m) and current net rent of EUR 4.1m p.a. (FY 2018: EUR 8.7m) leads to acquisition multiple of 12.1x or gross yield of 8.3% (FY 2018: 12.8x multiple or 7.8% gross yield). Average vacancy rate of 11.1% (FY 2018: 12.7%). Closing in Q3 and Q4 2019.
- **279 units disposed** in 2019 (FY 2018: 434 units). Total selling price of EUR 10.0m (FY 2018: EUR 17.3m). Book profit of EUR 0.6m (FY 2018: EUR 1.0m). Net cash proceeds of EUR 9.1m (FY 2018: EUR 16.8m). Closing in the course of 2019.

TAG 2019

TAG financials Q3 2019

TAG income statement

(in EURm)		Q3 2019	Q2 2019	9M 2019	9M 2018 (adjusted)	FY 2018
Net rent*	1	78.6	78.7	235.8	226.1	302.2
Expenses from property management*		-13.7	-14.3	-43.0	-41.2	-56.0
Net rental income	2	64.9	64.4	192.9	184.9	246.1
Net income from services	3	6.0	5.0	15.8	12.8	17.7
Net income from sales		-0.2	0.2	0.0	0.3	-0.1
Other operating income		1.0	1.1	2.7	2.6	9.6
Valuation result	4	-0.4	211.4	211.0	229.8	430.0
Personnel expenses	5	-12.5	-12.4	-36.7	-32.5	-43.7
Depreciation	6	-1.9	-1.6	-5.0	-3.1	-4.3
Other operating expenses		-4.4	-4.2	-12.7	-12.5	-17.1
EBIT		52.4	264.0	367.9	382.3	638.2
Net financial result	7	-12.3	-19.6	-44.2	-75.3	-96.0
EBT		40.1	244.5	323.8	307.0	542.2
Income tax	8	-6.0	-44.0	-55.9	-58.4	-54.0
Net income		34.1	200.4	267.9	248.6	488.2

1 Net rent due to closing of disposals in Q3 2019 q-o-q nearly unchanged. Increase in net rent y-o-y by EUR 9.7m (4.3%) as a result of I-f-I rental growth (2.7% y-o-y including vacancy reduction) and closing of portfolio acquisitions from 2018 and 2019.

2 Improved net rental income q-o-q by EUR 0.5m mainly resulting from lower vacancy costs. Increase in expenses from property management y-o-y of EUR 1.8m mainly result of higher maintenance costs (EUR 1.2m).

3 Increase in net income from services q-o-q by EUR 1.0m and y-o-y by EUR 3.0m shows TAG's expanding service business, preliminary coming from internalization of caretaker, multimedia and energy services.

4 No portfolio valuation in Q3 2019, next valuation by CBRE at 31 Dec-2019.

5 Personnel expenses q-o-q stable. Increase y-o-y by EUR 4.2m mainly result of ongoing internalization of caretaker services.

6 Higher depreciation of EUR 0.3m q-o-q as a result of investments in IT-systems. Increase y-o-y of EUR 1.9m mainly result of new accounting standard IFRS 16, leading to recognition and regular depreciation of leasing contracts.

7 Net financial result improved by EUR 7.3m q-o-q, mainly as a result of valuation effect from financial derivatives in Q2 2019. Slightly reduced financial result (cash, after one-offs) by EUR 0.4m q-o-q due to issuance of promissory note in Q2 2019.

8 Income tax mainly contains deferred taxes; cash tax expenses in Q3 2019 at EUR 1.4m (EUR 1.2m and EUR 1.3m in Q2 and Q1 2019).

*w/o IFRS 15 effects; for further details see interim report Q3 2019

TAG EBITDA, FFO and AFFO calculation

(in EURm)	Q3 2019	Q2 2019	9M 2019	9M 2018	FY 2018
Net income	34.1	200.4	267.9	248.6	488.2
+ Income tax	6.0	44.0	55.9	58.4	54.0
+ Net financial result	12.3	19.6	44.2	75.3	96.0
EBIT	52.4	264.0	367.9	382.3	638.2
+ Adjustments					
Net income from sales	0.2	-0.2	0.0	-0.3	0.1
Valuation result	0.4	-211.4	-211.0	-229.8	-430.0
Depreciation	1.9	1.6	5.0	3.1	4.3
One-offs (reversal of provision for real estate transfer tax risks)	0.0	0.0	0.0	0.0	-6.2
Reversal of effects from first time application of IFRS 16 "leases"	1 -0.6	-0.4	-1.4	0.0	0.0
EBITDA (adjusted)	2 54.4	53.5	160.6	155.3	206.4
<i>EBITDA (adjusted) margin</i>	69.3%	68.0%	68.1%	68.7%	68.3%
- Net financial result (cash, after one-offs)	-11.5	-11.1	-34.2	-42.4	-54.6
- Cash taxes	-1.4	-1.2	-4.0	-3.6	-4.0
- Cash dividend payments to minorities	-0.3	-0.3	-1.0	-0.6	-1.3
FFO I	3 41.2	40.8	121.5	108.7	146.5
- Capitalised maintenance	3 -6.1	-3.4	-11.3	-9.9	-15.7
AFFO before modernisation capex	35.0	37.4	110.2	98.8	130.9
- Modernisation capex	-10.7	-11.4	-35.6	-32.5	-42.5
AFFO	4 24.3	26.0	74.6	66.3	88.4
Net income from sales	4 -0.2	0.2	0.0	0.3	-0.1
FFO II	41.0	41.1	121.5	109.0	146.4
(FFO I + net income from sales)					
<i>Weighted average number of shares outstanding (in '000)</i>	146,337	146,335	146,331	146,347	146,341
FFO I per share (EUR)	0.28	0.28	0.83	0.74	1.00
AFFO per share (EUR)	0.17	0.18	0.51	0.45	0.60
<i>Weighted average number of shares, fully diluted (in '000)</i>	161,174	161,157*	161,119	160,989*	161,016*
<i>FFO I per share (EUR), fully diluted</i>	0.26	0.26	0.76	0.68	0.92
<i>AFFO per share (EUR), fully diluted</i>	0.15	0.16	0.47	0.42	0.56

1 For reasons of continuity and comparability to FY 2018 effects from first time application of IFRS 16 (shift from expenses from services and other operating expenses to depreciation) are eliminated in FFO calculation in FY 2019.

2 Improved EBITDA of +EUR 5.3m (y-o-y) in 9M 2019 mainly as a net effect of higher net rental income (+EUR 8.0m), higher net income from services (+EUR 3.0m) and higher personnel expenses (-EUR 4.2m).

3 FFO I increased by EUR 0.4m q-o-q and EUR 12.8m (12%) in 9M 2019 compared to 9M 2018. Strong FFO y-o-y increase mainly result of higher EBITDA (+EUR 5.3m) and improved net financial result (cash, after one-offs, +EUR 8.2m).

4 AFFO reduction by EUR 1.7m q-o-q due to higher capex in Q3 2019. AFFO improved y-o-y by EUR 8.3m (13%) due to higher FFO (+EUR 12.8m) and increased capex (-EUR 4.5m)

*incl. potential shares from convertible bond 2017/2022 (trading „in the money“ at reporting date) and management compensation

TAG balance sheet

(in EURm)		30 Sep-2019	31 Dec-2018
Non-current assets		5,061.9	4,772.1
Investment property	1	4,963.8	4,666.7
Deferred tax assets		49.6	70.0
Other non-current assets		48.6	35.5
Current assets		286.7	174.2
Real estate inventory		55.5	52.3
Cash and cash equivalents		198.4	91.7
Other current assets		32.8	30.2
Non-current assets held-for-sale		31.5	87.0
TOTAL ASSETS		5,380.1	5,033.3
Equity		2,206.0	2,048.3
Equity (without minorities)	2	2,157.2	2,006.5
Minority interest		48.8	41.8
Non-current liabilities		2,941.0	2,727.8
Financial debt	3	2,400.9	2,236.0
Deferred tax liabilities		465.0	433.5
Other non-current liabilities		75.1	58.4
Current liabilities		232.3	257.2
Financial debt		135.8	162.8
Other current liabilities		96.6	94.4
Non current liabilities held for sale		0.8	0.0
TOTAL EQUITY AND LIABILITIES		5,380.1	5,033.3
LTV*	4	45.5%	47.3%

1 Book value of investment property increased by EUR 297.1m mainly due to portfolio valuation (+EUR 211.0m) and capex (+EUR 46.9m).

2 Increase in equity (+EUR 150.7m w/o minorities) mainly driven by net income (+EUR 267.9m) and dividend payment (-EUR 109.8m).

3 New promissory note (Schuldscheindarlehen) issued in Jun-2019: EUR 102.0m total volume, average maturity of 5.8 years, average coupon (fix) of 1.18% p.a.

4 Change in LTV (-180 bps) driven by

- portfolio valuation: c.-210 bps
- dividend payment: c. +230bps
- others (mainly disposals, mandatory amortization and ongoing results): c. -200 bps

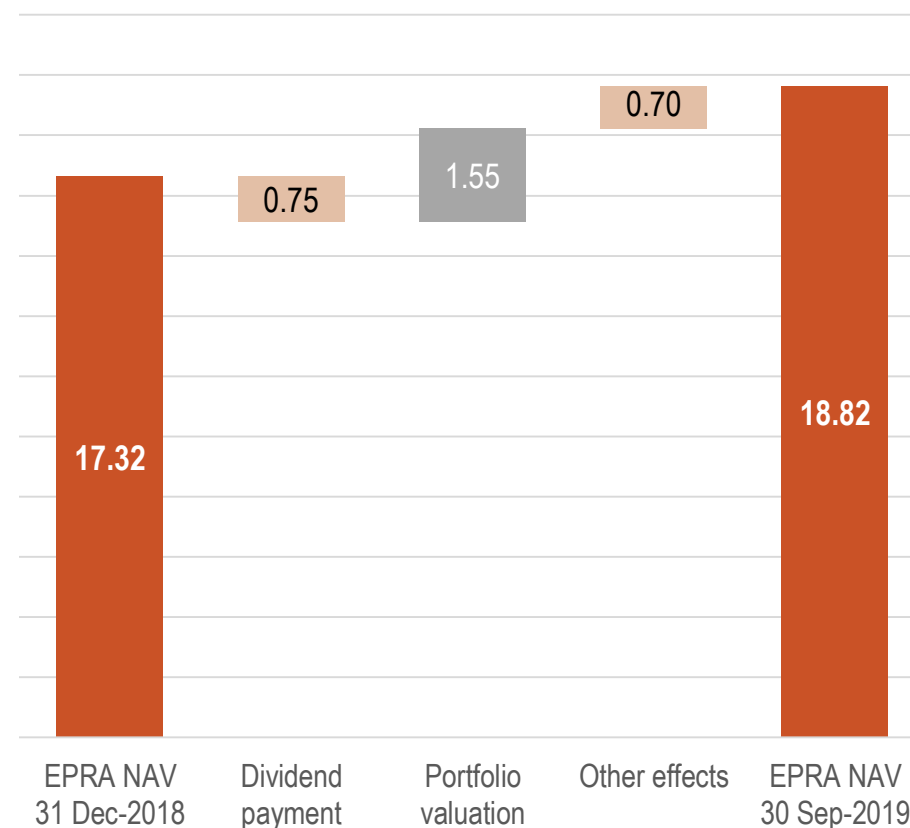
*For further details on LTV calculation see Appendix

TAG EPRA NAV calculation

NAV growth of 13% (excluding dividend payment) in 9M 2019

(in EURm)	30 Sep-2019	31 Dec-2018
Equity (without minorities)	2,157.2	2,006.5
+ Deferred taxes on investment properties and financial derivatives	471.3	425.2
+ Fair value of financial derivatives	49.7	42.0
+ Difference between fair value and book value for properties valued at cost	75.9	60.0
= EPRA NAV	2,754.1	2,533.6
Number of shares outstanding (in '000)	146,337	146,322
EPRA NAV per share (EUR)	18.82	17.32
Number of shares, fully diluted (in '000)	161,174	161,023*
EPRA NAV per share (EUR), fully diluted	18.69	17.33

EPRA NAV bridge in EUR/share

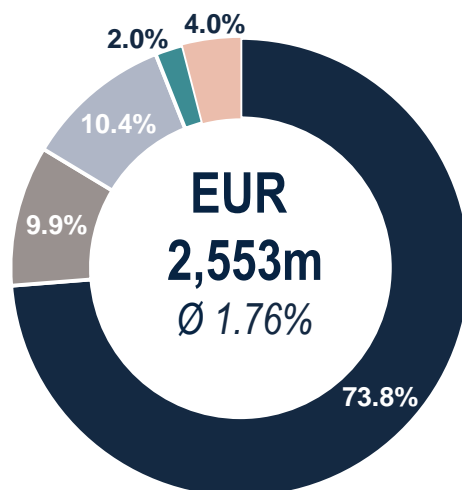


*incl. potential shares from convertible bond 2017/2022 (trading in the money at reporting date) and management compensation

TAG financing structure

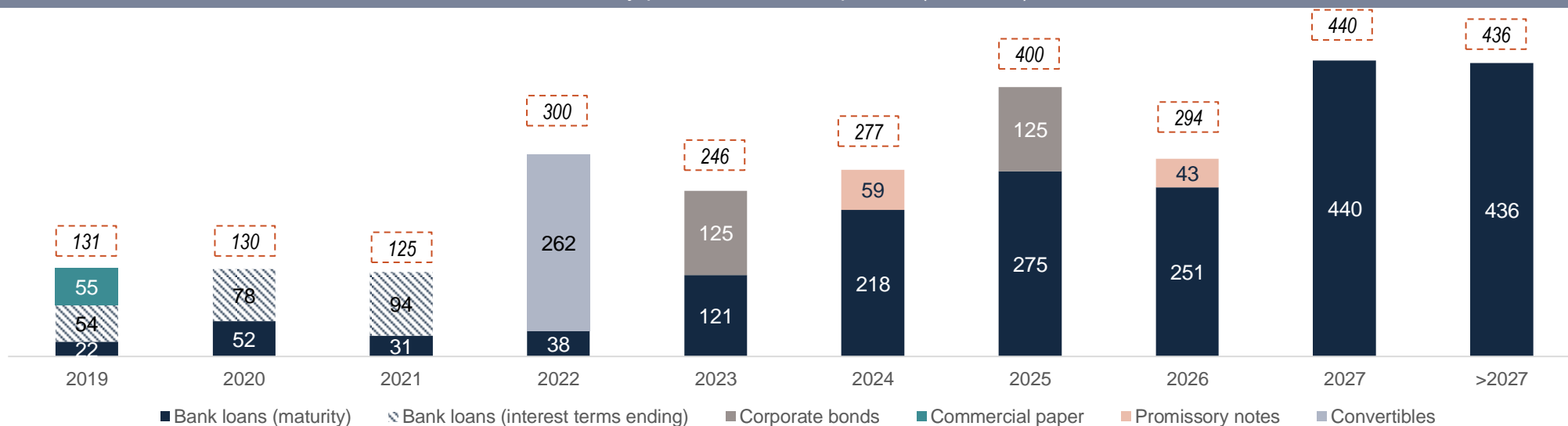
Debt structure as of 30 Sep-2019

Debt volume	Ø interest rate	% fixed rates
EUR 1,884m	2.04%	98%
EUR 250m	1.50%	100%
EUR 262m	0.63%	100%
EUR 55m	-0.02%	100%
EUR 102m	1.18%	100%
Σ EUR 2,553m	Ø 1.76%	Ø 98.5%



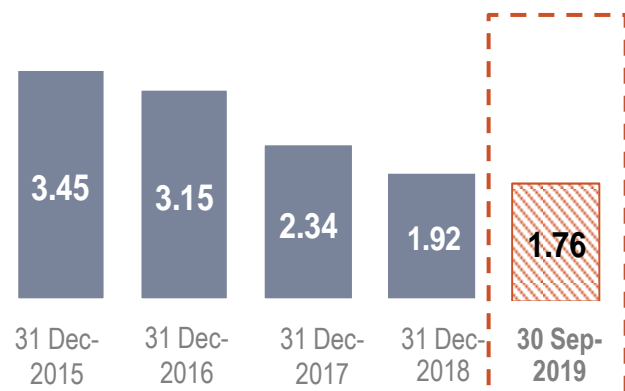
Ø Maturity total financial debt	7.3 years
Ø Maturity bank loans	8.8 years
Ø Interest rate total financial debt	1.76%
Ø Interest rate bank loans	2.04%
LTV target	c. 50%
Rating (Moody's)	Baa3 long term rating (outlook stable) P-3 short term rating
Further refinancing potential 2019-2021	EUR 331m of bank loans maturing or with interest terms ending in 2019-2021 with average coupons of 2.1%-3.5% p.a.

Maturity profile as of 30 Sep-2019 (in EURm)



TAG cost of debt and LTV

Cost of debt Ø in %



- Continuous reduction of average cost of debt by more than 160 bps. within a four year period.
- Further upside potential from maturing bank loans of EUR 331m in 2019-2021 (average coupons of 2.1% - 3.5% p.a.).

LTV* in %



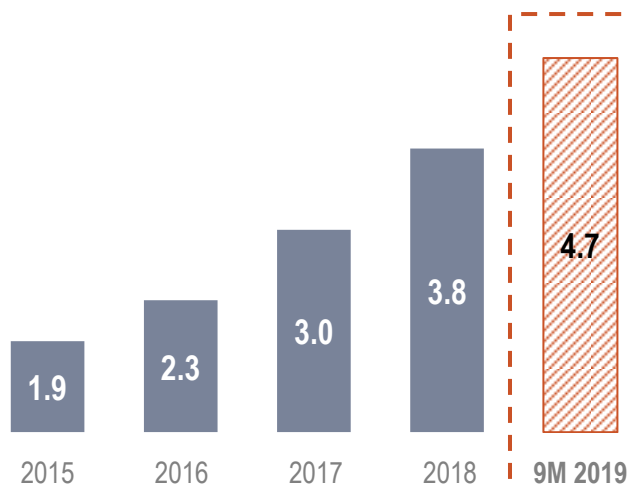
*For further details on LTV calculation see Appendix

- Strong LTV reduction by more than 17 percentage points within a four year period.
- LTV target of c. 50% already achieved.
- Current LTV target ensures efficient use of capital as well as stable and conservative financing structure given TAG's moderate portfolio valuation level.

Continuous reduction of cost of debt and LTV in the past, further improvements expected

TAG strong development of financing metrics

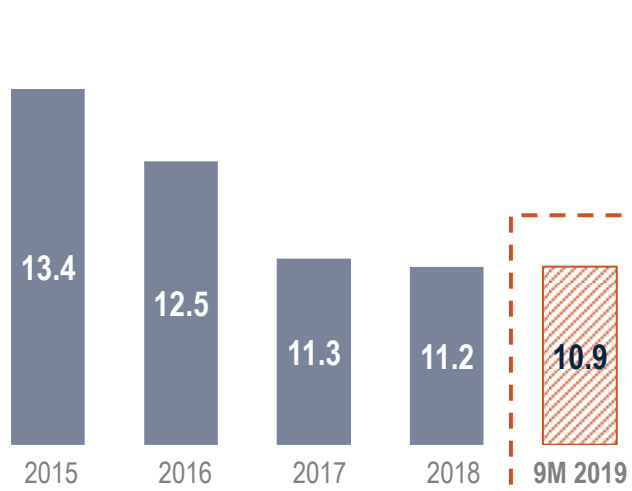
ICR*



*For further details on ICR calculation see Appendix

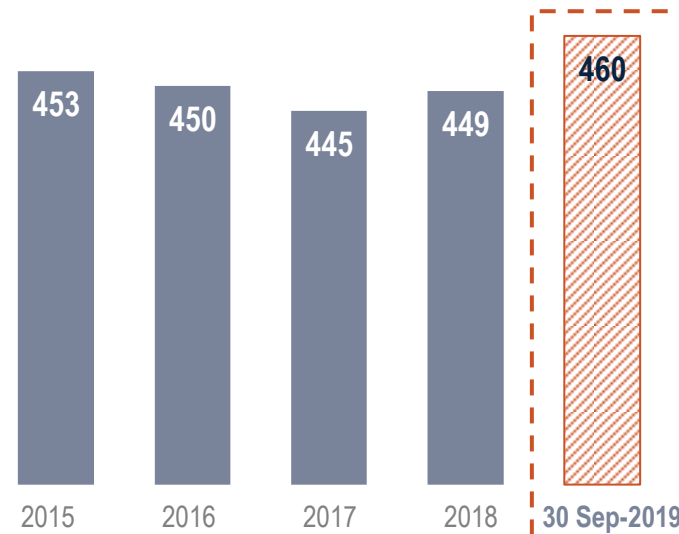
- Strong improvement of ICR (EBITDA adjusted/net financial result cash, after one-offs) mainly driven by interest cost savings due to refinancing activities and repayment of bank loans as well as corporate bonds in 2017 and 2018; full year effect in 2019.

Net financial debt/ EBITDA adjusted



- Ongoing EBITDA growth leads to further decline in net debt/EBITDA (net financial debt broadly stable).

Net financial debt in EUR/ sqm



- TAG's portfolio growth is solidly financed with stable net financial debt per sqm in the last years.

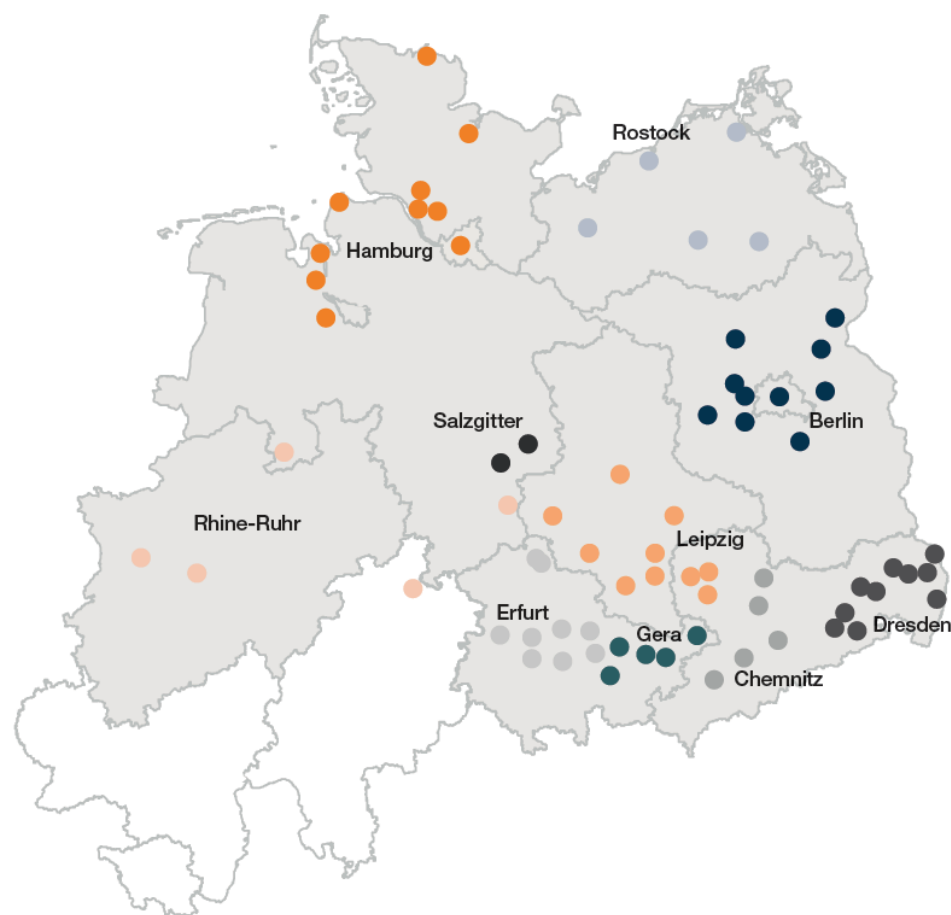
Continuous improvement of financing metrics since 2015 with further improvement expected in 2019

TAG 2019

TAG portfolio Q3 2019

TAG portfolio as of 30-Sep 2019

Regionally focused and efficiently managed residential portfolio in Northern and Eastern Germany



- Berlin region (15%)
- Chemnitz region (7%)
- Dresden region (10%)
- Erfurt region (13%)
- Gera region (9%)
- Hamburg region (10%)
- Leipzig region (11%)
- Rhine-Ruhr region (6%)
- Rostock region (9%)
- Salzgitter region (10%)

- TAG is a **leader in affordable housing** in Northern and Eastern Germany.
- The portfolio is **structured in ten defined regions** in and around large and mid-sized cities.
- The **management** of these regions is conducted **in a decentralized fashion**.
- TAG's **local presence ensures high operational efficiency** and **strengthens local sourcing and asset management capabilities**.

Portfolio as of	30-Sep 2019	31-Dec 2018
Number of units	83,921	84,426
Lettable area in sqm	5,064,741	5,132,860
GAV (EURm)	5,009.2	4,815.5
Annualised net rent (EURm)	315.7	314.1
Net rent residential units in EUR/sqm/month	5.37	5.29
Net rent total portfolio in EUR/sqm/month	5.48	5.39
Vacancy rate (residential units)	4.9%	4.7%*
Vacancy rate (total portfolio)	5.2%	5.3%
L-f-I rental growth (y-o-y)	2.0%	2.3%
L-f-I rental growth (including vacancy reduction, y-o-y)	2.7%	2.6%

*excl. acquisitions 2018

TAG rental growth and capex allocation

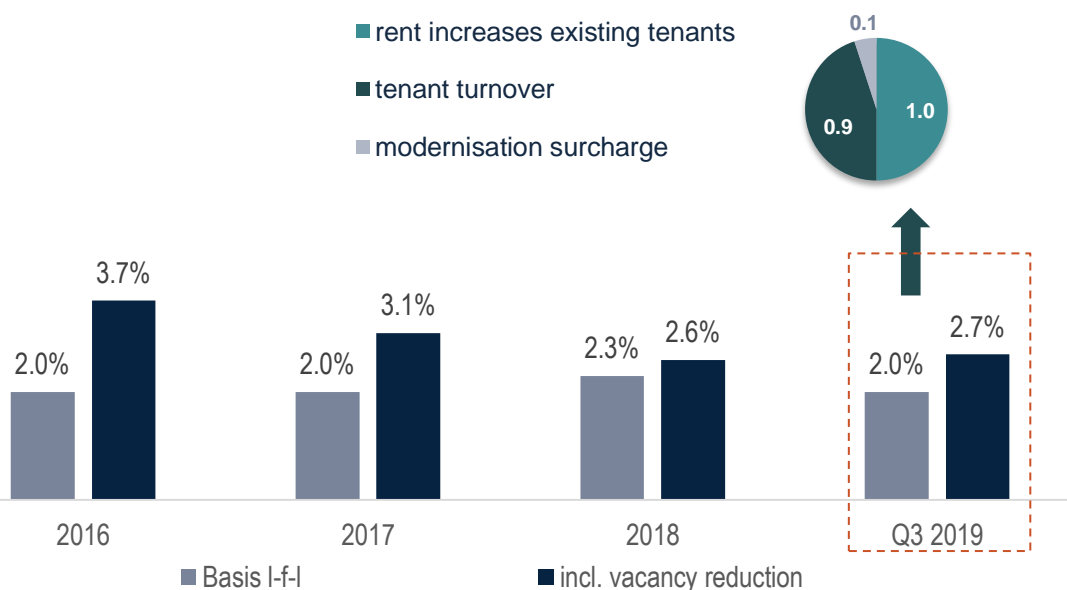
Rental growth achieved with moderate capex investments due to strong underlying fundamentals

Rental growth achieved with moderate investments

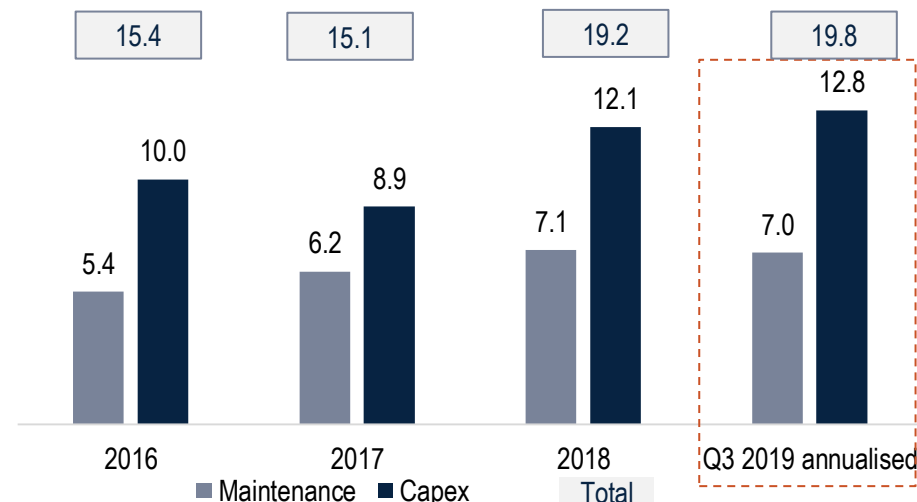
- TAG creates **attractive rental growth** from
 - regular rent increases and tenant turnover ("basis I-f-I rental growth")
 - vacancy reduction (leading to "total I-f-I rental growth").
- Investment of capex at selective locations targeted to reduce vacancy:** investments in vacancy reduction result in highly attractive equity-returns: **c. 10%-15% return on capex** in large modernization measures and **c. 40%-45% in the modernization of vacant flats**.
- Tailor made capex allocation strategy** for each local market, no cross-locational spread capex-program.
- Basis I-f-I rental growth is achieved without extensive modernization programs** for existing tenants or in the re-letting process. This clearly shows strong underlying fundamentals in TAG's markets.

Like-for-like rental growth excluding and including vacancy reduction

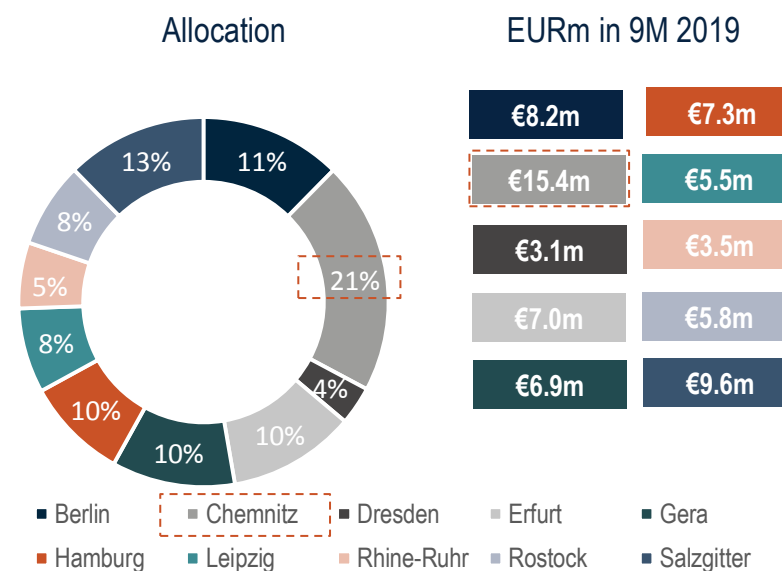
- rent increases existing tenants
- tenant turnover
- modernisation surcharge



Maintenance & capex development (in EUR/sqm/year)

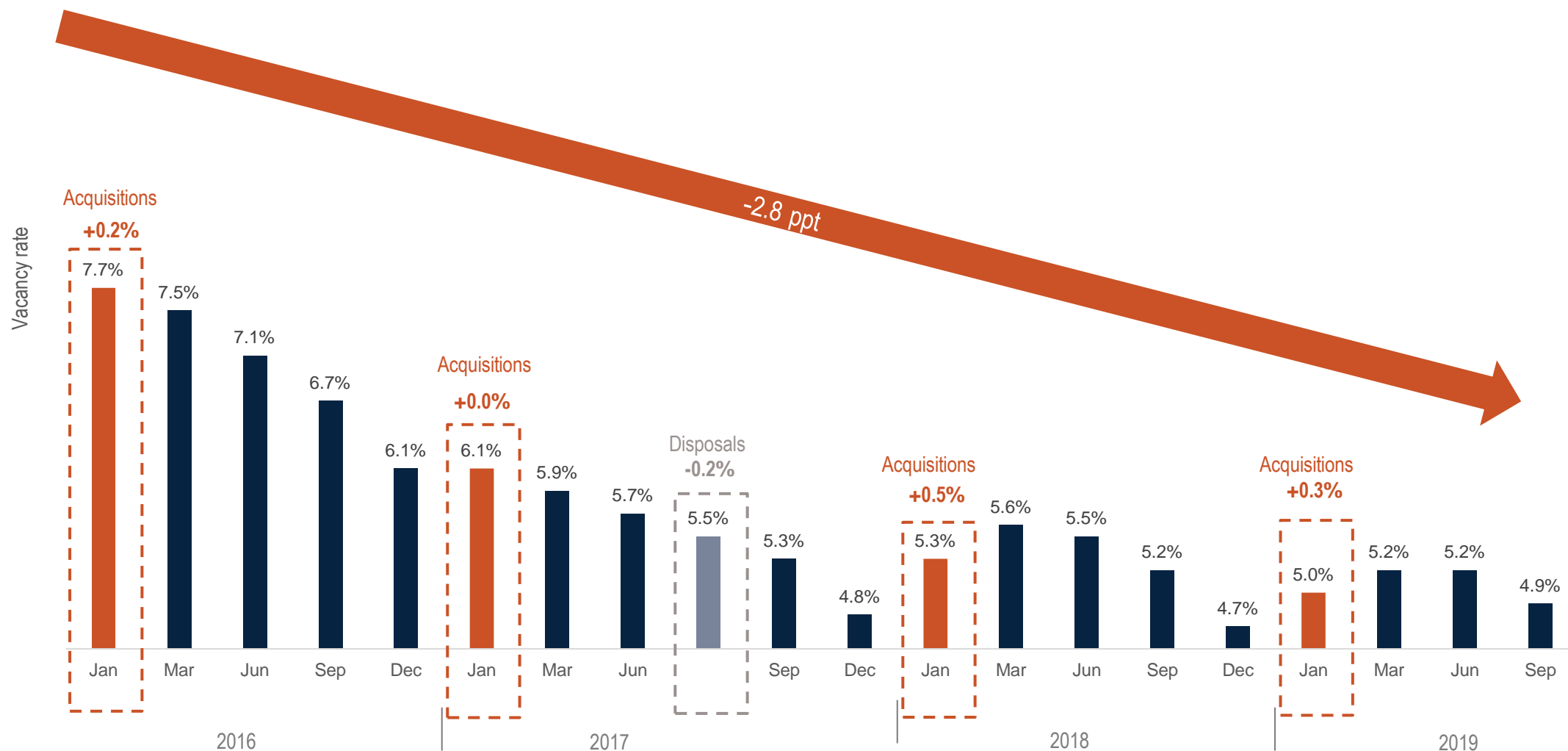


Maintenance & capex split by region



TAG vacancy reduction in residential units

Strong track record of vacancy reduction due to TAG's active asset management approach



TAG 2019

TAG acquisitions FY 2019

TAG acquisitions 2019

Signing	Thuringia	Saxony-Anhalt	Mecklenburg- Western Pomerania	Mecklenburg- Western Pomerania	Mecklenburg- Western Pomerania/ Thuringia	Total
	Mar-2019	Jun-2019	Jun-2019	Aug-2019	Aug-2019	2019
Units	35	320	275	342	359	1.331
Net rent in EUR/sqm/month	5.79	4.92	9.35	5.07	5.97	5.83
Vacancy	0.0%	22.4%	4.8%	1.6%	14.4%	11.1%
Purchase price in EURm	---	---	---	---	---	50.1
Net rent in EURm p.a.	0.14	0.83	1.27	0.83	1.06	4.13
Location	Jena	Halle	Greifswald	Stralsund/ Greifswald	Stralsund/ Greifswald/ Stadtilm	---
Closing	Jul-2019	Dec-2019 (expected)	Sep-2019	Dec-2019 (expected)	Oct/Dec-2019 (expected)	---
Multiples (in-place rent)	---	---	---	---	---	12.1



Greifswald



Halle



Stralsund

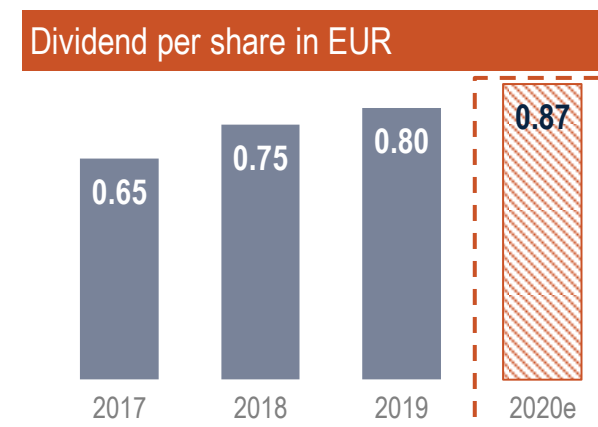
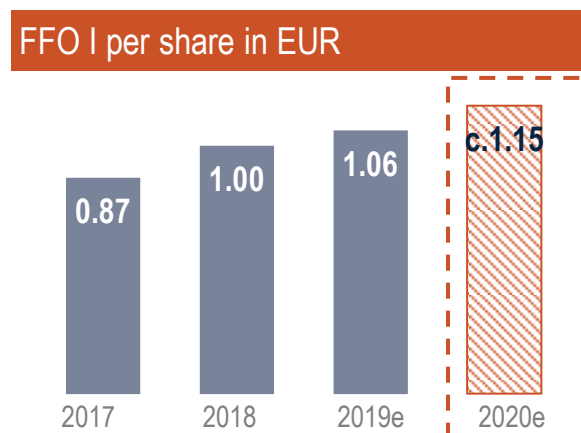
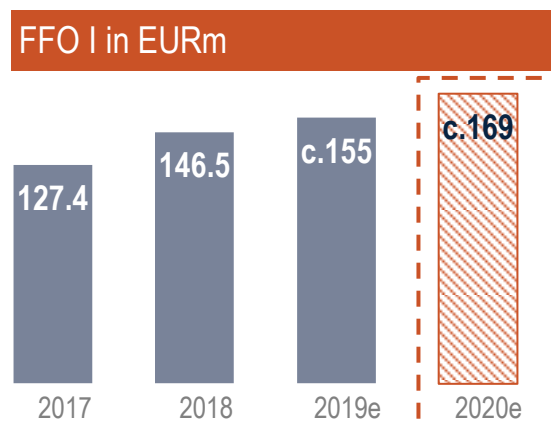
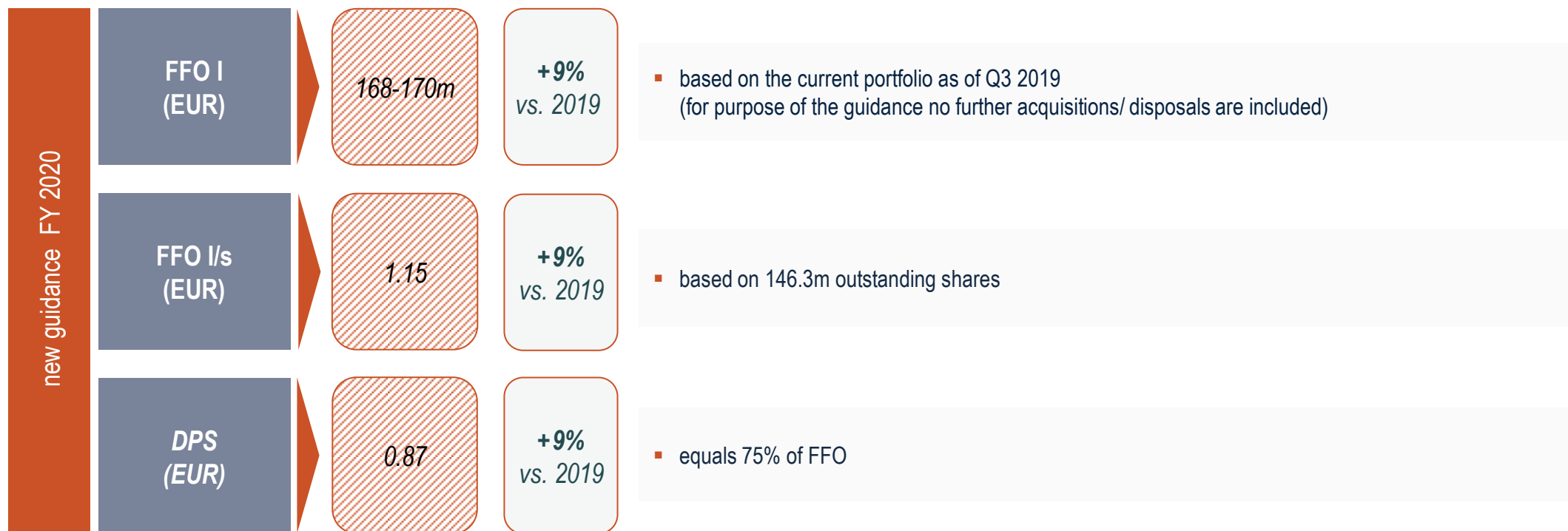
c. 1.300 units in TAG core markets acquired in 9M 2019 at an average acquisition multiple of 12.1 (8.3 % gross yield)

TAG 2019

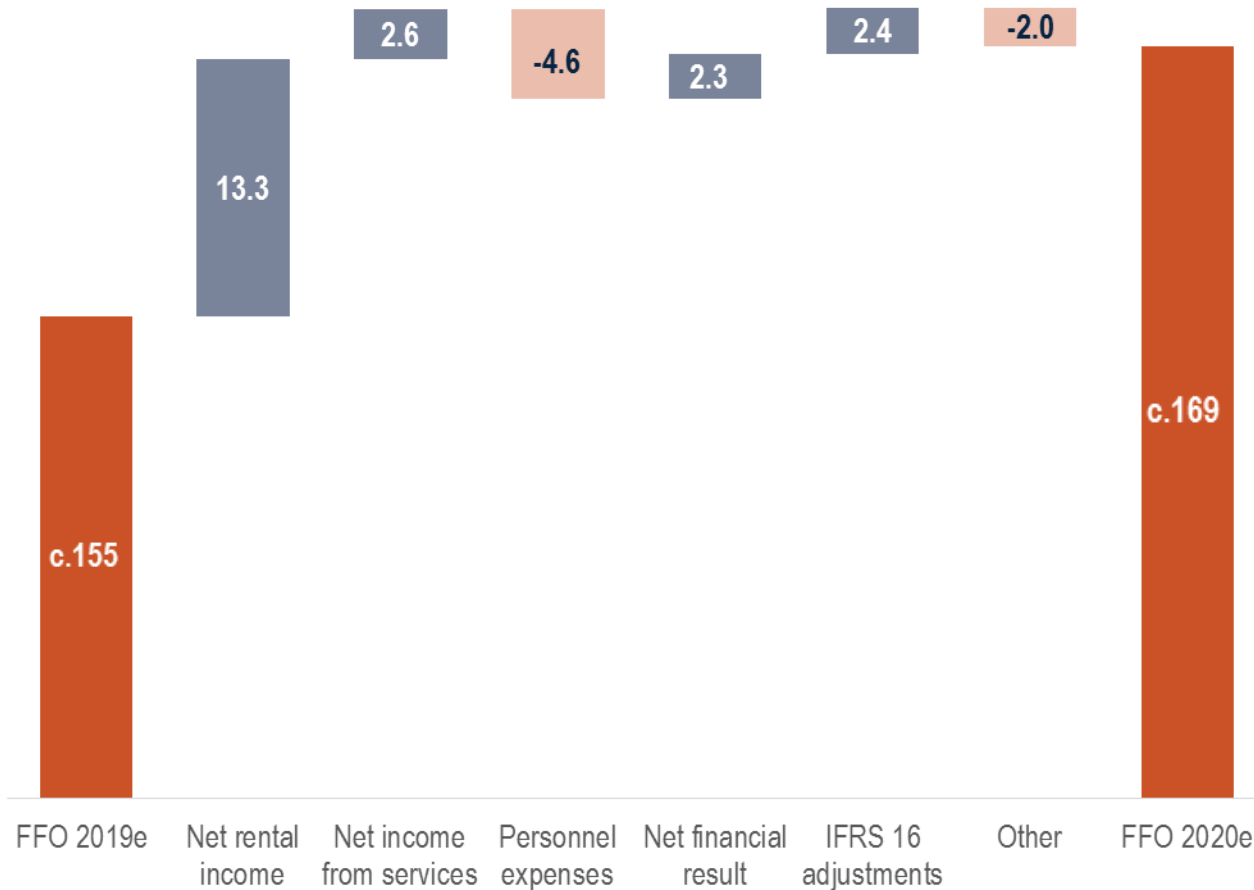
TAG guidance FY 2020

TAG new FFO & dividend guidance FY 2020

Increase in FFO and dividend / share by 9% expected



TAG FFO bridge 2019 – 2020



- Expected FFO increase y-o-y of c. EUR 14.0m mainly driven by improved net rental income of c. EUR 13.3m (primarily through I-f-I rental growth and closing of already signed acquisitions)
- Cost base broadly stable, higher personnel expenses due to increased volume of tenant services (e.g. caretakers) provided by own employees
- Change in FFO definition from 2020 onwards: positive FFO effects from new accounting standard IFRS 16 (leases) not any more eliminated, leading to FFO improvement of c. EUR 2.4m in 2020

TAG 2019

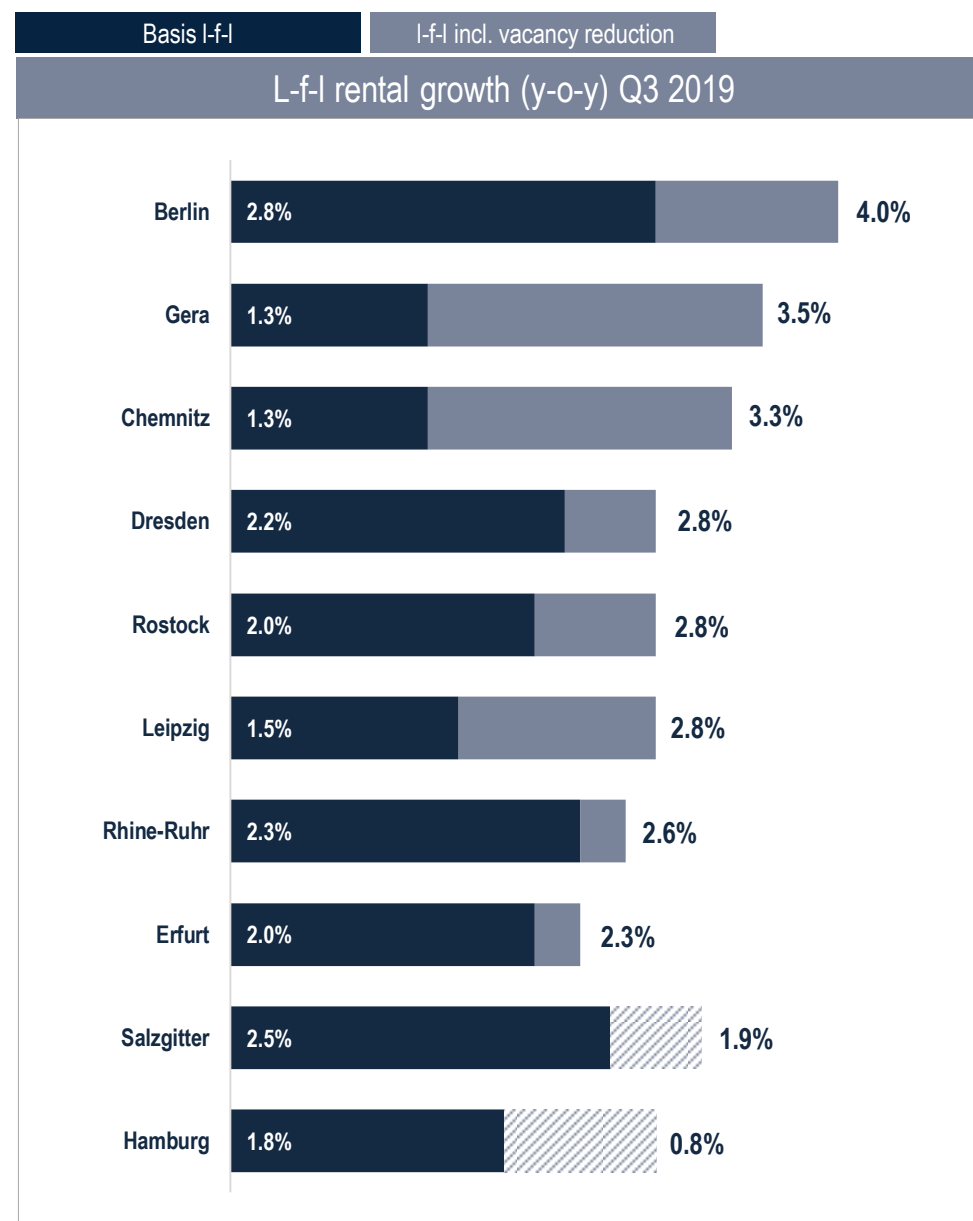
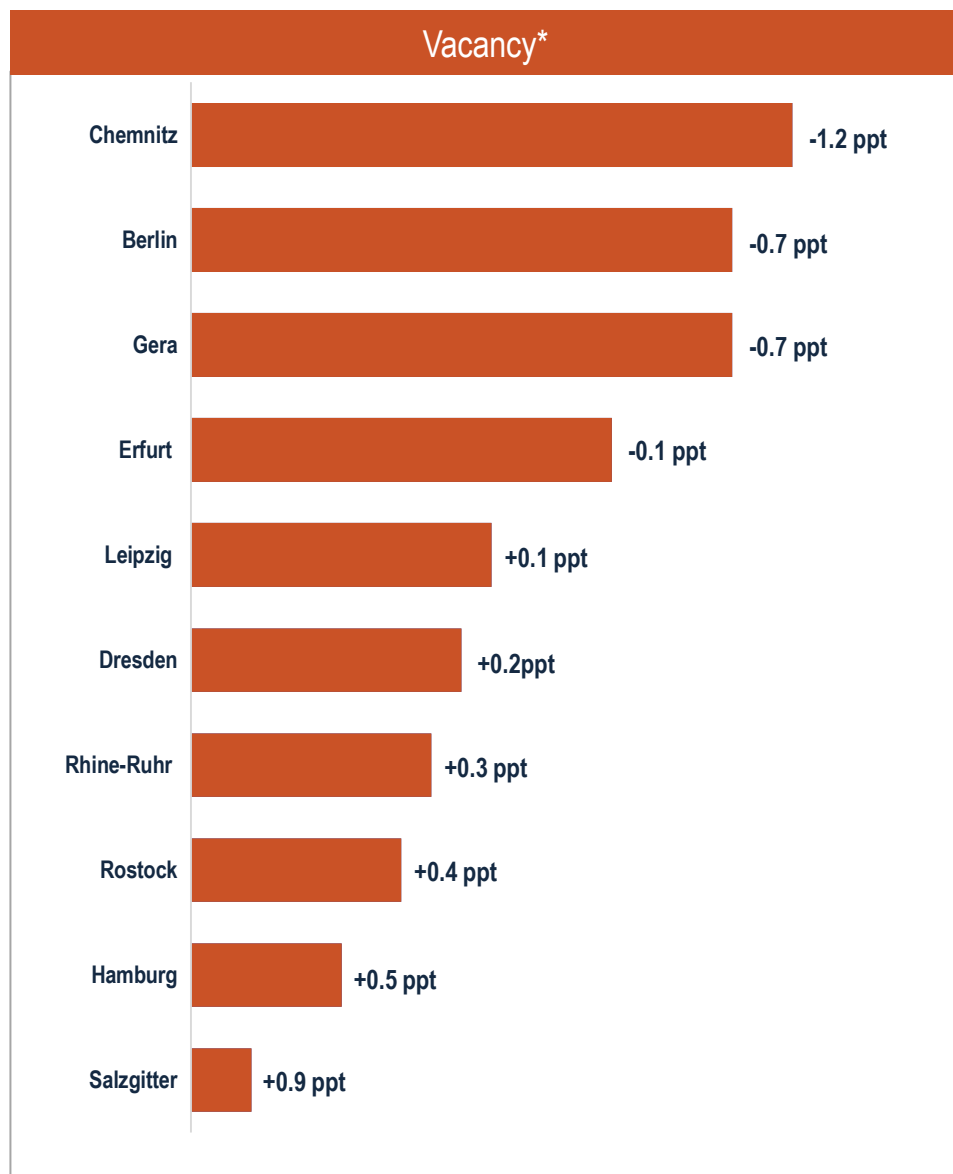
APPENDIX

TAG portfolio details by region

Region	Units #	Rentable area sqm	IFRS BV EURm Sep-2019	In-place yield	Vacancy Sep-2019	Vacancy Dec-2018*	Net rent EUR/ sqm	Re-letting rent EUR/ sqm	L-f-I rental growth y-o-y	L-f-I rental growth y-o-y incl. vacancy reduction	Maintenance EUR/sqm	Capex EUR/sqm
Berlin	10,411	596,965	742,305	5.3%	3.8%	4.4%	5.73	6.28	2.8%	4.0%	5.69	8.12
Chemnitz	7,539	440,356	337,253	7.0%	8.4%	9.6%	4.90	5.02	1.3%	3.3%	4.81	30.24
Dresden	6,308	409,588	504,974	5.4%	2.7%	2.5%	5.73	6.02	2.2%	2.8%	3.14	4.52
Erfurt	10,592	595,932	625,101	5.8%	2.9%	2.9%	5.20	5.55	2.0%	2.3%	3.68	8.07
Gera	9,652	561,316	420,099	7.4%	7.3%	8.1%	5.00	5.27	1.3%	3.5%	4.51	7.87
Hamburg	7,070	434,718	515,046	5.5%	4.7%	4.2%	5.73	5.97	1.8%	0.8%	7.95	8.93
Leipzig	10,011	589,857	547,517	6.4%	5.9%	4.1%	5.25	5.60	1.5%	2.8%	5.23	4.16
Rhine-Ruhr	4,187	266,405	306,041	5.6%	2.2%	1.9%	5.47	5.66	2.3%	2.6%	7.67	5.39
Rostock	7,138	426,354	426,874	6.2%	3.9%	3.0%	5.42	5.69	2.0%	2.8%	5.26	8.26
Salzgitter	9,180	563,122	515,339	6.6%	5.4%	4.5%	5.35	5.49	2.5%	1.9%	5.63	11.38
Total residential units	82,088	4,884,612	4,940,549	6.1%	4.9%	4.7%	5.37	5.63	2.0%	2.7%	5.23	9.61
Acquisitions	508	11,824	16,253	5.4%	15.0%	12.9%	7.34	---	---	---	---	---
Commercial units within resi. portfolio	1,156	149,131	---	---	15.2%	16.8%	8.05	---	---	---	---	---
Total residential portfolio	83,752	5,045,567	4,956,801	6.3%	5.2%	5.3%	5.44	---	---	---	---	---
Other	169	19,174	52,383	6.2%	7.5%	5.1%	15.26	---	---	---	---	---
Grand total	83,921	5,064,741	5,009,185	6.3%	5.2%	5.3%	5.48	---	---	---	---	---

* excl. acquisitions 2018

TAG vacancy reduction and rental growth by region



* 9M 2019 (incl. acquisitions 2018)

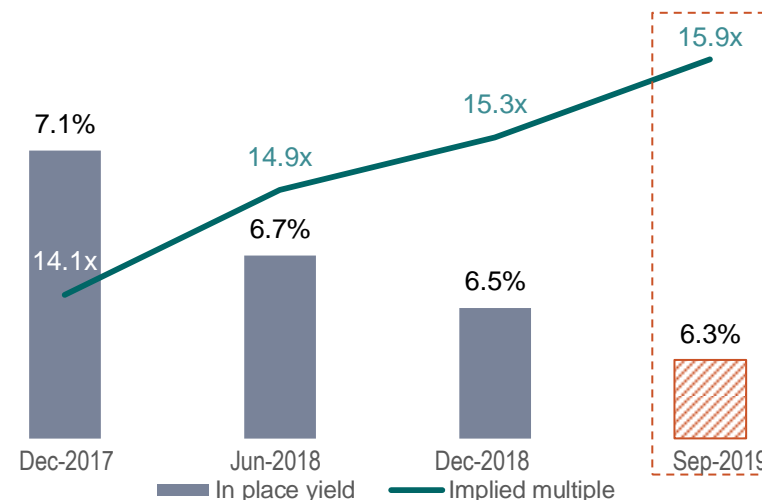
TAG portfolio valuation overview

Valuation remains at conservative levels with c. EUR 1,000/sqm and 6.3% in-place yield

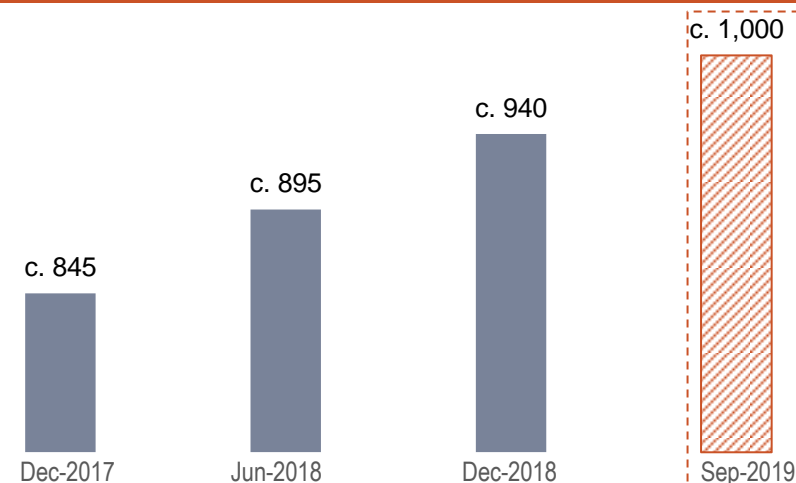
Valuation result

- Semi-annual portfolio revaluation by CBRE as of 30 Jun-2019.
- Portfolio valuation result in **H1 2019** of EUR 211.4m (4.4% semi annual uplift)
 - EUR 162.5m gain from yield compression (77%)
 - EUR 48.9m gain from operational performance (23%).
- Portfolio valuation result in **H2 2018** of EUR 200.0m (4.5% semi-annual uplift)
 - EUR 117.6m gain from yield compression (59%)
 - EUR 82.4m gain from operational performance (41%).
- Next portfolio valuation at 31 Dec-2019 (H2 2019).

Development of in- place yield and multiple



Development of portfolio value (EUR/sqm)



TAG portfolio valuation details

Region (in EURm)	Sep-2019 Fair value (IFRS)	Sep-2019 Fair value (EUR/sqm)	Sep-2019 Implied multiple	Sep-2019 Valuation result	Share of operational performance/ other market developments	Share of yield compression	Dec-2018 Fair value (IFRS)	Dec-2018 Fair value (EUR/sqm)	Dec-2018 Implied multiple
Berlin	742.3	1,181.5	17.8	48.5	15.5	33.0	668.7	1,120.2	17.3x
Chemnitz	337.3	737.8	13.8	6.0	1.9	4.0	318.9	696.2	13.2x
Dresden	505.0	1,198.9	17.8	24.7	4.2	20.4	479.4	1,130.6	17.1x
Erfurt	625.1	1,009.6	16.3	28.9	8.0	20.8	589.8	958.5	15.8x
Gera	420.1	715.2	13.0	4.4	3.0	1.4	412.1	693.5	12.9x
Hamburg	515.0	1,159.4	17.4	24.7	2.9	21.9	486.2	1,094.0	16.5x
Leipzig	547.5	912.2	15.2	27.2	4.3	22.9	534.0	861.6	14.4x
Rhine-Ruhr	306.0	1,103.3	16.8	14.4	4.1	10.2	290.3	1,046.5	16.3x
Rostock	426.9	980.5	15.5	19.8	0.3	19.5	325.6	955.5	15.0x
Salzgitter	515.3	912.7	14.8	10.9	4.8	6.1	498.0	882.0	14.4x
Total residential units	4,940.5	981.3	15.9	209.4	49.2	160.2	4,603.1	932.6	15.3x
Acquisitions	16.3	1,374.5	18.4				115.4	704.0	13.3x
Total residential portfolio	4,956.8	982.2	15.9	209.4	49.2	160.2	4,718.5	925.3	15.2x
Other	52.4	2,909.3	16.1	1.7	-0.3	2.0	97.0	2,915.6	21.0x
Grand total*	5,009.7	998.9	15.9	211.1	48.9	162.2	4,815.5	938.2	15.3x

* Real estate inventory and real estate within property, plant and equipment valued at historical/amortized cost under IFRS.

TAG EPRA Earnings

(in EURm)	Q3 2019	Q2 2019	9M 2019	9M 2018	FY 2018
Net income	34.2	200.4	267.9	248.6	488.2
Valuation result	0.4	-211.5	-211.0	-229.8	-430.0
Deferred income taxes on valuation result	2.7	41.4	48.6	56.0	72.7
Net income from sales	0.2	-0.2	0.0	-0.3	0.1
Fair value valuation of derivative financial instruments	0.0	7.7	7.7	21.6	31.0
Deferred income taxes on valuation of derivative financial instruments	0.0	-2.5	-2.5	-6.8	-9.8
Breakage fees bank loans and early repayment of bonds	0.1	0.0	0.2	9.8	9.8
Cash dividend payments to minorities	-0.3	-0.3	-0.8	-0.6	-1.3
EPRA Earnings	37.3	35.0	110.1	98.5	160.8
Deferred income taxes (other than on valuation result)	2.0	4.0	5.7	5.7	-12.9
Other non cash financial result	0.7	0.8	2.1	1.4	0.6
One offs (provision for real estate transfer tax risks)	0.0	0.0	0.0	0.0	-6.2
Reversal of effects from first time application of IFRS 16 "leases"	-0.6	-0.4	-1.4	0.0	0.0
Depreciation	1.8	1.6	5.0	3.1	4.3
Adjusted EPRA Earnings (FFO I)	41.2	40.8	121.5	108.7	146.5
Weighted average number of shares outstanding (in '000)	146,337	146,335	146,331	146,347	146,341
EPRA Earnings per share (in EUR)	0.57	0.26	1.07	0.67	1.10
Adjusted EPRA Earnings (FFO I) per share (in EUR)	0.28	0.28	0.83	0.74	1.00
<i>Weighted average number of shares, fully diluted (in '000)</i>	<i>161,174</i>	<i>161,157*</i>	<i>161,119</i>	<i>160,989*</i>	<i>161,016*</i>
<i>EPRA Earnings per share (in EUR), fully diluted</i>	<i>0.52</i>	<i>0.23</i>	<i>0.97</i>	<i>0.61</i>	<i>1.00</i>
<i>Adjusted EPRA Earnings (FFO I) per share (in EUR), fully diluted</i>	<i>0.26</i>	<i>0.25</i>	<i>0.76</i>	<i>0.68</i>	<i>0.92</i>

*incl. potential shares from convertible bond 2017/2022 (trading „in the money“ at reporting date) and management compensation

TAG Interest coverage ratio (ICR) calculation

(in EURm)	Q3 2019	Q2 2019	9M 2019	9M 2018	FY 2018
+ Interest income	0.1	0.1	0.3	0.9	1.2
- Interest expenses	-12.5	-20.0	-45.0	-76.6	-99.0
+ Net income from investments	0.1	0.3	0.5	0.5	1.8
= Net financial result	-12.3	-19.6	-44.2	-75.3	-96.0
+ Financial result from convertible/corporate bonds	0.4	0.3	1.1	1.3	1.7
+ Breakage fees bank loans and early repayment of bonds	0.1	0.0	0.2	9.8	9.8
+ Other non-cash financial result (e.g. from derivatives)	0.4	8.1	8.8	21.7	30.0
= Net financial result (cash, after one-offs)	-11.5	-11.1	-34.2	-42.4	-54.6
ICR (EBITDA adjusted/net financial result cash, after one-offs)	4.7x	4.7x	4.7x	3.7x	3.8x

TAG LTV calculation

(in EURm)	30 Sep-2019	31 Dec-2018
Non-current and current liabilities to banks	1,871.9	1,855.5
Non-current and current liabilities from corporate bonds and other loans	406.6	285.8
Non-current and current liabilities from convertible bonds	258.1	257.5
Cash and cash equivalents	-198.4	-91.7
Net financial debt	2,338.3	2,307.1
Book value of investment properties	4,963.8	4,666.7
Book value of property reported under property, plant and equipment (valued at cost)	9.4	9.5
Book value of property held as inventory (valued at cost)	55.5	52.3
Book value of property reported under non-current assets held-for-sale	31.5	87.0
Real estate volume	5,060.2	4,815.5
Book value of property for which purchase prices have already been paid (or received) in advance	-0.3	-0.2
Difference between fair value and book value for properties valued at cost	75.9	60.0
Relevant real estate volume for LTV calculation	5,135.9	4,875.3
LTV	45.5%	47.3%

TAG maintenance and capex

in EUR millions						2019			
	2018								
Total portfolio	Q1	Q2	Q3	Q4	Total FY	Q1	Q2	Q3	Total 9M
Maintenance	8.6	7.4	8.3	10.0	34.3	8.4	8.3	8.8	25.5
Capex	13.0	14.6	14.8	15.7	58.1*	15.2	14.9	16.8*	46.9
Total	21.6	22.0	23.1	25.7	92.4	23.6	23.2	25.6	72.4

in EUR/sqm						2019			
	2018								
Residential units	Q1	Q2	Q3	Q4	Total FY	Q1	Q2	Q3	Total 9M
Maintenance	1.77	1.52	1.74	2.08	7.11	1.69	1.68	1.86	5.23
Capex	2.67	3.05	3.12	3.29	12.13	3.07	3.02	3.52	9.61
Total	4.44	4.57	4.86	5.37	19.24	4.76	4.70	5.38	14.84

*excl. capex for project developments of EUR 4.8m in 9M 2019 / EUR 11.4m in 2018 (mainly conversion of former office building into apartment house in Munich)



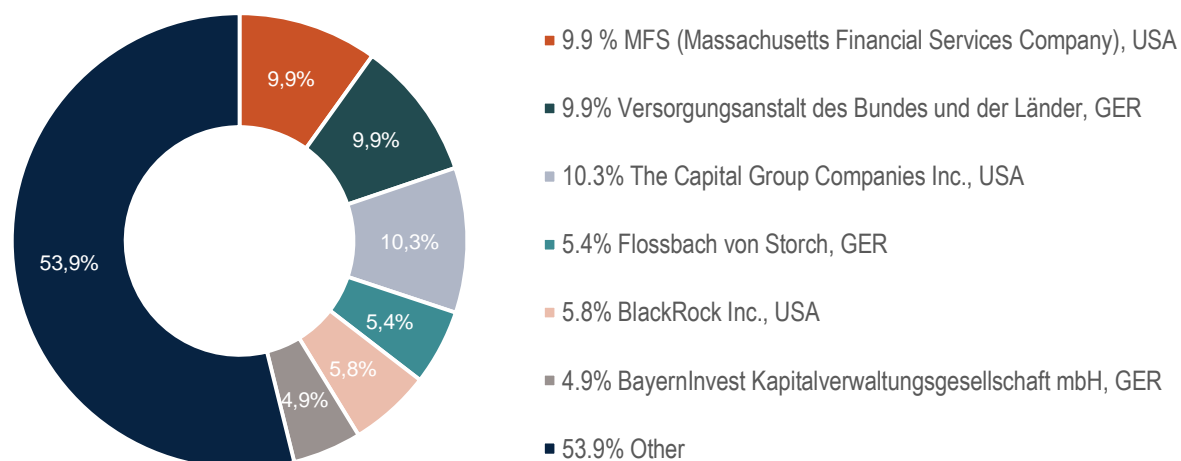
Chemnitz



TAG share data

Highly liquid share with institutional shareholder structure and significant outperformance vs. major stock indices

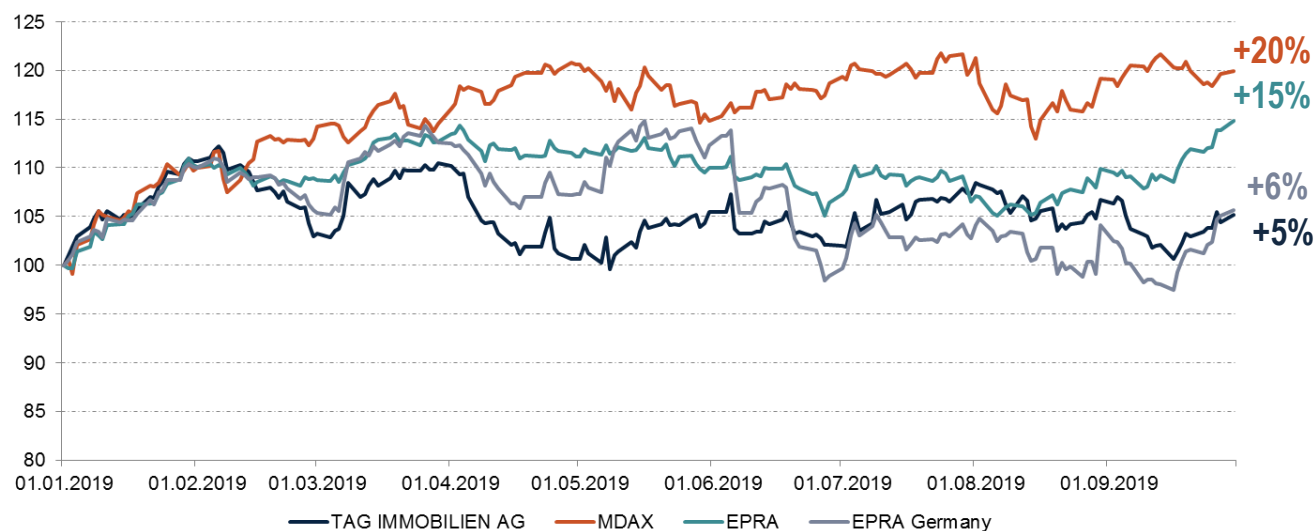
Shareholder structure as of 30 Sep-2019



Share information as of 30 Sep-2019

Market cap	EUR 3.1bn
NOSH issued	146.5m
NOSH outstanding	146.3m
Treasury shares	0.2m
Free float (Deutsche Börse definition)	99.9%
ISIN	DE0008303504
Ticker symbol	TEG
Index	MDAX/ EPRA
Main listing/ market segment	Frankfurt Stock Exchange/ Prime Standard

Share price development vs. MDAX and EPRA Europe Index



9M 2019 share performance: +9% (incl. dividend)

9M 2019 Ø volume XETRA/day: c. 475,975 shares

TAG contacts

Martin Thiel
CFO

Phone: +49 40 380 32-0
Fax: +49 40 380 32-388

ir@tag-ag.com

Dominique Mann
Head of Investor & Public Relations

Phone: +49 40 380 32-305
Fax: +49 40 380 32-388

ir@tag-ag.com

TAG Immobilien AG

Steckelhörn 5
20457 Hamburg
Phone: +49 40 380 32-0
Fax: +49 40 380 32-388
www.tag-ag.com