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## TAG overview

# TAG 2022

# TAG markets

Two separate country operations with distinct strategic angles



**ROBYG**



## TAG Germany

## TAG Poland

### Market environment

- Increasing regulation in residential property sector leading to flattening curve of rental growth
- High level of property valuations resulting in few attractive acquisition opportunities, but potential for selective asset disposals

- Strongly rising demand for rental apartments as well as condominiums in major cities
- Rental and property valuation growth in an undersupplied market environment

### Strategy details

- Acquisition of residential properties with value creation perspective
  - A cities with B locations or B cities with A locations
  - Acquisition of higher rental yield properties / portfolios due to above average vacancy and refurbishment requirements
- Value creation via active asset management, which allows to grow rents, reduce vacancy and increase property values
- Value crystallization via selective asset disposals from portfolio

- Building a portfolio of residential properties via own project developments in A cities only
- Focus on new constructed apartments to address the demand of the Polish population for higher quality buildings
- Value creation starts already in project development phase
- Project developments which are not suited for letting post completion, will be sold

### Build-to-hold

### Build-to-sell

- Rental income starting to contribute substantially from 2023/2024 onwards

n/a

n/a (no disposals planned)

- Value uplift post completion of project development

- Realization of sales profits
- Net cash proceeds to be re-invested into "build-to-hold"

- NTA growth by realizing sales profits

### Key metrics

FFO I

- I-f-I rental growth
- Vacancy reduction

FFO II

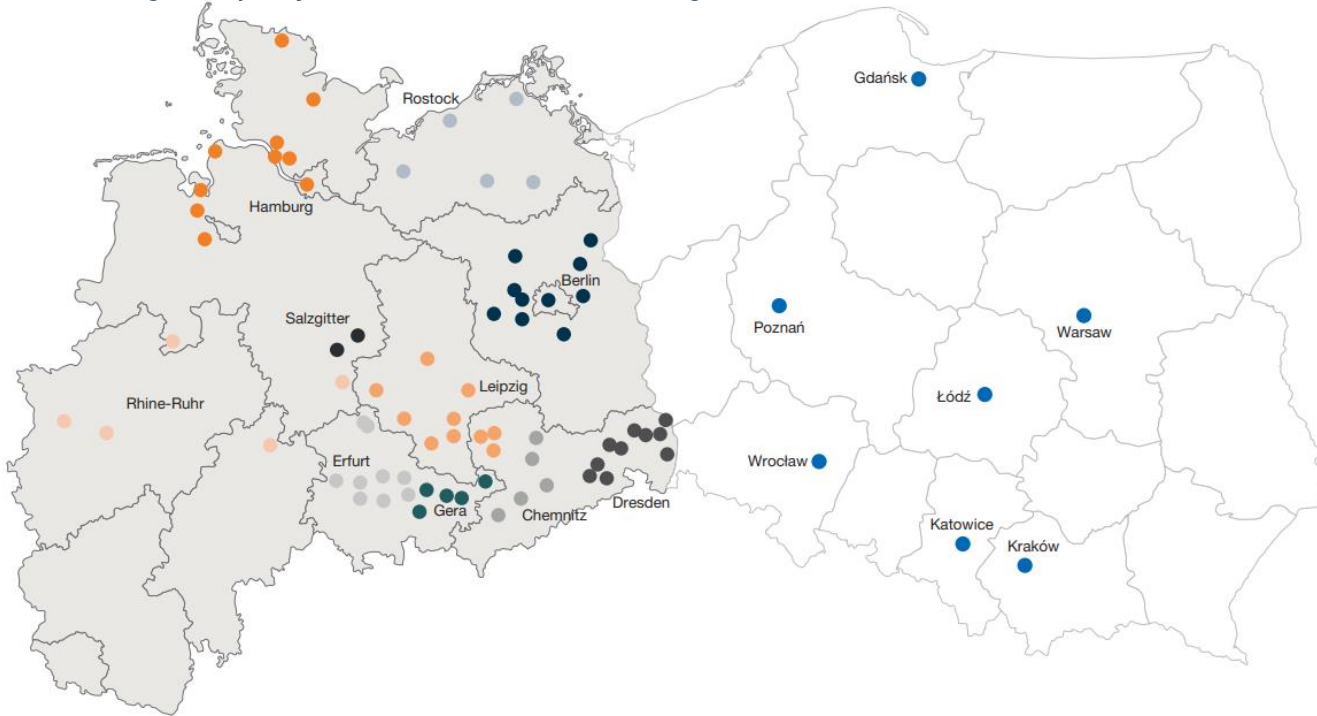
- Selective asset disposals yield disposal profits
- Net cash proceeds to be re-invested

NTA

- Value creation from active asset management

# TAG portfolio at a glance

Leading company in the affordable housing sector in Northern and Eastern Germany



GAV (real estate assets Germany and Poland)*	EUR 7,881.0m
FFO I 9M 2022	EUR 145.3m
Market cap 30 Sep-2022	EUR 1,442.5m
Share price 30 Sep-2022	EUR 8.22
EPRA NTAp per share	EUR 22.21
LTV	44.9%

\*thereof EUR 6,688.0m German portfolio and EUR 1,193.0m Polish portfolio

## Strategy

- TAG is a **specialist for affordable housing** in Eastern and Northern Germany and **among the largest owners of residential properties in Eastern Germany**
- Fully integrated platform via lean and decentralized organization:** Local presence as a key element of TAG's asset management approach to ensure deep local market knowledge and efficient operation of assets
- Internal growth as one main driver: Active asset management approach** to lift and realize value potential via vacancy reduction and selective investment of capex
- Disciplined and conservative approach regarding use of capital and new acquisitions**
- Clear focus on per share metrics** rather than absolute growth
- Stable and long term financing structure** to support profitable growth strategy
- TAG is among **leading** real estate companies in the field of sustainability based on available **ESG ratings**
- External growth via investment in development platforms of **residential-for-rent market in major Polish cities**, mid-term target of c. 16,000 letting units

Key portfolio metrics	30 Sep-2022	31 Dec-2021
Units Germany	87,229	87,576
Units Poland (secured pipeline)	35,926	12,557
Annualised net actual rent EURm p.a. (total portfolio)	339.3	335.8
Net actual rent EUR/sqm/month (residential units)	5.61	5.55
Net actual rent EUR/sqm/month (total portfolio)	5.71	5.64
Vacancy rate (residential units)	4.8%	5.5%*/5.4%
Vacancy rate (total portfolio)	5.2%	5.7%
L-f-I rental growth (y-o-y)	1.5%	1.5%
L-f-I rental growth (incl. vacancy reduction, y-o-y)	2.5%	1.3%







\* including acquisitions in 2021

# TAG ESG strategy essentials

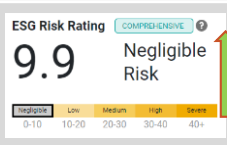



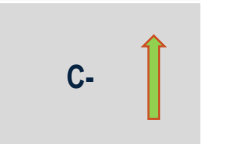
Turning strategy into action: TAG has quantified path to decarbonization, “in-place” quality of its portfolio resulting in lower level of capex

## TAG ESG strategy and ratings

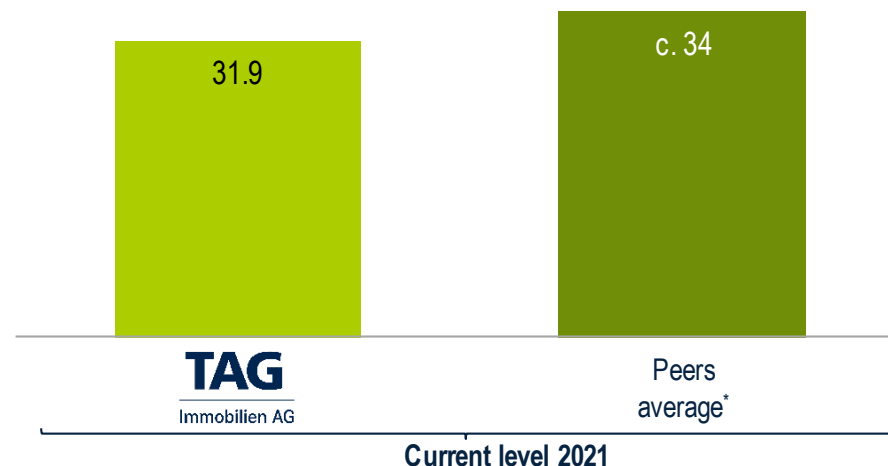
### ESG strategy

-  Improving energy efficiency and reducing emissions  
 Best possible cost-benefit ratio  
 Responsible treatment of resource management
-  Affordable and needs orientated housing  
 Neighbourhood management  
 Customer focus and service quality
-  Excellent board expertise  
 Transparent compensation scheme in line with the interests of shareholders  
 Responsibility and trust for our employees

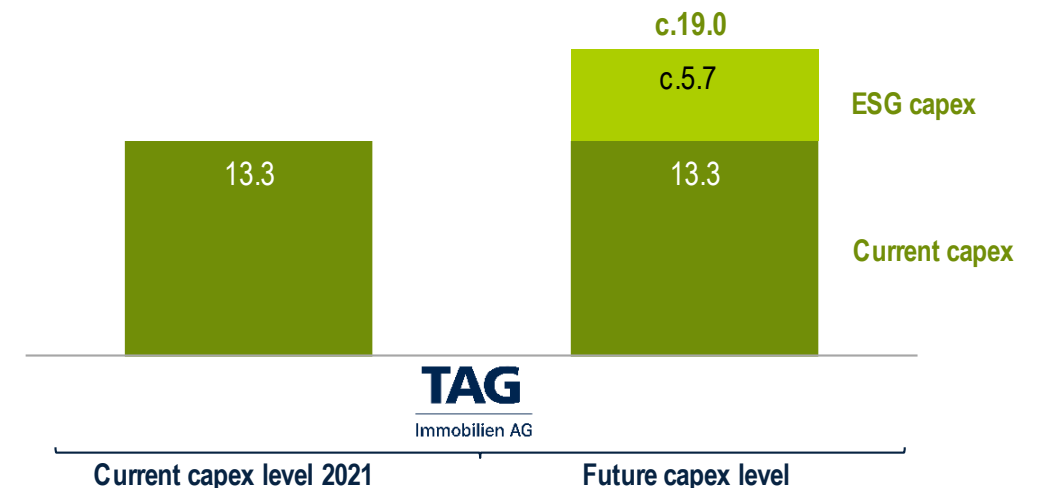
### ESG ratings / awards

SUSTAINALYTICS	MSCI	EPRA	Moody's	ISS ESG
				
Rank 46 out of 1,000 companies in the real estate sector (4rd percentile)	Industry adjusted score 0-10; AA from 7.1 onwards A=7.0 BBB=5.1	Silver Award	60-100 = Advanced 50-60 = Robust 30-50 = Limited 0-30 = Weak	A = Excellent B = Good C = Premium D = Poor

### Carbon emissions (kg CO<sub>2</sub>/sqm p.a.)



### Estimated future capex (EUR/sqm p.a.)



## Quantification of TAG's path to portfolio de-carbonization vs peers

\* Peer averages are calculated across Vonovia, LEG, GCP, Adler Group and Deutsche Wohnen for current carbon emissions. For 2030 target carbon emissions peer averages were calculated across Vonovia and LEG.

\*\* For TAG the ESG capex depicts the annual capex from the decarbonization investment plan until 2045. Data shown as per latest disclosed publications and available data points.

# TAG German portfolio Q3 2022

TAG  
2022

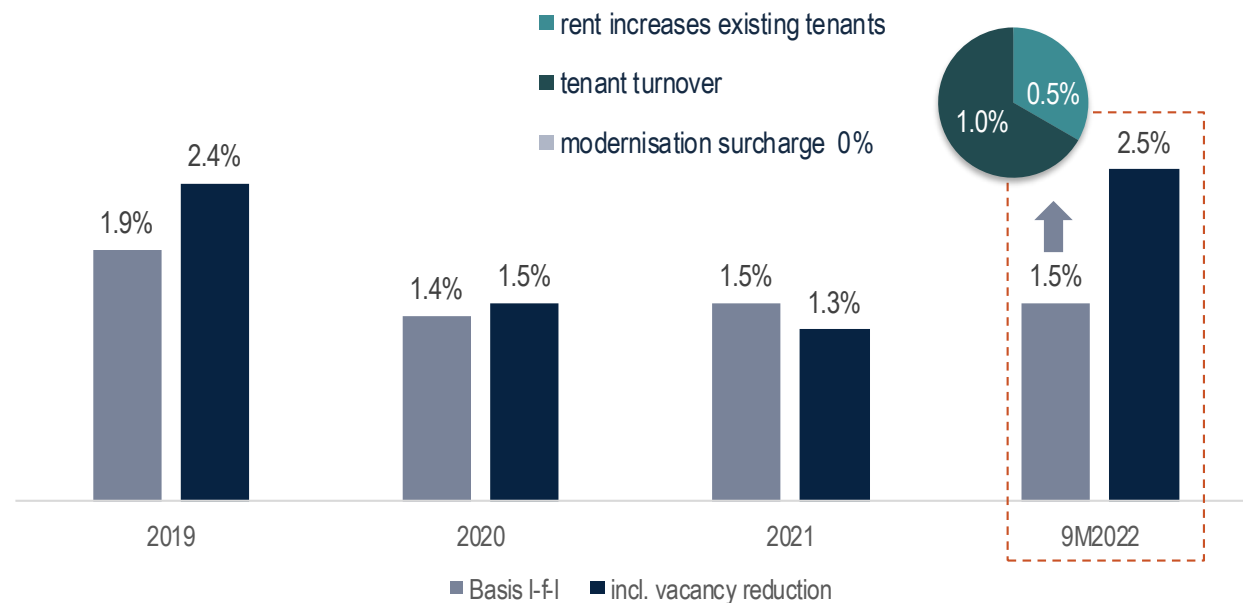
# TAG German portfolio rental growth and capex allocation

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

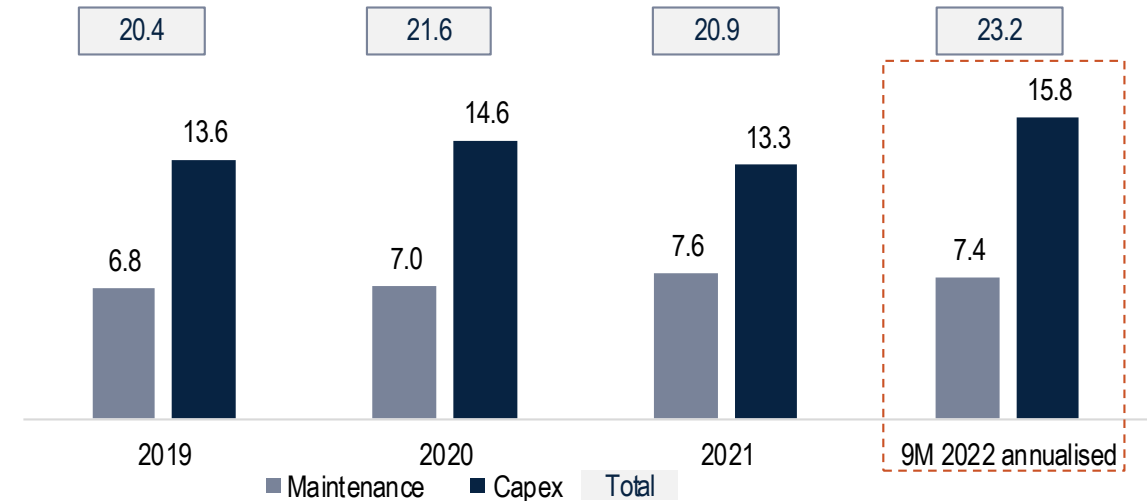
## Rental growth achieved with moderate investments

- 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 modernisation measures and **c.42%-47% in the modernization of vacant flats**

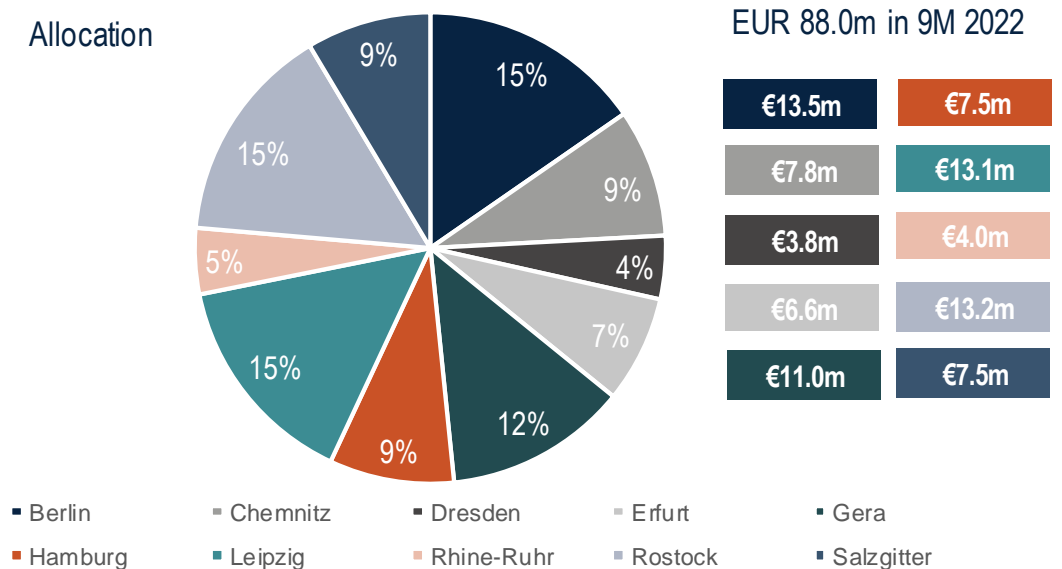
## I-f-I rental growth excluding and including vacancy reduction



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



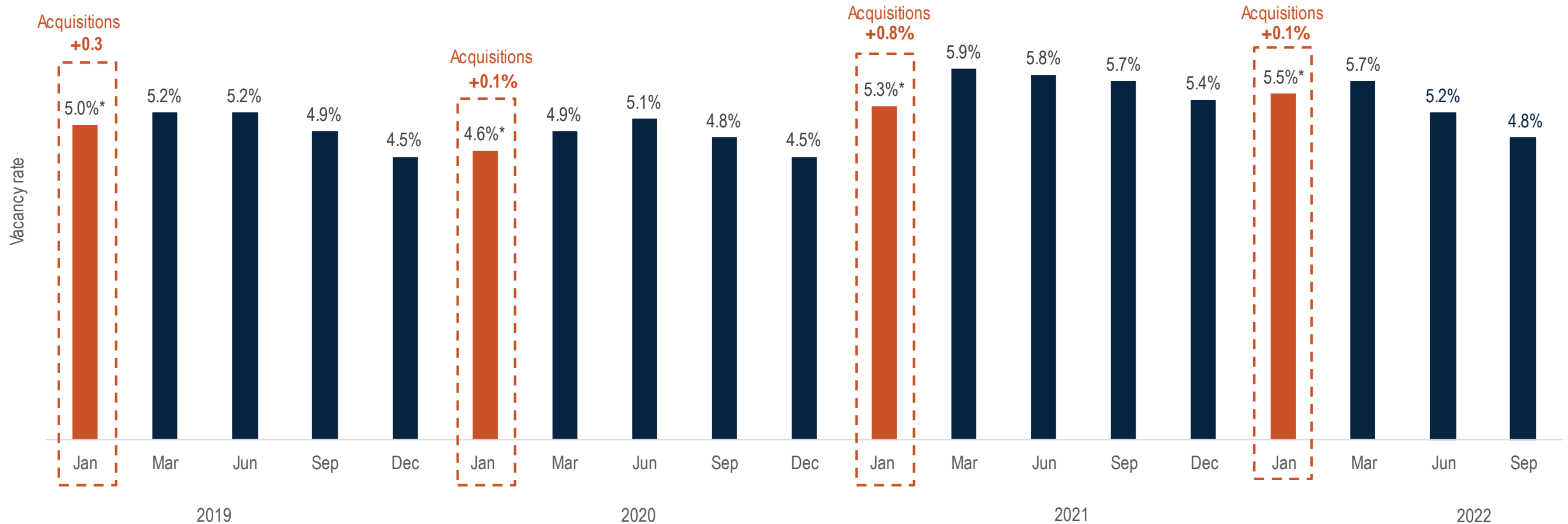
## Maintenance & capex split by region





# TAG German portfolio vacancy reduction residential units

Strong track record of vacancy reduction; temporary increases in H1 2020 and H1 2021 as a result of the Covid-19-pandemic



\* including acquisitions from the previous year, part of vacancy in residential units from Q1 onwards

# TAG portfolio valuation overview Germany

## Portfolio valuation result

H1 2022 vs. H1 2021	H1 2022	H1 2021
in EUR m	256.5*	305.6**
semi-annual valuation uplift (w/o capex)	4.0%	5.2%
— thereof from yield compression	85%	89%
— thereof from operational performance	15%	11%

\* total valuation gain of EUR 273.3m in H1 2022: thereof EUR 256.5m relates to properties in Germany, EUR 16.7m to properties in Poland

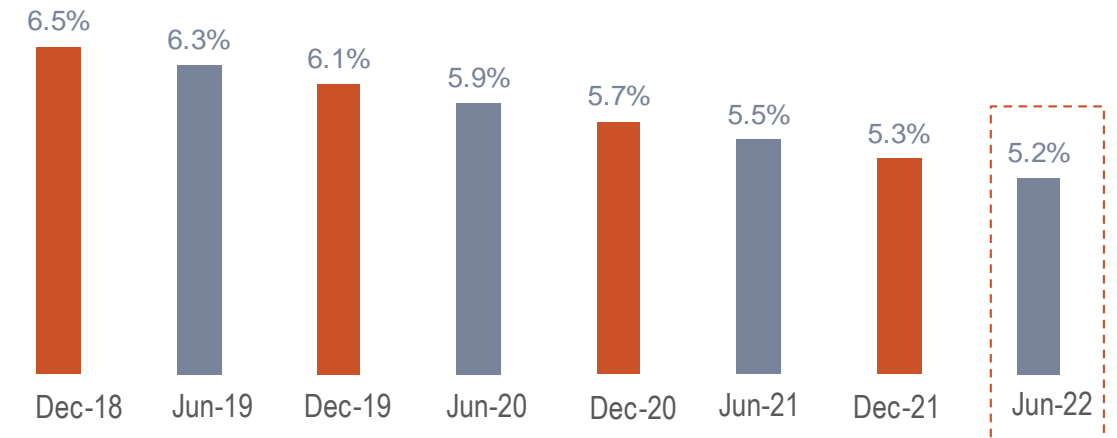
\*\* total valuation gain of EUR 310.4m in H1 2021: thereof EUR 305.6m relates to properties in Germany, EUR 4.8m to properties in Poland

FY 2021 vs. FY 2020	FY 2021	FY 2020
in EUR m	525.0*	327.0**
annual valuation uplift (w/o capex)	9.0%	6.2%
— thereof from yield compression	80%	85%
— thereof from operational performance	20%	15%

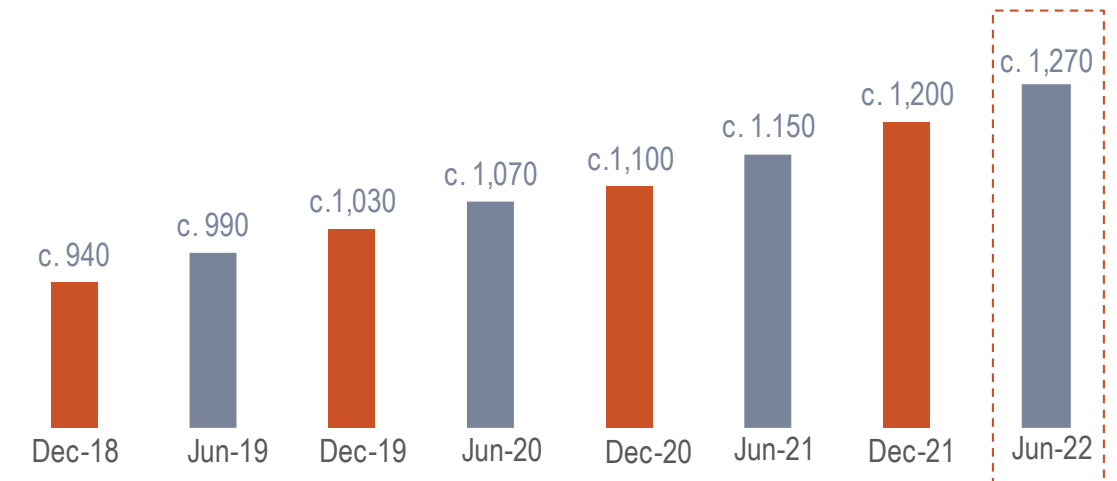
\* total valuation gain of EUR 540.0m in FY 2021: thereof EUR 525.0m relates to properties in Germany, EUR 15.0m to properties in Poland

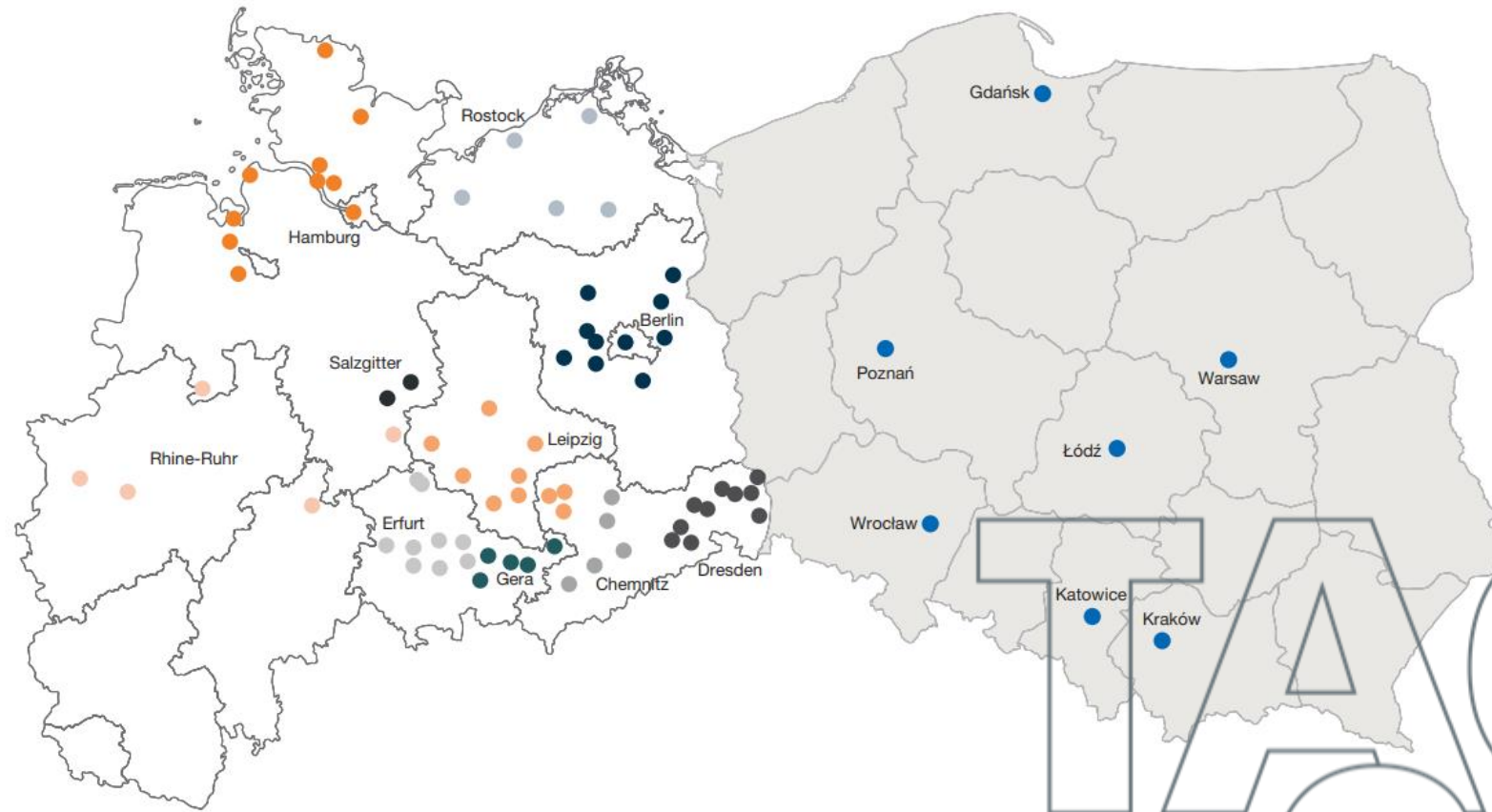
\*\* total valuation gain of EUR 328.4m in FY 2020; thereof 327.0m relates to properties in Germany, EUR 1.4m to properties in Poland

## Development of gross yield



## Development of portfolio value (EUR/sqm)





## TAG Poland portfolio Q3 2022

# TAG Poland investment rationale

*Creation of largest residential letting portfolio in Poland with c. 20k units and established presence in all major Polish cities*

Key strategic benefits of Poland operations

Creating **Poland's leading landlord** with visibility of **over 20k residential "build-to-hold" units**

Ground-up development of **residential portfolio across all major Polish cities** at highly attractive c. **7% GRI yield on cost**

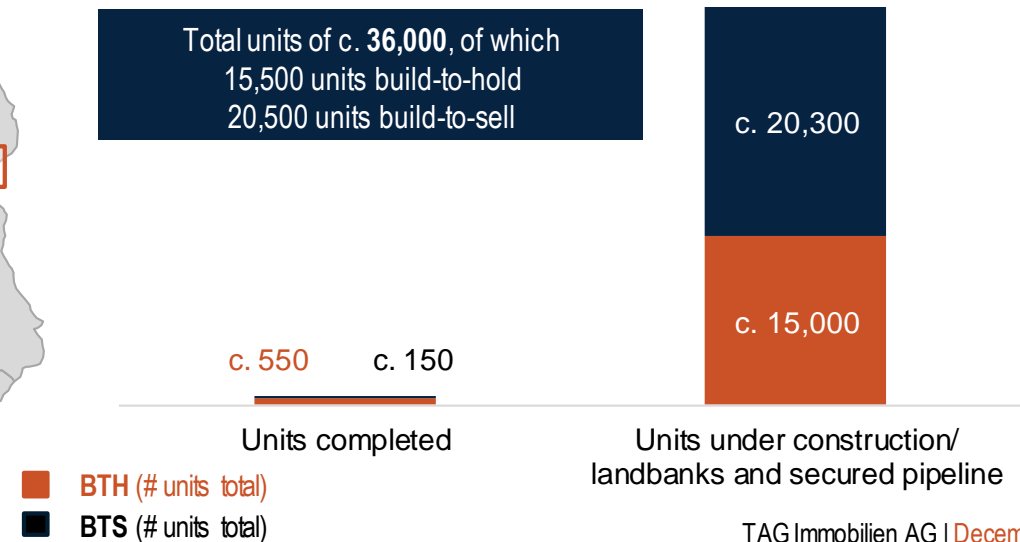
Acquisition of leading Polish residential developer **ROBYG scales up** existing **development pipeline, adding Warsaw**

Strong presence in major Polish cities allows for **further growth by leveraging off in-depth local market expertise**

Footprint in major Polish cities

Significant pipeline with c. 15-20k letting units

Overview of TAG's Poland operations



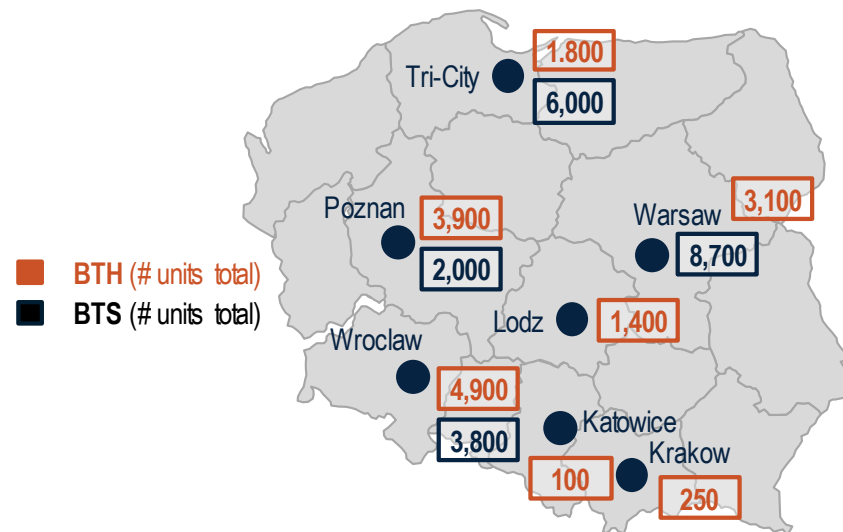


# TAG Poland portfolio delivers strong value

Addition of ROBYG – the leading player in Polish residential market - enhances TAG's presence in Poland and adds the Warsaw market with an established local portfolio

## Strategy

- Building a portfolio of residential properties via own project developments in A cities only
- Focus on new constructed apartments to address the demand of the Polish population for higher quality buildings
- Value creation starts already in project development phase, highly attractive c. 7% GRI yield on cost



## Key portfolio metrics 30 Sep-2022

	Total
<b>BUILD TO HOLD</b>	<b>15,483</b>
Total sqm	764,531
Total investment costs/sqm* in EUR	c. 2,200
Average gross rental yield	c. 7%
Average rent per sqm/month* in EUR	c. EUR 12 – 14
Average apartment size	c. 45 – 50 sqm
Units completed	545
Units under construction	3,525
Landbanks/ secured pipeline	11,413
Estimated EBIT DA margin	>75%
<b>BUILD TO SELL</b>	<b>20,443</b>
Total sqm	1,072,724
Total investment costs/sqm* in EUR	c. 1,800
Average sales price per sqm* in EUR	c. 2,500
Average apartment size	c. 50 sqm
Units completed	146
Units under construction	9,711
Landbanks/ secured pipeline	10,586
Estimated EBIT DA margin on sales	>20%
<b>Units Total</b>	<b>35,926</b>

\*EUR amounts based on PLN/EUR exchange rate of 0.2063 as of 30 Sep-2022

# TAG Poland portfolio rental units on offer

First build-to-hold projects in Poland finished in Wroclaw in 2021 and Poznan in 2022 ([www.vantagerent.pl](http://www.vantagerent.pl))

Build-to-hold projects at 30 Sep-2022	Dorzecze Legnickiej IV (Wroclaw)	Buforowa 89 II/III (Wroclaw)	Legnicka 33 (Wroclaw)	Hawelanska 2 (Poznan)	Total
<b>Total number units</b>	<b>58</b>	<b>184</b>	<b>152</b>	<b>151</b>	<b>545</b>
Vacancy rate for residential units	1.8%	3.9%	0.7%	1.3%	2.0%
Average apartment size for residential units	c.40 sqm	c.50 sqm	c.30 sqm	c.50 sqm	<b>c. 45 sqm</b>
Rent per sqm/month for residential units planned*	c. EUR 9.85	c. EUR 8.00	c. EUR 12.40	c. EUR 8.50	<b>c. EUR 9.10</b>
Rent per sqm/month for residential units received*	c. EUR 11.30	c. EUR 9.30	c. EUR 14.00	c. EUR 9.00	<b>c. EUR 10.90</b>



\*Euro amounts based on PLN/EUR exchange rate of 0.2063 as of 30 Sep-2022







## TAG financing structure Q3 2022

TAG  
2022

# TAG refinancing

Comprehensive safeguarding measures for refinancings in 2023



Overview of refinancing measures				Financial impact
1		Rights Issue completed	In July 2022, TAG Immobilien completed a rights issue transaction generating gross proceeds of EUR 202m to strengthen the equity base and partially repay the ROBYG acquisition bridge facility	EUR 202m gross proceeds and strengthened equity base
2		ROBYG acquisition bridge facility partially repaid and maturity extended	EUR 340m of initial bridge financing volume of EUR 650m repaid in Q2 2022 and successful amendment of maturity to January 2024 in July 2022	Extension of EUR 310m until January 2024
3		Mortgage financing extended and additional liquidity provided	Extension of bank loans of EUR 116m originally maturing in FY 2023 with new terms of 5-10 years at average interest rate of c. 3.9%; additional EUR 161m liquidity provided from these refinancings; closing in November and December 2022	EUR 116m mortgage loans extended EUR 161m additional liquidity generated
4		Adjusted capex for developments in Poland	Lowering net cash funding needs for polish operations to c. EUR 50m until end of 2023 Strong presales in Polish build-to-sell business, with c. 99% pre-sales ratio for handovers in 2022 already and more than 60% for handovers in 2023 achieved by end of Q3 2022; increased apartment sales in recent months despite difficult market conditions	EUR 50m reduced cash needs c. 99% pre-sales ratio for 2022 and more than 60% for 2023
5		Adjusted disposal programme	Ongoing sales processes for German residential portfolios (c. 2,500 units) targeting c. EUR 250m of net disposal proceeds Timeline of disposal program extended into 2023 to capture maximized value and proceeds	Targeted disposal proceeds of c. EUR 250m in FY 2023
6		FY2022 dividend suspension	Suspension of dividend for FY 2022 (payable in Q2 2023) to safeguard liquidity for upcoming refinancings as well as shareholder value preservation	c. EUR 143m in dividend payments saved



# TAG refinancing

No material funding requirements in FY 2023

## 2022-2023 Maturing instruments

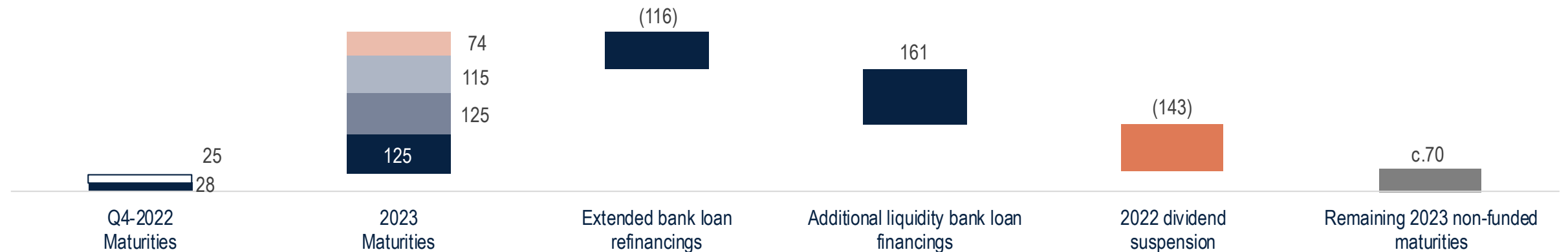
Instrument	Volume
Commercial paper	EUR 25m
Bank loans	EUR 153m
Promissory notes	EUR 115m
Corporate bonds EUR	EUR 125m
Corporate bonds PLN	EUR 74m
	<b>Σ EUR 492m</b>

## Targeted financing options

Type of Source	Amount	Timing	Comments
<b>Additional mortgage financing</b>	EUR 250m	2023	Based on 50% LTV of c. EUR 450m German residential unencumbered portfolio (part of c. EUR 1.5bn total unencumbered properties)
<b>Disposal programme</b>	EUR 250m	2023	Asset disposals for selected German sub-portfolios extended into 2023; c. EUR 40m to close in Q4-2022

## Upcoming refinancings until end of 2023 essentially covered

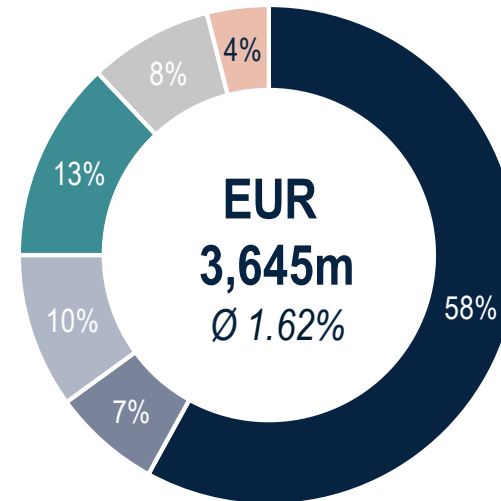
in EURm



# TAG financing structure

Debt structure as of 30 Sep-2022

Debt volume	Ø interest rate	% fixed rates
EUR 2,106m	1.78%	97%
EUR 250m	1.50%	100%
EUR 358m	1.35%	88%
EUR 470m	0.63%	100%
EUR 310m	0.60%	0%
EUR 126m	6.07%	100%
EUR 25m	1.25%	100%
<b>Σ EUR 3,645m</b>	<b>Ø 1.62%</b>	<b>Ø 89.0%</b>

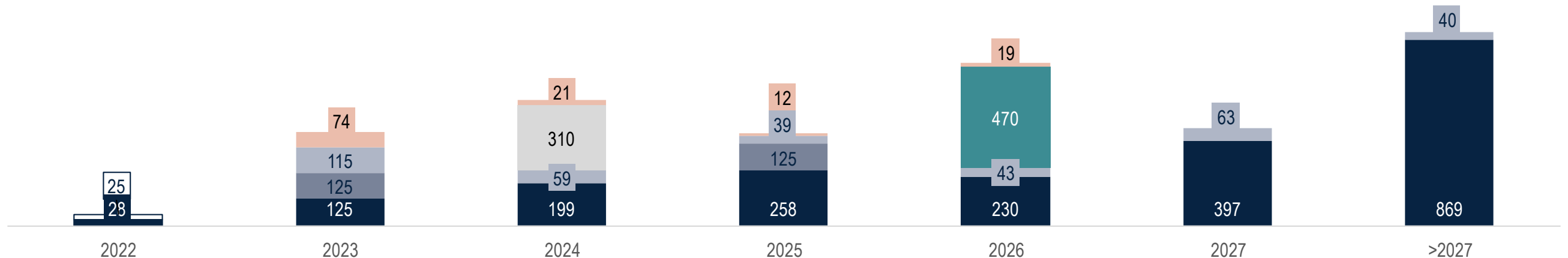


- Bank loans
- Corporate bonds EUR
- Promissory notes
- Convertibles
- Bridge financing ROBYG
- Corporate bonds PLN
- Commercial paper

Key financial KPIs as of 30 Sep-2022

Ø Maturity total financial debt	5.0 years
Ø Maturity bank loans	6.9 years
Ø Interest rate total financial debt	1.62%
LTV	44.9%
LTV target	c. 45.0%
Credit Ratings: - S&P Global (Nov-2022) - Moody's (Oct-2022)	BBB- long term, A-3 short term rating (outlook negative) Ba1 long term, NP short term rating (outlook stable)

Maturity profile as of 30 Sep-2022 (in EURm)





## TAG sustainability

# TAG 2022




# TAG ESG strategy and core axes

*Sustainability is an essential part of TAG's corporate vision*


## Environment

 Improving energy efficiency and reducing emissions


 Best possible cost-benefit ratio

 Responsible treatment of resource management

## Social


 Affordable and needs orientated housing


 Neighbourhood management

 Customer focus and service quality

## Governance

 Excellent board expertise

 Transparent compensation scheme in line with the interests of shareholders

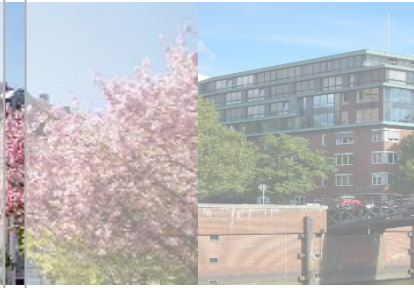
 Responsibility and trust for our employees

## Sustainability principles and guidelines at TAG

**Business principles**  
*Sustainable action as basis of company strategy*



**Anti-discrimination**  
*Promoting diversity and preventing discrimination*



**Anti-corruption**  
*Avoidance and prevention of corruption*



**Environment protection**  
*Measures to protect our environment and climate*



**Socially responsible procurement**  
*Sustainable purchasing*



**Social engagement**  
*Further development of liveable communities*







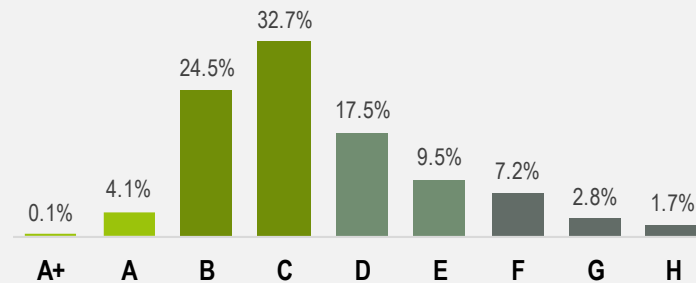
# TAG Decarbonization strategy German portfolio

## Status quo

- Full commitment to reach CO<sub>2</sub> emission level in line with 1.5°C climate goal
- Conducted study to define measures required to achieve goal
- Current emission of 31.5kg/sqm (based on last available data for 2020)

### Energy efficiency

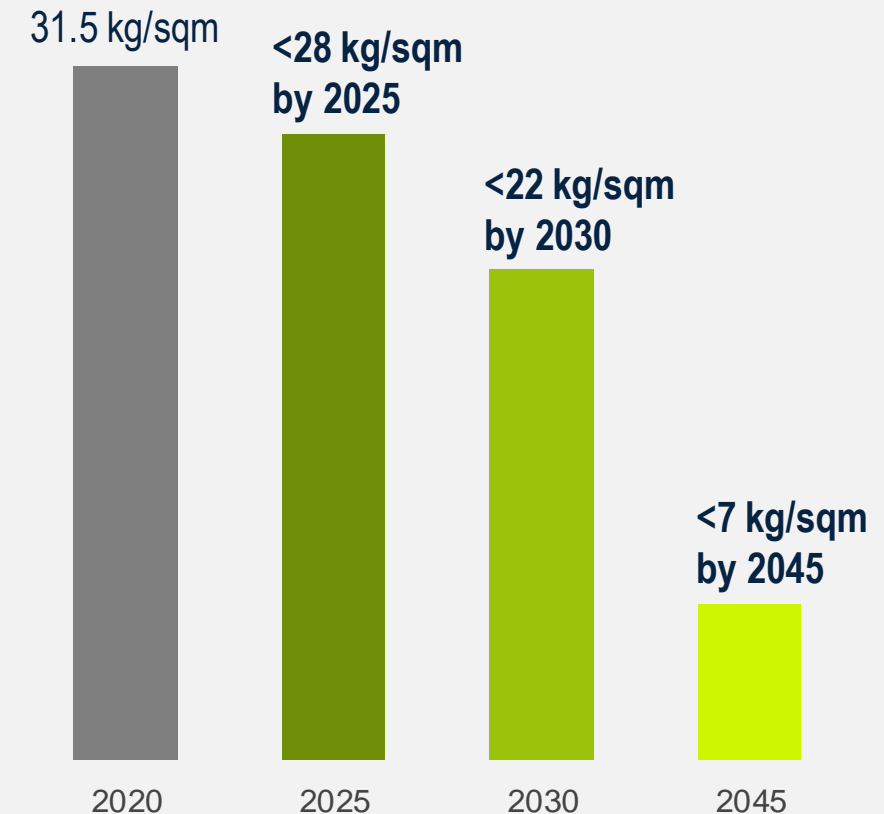
*Energy efficient portfolio with almost 60% of the residential units with C or better energy certification*



## Measures

- Changes in energy-mix
- Improvements in heating technology
- Isolation of buildings
- Total investment programme of approx. EUR 690m until 2045 committed

## Target CO<sub>2</sub> emission

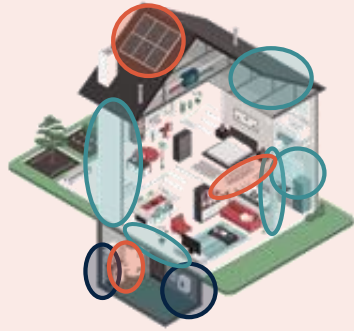




# Projected development of TAG's decarbonization strategy

Together with EWUS Energy consultants, TAG has developed a scenario for TAG's decarbonization

## TAG scenario

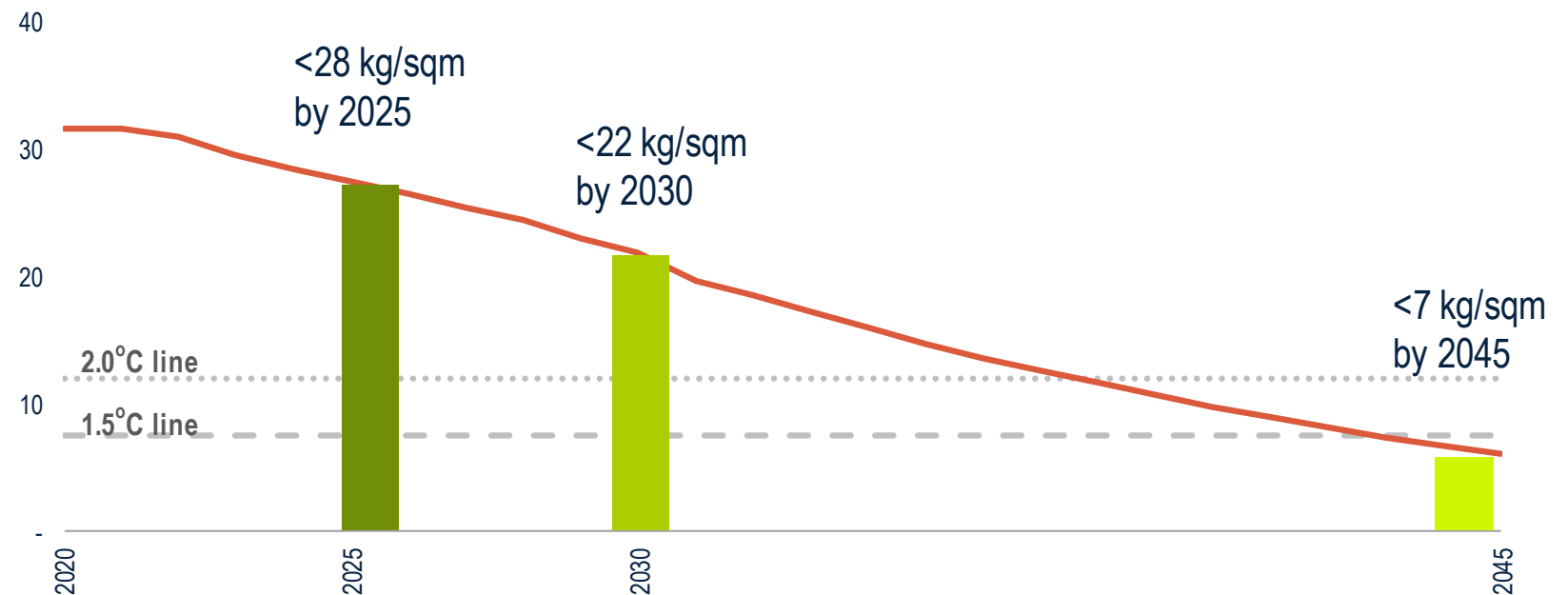


Investment volume

c. EUR 690m

- Green district heating, green electricity
- Exterior wall insulation, basement ceiling insulation, hydraulic balancing of lines and windows
- Photovoltaics, hydraulic balancing of radiators, energy generation systems and smart thermostatic valves

## CO<sub>2</sub> emission development (kg/sqm p.a.)



(in €m)	Total	In %
Insulation/windows	304.7	44.2%
Power generation facilities	129.2	18.8%
Photovoltaic	69.8	10.1%
Smart building technology	42.0	6.1%
Hydraulic balancing system	40.0	5.8%
Reformation into centralized systems	38.8	5.6%
Combined heat and power unit	22.2	3.2%
Planning cost	42.0	6.1%
<b>Total</b>	<b>688.8</b>	<b>100%</b>

# TAG ESG ratings

TAG ranks among the top ratings in the real estate sector

## ESG rating and award improvements

	SUSTAINALYTICS	MSCI	SAM Now a Part of S&P Global	EPRA EUROPEAN PUBLIC REAL ESTATE ASSOCIATION	Moody's INVESTORS SERVICE vigeo eiris	ISS ESG
2019	22.9 /100 Medium 	TAG 	8.9 /100	No Award	N/A	D**
2020	ESG Risk Rating 12.6 Low Risk 	TAG 	29.5/100		35**/100	D**
2021	ESG Risk Rating 9.9 Negligible Risk 	MSCI ESG RATINGS AA 	24/100		in active rating process	C- 
	Rank 46 out of 1,012 companies in the real estate sector (4 <sup>th</sup> percentile*)	Industry adjusted score 0-10 AA= from 7.1 onwards A = 7.0 BBB = 5.1	No active participation of TAG in rating process 2021	Silver Award	60-100 = Advanced 50-60 = Robust 30-50 = Limited 0-30 = Weak	A=excellent B=good C=premium D=poor

## TAG's ESG disclosure improvement

- In 2020 and 2021, we have placed particular **emphasis on improving our ESG performance and reporting** in order to better meet the expectations of Sustainalytics and MSCI
- Now Sustainalytics ranks TAG's ESG performance **among the TOP 4% of all real estate companies in Jul-2022** and MSCI score improved to AA in Jan-/ Jun-2022
- As a commitment to improving ESG disclosure, we **engaged actively in further rating processes** in 2022 with Vigeo Eiris, ISS and for the first time with CDP in order to better reflect TAG's ESG performance on a broader scale

## ESG indices

### DAX® 50 ESG

The New Standard in German ESG Investing

• Data retrieved on 10/07/2021;

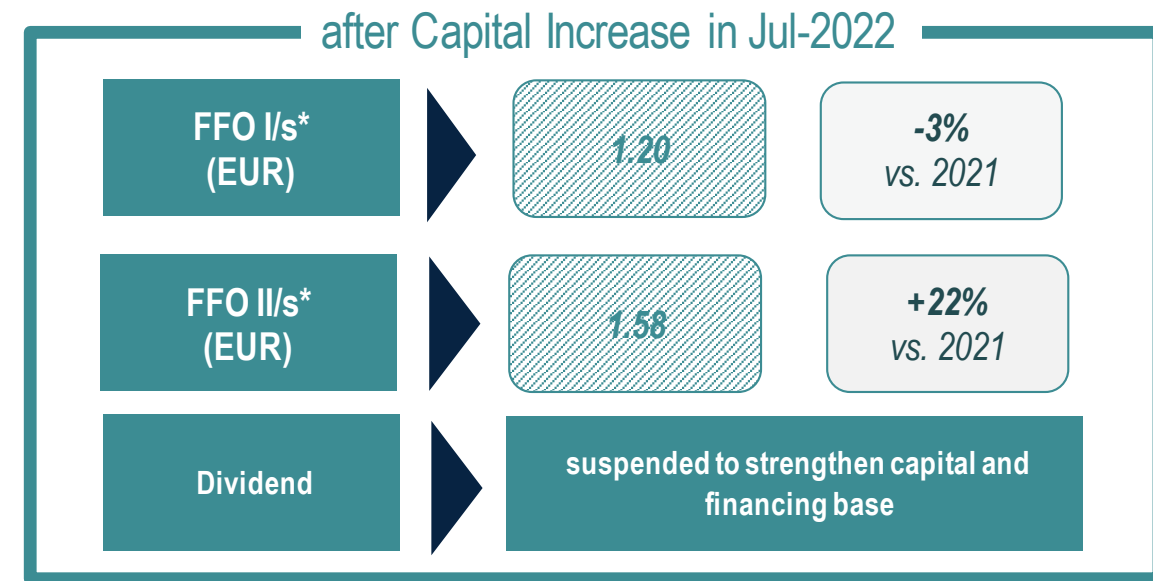
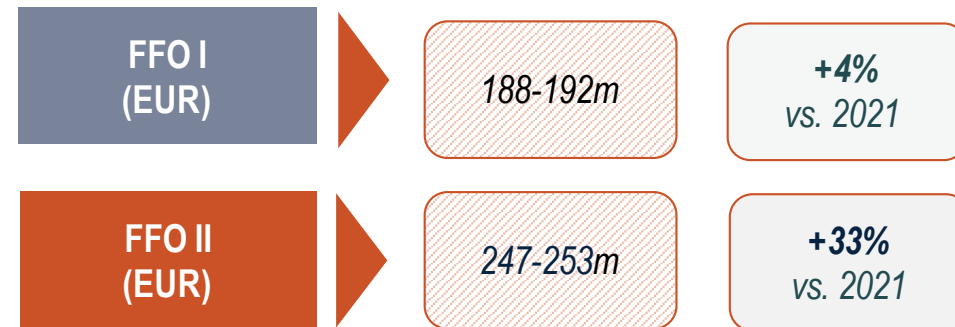
\*\* Not responsive level: rating only based on publicly available information, no participation of TAG in an active rating process

## TAG guidance

# TAG 2022



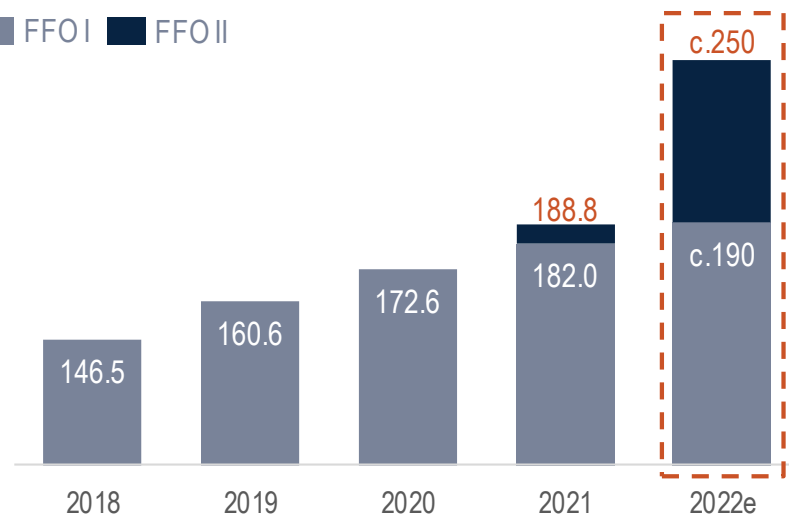
# TAG FFO and dividend guidance FY 2022



\* based on 175,391,091 average NOSH (outstanding without treasury shares)

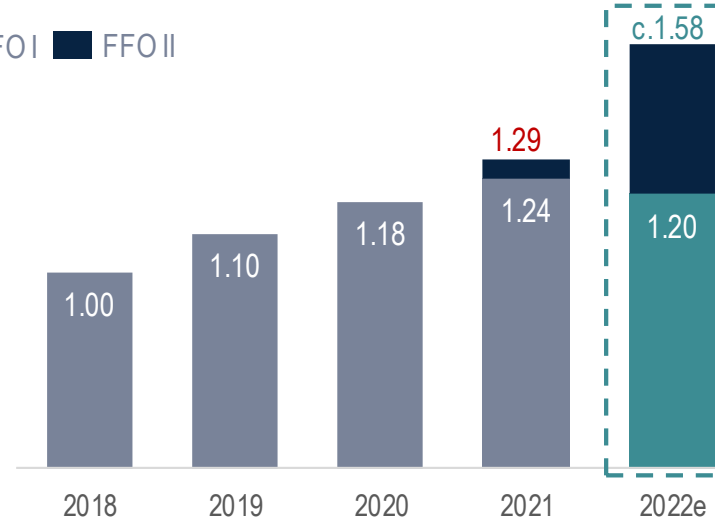
FFO I / FFO II in EURm

■ FFO I ■ FFO II

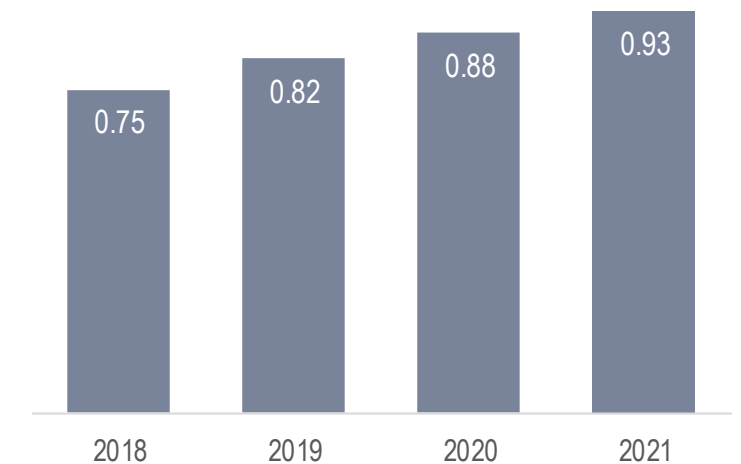


FFO I / FFO II per share in EUR

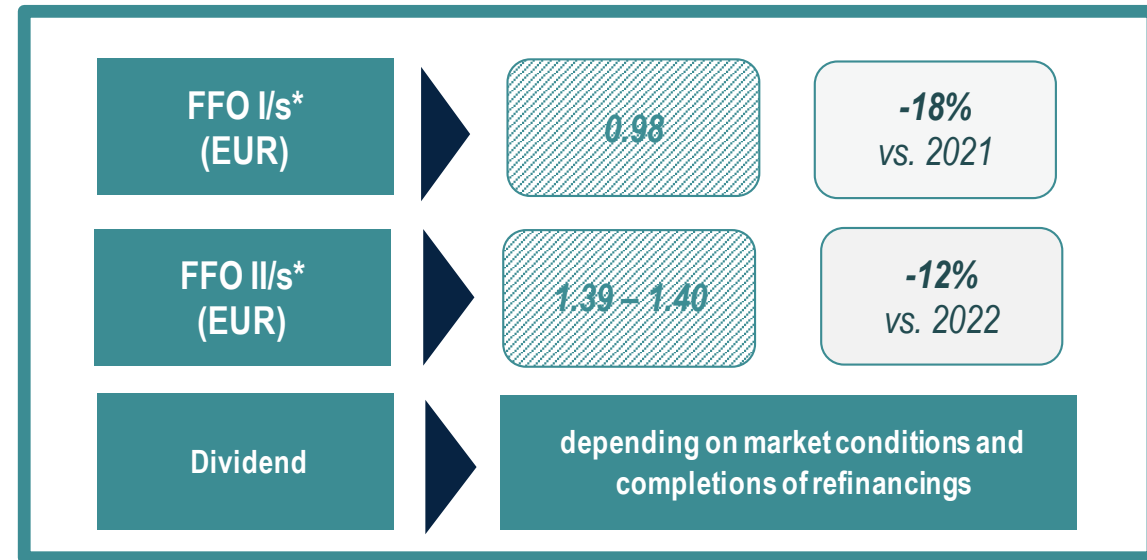
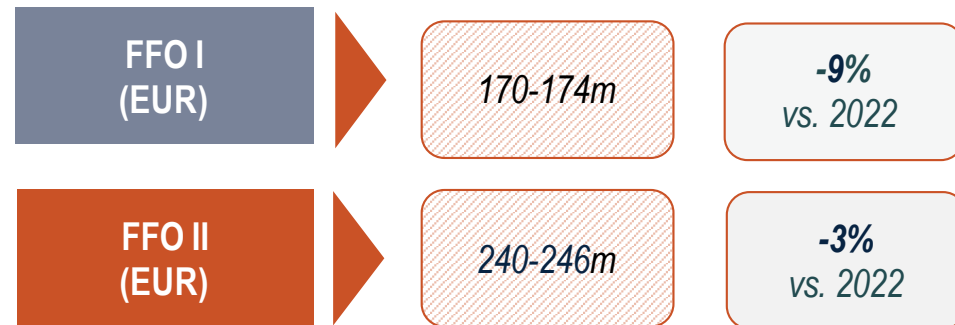
■ FFO I ■ FFO II



Dividend per share in EUR

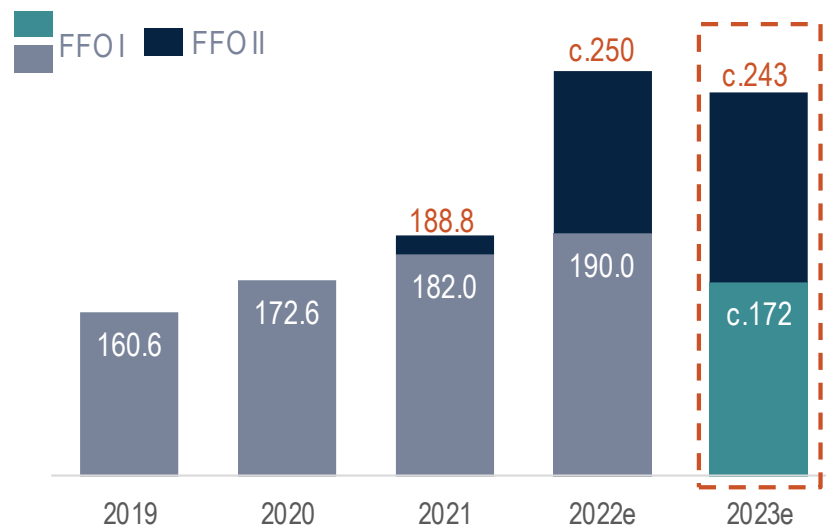


# TAG FFO and dividend guidance FY 2023

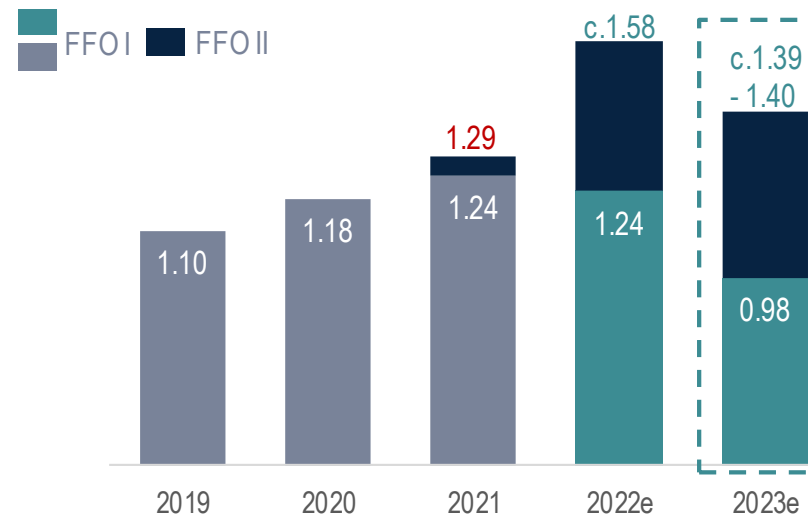


\* based on 175,391,091 average NOSH (oustanding without treasury shares)

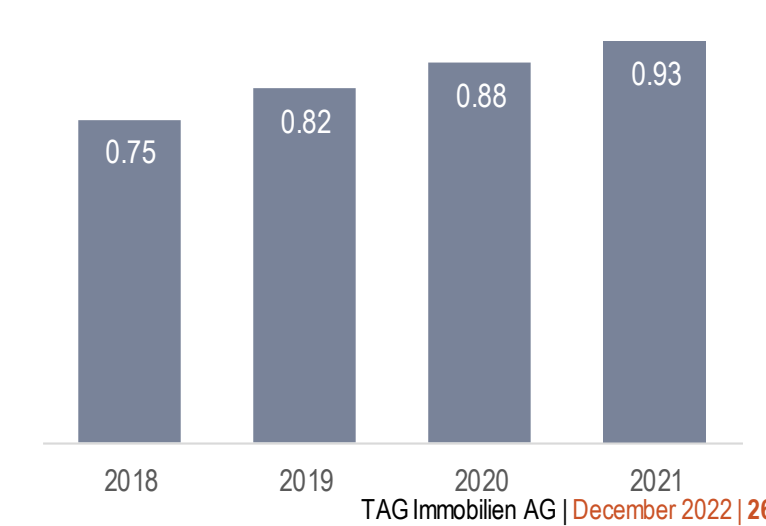
FFO I / FFO II in EURm



FFO I / FFO II per share in EUR

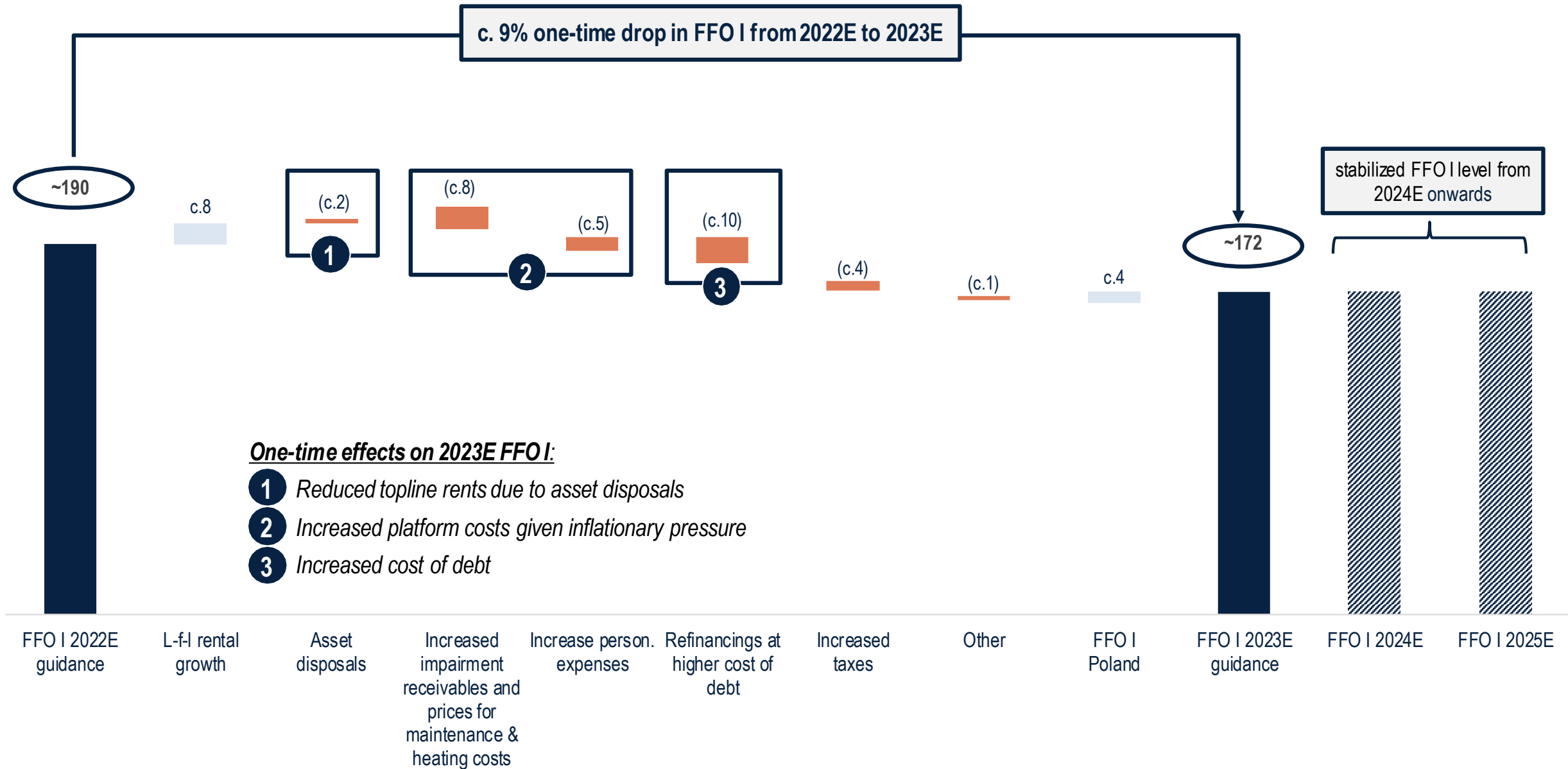


Dividend per share in EUR



# TAG outlook

High visibility of stabilized FFO I development for 2023-2025



## APPENDIX

# TAG 2022

# TAG highlights Q3 2022 Germany

## Operational performance German portfolio

	Q3 2022	Q2 2022	FY 2021	Q3 2021
▪ <b>Vacancy</b> (residential units)	4.8%	5.2%	5.5%*/5.4%	5.7%
▪ <b>Vacancy</b> (total portfolio)	5.2%	5.5%	5.7%	6.0%
▪ <b>I-f-I rental growth y-o-y</b>	1.5%	1.5%	1.5%	1.8%
▪ <b>I-f-I rental growth y-o-y</b> (incl. vacancy reduction)	2.5%	2.0%	1.3%	1.7%
▪ <b>FFOI</b> (EURm)	49.1	48.5	182.0	46.0
▪ <b>FFOI</b> (EUR/share)	0.29	0.33	1.24	0.31

\* including acquisitions in 2021, part of vacancy in residential units from Q1 2022 onwards

## EPRA NTA and LTV

	30 Sep-2022	30 Jun-2022	31 Dec-2021	30 Sep-2021
▪ <b>EPRA NTA</b> (EUR/share), fully diluted	22.21	25.17	25.54	23.88
▪ <b>LTV</b>	44.9%	47.0%	43.2%	44.3%

## Acquisitions/ disposals Germany

- 360 units acquired in 9M 2022 (9M 2021: 0 units). Total purchase price of EUR 11.0m and current net actual rent of EUR 0.5m p.a. leads to an acquisition multiple of 21.4x or 4.7% gross yield. Average vacancy rate of 52%. Closing in Q3 2022
- 725 units disposed in 9M 2022 (9M 2021: 343 units). Mainly non-core assets (average vacancy rate of c. 9%). Total selling price of EUR 37.2m (9M 2021: EUR 19.9m). Book profit of EUR 1.5m (9M 2021: EUR 0.4m). Selling multiple on average at 15.2x (9M 2021: 20.4x) or gross yield of 6.6% (9M 2021: 4.9%). Closing in the course of Q4 2022



# TAG highlights Q3 2022 Poland

## Operational performance Poland

	Q3 2022*	Q2 2022*	9M 2022*	9M 2021	FY 2021
Revenues from sale of properties (EURm)	32.5	58.2	98.4	55.8	63.4
Result operations Poland	6.3	6.4	11.4	6.1	6.7
Units handed over	401	538	1.000	521	575
Units sold	441	527	1.036	320	412
Build-to-hold units (incl. contractually secured pipeline)	c. 15,500	c. 18,200	c. 15,500	c. 8,500	c. 9,200
Build-to-sell units (incl. contractually secured pipeline)	c. 20,400	c. 18,200	c. 20,400	c. 3,600	c. 3,400
Total potential units	c. 35,900	c. 36,400	c. 35,900	c. 12,100	c. 12,600
GAV Polish portfolio (in EURm)	1,193	1,147	1,193	283	348

based on PLN/EUR exchange rate of 0.2063 as of 30 Sep-2022

\*first time consolidation ROBYG at 31 Mar-2022



# TAG income statement\*

(in EURm)		Q3 2022	Q2 2022	9M 2022	9M 2021	FY 2021
<b>Net actual rent**</b>	1	85.0	84.8	254.1	249.3	333.1
Expenses from property management**		-14.8	-15.8	-46.1	-45.0	-61.8
<b>Net rental income</b>	2	70.2	69.0	208.0	204.3	271.3
Net income from services	3	8.4	7.2	22.8	19.6	26.3
Net income from sales		1.7	1.4	4.5	11.0	12.5
Other operating income		5.1	5.5	12.8	5.6	7.6
Valuation result	4	0.9	274.0	274.2	310.6	540.0
Personnel expenses	5	-19.8	-20.6	-55.2	-46.0	-63.0
Depreciation		-2.8	-2.8	-8.0	-6.4	-8.8
Other operating expenses		-6.6	-8.1	-24.7	-14.3	-24.5
<b>EBIT</b>		57.1	325.8	434.3	484.3	761.4
Net financial result	6	-12.7	1.6	-22.6	-40.4	-43.3
<b>EBT</b>		44.4	327.3	411.8	443.9	718.1
Income tax	7	-11.3	-57.8	-76.9	-81.5	-132.5
<b>Consolidated net profit</b>		33.1	269.5	334.9	362.4	585.6

\* for further income statement details (breakdown by Germany and Poland) see Appendix

\*\*w/o IFRS 15 effects; for further details see annual report

1 Slight increase in net actual rent Q-o-Q by EUR 0.2m mainly as a result of ongoing rental growth.

2 Improved net rental income by EUR 1.2m Q-o-Q primarily driven by higher net rent (EUR 0.2m) and lower maintenance costs (EUR 1.7m).

3 Net income from services increased compared to last quarter basically across all service companies.

4 In Q3 only minor adjustments have been carried out. Valuation result in Q2 2022 contains full portfolio valuation Germany carried out by CBRE; valuation uplift (w/o capex) of 4.0% at 30 Jun-2022.

5 Personnel expenses decreased Q-o-Q mainly due to bonus payments in Q2.

6 Net financial result decreased by EUR -14.3m Q-o-Q, due to positive result from derivative valuation of convertible bonds per 30 Jun-2022.

7 Cash Taxes in Q3 2022 slightly higher than in previous quarter (EUR -0.7m) strong Q-o-Q decrease of deferred taxes (EUR 47.2) due to Q2 valuation gain.

# TAG income statement details Germany and Poland

(in EURm)	Germany Q3 2022	Poland Q3 2022	Total Q3 2022	Germany 9M 2022	Poland 9M 2022	Total 9M 2022	Germany FY 2021	Poland FY 2021	Total FY 2021
<b>Net actual rent*</b>	84.3	0.7	85.0	252.2	1.9	254.1	332.5	0.5	333.1
Expenses from property management*	-14.7	-0.1	-14.8	-46.0	-0.1	-46.1	-61.8	-0.0	-61.8
<b>Net rental income</b>	<b>69.6</b>	<b>0.6</b>	<b>70.2</b>	<b>206.2</b>	<b>1.8</b>	<b>208.0</b>	<b>270.8</b>	<b>0.5</b>	<b>271.3</b>
Net income from services	8.2	0.2	8.4	22.4	0.4	22.8	26.2	0.1	26.3
Net income from sales	-0.4	2.1	1.7	-1.1	5.5	4.5	0.1	12.4	12.5
Other operating income	1.2	3.8	5.1	3.0	9.8	12.8	3.4	4.2	7.6
Valuation result	1.1	-0.2	0.9	257.7	16.5	274.2	525.0	15.0	540.0
Personnel expenses	-13.7	-6.1	-19.8	-40.7	-14.5	-55.2	-57.1	-5.9	-63.0
Depreciation	-2.4	-0.4	-2.8	-7.1	-0.9	-8.0	-8.7	-0.1	-8.8
Other operating expenses	-4.9	-1.6	-6.6**	-20.4	-4.3	-24.7	-23.0	-1.5	-24.5
<b>EBIT</b>	<b>58.7</b>	<b>-1.6</b>	<b>57.1</b>	<b>420.0</b>	<b>14.3</b>	<b>434.3</b>	<b>736.7</b>	<b>24.7</b>	<b>761.4</b>
Net financial result	-11.7	-0.9	-12.7	-21.7	-0.9	-22.6	-41.6	-1.7	-43.3
<b>EBT</b>	<b>47.0</b>	<b>-2.6</b>	<b>44.4</b>	<b>398.4</b>	<b>13.4</b>	<b>411.8</b>	<b>695.1</b>	<b>23.0</b>	<b>718.1</b>
Income tax	-11.5	0.2	-11.3	-73.2	-3.7	-76.9	-127.4	-5.1	-132.5
<b>Net income</b>	<b>35.5</b>	<b>-2.4</b>	<b>33.1</b>	<b>325.2</b>	<b>9.7</b>	<b>334.9</b>	<b>567.7</b>	<b>17.9</b>	<b>585.6</b>

\*w/o IFRS 15 and IFRS 16 effects; for further details see Annual Report

\*\* consolidation: EUR 0.1m

APPENDIX

# TAG EBITDA, FFO and AFFO calculation

(in EURm)	Q3 2022	Q2 2022	9M 2022	9M 2021	FY 2021
<b>Consolidated net profit</b>	<b>33.1</b>	<b>269.5</b>	<b>334.9</b>	<b>362.4</b>	<b>585.6</b>
- Net income Poland	2.4	-10.9	-9.7	-10.0	-17.9
<b>Net income Germany</b>	<b>35.4</b>	<b>258.6</b>	<b>325.2</b>	<b>352.4</b>	<b>567.7</b>
+ Income tax	11.5	54.2	73.2	79.7	127.4
+ Net financial result	11.7	-1.0	21.7	39.4	41.6
<b>EBIT (German business)</b>	<b>58.7</b>	<b>311.8</b>	<b>420.0</b>	<b>471.7</b>	<b>736.7</b>
+ Adjustments					
Net income from sales	0.4	0.0	1.1	-0.5	-0.1
Valuation result	-1.1	-257.3	-257.7	-305.8	-525.0
Depreciation	2.4	2.3	7.1	6.3	8.7
One-offs	-0.2	1.8	7.3	0.0	5.8
<b>EBITDA (adjusted, German business)</b>	<b>1 60.2</b>	<b>58.7</b>	<b>177.8</b>	<b>171.7</b>	<b>226.1</b>
<i>EBITDA (adjusted) margin</i>	<i>71.4%</i>	<i>69.7%</i>	<i>70.5%</i>	<i>68.9%</i>	<i>68.0%</i>
- Net financial result (cash, after one-offs)	-9.8	-10.1	-29.9	-32.3	-42.1
- Cash taxes	-1.1	0.2	-1.8	-0.9	-0.7
- Cash dividend payments to minorities	-0.2	-0.3	-0.8	-1.0	-1.3
<b>FFO I (German business)</b>	<b>2 49.1</b>	<b>48.5</b>	<b>145.3</b>	<b>137.5</b>	<b>182.0</b>
- Capitalised maintenance	-6.4	-2.3	-9.2	-9.6	-16.5
AFFO before modernisation capex	42.7	46.2	136.1	127.9	165.5
- Modernisation capex	-19.2	-16.6	-50.6	-38.5	-51.6
<b>AFFO (German business)</b>	<b>3 23.5</b>	<b>29.6</b>	<b>85.5</b>	<b>89.4</b>	<b>113.9</b>
Net income from sales Germany	-0.4	0.0	-1.1	0.5	0.1
Result operations Poland	<b>4 6.2</b>	<b>6.5</b>	<b>11.4</b>	<b>6.1</b>	<b>6.7</b>
<b>FFO II (includes operations Poland)</b>	<b>54.9</b>	<b>54.9</b>	<b>155.6</b>	<b>144.1</b>	<b>188.8</b>
(FFO I + net income from sales Germany and result operations Poland)					
Weighted average number of shares outstanding (in '000)	166,883	146,401	153,322	146,350	146,358
<b>FFO I per share (EUR)</b>	<b>0.29</b>	<b>0.33</b>	<b>0.95</b>	<b>0.94</b>	<b>1.24</b>
<b>FFO II per share (EUR)</b>	<b>0.33</b>	<b>0.37</b>	<b>1.01</b>	<b>0.98</b>	<b>1.29</b>
Weighted average number of shares, fully diluted (in '000)	166,883	146,401	153,322	147,355	147,101
FFO I per share (EUR), fully diluted	0.29	0.33	0.95	0.93	1.24
FFO II per share (EUR), fully diluted	0.33	0.37	1.01	0.98	1.28

**1** Q-o-Q increase of EBITDA adjusted (Germany) follows improved net rental income development and lower personnel expenses.

**2** FFO I increased by EUR 0.6m Q-o-Q, mainly due to EBITDA development that is only partly compensated by higher cash taxes.

**3** AFFO decreases Q-o-Q by EUR 6.1m despite better FFO I due to higher capitalized maintenance (EUR 4.1m) and higher modernization capex (EUR 2.6m).

<b>4</b> FFO II contribution Poland (in EURm)	9M 2022	9M 2021
Net income from Poland	9.7	10.0
Non-recurring set-up costs rental business	0.0	0.1
Valuation result	-16.5	-4.8
Deferred taxes	-0.8	-2.6
Result of effects from purchase price allocation	20.8	3.1
Minority interests	-1.8	0.3
<b>Result operations Poland</b>	<b>11.4</b>	<b>6.1</b>

# TAG balance sheet

(in EURm)		30 Sep-2022	31 Dec-2021
<b>Non-current assets</b>		<b>7,239.0</b>	<b>6,659.8</b>
Investment property	1	6,858.6	6,540.4
Deferred tax assets		48.4	34.4
Other non-current assets	2	331.9	84.9
<b>Current assets</b>		<b>981.3</b>	<b>356.8</b>
Real estate inventory	3	769.5	113.8
Cash and cash equivalents		79.3	96.5
Prepayments on business combination	4	0	67.9
Other current assets		132.5	78.7
<b>Non-current assets held-for-sale</b>		<b>242.3</b>	<b>72.0</b>
<b>TOTAL ASSETS</b>		<b>8,462.5</b>	<b>7,088.6</b>
<b>Equity</b>		<b>3,494.5</b>	<b>3,129.5</b>
Equity (without minorities)	5	3,378.0	3,039.7
Minority interest		116.5	89.8
<b>Non-current liabilities</b>		<b>3,657.1</b>	<b>3,657.0</b>
Financial debt	6	2,810.4	2,927.4
Deferred tax liabilities		793.4	682.0
Other non-current liabilities		53.3	47.6
<b>Current liabilities</b>		<b>1,310.9</b>	<b>301.0</b>
Financial debt	7	847.0	143.2
Other current liabilities	8	463.9	157.8
<b>Non current liabilities held for sale</b>		<b>0.0</b>	<b>1.1</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>8,462.5</b>	<b>7,088.6</b>

1 Increase in book value of investment property by EUR 318.2m, mainly due to revaluation in Germany (EUR 274.2m), first time consolidation of ROBYG (EUR 105.3m), further investments in Poland (EUR 95.9m), smaller capex in Germany of EUR 59.8m and smaller portfolio acquisitions (EUR 12.8m). On the other hand, properties with a book value of EUR 216.0m were reclassified as non-current assets held for sale and EUR 13.3m as inventories.

2 EUR 247.0m higher other non-current assets primarily driven by ROBYG goodwill from first-time consolidation of ROBYG at 31 Mar-2022 (EUR 235.0m)

3 Increase in real estate inventory also largely due to the first-time consolidation of ROBYG (EUR 631.3m).

4 Prepaid transaction price of EUR 67.9m for ROBYG acquisition reported as a separate line at 31 Dec-2021.

5 Change in equity mainly corresponds to capital increase in July 2022 (EUR 193.6m), consolidated net profit (EUR 334.9m) and of dividend (EUR 136.2m).

6 Net reduction in non-current financial debt results mainly from the reclassification of a corporate bond (EUR 125 million) and a promissory note loan (EUR 100.0 million) to current financial debt. This is partly offset by promissory notes in the amount of EUR 64.5m issued in Q2.

7 To finance the acquisition of ROBYG, a bridge loan of EUR 650.0m was used. In July, EUR 340m were repaid from the net proceeds of the capital increase, among other measures. Furthermore, the change results from the first-time reporting of short-term corporate bonds of ROBYG (EUR 76m) as well as the reclassification of long-term debt into the short-term section (EUR 225m).

8 Change in other current liabilities is mainly due to advance payments received for sales by ROBYG (EUR 296.2m).

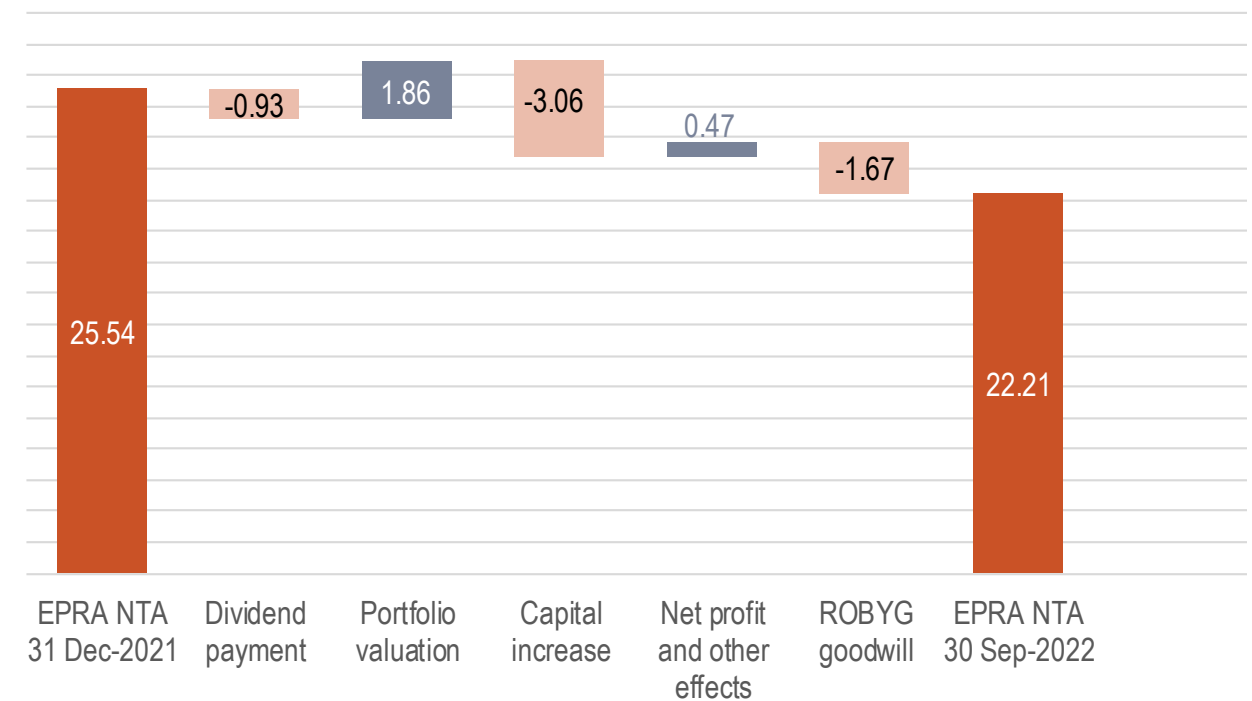


# TAG EPRA NTA calculation

## EPRA Net Tangible Assets

(in EURm)	30 Sep-2022	31 Dec-2021
<b>Equity (without minorities)</b>	<b>3,378.0</b>	<b>3,039.7</b>
+ Deferred taxes on investment properties and financial derivatives	727.8	653.8
+/- Fair value of financial derivatives	-4.6	16.6
+ Difference between fair value and book value for properties valued at cost	50.9	51.2
- Goodwill	-252.5	-18.3
- Other intangible assets	-5.0	-4.9
<b>EPRA NTA, fully diluted</b>	<b>3,894.6</b>	<b>3,738.2</b>
Number of shares, fully diluted (in '000)	175,391	146,380
<b>EPRA NTA per share (EUR), fully diluted</b>	<b>22.21</b>	<b>25.54</b>

## EPRA NTA bridge in EUR/share



# TAG EPRA NAV calculations

	EPRA NRV	EPRA NTA	EPRA NDV
	Net reinstatement value	Net tangible assets	Net disposal value
(in EURm)	30 Sep-2022	30 Sep-2022	30 Sep-2022
<b>Equity (before minorities)</b>	<b>3,378.0</b>	<b>3,378.0</b>	<b>3,378.0</b>
Difference between fair value and book value for properties valued at cost	50.9	50.9	50.9
Deferred taxes on investment properties and derivative financial instruments	756.6	727.8	0.0
Fair value of derivative financial instruments	-4.6	-4.6	0.0
Goodwill	0.0	-252.5	-252.5
Intangible assets (book value)	0.0	-5.0	0.0
Difference between fair value and book value of financial liabilities	0.0	0.0	98.7
Transaction costs (e.g. real estate transfer tax)	545.4	0.0	0.0
<b>EPRA NAV metrics, fully diluted</b>	<b>4,726.3</b>	<b>3,894.6</b>	<b>3,275.1</b>
<i>Number of shares, fully diluted (in '000)</i>	175,391	175,391	175,391
<b>EPRA NAV metrics per share (EUR), fully diluted</b>	<b>26.95</b>	<b>22.21</b>	<b>18.67</b>

# TAG LTV calculation

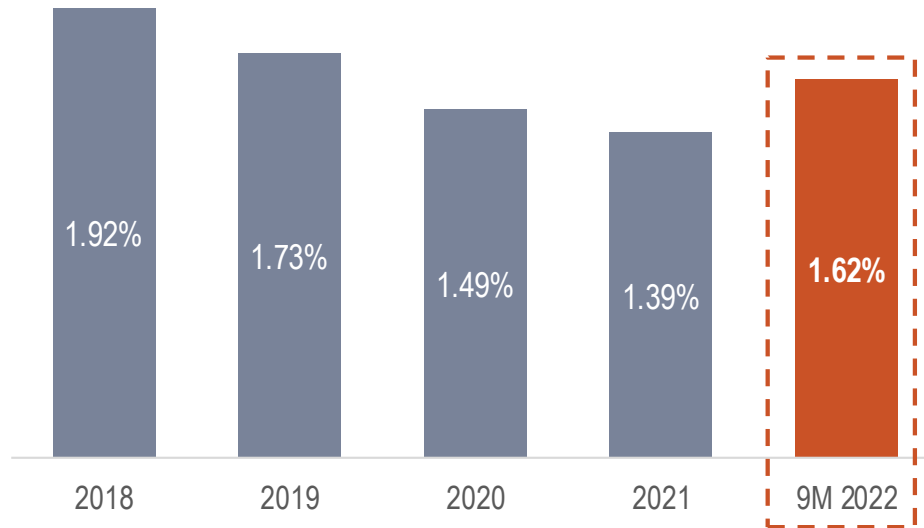
(in EURm)	30 Sep-2022	31 Dec-2021
Non-current and current liabilities to banks	2,436.1	2,066.5
Non-current and current liabilities from corporate bonds and other loans	762.1	546.3
Non-current and current liabilities from convertible bonds	459.2	457.8
Cash and cash equivalents	-79.3	-96,5
<b>Net financial debt</b>	<b>3,578.1</b>	<b>2,974.1</b>
Book value of investment properties	6,858.6	6,540.4
Book value of property reported under property, plant and equipment (valued at cost)	10.5	9.1
Book value of property held as inventory (valued at cost)	769.5	113.8
Book value of property reported under non-current assets held-for-sale	242.3	72.0
<b>GAV (real estate assets)</b>	<b>7,881.0</b>	<b>6,735.3</b>
Prepayments on sold/acquired properties and on business combinations	0.0	67.9
Difference between fair value and book value for properties valued at cost	82.0	81.7
<b>Relevant GAV for LTV calculation</b>	<b>7,963.0</b>	<b>6,884.9</b>
<b>LTV</b>	<b>44.9%</b>	<b>43.2%</b>

# TAG net financial result calculation

(in EURm)	Q3 2022	Q2 2022	9M 2022	9M 2021	FY 2021
+ Interest income	3.0	12.6	15.6	0.7	4.3
- Interest expenses	-15.7	-11.5	-27.2	-42.7	-50.7
+ Other financial result	0.1	0.5	0.6	1.7	3.1
<b>= Net financial result</b>	<b>-12.7</b>	<b>1.6</b>	<b>-11.1</b>	<b>-40.4</b>	<b>-43.3</b>
+ Financial result from convertible/corporate bonds	0.8	0.8	1.6	2.5	3.4
+ Breakage fees bank loans	0.7	0.2	0.9	0.0	0.1
+ Other non-cash financial result (e.g. from derivatives)	1.0	-13.0	-12.0	5.6	-2.3
<b>= Net financial result (cash, after one-offs)</b>	<b>-10.1</b>	<b>-10.4</b>	<b>-20.5</b>	<b>-32.3</b>	<b>-42.1</b>

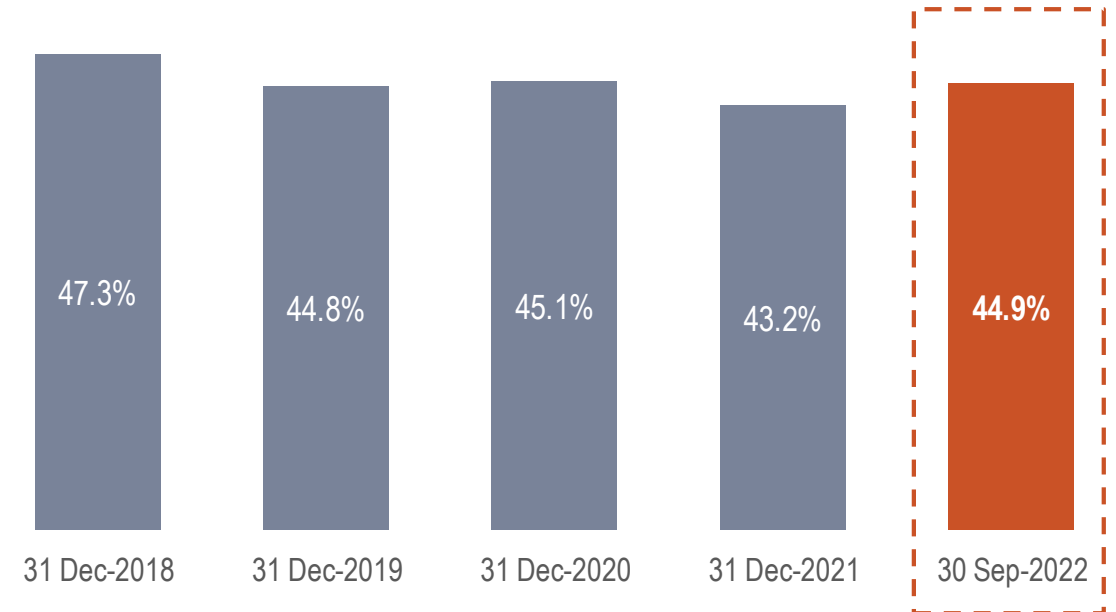
# TAG cost of debt and LTV

Cost of debt Ø in %



- Continuous reduction of average cost of debt in the last years
- Increase in cost of debt mainly driven by coupons of ROBYG's corporate bonds (which are denominated in PLN)

LTV in %

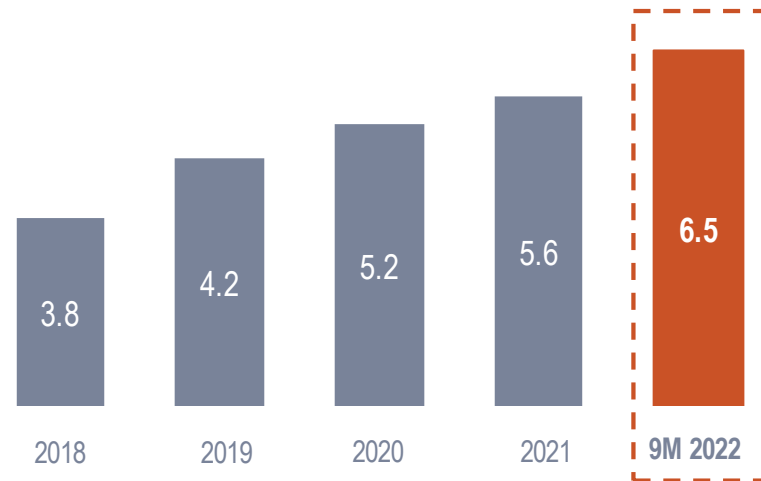


- Unchanged LTV target of c.45% ensures a conservative financial policy also in the future



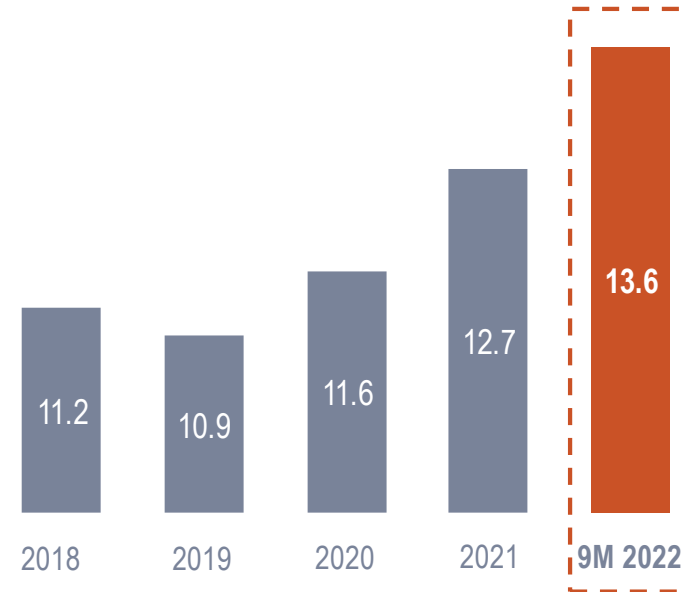
# TAG other financing metrics

## ICR



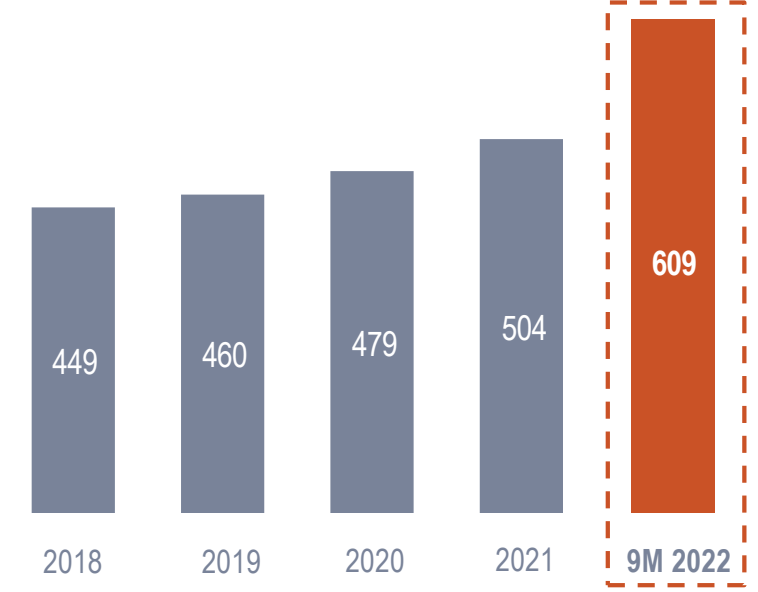
- Strong improvement of ICR (EBITDA adjusted/net financial result cash, after one-offs) driven by operational improvements as well as interest cost savings due to refinancing activities in the past years
- Includes EBITDA contribution from build-to-hold and build-to-sell projects in Poland on an annualised basis

## Net financial debt/ EBITDA adjusted



- Increase in FY 2021 and FY 2022 results from investments in Poland.
- Includes EBITDA contribution from build-to-hold and build-to-sell projects in Poland on an annualised basis

## Net financial debt in EUR/ sqm



- Increase in 9M 2022 mainly results from acquisition of ROBYG at 31 Mar-2022

# TAG financial covenants overview as of 30 Sep-2022

*Covenants leave extensive flexibility for further refinancings*

Instrument	Volume	Comments
German bank loans	c. EUR 2,100m	<ul style="list-style-type: none"> <li>typically ICR/ DSCR or LTV covenants with material headroom</li> <li>“soft covenants”, i.e. breach does not lead to an termination of the loan but puts a healing mechanism in place</li> <li>always based on portfolio level</li> </ul>
Convertible bonds	EUR 470m	<ul style="list-style-type: none"> <li>no financial covenants</li> </ul>
Corporate bonds EUR	EUR 250m	
Promissory notes	EUR 358m	<ul style="list-style-type: none"> <li>LTV covenant: net financial debt based on total assets (not only on GAV): max. 60% (currently c. 43%)</li> <li>ICR covenant: min. 1.8x (currently c. 6x)</li> </ul>
Bridge financing ROBYG	EUR 310m	
Corporate bonds PLN	EUR 126m	<ul style="list-style-type: none"> <li>Net debt ratio covenants with currently sufficient headroom</li> </ul>

# TAG German portfolio details by region

Region	Units #	Rentable area sqm	IFRS BV EURm Jun-2022	Gross yield	Vacancy Sep-2022	Vacancy Dec-2021*	Net actual rent EUR/sqm/month	Re-letting rent EUR/sqm/month	I-f-I rental growth y-o-y	I-f-I rental growth y-o-y incl. vacancy reduction	Maintenance EUR/sqm	Capex EUR/sqm
Berlin	10,356	601,797	1,010.0	4.2%	3.3%	3.7%	6.11	6.72	2.2%	3.2%	5.72	16.73
Chemnitz	8,010	470,769	427.2	6.1%	8.8%	8.7%	5.07	5.11	1.4%	1.5%	5.31	11.13
Dresden	6,112	395,151	654.0	4.4%	1.2%	1.8%	6.11	6.24	1.8%	2.8%	2.95	6.74
Erfurt	10,245	574,905	809.1	4.6%	1.4%	1.3%	5.43	5.75	0.9%	1.3%	5.10	6.14
Gera	9,244	530,970	472.5	6.7%	4.6%	6.8%	5.18	5.31	0.9%	3.1%	4.05	16.73
Hamburg	6,946	427,686	712.0	4.2%	4.3%	4.3%	6.08	6.59	1.8%	1.8%	6.79	10.84
Leipzig	13,120	765,526	855.4	5.3%	8.0%	9.3%	5.41	5.67	1.5%	3.5%	5.31	11.80
Rhine-Ruhr	4,132	262,428	411.1	4.3%	1.7%	1.9%	5.77	5.96	2.3%	2.8%	9.91	5.29
Rostock	8,324	466,140	605.5	4.9%	6.7%	6.5%	5.71	6.01	1.5%	2.0%	7.08	21.34
Salzgitter	9,179	563,049	610.7	5.8%	5.4%	6.4%	5.50	5.67	0.7%	2.1%	5.57	7.81
<b>Total residential units</b>	<b>85,668</b>	<b>5,058,422</b>	<b>6,567.5</b>	<b>4.9%</b>	<b>4.8%</b>	<b>5.4%</b>	<b>5.61</b>	<b>5.82</b>	<b>1.5%</b>	<b>2.5%</b>	<b>5.57</b>	<b>11.82</b>
Acquisitions**	360	17,530	12.5	4.3%	49.3%	22.6%	5.06	---	---	---	---	---
Commercial units within resi. portfolio	1,074	136,019	-	-	14.1%	14.5%	8.10	---	---	---	---	---
<b>Total residential portfolio</b>	<b>87,102</b>	<b>5,211,970</b>	<b>6,588.0</b>	<b>5.1%</b>	<b>5.2%</b>	<b>5.7%</b>	<b>5.67</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>
Other	127	174,72	108.0	5.1%	0.2%	3.7%	14.94	---	---	---	---	---
<b>Grand total</b>	<b>87,229</b>	<b>5,229,442</b>	<b>6,688.0</b>	<b>5.1%</b>	<b>5.2%</b>	<b>5.7%</b>	<b>5.71</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>

APPENDIX

\* excl. acquisitions in 2021

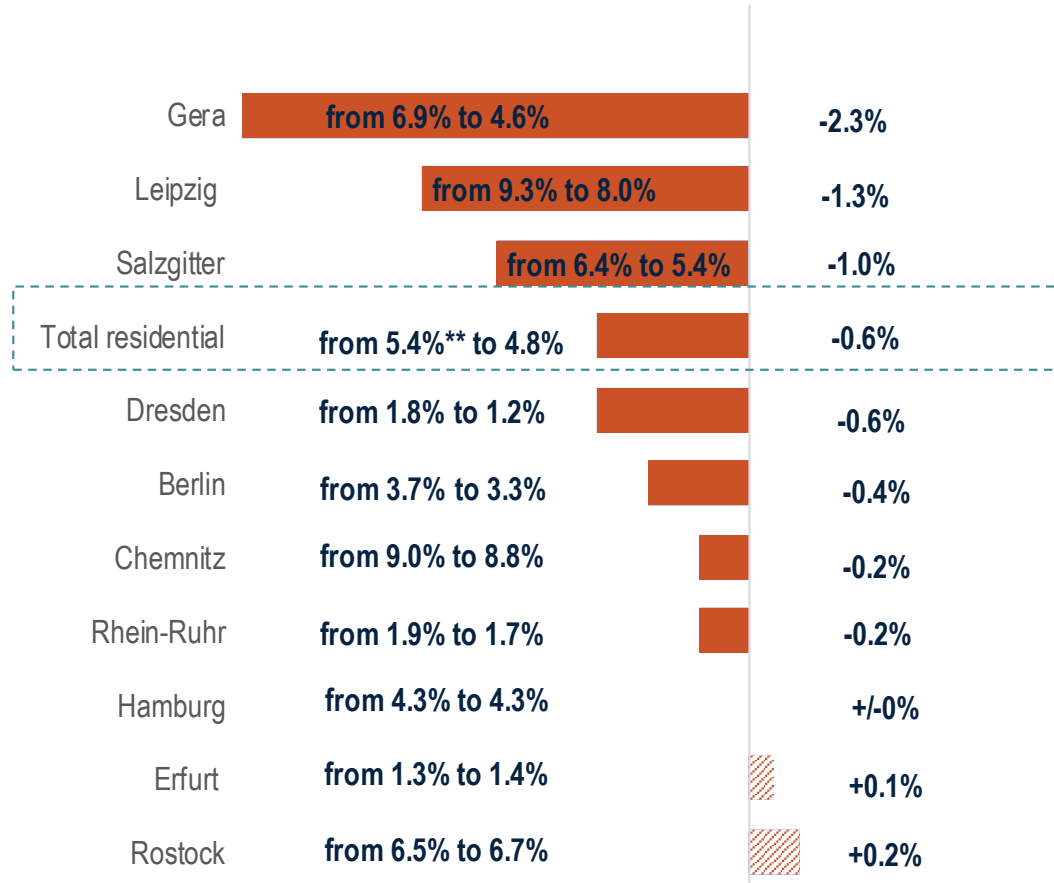
\*\* acquisitions closed during the period

\*\*\* incl. EUR 47.1m book value of project developments

\*\*\*\* excl. project developments

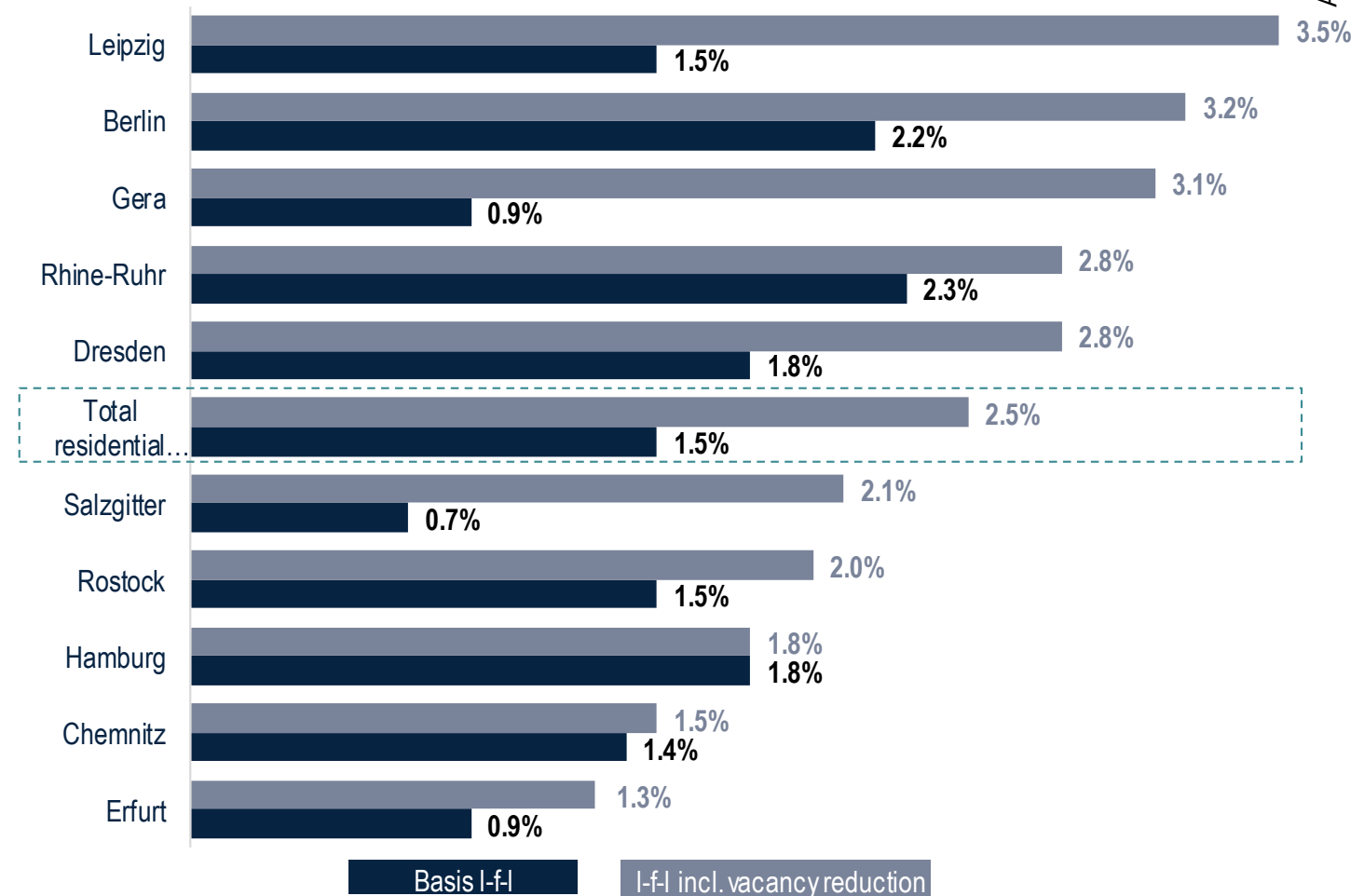
# TAG German portfolio vacancy reduction and rental growth

## Vacancy development 9M 2022\*



\*incl. acquisitions 2021 / \*\* as of 1st Jan-2022

## I-f-I rental growth (y-o-y) 9M 2022



# TAG German portfolio valuation details

Region (in EURm)	Sep-2022 Fair value (IFRS)	Sep-2022 Fair value (EUR/sqm)	Sep-2022 Implied multiple	YTD 2022 Valuation result	Share of operational performance/other market developments	Share of yield compression	Dec-2021 Fair value (IFRS)	Dec-2021 Fair value (EUR/sqm)	Dec-2021 Implied multiple
Berlin	1,010.0	1,613.0	22.8x	46.6	9.6	37.0	959.3	1,518.8	21.9x
Chemnitz	427.2	885.2	15.9x	13.8	-0.2	14.1	403.3	849.4	15.5x
Dresden	654.0	1,608.6	22.2x	22.7	8.4	14.2	630.6	1,551.1	21.8x
Erfurt	809.1	1,353.6	20.8x	36.9	6.1	30.8	784.5	1,269.4	19.5x
Gera	472.5	849.2	14.4x	4.2	2.3	1.9	470.3	818.5	14.4x
Hamburg	712.0	1,628.2	22.9x	37.4	1.7	35.7	670.3	1,532.0	21.8x
Leipzig	855.4	1,103.3	18.3x	33.9	5.0	28.9	813.3	1,048.2	17.8x
Rhine-Ruhr	411.1	1,508.3	21.8x	22.6	2.5	20.2	391.8	1,419.5	20.9x
Rostock	605.5	1,273.9	19.7x	25.8	4.7	21.1	569.6	1,198.7	18.7x
Salzgitter	610.7	1,081.6	17.1x	13.5	0.8	12.6	592.9	1,050.0	16.9x
<b>Total residential units</b>	<b>6,567.5</b>	<b>1,264.3</b>	<b>19.6x</b>	<b>257.3</b>	<b>40.8</b>	<b>216.5</b>	<b>6,285.9</b>	<b>1,200.8</b>	<b>18.9x</b>
Acquisitions*	12.5	712.9	22.9x	0.0	0.0	0.0	4.9	501.6	12.6x
<b>Total residential portfolio</b>	<b>6,588.0</b>	<b>1,262.5</b>	<b>19.6x</b>	<b>257.3</b>	<b>40.8</b>	<b>216.5</b>	<b>6,290.8</b>	<b>1,199.5</b>	<b>18.9x</b>
Other	108.0**	3,487.3***	19.5x	0.3	-2.1	2.4	96.6**	3,257.7***	21.8x***
<b>Grand total</b>	<b>6,688.0</b>	<b>1,269.9</b>	<b>19.6x</b>	<b>257.7</b>	<b>38.8</b>	<b>218.9</b>	<b>6,387.4</b>	<b>1,207.1</b>	<b>18.9x</b>

APPENDIX

\*acquisitions closed during the period

\*\* incl. EUR 47.1m book value of project developments; real estate inventory and properties within PPE valued at cost

\*\*\* excl. project developments



# TAG services business – FFO contribution 2021

c. 6% (EUR 10.7m) of FFO generated from services business in 2021

		Quality improvement		FFO generation					
(in EURm)	FFO rental	Facility management	Craftsmen services	Energy services <sup>1)</sup>	Multimedia services <sup>1)</sup>	Condominium management	Others <sup>2)</sup>	FFO services business	Total
Revenues	332.5	15.0	4.4	23.5	9.4	2.2	0.6	55.1	387.6
Rental expenses and cost of materials	-61.8	-2.6	-1.9	-18.8	-4.9	0.0	-0.5	-28.8	-90.6
<b>Net income</b>	<b>270.7</b>	<b>12.4</b>	<b>2.5</b>	<b>4.6</b>	<b>4.5</b>	<b>2.2</b>	<b>0.1</b>	<b>26.3</b>	<b>297.0</b>
Personnel expenses	-38.1	-13.5	-3.4	-0.5	-0.1	-1.4	0.0	-19.0	-57.1
Other income / expenses	-17.1	2.1	0.7	0.6	0.0	-0.1	0.0	3.4	-13.8
<b>EBITDA adjusted</b>	<b>215.4</b>	<b>1.1</b>	<b>-0.2</b>	<b>4.7</b>	<b>4.4</b>	<b>0.7</b>	<b>0.1</b>	<b>10.7</b>	<b>226.1</b>
Net financial result	-42.0	0.0	0.0	0.0	-0.1	0.0	0.0	-0.1	-42.1
Cash taxes <sup>3)</sup>	-0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.7
Cash dividend payments to minorities	-1.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1.3
<b>FFOI 2021</b>	<b>171.4</b>	<b>1.1</b>	<b>-0.2</b>	<b>4.7</b>	<b>4.3</b>	<b>0.7</b>	<b>0.1</b>	<b>10.6</b>	<b>182.0</b>
FFOI 2020	162.0	1.0	0.0	5.5	3.9	0.5	-0.3	10.6	172.6

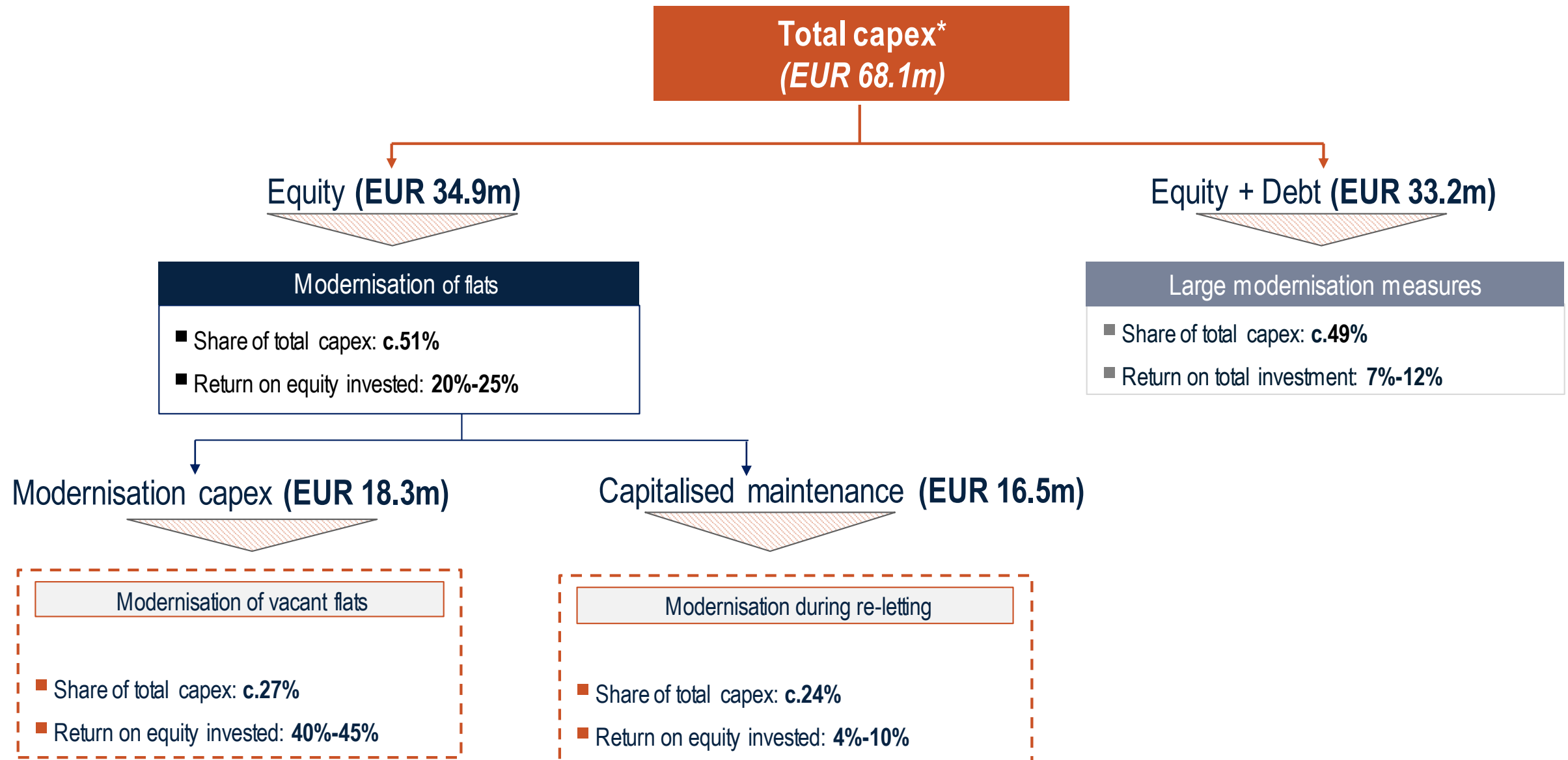
Total FFO contribution of the service business stable over the years with 5.8% in 2021 (5.9% in 2020)

1) incl. provisions, in annual report FY 2021 included in expenses from property management

2) w/o IFRS 15 effects; for further details see annual report FY 2020

3) assumption that all cash taxes are attributable to the rental business

# TAG return on capex calculation 2021



\*excl. capex for project developments of EUR 8.7m

# TAG return on capex – vacant flats (long-term vacancy)

Case Study – Halle/Saale „Daniel-Pöppelmannstr. 2-16

## Pre modernisation



## Measures

- Units: **20 out of 74**
- **Interior refurbishment:**
  - ✓ New flooring
  - ✓ Painting
  - ✓ Bathroom and kitchen modernisation
  - ✓ Consolidation of floor plan

## Post modernisation



## Description

- Acquired in May-2020 as part of a portfolio of 320 units in Halle/Saale
- Completed in Q1/Q2 2021
- Expenditure on time per unit: 4 weeks
- Modernisation cost per unit: EUR 11,171
- Vacancy at acquisition date within the 74 units: 47.2%
- Vacancy today within the 74 units: 8.7%
- Equity-financed

## Calculation

(in TEUR)

### Incremental revenues

Incremental revenues from new lettings	103.7
Saved maintenance costs	0.0
Saved ancillary costs from vacancy reduction	28.1
<b>Total incremental revenues</b>	<b>131.8</b>

### Total investment

**223.4**

### Return on total investment

**59.0%**

### Return on equity invested

**59.0%**

# TAG return on capex – large modernisation measures

Case Study – Brandenburg/Havel construction phase „Gördenalle/Beethovenstr.“

## Pre modernisation



## Measures

- Units: 104 (138 before modernisation)
- Vacancy before modernisation: **100%**
- Vacancy after modernisation: **2.9%**

## Post modernisation



## Description

- Acquired in Feb-2017 as part of a portfolio of 1,440 units in Brandenburg an der Havel
- Completed in Dec-2020, Completion of outdoor facilities by Mar-2022
- Facade-, roof-, heating, sanitary and electric overhaul
- Energy-saving measures
- New windows, apartment doors (entrance, internal)
- Adding balconies and terraces
- Parking areas, playgrounds
- Floor plan changes
- Financing: Equity financing

## Calculation

(in TEUR)

### Incremental revenues

Incremental revenues from new lettings	582.7
Saved maintenance costs	174.5
Saved ancillary costs from vacancy reduction	115.2
<b>Total incremental revenues</b>	<b>872.4</b>

### Total Investment

**9,250.0**

### Return on total investment

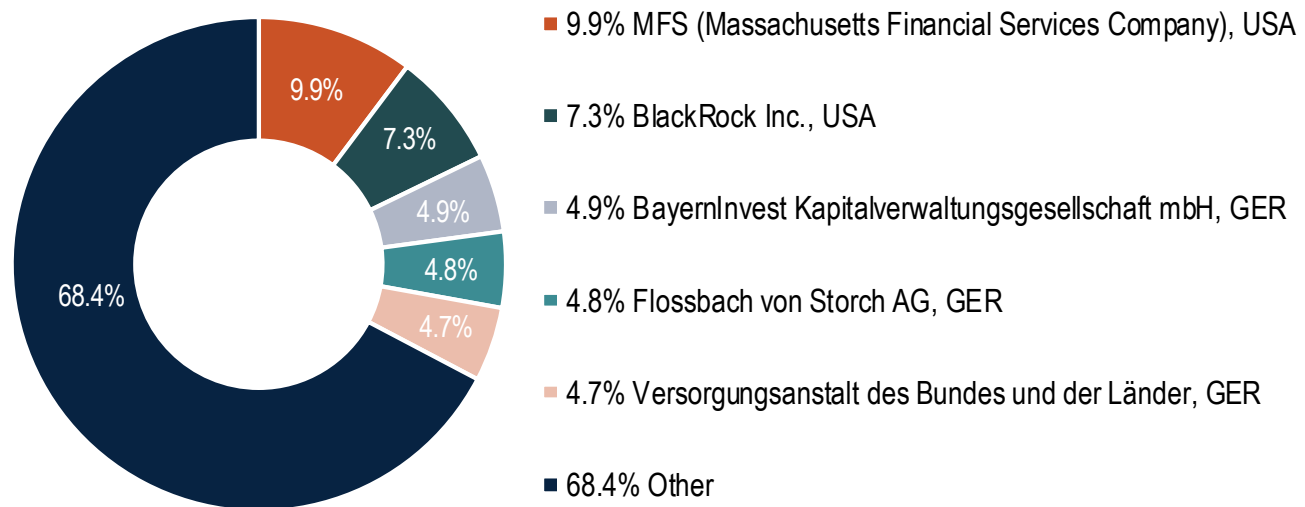
**9.4%**

### Return on equity invested

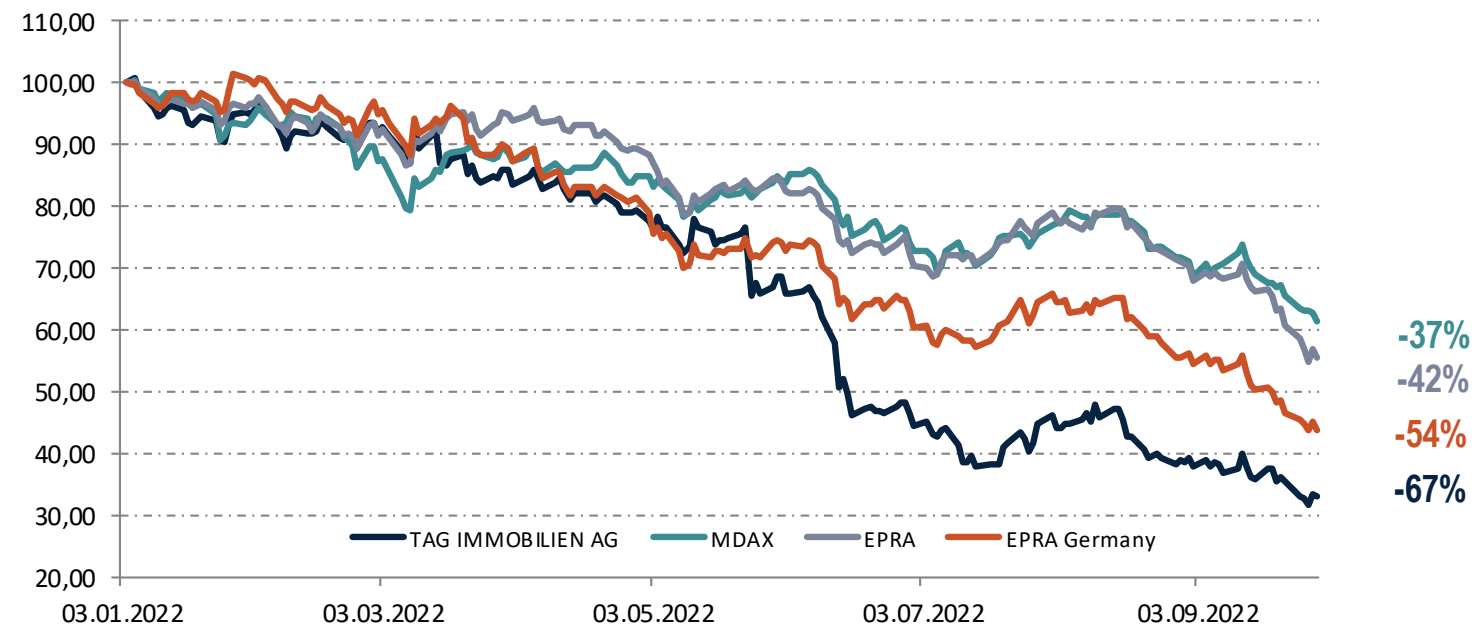
**9.4%**

# TAG share data

## Shareholder structure as of 15 Nov-2022



## Share price development vs. MDAX, EPRA Europe and EPRA Germany Index



## Share information as of 30 Sep-2022

Market cap	EUR 1.44m
NOSH issued	175.5m
NOSH outstanding	175.4m
Treasuryshares	0.1m
Free float (Deutsche Börse definition)	99.9%
ISIN	DE0008303504
Tickersymbol	TEG
Index	MDAX/ EPRA
Main listing/ market segment	Frankfurt Stock Exchange/ Prime Standard

9M 2022 share price performance: -67%

9M 2022 Ø volume XETRA/day (shares): c. 685,548

# TAG management board



**Claudia Hoyer, COO**

- Key responsibilities: Real Estate Management, Acquisitions and Disposals, Strategic Property Management/Marketing, Shared Service Center, Customer Relationship Management, Human Resources, Facility Management services, Change Management, Business Apartments, Energy services, Multimedia, Business Development, ESG and Digitalisation
- 
- Age 50
  - Joined TAG as COO in July 2012
  - Business degree, member of the board of DKB Immobilien AG from 2010 to 2012, more than 15 years of experience in residential real estate and property management



**Martin Thiel, CFO**

- Key responsibilities: Accounting, Financing and Treasury, Taxes, Controlling, Legal, IT, Compliance, Internal Audit and Residential Real Estate Management, Investor and Public Relations and ERP/Data Management.
- 
- Age 50
  - Joined TAG as CFO in April 2014
  - Business degree, CPA over 15 years of experience as Auditor and Tax consultant with real estate clients



# TAG management board compensation

**F I X E D**
**EUR 420,000 p.a.**
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## STIP (Short Term Incentive Plan)

- Compensation in **Cash**
- Based on changes in **financial performance** (improvement in comparison to previous year)
  - FFO/s
  - EPRA NAV/s improvements (adjusted for dividend payments)
- ESG performance based on classification in external ESG rating (max. EUR 25,000 per board member)
- Individual bonus/ deduction (up to 10% of total STIP) for each management board member based on targets defined annually by the supervisory board
- Target bonus: **EUR 150,000 p.a.**  
Cap: **EUR 200,000 p.a.**

## LTIP (Long Term Incentive Plan)

- Compensation in **TAG shares** (treasury shares)
- Based on **total shareholder return** (TSR), i.e. share price development plus dividend payments, over a four year period
- Target bonus: TSR of 40% within four year period leads to bonus of **EUR 250,000 p.a.**
  - actual TSR > / < Target TSR of 40%: linear calculation (e.g. TSR of 20%:  $20/40 \times \text{EUR } 250,000 = \text{EUR } 125,000 \text{ p.a.}$ )
  - actual TSR negative: no bonus
- Consideration of relative TSR performance in comparison to peer group (listed German residential companies):
  - actual TSR > 2% TSR peer group: +25%
  - actual TSR < 2% TSR peer group: -25%
- The Supervisory Board has also the option to supplement the LTIP with non-financial ESG targets in the future (up to 20% of total LTIP)
- Cap: **EUR 500,000 p.a.**
- Vesting period of four years from date of award of shares

- **Claw back clause:** in the event of grossly negligent and serious violations of laws or internal compliance requirements, as well as errors in the consolidated financial statements that have subsequently become known and which affect STIP key figures
- **Obligation** for each management board member to **own TAG shares** with a total value of at least one annual base salary during her/ his tenure

# TAG contacts

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