



H1-2020 Results

Presentation – Conference Call for Analysts & Investors, 11 August 2020

Lars Schnidrig, CEO & Dr. Kai Klinger, CMO

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Glossary

€ = Euro

\$ = (US)Dollar

% = percentage

a = actual

acc. = according

adj. = adjusted

aggr. = aggregated

approx. = approximately

c(a) = circa

e = expected

(F)Y = (financial) year(s)

H = half year(s)

LTM = last twelve months

M = month(s)

Q = quarter(s)

k = thousand(s)

m = million(s)

bn = billion(s)

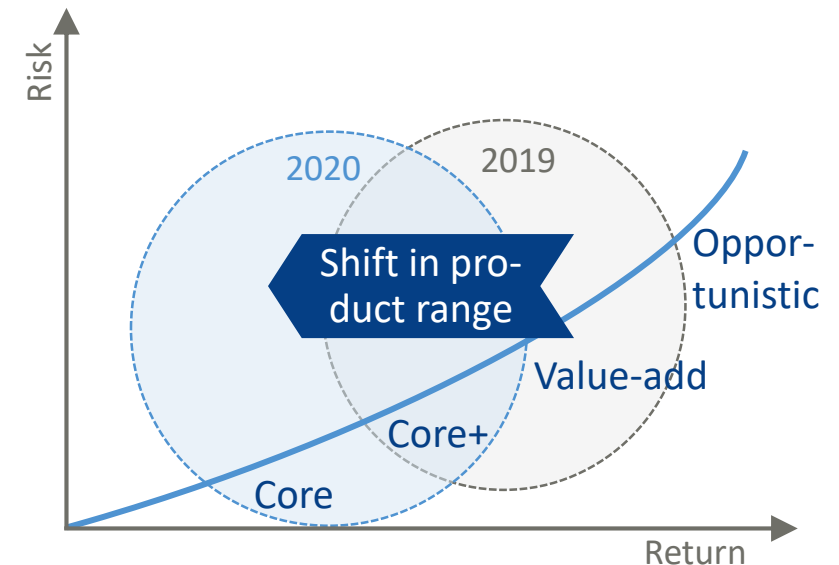
Operations Considerably Impacted by COVID-19 Pandemic

- General market uncertainty and restraints lead to slow-down in RE transactions in April and May, since June markets recover gradually with focus on lower risk-return profiles
- Minor organic RE AuM growth in Q2 of +1.2%
- Resilient performance in AM & PM and private debt business
- Operational pressure on value-add investments esp. in Serviced Apartments and Retail lead to re-valuations and smaller one-off effects in alignment capital
- Challenging environment for STAM in Paris
- Supervisory Board extended and renewed on virtual AGM with focus on independence, various profiles of competency and diversity
- Significant net debt reduction and deleveraging within next 18-24M
- Capital Market Day shifted to 19 November 2020

Enhanced Market Approach

- Consistent changes in product offerings with high focus on **core/core+**
- Examples of current product range: residential in B-cities, logistic, student housing, city quarters, affordable housing in A-cities, commercial with A-tenants
- Comprehensive **re-branding** and **new positioning** scheduled for 2021
- Strengthening of **equity raising in DACH region**
- Group-wide **efficiency program** launched: simplification, productivity and digitalization

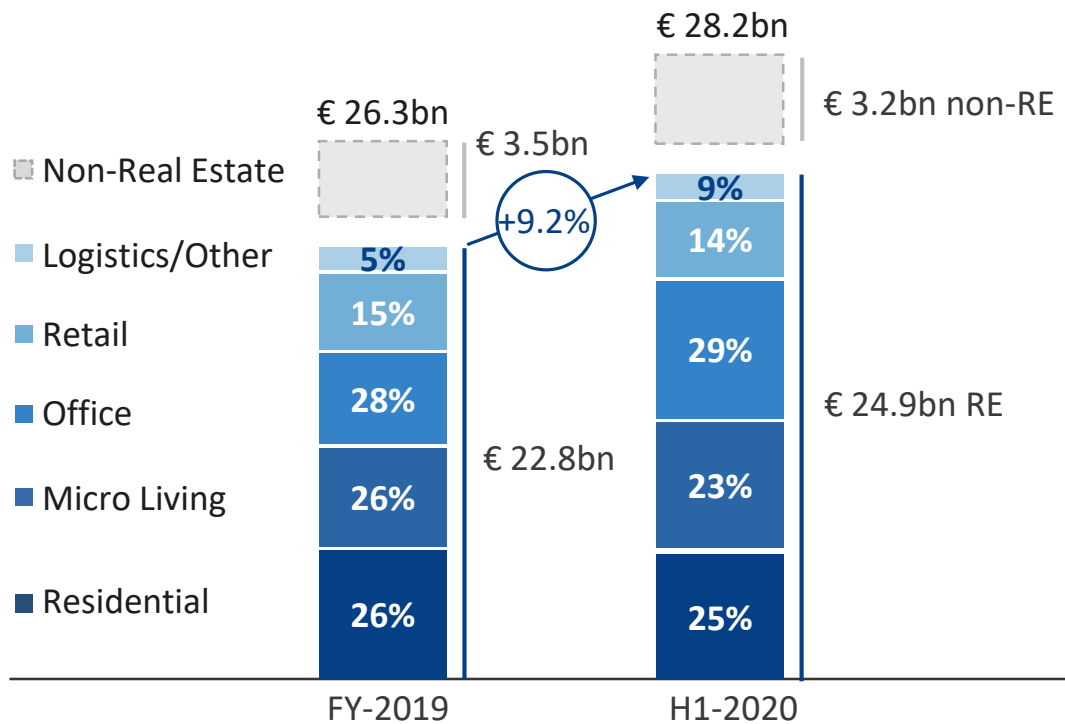
COVID-19 as Catalyst for Shift of Investment Focus



Assets under Management on Record High

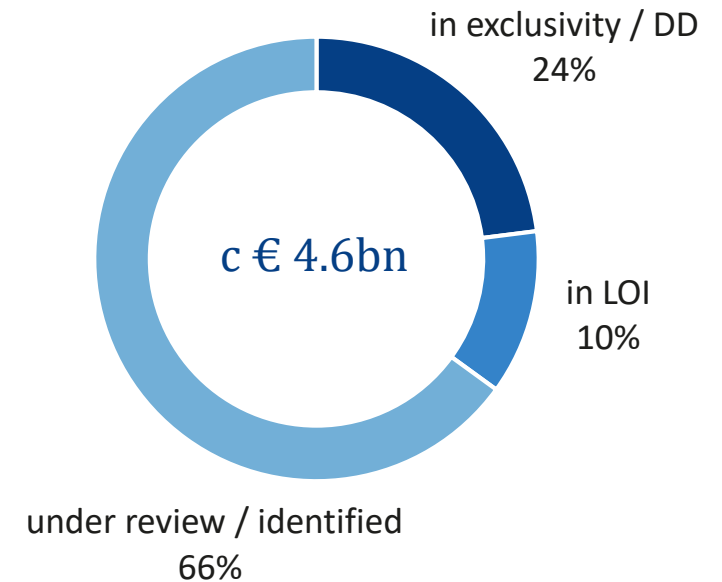
Assets under Management

- **+3.4%** net organic growth in **RE AuM** in H1-2020
- Planned decrease in non-Real Estate AuM of € 0.3bn



Sourcing pipeline

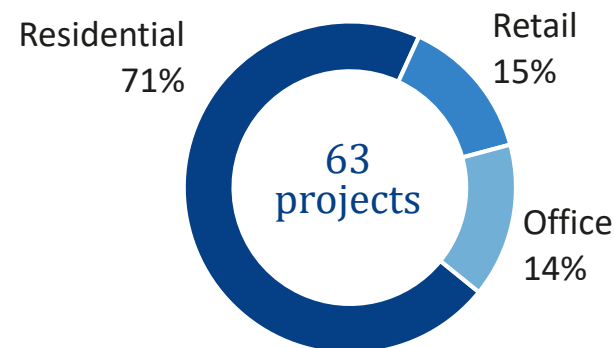
- Deal pipeline impacted by COVID-19, but showing signs of recovery
- High percentage in advanced contractual status



Real Estate Debt Shows Robust Performance Through the Crisis

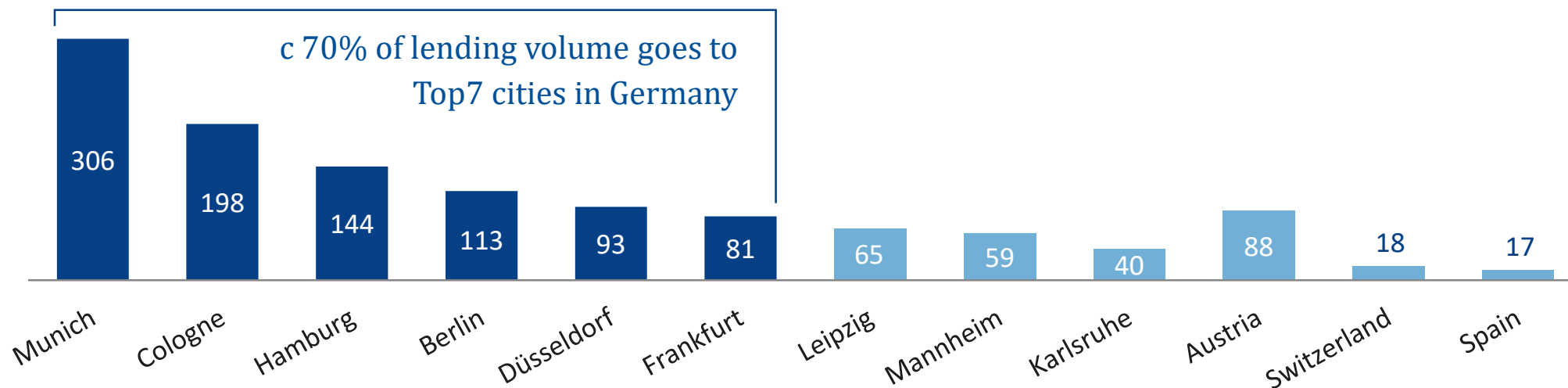
Uses of Mezzanine Funds at the End of H1-2020

- Total committed fund volume: **c € 1.3bn**
- # of financed projects: **63**
- Ø size of mezzanine financing: **c € 21m**
- Very high demand from developers
- Fund raising burdened by changed risk appetite from investors



Regional Break Down of Current Outstanding Financings

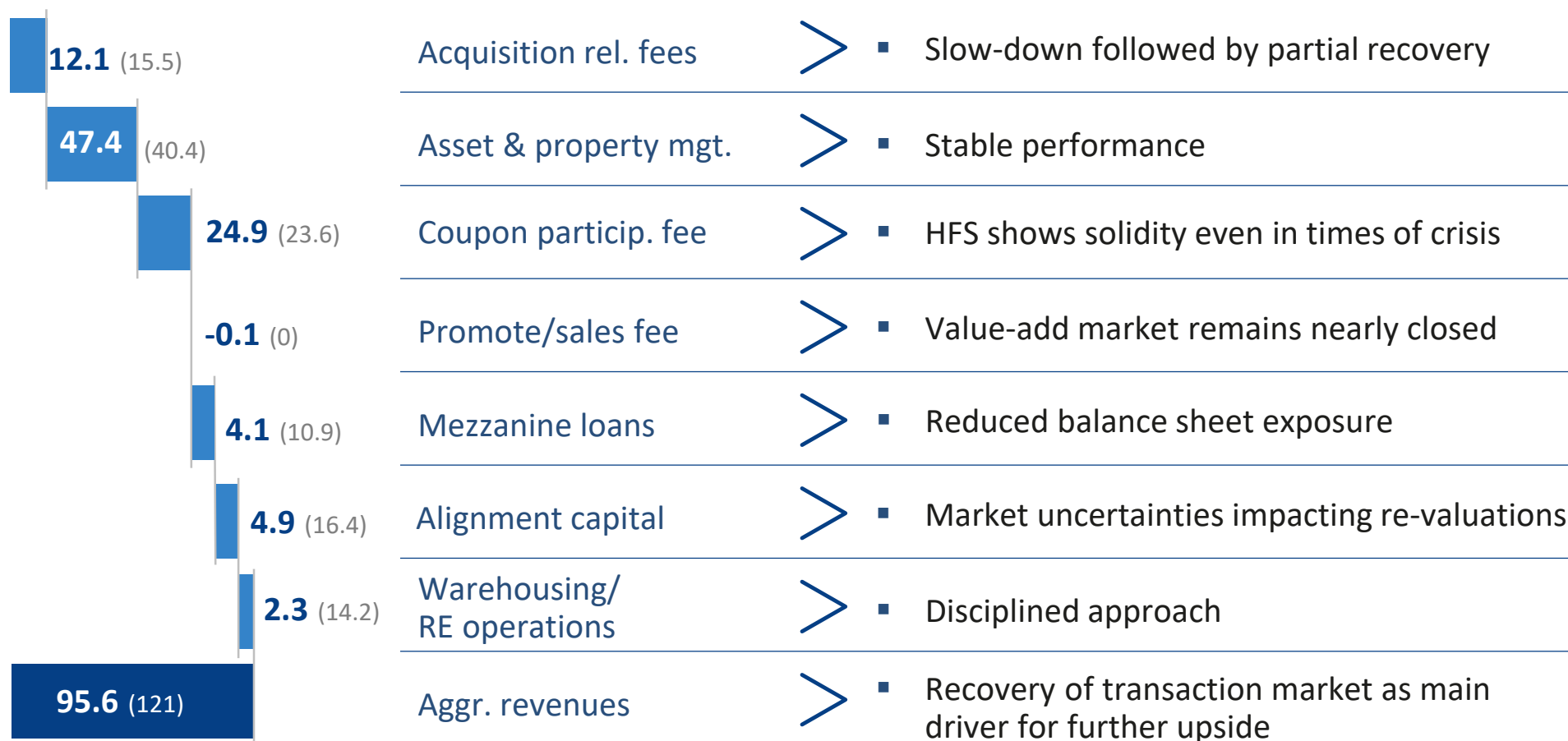
in m€



COVID-19 Leads to Significant Shifts in Fee Pattern

H1-2020 Revenue Split-Up

in m€ (H1-2019)



Changing Market Conditions Burdening Cost Structure

Key P&L Figures H1-2020

in m€

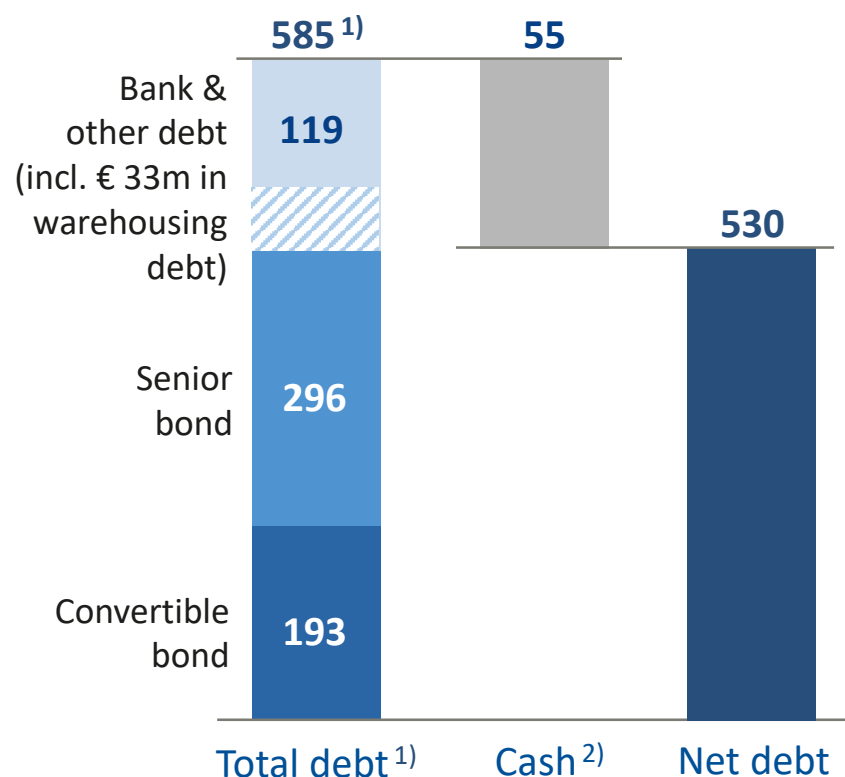
Aggr. revenues	95.6	100%
Expenses from RE investment mgt.	-46.0	48.1%
Alignment capital expenses	-8.3	8.7%
Warehousing expenses	-3.5	3.7%
G&A expenses	-16.5	17.3%
Other income	4.5	4.7%
EBITDA	25.9	27.1%
D&A	-16.3	17.1%
EBIT	9.6	10.0%
Financial result	-9.2	9.6%
Net profit	0.4	0.4%
Adj. net profit	11.4	11.9%

- Higher OpEx ratio (>50%) driven by group's fixed cost basis and weaker revenue lines esp. in warehousing and alignment capital
- Increase of alignment capital expenses due to higher efforts on COVID-19 affected co-investments (Serviced Apartments, Retail)
- G&A burdened by HR related one-off items incl. first measures of efficiency program (€ 5-10m in FY2020)
- D&A includes IFRS 16 effect and consolidation of STAM
- Adjustments on net profit level
 - Management contracts € 12.6m
 - DTA € -1.7m

Key Balance Sheet Figures in times

Debt Overview at the End of June 2020

in m€



- Seasonal cash outflow in Q2
- Net debt reduction planned via
 - Placements out of inventories, associates/JVs and financial instruments (>€ 200m in 18-24M)
 - Cash flow from operations
- Financial leverage IFRS 16-adjusted at 4.0x³⁾ mid-term target range of between 2.0x and 3.0x remains in place
- Main financial instruments not affected by higher leverage (>3.5x limits only issuing of new debt instruments)
- No substantial redemptions/refinancing needs until end of 2022

1) Total financial debt adjusted for rental and leasing liabilities

2) incl. restricted cash

3) Net debt / EBITDA LTM of € 131.4m; excl. IFRS 16 adjustments, financial leverage would be at 4.2x

2020: High Uncertainties in Transaction Markets, but Prudent Signals for a Revival*

- Acquisition-based fees still with broad ranges
 - current expectation: Bottoming-out in Q2, recovery under way and improvement in Q4
- Asset & property management fees will remain steady (incl. fees from real estate debt business)
- Only minor earnings' contributions from warehousing and alignment capital
- Cost base broadly unchanged
 - € 5-10m one-off costs in 2020 from efficiency program
- Operationally clearly profitable

Well Positioned to Return Stronger from the Crisis

- Increasing pressure towards real estate investments (“lower for longer”)
- Attractive product range driven by megatrends urbanization
- Corestate to refine and standardise its brand identity with focus on ESG
- Expansion of sales in the DACH region

* Under the caveat of no long-lasting supra-regional shutdowns or other public measures with severe impacts on transaction environment

IR Contact and Financial Calendar 2020

Investor Contact

Dr. Kai G. Klinger
Chief Markets Officer

Phone: +49 69 3535630-106
ir@corestate-capital.com

Financial Calendar 2020

- 25 February • Publication preliminary results for FY 2019
- 24 March • Annual financial report 2019
- 12 May • Publication results for Q1
- 05 June • Annual General Meeting
- 11 August • Publication results for H1
- 11 November • Publication results for first nine months
- 19 November • Capital Markets Day

Please note that these dates
may be subject to change