



Management Presentation

Results for the First Nine Months of 2019

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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)

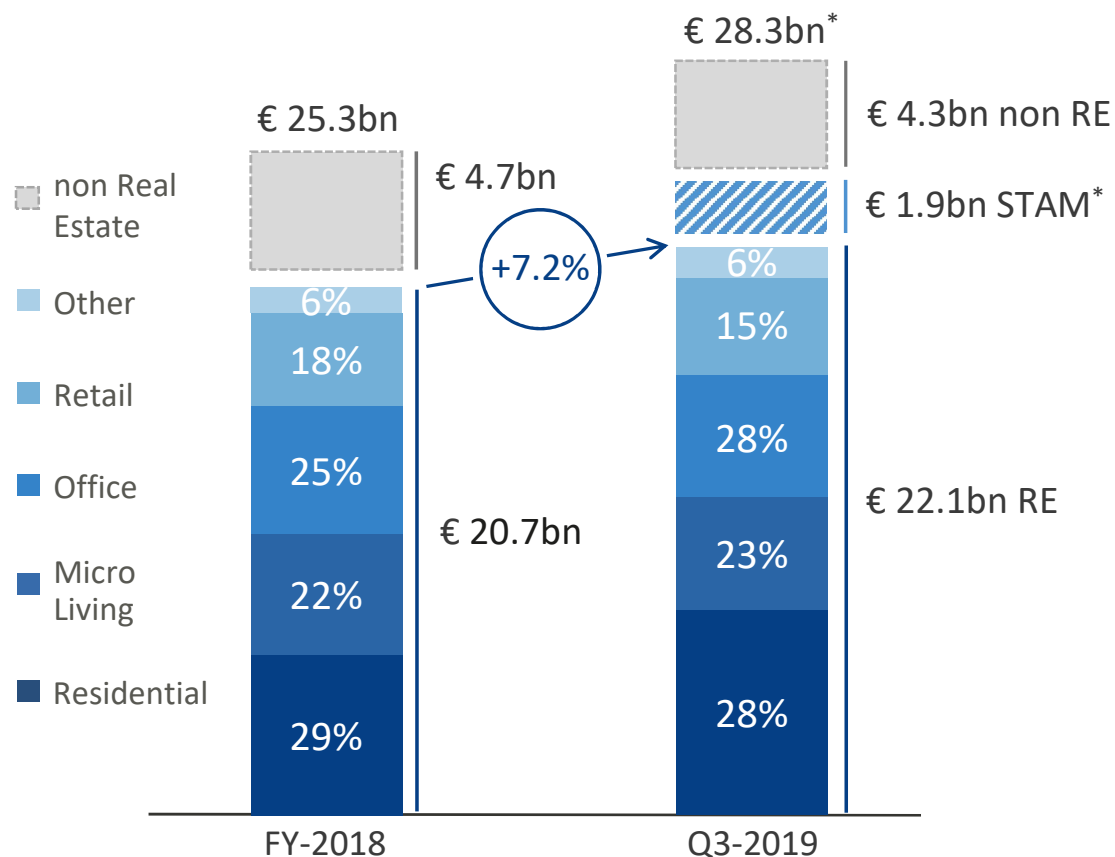
Solid 2019 Performance In-line with Budgets and Seasonal Targets

- >7% organic growth on RE AuMs in 2019
- On track to deliver on our guidance with detailed transaction roadmap in Q4
- Institutional client base extended significantly in H2
- Next important steps in European asset expansion
- STAM Europe acquisition to be closed in the upcoming weeks
- Balance sheet usage reduced in Q3 according to our plans
- Leverage again in target range (<3x)
- S&P raised outlook to “positive” and confirmed corporate rating with “BB+”

Assets under Management – Another Record High

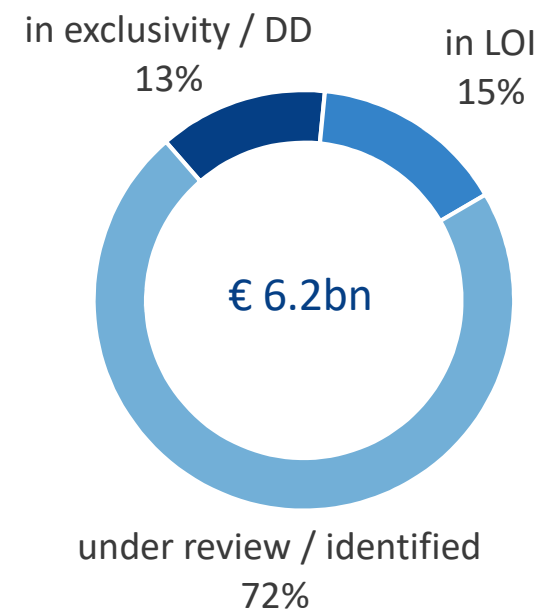
Assets under Management

- +7.2% net organic growth in RE AuMs in 2019
- STAM acquisition will add € 1.9bn in AuMs
- Planned decrease in non-Real Estate AuMs of € -0.4bn



Sourcing Pipeline

- Strong deal pipeline with seasonal tailwind towards year's end rally

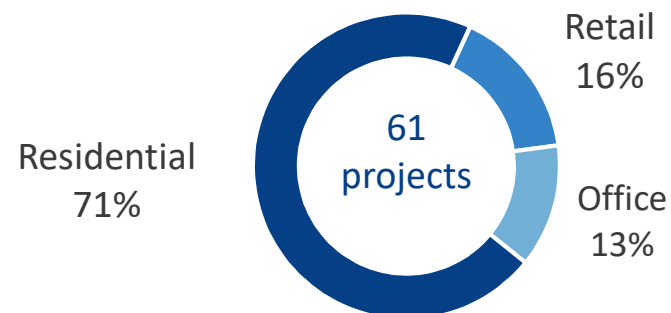


* incl. STAM on a pro forma basis as of at the end of 2019 (approval expected by December, closing soon after)

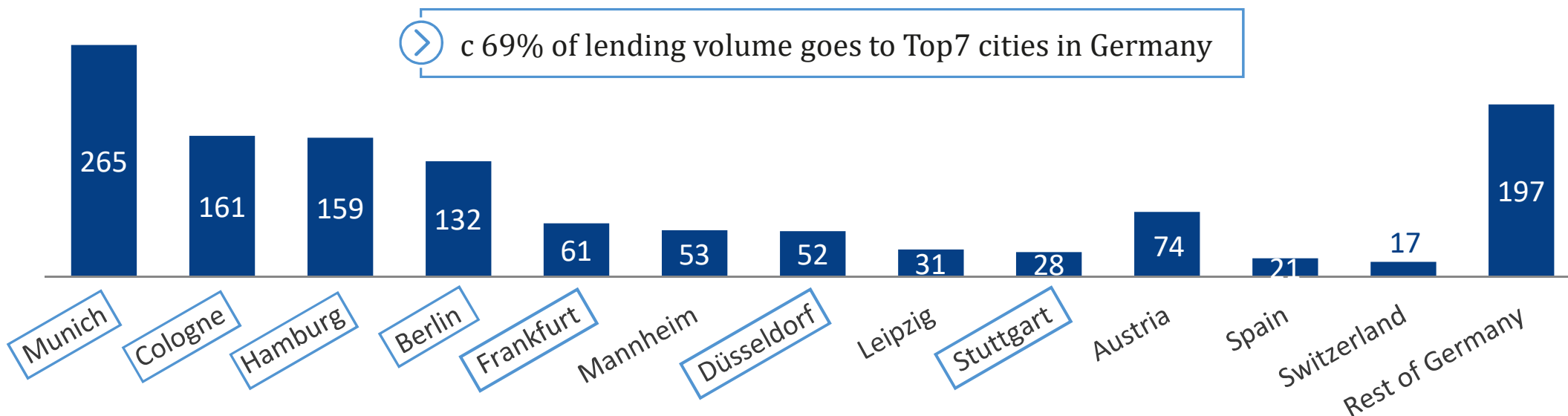
Real Estate Debt – Highly Diversified with a Focus on Favourable Locations

Uses of Mezzanine Funds at the End of Q3-2019

- Total committed fund volume: c € 1.25bn
- Predominantly German residential (>70%)
- # of financed projects: 61
- Ø size of mezzanine financing: c € 20.5m

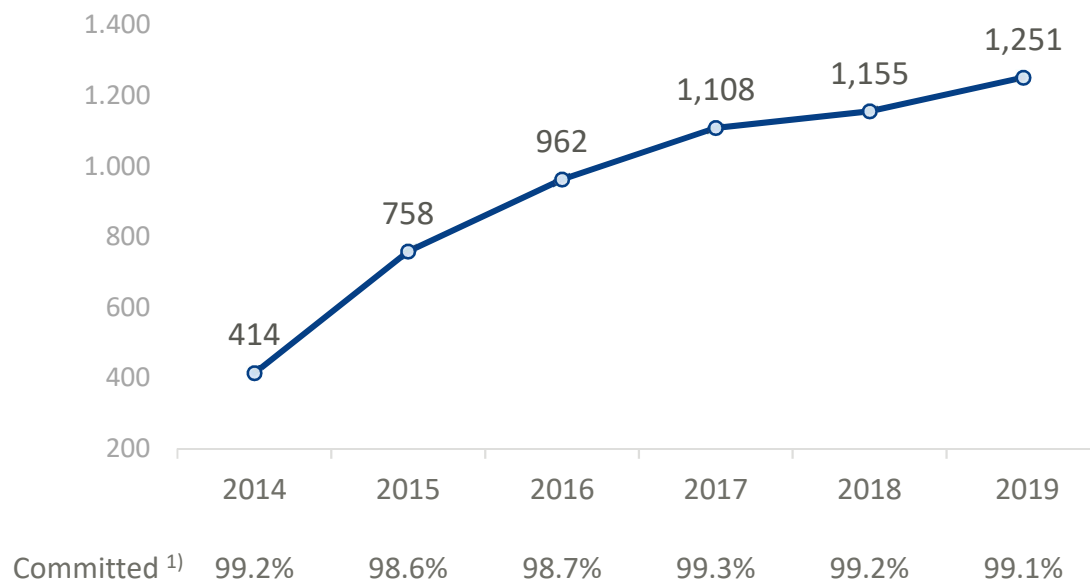


Regional Break Down of Current Outstanding Financings (in m€)



Overview HFS Stratos Funds

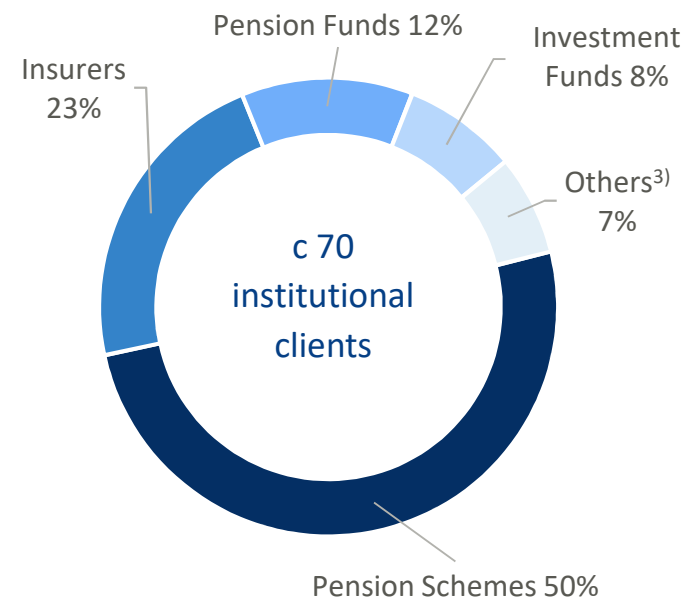
Historic Mezzanine Fund Volumes



Key Performance Parameter

- Avg. performance²⁾ since inception around 12.0% p.a.
- Interest-bearing share of committed fund volume c 80%
- Very visible investment pipeline for the upcoming quarters

Stable Investor Base



³⁾ Others incl. Banks, Foundations etc...

➤ Outstanding performance driven by efficient deployment of funds in combination with cautious volume increase

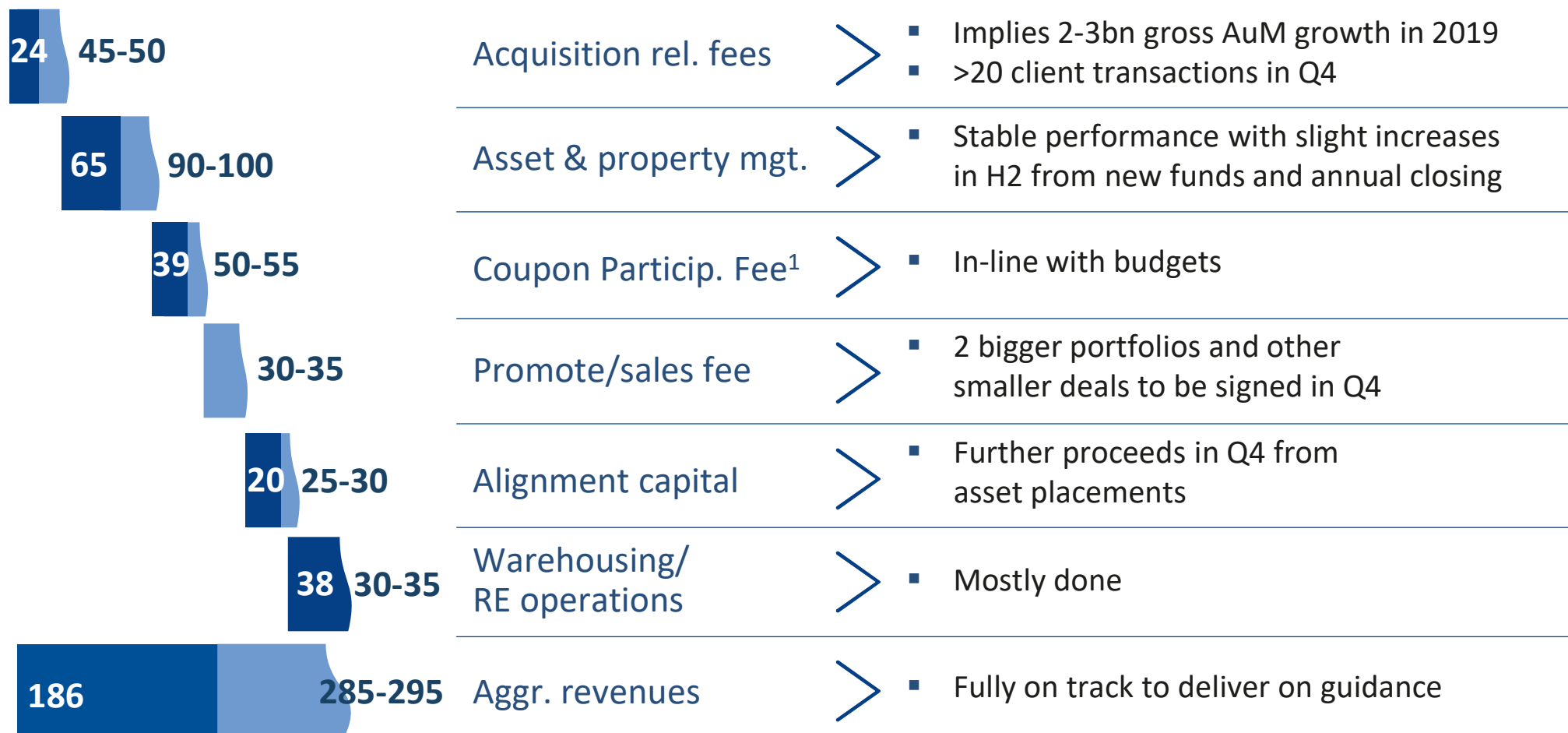
1) Average commitment of fund volume to projects

2) Based on reported performance of IAF Stratos II & IV acc. to BVI standard

Revenue Streams incl. Bridge to FY2019 Guidance

9M Revenue Split-Up vs. FY2019e

(in m€)



1) Coupon participation fee (pro rata temporis)

Solid Financials – With Typical Seasonal Footprints

Key P&L Figures 9M-2019

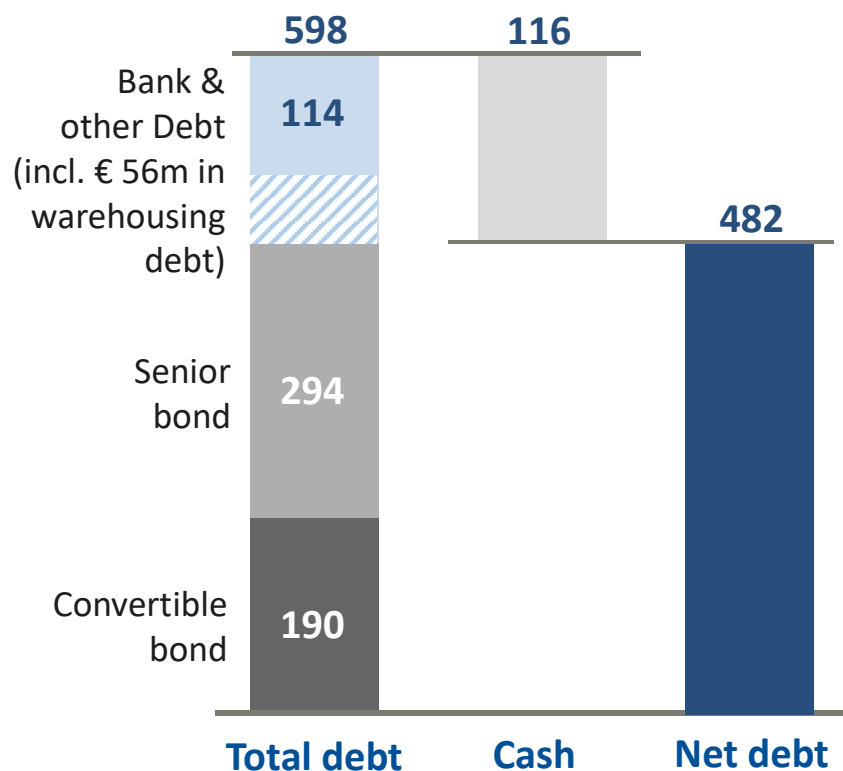
(in m€)

Aggr. Revenues	185.6	100%
Expenses from RE Investment Mgt.	-61.9	33.4%
Alignment capital expenses	-5.9	3.2%
Warehousing expenses	-16.8	9.1%
G&A expenses	-17.1	9.2%
Other Income	16.3	8.8%
EBITDA	100.1	53.9%
D&A	-25.3	13.6%
EBIT	74.8	40.3%
Financial result	-15.2	8.2%
Net profit	51.3	27.6%
Adj. net profit	67.6	36.4%

- Seasonality showing impact on our cost ratios, incl. temporarily higher OpEx ratio (c 45.6%) mainly due to accrued expenses for upcoming transactions till year-end
- Increase in G&A expenditures driven by M&A activities
- Positive impact on other income released provisions (expiring liabilities from Hannover Leasing acquisition)
- Minor effects from IFRS16 on EBITDA and D&A
- Warehousing with peak in Q2 led to higher financial expenses
- Tax rate of c 14% back in normal range
- Adjustments on the net profit level
 - Asset management contracts (D&A) € 18.8m
 - DTA & non-control. interests € -2.5m

Debt Overview at the End of Sept 2019

(in m€)



- Significant reduction of the short-term utilization of balance sheet for warehousing and client exposure
- Financial leverage at 2.8x*; thus back in mid-term target range of between 2x and 3x.
- Financial leverage will be reduced further till the end of the year
- S&P rating update: BB+, outlook “positive”

* Net debt / EBITDA (Midpoint FY Guidance 2019)

Guidance 2019 Confirmed

Aggr. Revenues*	€ 285 - 295m
EBITDA	€ 165 - 175m
Adj. Net Profit	€ 130 - 140m

Sneak Peak 2020

- Guidance FY2020 will be provided on 25 February 2020
- Promising perspectives from operations: new investors, concrete product initiatives/pipeline and strong market environment in niches
- Distribution policy confirmed: c 50% of Earnings per Share
- Mid-term AuM growth perspectives
 - Organic 5-10% p.a.
 - Inorganic 3-5bn € p.a. (from free cash flow)

* Aggregate Revenues include Revenues and Gains from Real Estate Investment Management, Share of Profit and Loss from Associates and Joint Ventures, Dividends from other Alignment Capital and Total Income from Real Estate Operations/Warehousing

Appendix – Nine Months 2019 Profit & Loss Statement

(€ m)	9M-2019	9M-2018
Revenue from Acquisition Related Fees	24	31.7
Revenue from Asset and Property Management	103.6	99.1
Revenue from Promote and Sales Fees realized	0	0
Revenue from Real Estate Investment Management	127.3	131
Management expenses	(61.9)	(51.7)
Earnings from Real Estate Investment Management	65.7	79.3
Net Rental Income	9.4	13.8
Revenue from Service Charges	4.7	0.3
Net Gain from Selling Property Holding Companies	8.9	51.8
Income from other Warehousing activities	15.1	6.3
Total Income from Real Estate Operations / Warehousing	38.1	72.3
Expenses from Real Estate Operations / Warehousing	(16.8)	(18.3)
Earnings from Real Estate Operations / Warehousing	21.3	54
Earnings from Alignment Capital	13.9	13.3
General, Administrative	(17.1)	(20.9)
Other Income	16.3	2.8
EBITDA	100.1	128.4
Depreciation and Amortisation	(25.3)	(19.3)
EBIT	74.8	109.1
Net Financial Expenses	(15.2)	(17.5)
EBT	59.6	91.7
Income Tax expenses	(8.3)	(11.2)
Net Profit for the Period	51.3	80.4
of which attributable to equity holders	51.3	80.6

Appendix – Balance Sheet as of 30 September 2019

(€ m)	30 Sept 2019	31 Dec 2018
Non-Current Assets		
Goodwill	567.1	567.1
Intangible Assets	115.2	132.4
Investment in Associates and Joint Ventures	116.3	88
Total Non-Current Assets	1.083.3	984.9
Current Assets		
Inventories	115.7	91.8
Structured Assets held for Sale	0	0
Cash and Cash Equivalents	113.1	194.4
Total Current Assets	352.4	405.8
Total Assets	1.435.7	1.390.7
Equity		
Total Equity	609.147	621.0
Long-term Financial Liabilities to Banks	17.4	69.7
Other Long-term Financial Liabilities	524.4	514.5
Other Non-Current Liabilities	24.3	12.5
Total Non-Current Liabilities	588.1	626.1
Current Liabilities		
Short-term Financial Liabilities to Banks	56.6	0.5
Other Short-term Provisions	23.8	33.4
Other Short-term Financial Liabilities	0	2.5
Other Current Liabilities	99	52.1
Total Current Liabilities	238.5	143.7
Total Equity and Liabilities	1.435.7	1.390.7

Investor Contact

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Financial Calendar 2020

25 February	Publication preliminary results for FY 2019
24 March	Annual financial report 2019
29 April	Annual General Meeting
12 May	Publication results for Q1
11 August	Publication results for H1
10 September	Capital Markets Day
11 November	Publication results for first nine months

Please note that these dates may be subject to change