

PATRIZIA enjoys strong growth following active 2018

## **PATRIZIA posts 72.0% profit increase driven by expansion and organic growth**

- ♦ Operating income up 72.0% YOY to EUR 141.4m
- ♦ Assets under management (AUM) increased 87.3% YOY to EUR 41.0bn
- ♦ 8% increase in annual dividend to EUR 0.27 per share (2017: EUR 0.25) and updated dividend policy
- ♦ EUR 2.6bn equity entrusted to PATRIZIA by domestic and international clients in 2018

**Augsburg, 21 March 2019.** Following the release of its 2018 Preliminary Results on 18 February 2019, PATRIZIA Immobilien AG, the global partner for pan-European real estate investment, has published its financial year 2018 Annual Report and confirms a strong operational performance as the result of an active year strengthening its pan-European investment platform.

As previously reported, assets under management (AUM) increased 87.3% YOY to EUR 41.0bn, driven by the successful consolidation of corporate acquisitions and organic growth across the business. Approximately EUR 2.6bn of funds were raised from institutional, (semi-)professional and private investors. Total service fee income grew 51.1% YOY to EUR 320.2m, enhancing the stability of the business and its revenue streams. Operating income was up 72.0% to EUR 141.4m.

Based on the current organic growth trajectory, PATRIZIA has confirmed that it expects to generate a 2019 operating income in the range of EUR 120.0-130.0m, which, following the very strong performance fees generated in 2018, assumes a rather normalised level for 2019. The 2019 guidance hence implies further underlying growth in recurring management and transaction fees compared to 2018.

Karim Bohn, CFO of PATRIZIA Immobilien AG, said: “Operationally, 2018 was an extremely active year for PATRIZIA and this has delivered strong results that are in line with our Group strategy. The proportion of the income we are now generating is increasingly from management fees, which offer a more stable, sustainable and higher quality source of revenue. The Board has therefore approved an 8% increase in our dividend, from EUR 0.25 to EUR 0.27 per share. This increase offers our shareholders participation in the improved profitability of the Group while at the same time providing PATRIZIA the financial flexibility for the continued envisaged organic and inorganic growth.”

The dividend for the financial year 2018 will be offered as an all-cash dividend. The Managing Board of PATRIZIA Immobilien AG also decided that the annual growth rate of management fees and assets under management will form the basis for future dividend proposals to shareholders.

In the year ahead, PATRIZIA will build on its 2018 achievements by focusing on further strengthening the foundation of the business through its client relationships, deepening its on the ground transaction expertise, diversifying its income streams and international client base. In January, for example, the company announced the acquisition of the business of Tokyo-based KENZO, significantly expanding PATRIZIA’s fundraising ability in Asia while also offering clients the opportunity to invest in Japanese residential real estate.

PATRIZIA will also continue driving innovation in real estate through its technology and digital capabilities, building on the strategic stake it acquired in the artificial intelligence business EVANA, announced in September 2018.

## Press Release

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PATRIZIA continues to combine industry leading research with deep local expertise from its 24 global offices and especially strong market presence in Europe. This enables the team of around 800 professionals to offer first-class independent advice and deliver superior returns through customised investment solutions.

**PATRIZIA Immobilien AG:**

PATRIZIA Immobilien AG has been active as an investment manager in the real estate market across Europe for more than 35 years. PATRIZIA's activities include the acquisition, management, repositioning and sale of residential and commercial real estate through its own licensed investment platforms. As a global partner for pan-European real estate investment, PATRIZIA operates as a respected business partner of large institutional investors and retail investors in all major European countries. PATRIZIA manages around EUR 40 billion of real estate assets, primarily as an investment manager for insurance companies, pension fund institutions, sovereign funds, savings and cooperative banks and as co-investor. For further information, please visit: [www.patrizia.ag](http://www.patrizia.ag).

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