

Corporate News

ERWE Immobilien AG further expands earnings from property lettings

- **Publication of the nine-months Report 2022**
- **Gross rental income increased by 21.4 percent**
- **Earnings from property lettings rose by 28.6 percent**

Frankfurt/M., 24 November 2022. The operating business of ERWE Immobilien AG (ISIN DE000A1X3WX6), Frankfurt/M. has further improved in the first nine months of the fiscal year 2022. Gross rental income rose by 21.4 percent to Euro 6.798 million by the end of the third quarter of 2022 (same period of the previous year: Euro 5.601 million), while earnings from property lettings increased disproportionately by 28.6 percent to Euro 4.228 million (same period of the previous year: Euro 3.286 million). In addition to the acquisition of two properties in Wuppertal and Bremerhaven, successful lettings of space in the portfolio properties also contributed to the growth.

In the portfolio properties in Speyer ("Postgalerie"), Lübeck (L I C H T H O F) and in Coesfeld ("Kupferpassage"), leases were extended with existing tenants for a total area of around 9,200 sqm. In addition, negotiations are currently underway with interested parties for the re-letting of around 6,700 sqm of space. More than two thirds of the space in the new development project for the expansion of our portfolio in Krefeld's city centre, which will be completed in the second quarter of 2024, has already been let.

Lower increases in fair value measurement had an impact on the development of earnings. While in the same period of the previous year a result from the fair value measurement of investment properties of Euro 5.398 million was achieved, this effect was only Euro 0.611 million in the first nine months of the current financial year. After deduction of only slightly changed expense items, the Group shows earnings before interest and taxes of Euro 0.024 million for the period from January to the end of September, compared to Euro 3.789 million in the same period of the previous year. After deducting financial expenses, which increased to Euro 5.338 million (Euro 5.170 million), as well as a positive effect from tax calculations of Euro 0.437 million, a consolidated result of minus Euro 4.863 million (previous year: Euro 2.112 million) remained.

The EPRA NRV per share was Euro 3.40 at the end of the reporting period compared to Euro 4.23 at the beginning of the current financial year. The decline is largely due to the dilution effect from the capital increase in the middle of the year. Total assets expanded to Euro 244.656 million as of the reporting date (end of 2021: Euro 220.101 million). The loan-to-value (LTV) ratio was 70.8 percent at the end of September 2022 (67.8 percent at the end of 2021).

"We are cautiously optimistic about the year as a whole. The increased demand for rental space in our portfolios and the success of our developments make us confident that our mixed-use concepts will allow our properties to achieve sustainable success," says ERWE Board Member Rüdiger Weitzel. In the current year, income from property management is expected to continue to rise significantly.

For further information, please refer to the interim report as at 30 September 2022 at:

www.erwe-ag.com/en/investor-relations/financial-reports/quarterly-reports

ERWE Immobilien AG concentrates on building up a profitable portfolio of mixed-use properties in the office, retail, hotel and residential sectors. Preferred locations are promising inner-city locations in major German cities and in exclusively "A" locations in smaller cities and municipalities. Properties are acquired whose potential for value appreciation can be sustainably exploited through new utilisation concepts, resulting in a high-yield, value-retaining portfolio with significantly rising income. The company is listed in Frankfurt on the Basic Board (Scale Segment) and on the stock exchanges in Frankfurt a. M. (XETRA), Berlin, Düsseldorf and Stuttgart on the Open Market (ISIN: DE000A1X3WX6).

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