



9M-2024

LEG Immobilien SE

# 9M-2024 Results

8 November 2024

# LEG

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# On track for 2024 – further AFFO growth ahead for 2025

On the back of stabilizing valuations



## Financials

- AFFO – **14.1%** to **€152.0m**
- Operating cashflow – **6.6%** to **€286.6m**
- FFO I – **6.6%** to **€329.3m**
- Adj. EBITDA-Margin **76.4%**
- LTV **48.5%**
  - Debt @ **1.61%** for  $\emptyset$  **5.8y**
- NTA p.s. **€124.41**

## Operations

- Net cold rent **+3.3%**
- I-f-I rental growth **+3.2%**, thereof free-financed **+3.8%**
- I-f-I vacancy **2.4%** (–10bps)

## ESG

- Score of **Sustainalytics** ESG Risk Rating further improved to **6.3** and ranked no. **12** out of **1,007** real estate companies globally
- Top result with latest **Great place to work survey** (74% Trust Index and high participation rate of 76%)
- Field test of 1,000 **termios** thermostats within the LEG portfolio

9M-2024

## Guidance 2024 confirmed at €190 – 210m AFFO

Strong operational momentum – financing costs remain low

Stabilization of valuations

**H2-24 valuation expected to be 0% to +0.5%**

## Guidance 2025 offers further AFFO growth of +7.5%<sup>1</sup>

Higher rental growth (3.4 – 3.6%) and higher adj. invest. (>€35/sqm)

In total proceeds of c. €330m

**Disposals of 3,400 units signed**

<sup>1</sup> Based on midpoint of 2025 guidance range vs. midpoint of 2024 guidance range.

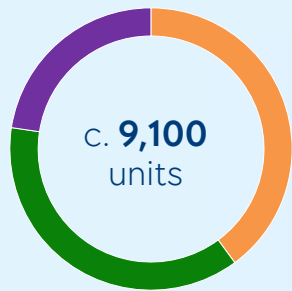
# BCP – a perfect match, adding >5% to LEG’s portfolio

>90% regional overlap strengthens existing locations while Leipzig will become a new hub

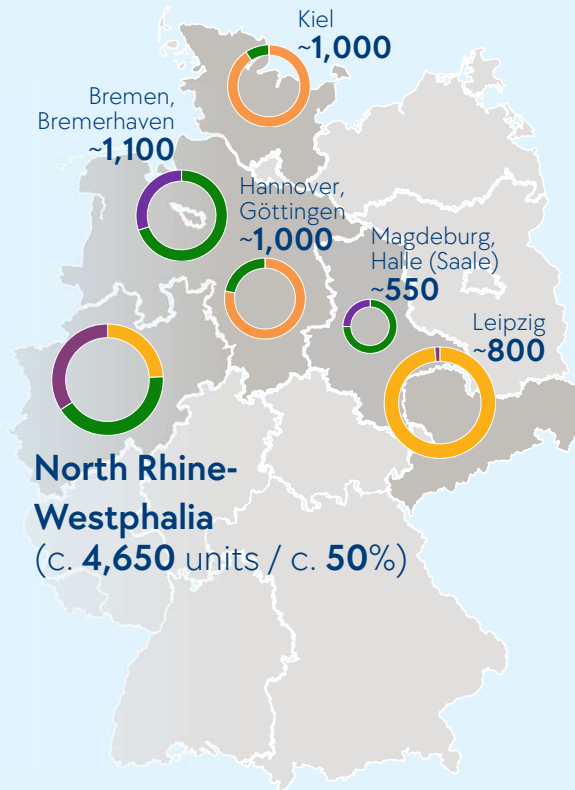


## Total BCP residential portfolio<sup>1</sup>

by units



- High-Growth
- Stable
- Higher-Yielding



<sup>1</sup> Company data per H1-2024 as reported.

## BCP profile<sup>1</sup>

### GAV

%



### Residential

82%

- c. 9,100 units, 567k sqm
- Gross yield 5.4%
- avg. rent €7.29 per sqm
- Occupancy 96.4%

### Development

17%

- Two projects, total of c. 1,600 units
- Gerresheim with c. 1,500 units biggest building plot in Dusseldorf (c.193k sqm); currently no building permission

### Commercial

1%

## Transaction overview

- LEG holding pre transaction 35.52%
- Acquisition of 62.78% from Adler Group in two steps
  - Acquisition of 52.68% by 2 January 2025
  - Commitment by Adler to tender another 10.1% in case of public offer
- Acquisition price of €45 per share, totaling €219m for 62.78%
- Corresponds to 48% discount on reported H1-2024 NTA
- Paid via existing cash at hand

# Financial profile

Very low average interest costs of 1.6% support margins going forward



## Pro forma maturity profile<sup>1</sup>



## Average debt maturity



## Average interest cost



## Loan-to-value



## Highlights

- **All 2024 maturities refinanced**
- Liquidity of > €860m<sup>2</sup> plus sales proceeds cover BCP acquisition as well as all maturities into late 2025
- Liquidity supported by issuance of convertible bond in September with a volume of €500m and maturity until 2030
- Opportunistic refinancing now also for the 2026 maturities on the agenda
- **Undrawn RCFs** in the amount of €750m as well as an **unused CP program** of €600m
- Average **debt maturity** of **5.8 years** with average **interest cost** of **1.61%**
- Average interest **hedging rate** c.**95%**
- **LTV** at **48.5%** as of 30 September 2024
- **Interest Coverage Ratio (ICR)** at **4.1x**

<sup>1</sup> The maturity profile is based on the contractually agreed maturities of the financial liabilities. <sup>2</sup> Cash and short-term deposits.

# Guidance 2025: Further AFFO increase towards €205 – 225m

Stronger rent growth and smart spending allows for higher cash generation



	<b>Guidance 2025<sup>1</sup></b>
AFFO	<b>€205m – 225m</b>
Adj. EBITDA margin	c. <b>76%</b>
I-f-I rent growth	<b>3.4% – 3.6%</b>
Investments	<b>&gt; 35€/sqm</b>
LTV	Medium-term target level max. <b>45%</b>
Dividend	100% AFFO as well as a part of the net proceeds from disposals
Disposals	Not reflected <sup>1</sup>
Acquisitions	BCP reflected <sup>1</sup>

<sup>1</sup> Based on 172k units (LEG+BCP).

# IR Contact



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