

PRESS RELEASE

UBM cuts six-month loss in half during Q3

- **Over €250m of cash and equity ratio of 30%**
- **Further extension of ESG branch leadership**
- **Outlook: loss expected for the full 2023 financial year**

Vienna, 23 November 2023 – UBM Development can look back on a strong third quarter which was supported by the receipt of the preliminary building permit for the Timber Factory in Munich's Bauburgerstrasse at the end of July 2023. Following negative effects from the revaluation of projects and properties at the half-year that also affected the entire real estate industry, the company nearly cut the six-month loss in after-tax profit in half from €-29.3m to €-15.0m within a single quarter. "UBM is different. With over a quarter of a billion in cash and a 30% equity ratio, we are still sailing well through the perfect storm," indicated UBM CEO Thomas G. Winkler.

Strong balance sheet for a difficult market environment

An equity ratio of 30% and over €250m in liquid funds demonstrate UBM's relative strength. The focus on cash allowed UBM to also hold its liquidity at a high level in the third quarter of 2023 and even record a slight increase over the half-year. The underlying factors included, among others, the successful placement of the first UBM green bond in July 2023 which brought an additional €50m of fresh capital. Cash and cash equivalents totalled €253.0m as of 30 September 2023 and it should be noted that, beginning with the fourth quarter of 2023, no bond repayments are due for the next two years.

Emissions goals & Green Lease Framework

The company's overall carbon footprint was calculated for the first time to permit the definition of science-based emission goals and arrange for their validation by the Science Based Targets Initiative. UBM's goal is to achieve a 42% reduction in Scope 1+2 emissions by 2030 and to become completely climate neutral over the long-term (by 2050). In addition, UBM has published a Green Lease Framework that shows configuration options and is intended to facilitate the sustainable use and management of office buildings.

Outlook

The fourth quarter of this year is not expected to bring any substantial improvement in the real estate market, and that means UBM perceives it as unlikely to complete any significant property sales up to the end of 2023. Based on the revaluation of projects and properties during the first nine months of this year and the current standstill on the transaction market, UBM's Management Board expects a continuation of the difficult market environment during the fourth quarter and also a loss for the full 2023 financial year.

Earnings and financial indicators in detail

UBM Development generated Total Output of €181.8m in the first nine months of 2023, compared with €318.9m in the comparative prior year period. EBT declined from €16.6m in the previous year to €-17.4m and, with net profit of €-15.0m (Q1-3/2022: €14.3m), UBM's results were substantially lower than in the first three quarters of 2022. Earnings per share fell from €1.00 in Q3/2022 to €-2.61 in the reporting period.

Key performance indicators Q1-3 2023 UBM Development

Key earnings figures (in €m)	Q1-3 2023	Q1-3 2022	Change
Total Output ¹	181.8	318.9	-43.0%
Revenue	62.9	115.4	-45.5%
EBT	-17.4	16.6	n.a.
Net profit	-15.0	14.3	n.a.
Key asset and financial figures (in €m)	30.9.2023	31.12.2022	Change
Total assets	1,394.5	1,451.8	-3.9%
Equity	417.5	501.4	-16.7%
Equity ratio (in %)	29.9%	34.5%	-4.6 PP
Net debt ²	608.8	500.2	21.7%
Cash and cash equivalents	253.0	322.9	-21.6%
Key share data and staff	30.9.2023	30.9.2022	Change
Earnings per share (in €) ³	-2.61	1.00	n.a.
Market capitalisation (in €m)	156.9	201.7	-22.2%
Dividend per share (in €) ⁴	1.10	2.25	-51.1%
Staff	275	289	-4.8%

¹ Total Output corresponds to the revenue generated by fully consolidated companies and companies consolidated at equity as well as the sale proceeds from share deals in proportion to the stake held by UBM.

² Net debt equals current and non-current bonds and financial liabilities, excluding leasing liabilities, minus cash and cash equivalents.

³ Earnings per share after the deduction of hybrid capital interest (change in calculation method beginning in 2020); values based on Q1-3/2023.

⁴ The dividend is paid in the respective financial year but is based on profit for the previous financial year.

UBM Development is one of Europe's leading developers of timber construction projects. The strategic focus is on green building and smart office in major cities like Vienna, Munich, Frankfurt and Prague. A Platinum rating from EcoVadis and Prime Status from ISS ESG confirm the consequent focus on sustainability. With 150 years of experience, UBM offers all development services from a single source, from planning to marketing. The shares are listed on the Prime Market of the Vienna Stock Exchange, the segment with the highest transparency requirements.

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