



Another record dividend from UBM Development despite corona

- **Total Output and revenue decline in 2020 due to corona**
- **EBT and net profit better than expected**
- **Dividend of €2.20 at record prior year level**
- **Strongest balance sheet of all times: half billion of equity, quarter billion of cash**
- **Buy recommendation for the share from all analysts**
- **After the corona dip in 2021, return to the success track in 2022**

Vienna, 23.04.2021 – The COVID-19 pandemic naturally left its mark on the volume of business generated by UBM Development AG in 2020. Revenue fell by 24.2% to €183m and Total Output by 29.4% to almost €479m. This decline is a direct result of the near standstill on the international real estate transaction market which was caused by corona. UBM did not make any major project acquisitions during the entire previous year. The expected first opportunity only materialised at the end of January 2021 with the acquisition of the Munich corporate headquarters of the luxury sport fashion producer Willy Bogner.

Earnings better than expected

The development of earnings was quite different, however. In spite of a strong position in the hotel operating business, which was particularly hard hit by the pandemic, EBT declined by less than 12% to €62.3m. Net profit equalled €40.8m (2019: €50.1m), whereby the expectations of capital market analysts were exceeded in the double-digit percentage range.

Another record dividend

The Management Board and Supervisory Board of UBM will therefore ask the Annual Meeting to approve a dividend at the record level of €2.20 per share (consensus: €1.90). “We also want to send a self-confident signal with our dividend“, emphasised Thomas G. Winkler, CEO of UBM Development AG. “Corona is the notorious black swan, in other words, a totally improbable event that turns up completely without warning. But we successfully re-invented UBM to a certain extent within a very short time“, added Winkler.

Buy recommendation for the share from all analysts

This strategic re-orientation has, in any event, impressed the capital market. UBM (together with Marinomed) is the only share on the Vienna Stock Exchange to receive a buy recommendation from all analysts.

Strongest balance sheet of all times

The balance sheet indicators also improved during the past financial year. UBM’s equity totalled nearly half a billion euros at the end of December 2020. At exactly €482.9m, equity was 4.4% higher than at the end of the record year in 2019 and higher than ever before. Based on total assets of €1.372 bn (2019: €1.316 bn), this represents an equity ratio of 35.2%. Net debt increased slightly by 8.3% to €479m (2019: €442m), but still remained below half a billion euros. Liquidity, in other words cash reserves, grew by an impressive 16% to €247m (2019: €212m). “Consequently, we can not only afford a €2.20 dividend, but are also in a position to take advantage of short-term acquisition opportunities without bank financing“ explained Patric Thate, CFO of UBM. His summary: “2020 could have been a lot worse.“

Financing also turns green

The first ESG rating by the ISS agency immediately catapulted UBM in Germany and Austria into the top 15% of the most sustainable companies in the branch. UBM is therefore optimistic that it will soon be able to convert its financing to “green“. Environment, Social and Governance represent integral parts of the new corporate strategy “green. smart. and more.“. Logically, UBM has become one of the first companies to install an ESG Committee in the Supervisory Board and to publish an ESG report, which will be prepared for the first time according to GRI (Global Reporting Initiative) standards.

Outlook

Results for the 2020 financial year were better than expected, but the short-term perspectives are significantly dependent on the further course of the pandemic. In particular, the progress of COVID-19 vaccinations in the core markets play a decisive role. Corona can, however, create exceptional market opportunities for transactions which, due to its financial strength, UBM can optimally utilise. All in all, UBM is confident that it will return to the pre-pandemic success course beginning in 2020.

Key performance indicators 2020

Key earnings figures (in €m)	2020	2019	Change 20/19	2018
Total Output ¹	478.6	678.0	-29.4%	897.7
Revenue	183,3	242.0	-24.2%	514.0
Earnings before taxes	62.3	70.5	-11.7%	55.5
Net profit	40.8	50.1	-18.6%	39.5
Key asset and financial figures (in €m)	31.12.2020	31.12.2019	Change 20/19	31.12.2018
Total assets	1,372.0	1,316.4	4.2%	1,234.7
Equity	482.9	462.5	4.4%	436.3
Equity ratio	35.2%	35.1%	0.1 PP	35.3%
Net debt ²	479.1	442.4	8.3%	421.8
Cash and cash equivalents	247.2	212.4	16.4%	200.4
Key share data and staff	31.12.2020	31.12.2019	Change 20/19	31.12.2018
Earnings per share (in €) ³	4.39	6.16	-28.8%	4.38
Earnings per share incl. hybrid capital interest ⁴	5.33	7.10	-25.0%	5.31
Share price (in €)	35.80	47.20	-24.2%	33.40
Market capitalisation (in €m)	267.5	352.7	-24.2%	249.6
Dividend per share (in €) ⁵	2.20	2.20	0.0%	2.20
Payout ratio % ⁶	50.2%	35.7%	14.5 PP	50.3%
Staff ⁷	339	389	12.9%	365

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, each 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 beginning in 2020, comparative data adjusted accordingly).

⁴ Earnings per share before the deduction of hybrid capital interest.

⁵ The dividend is paid in the respective financial year but is based on the previous year's net profit. The dividend proposal for 2020 is subject to the approval of the Annual General Meeting.

⁶ Dividend in relation to earnings per share after deduction of hybrid capital interest

⁷ Decline due to the deconsolidation of the Hotel Holiday Inn Gdansk City Centre (2019: 55 employees)

UBM Development creates real estate for Europe's top cities. The strategic focus is on green building and smart office in major European metropolitan areas like Vienna, Berlin, Munich or Prague. With over 145 years of history, UBM is a one-stop provider for the entire development value chain from initial planning all the way to marketing. The company's shares are listed in the Prime Market of the Vienna Stock Exchange, the segment with the highest transparency requirements.

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