

PRESS RELEASE



UBM right on track in the first nine months of 2017

- **Net profit increased by over 24%**
- **Net debt reduced to €556 mn**
- **Equity ratio raised to 29%**
- **Net debt cut to €520 mn at year-end**

(Vienna, 28 November 2017) UBM Development AG remained on track in the third quarter of 2017.

The net profit (after tax) rose by more than 24% compared to the first nine months of 2016 and amounted to €21.7 mn. Earnings per share – the key indicator for the value of the company – climbed to €2.81 (previous year: €2.26). The UBM share continued to have a price-earnings ratio (P/E ratio) in the single-digit range, despite the share price increasing by around 17% year-on-year. Earnings before taxes (EBT) totalled €30.5 mn in the third quarter of 2017, also undergoing a significant rise of 21%.

Total Output, which represents the full scale of all transactions of a real estate developer, increased by 17.9% in the first nine months to €529.7 mn (1-9/2016: €449.4 mn). Revenue, which only includes fully consolidated companies and no share deals, amounted to €296.9 mn in the period under review (1-9/2016: €377.4 mn).

UBM managed to reduce net debt faster than expected to €555.6 mn in the reporting period (30.6.2017: €578.6 mn). Significant factors here included the forward sale of the Micro Living project QBC 6.2 in Vienna and the sale of a standing asset in Romania. In total sales proceeds of around €130 mn were thereby generated from the standing portfolio in the first three quarters.

UBM's balance sheet declined once again because of sales and loan repayments, decreasing to €1,165 mn as of 30 September 2017. The equity ratio thereby rose to 29.2% (30.6.2017: 27.7%). What's more, UBM has €114.3 mn in cash as of 30 September 2017.



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With a conversion ratio of 42% (€84 mn) and a heavily oversubscribed new issue volume, a bond with a coupon of 3.25% and a five-year maturity was successfully placed at the start of October. High demand led to an increase in the volume to €150 mn. The new bond will smoothen the repayment profile in 2019 and enhance UBM's future financial strength.

"We at UBM also reaped the fruits of our labour in autumn", said Thomas G. Winkler, Chief Executive Officer. "It was a golden autumn for us, both on the stock exchange and on the bond market".

Outlook

In light of the progress made in applying the debt and risk-minimisation strategy in the third quarter, it was possible to further reduce the guidance for net debt at year-end 2017 to €520 mn. The forecast of €33 mn in net profit has been confirmed. The pipeline of acquired projects also developed well; its contribution to Total Output by the end of 2020 is estimated at around €1.8 bn. UBM will continue to consistently implement its strategy and sell off standing assets to the end of 2017 and beyond, as well continuously striving for a further reduction in capital costs.

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Key Performance Indicators

Key earnings figures (in € mn)	1-9/2017	1-9/2016	Change²
Total Output ¹	529.7	449.4	17.9%
Revenue	296.9	377.4	-21.3%
EBT	30.5	25.3	20.8%

Key asset and financial figures (in € mn)	30.9.2017	30.6.2017	Change²
Total assets	1,165.2	1,207.8	-3.5%
Cash and cash equivalents	114.3	138.8	-17.7%
Equity ratio	29.2%	27.7%	1.5 PP
Net debt	555.6	578.6	-4.0%
Net profit	21.7	17.5	24.1%

Key share data and staff	30.9.2017	30.9.2016	Change²
Earnings per share (in €)	2.81	2.26	24.3%
Share price (in €)	38.64	33.00	17.1%
Market capitalisation (in € mn)	288.7	246.6	17.1%
Staff ³	773	728	6.2%

¹Total Output represents the revenue of fully consolidated companies and those accounted for under the equity method as well as sales proceeds from deals based on the equity interest held by UBM.

²The figures have been rounded using the compensated summation method. Changes are calculated using the exact values.

³Breakdown staff: 30.9.2017: 306 Development + 467 Hotels; 30.9.2016: 317 Development + 411 Hotels

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UBM Development AG is the leading hotel developer in Europe. The strategic focus is on the three clearly defined asset classes Hotel, Office and Residential and the three core markets Germany, Austria and Poland. With 144 years of experience, UBM focuses on its core competency – developing real estate. UBM has changed its listing to the prime market segment of the Vienna Stock Exchange since August 2016.

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