



## Preliminary results: UBM Development delivers record year

- **Record earnings of € 5.3 per share and €55m before tax**
- **Financial position stronger than ever – equity ratio of 35%**
- **Record investments of €300m in new projects in 2018**
- **Pipeline well-filled to 2022 at € 1.8 bn**

Vienna, 7 March 2019 – UBM Development delivered a record year in every respect in 2018. New all-time highs were reached with preliminary earnings per share of €5.3 and profit before tax of €55m. The leading hotel developer in Europe is financially stronger than ever before with an equity ratio of 35%. Nevertheless, UBM did not fall short in investing for the future: The company invested a record level of around €300m in new projects alone during the past year.

“The 2018 financial year leaves no doubt about the sustainability of our earnings power”, commented Thomas G. Winkler, CEO of UBM. “At the same time, the new projects will ensure our future profitability”, added Winkler. Despite record sales of more than €600m in 2018, the current pipeline amounts to €1.8 bn (sales volume up to 2022). A total of 14 hotel projects with over 3,900 rooms are now under development. In addition to its core expertise in the hotel segment, the company is strengthening its focus on residential properties. The pipeline includes a number of large-scale projects in the fastest growing top cities in Germany and in Vienna. UBM has a total of around 3,500 apartments under development at present.

### **Ongoing real estate boom supports record results**

UBM generated a significant increase in Total Output to €900m during 2018, above all due to the substantial growth in revenue from property sales. Particular highlights included three major projects: the Leuchtenbergring in Munich, the new Zalando headquarters in Berlin and the sale of the Office Provider in Vienna. According to preliminary figures, EBT rose by 9% to €55m. Preliminary net profit totalled roughly €40m, which represents earnings per share of €5.3 (2017: €4.9). With these results, UBM has underscored the sustainability of its earning power. The average annual increase in earnings (CAGR) from 2016 to 2018 equalled roughly 17% (for both EBT and net profit).

### **New investments protect future earnings power**

“We continued our course in 2018 to also produce similar results in the future”, explained Winkler, referring to the record investments in new projects in 2018. The demand for properties in UBM’s core markets remains unbroken, and the ECB is not expected to make any changes in interest rates which could influence the strong demand for real estate.

**Final results for 2018 (incl. the annual report) will be released on 11 April 2019.**

**Preliminary results for 2018:**

| <b>Earnings indicators</b>        | <b>2018</b> | <b>2017</b> | <b>2016</b> | <b>Change<br/>2017-2018</b> | <b>Ø p.a.<sup>2</sup><br/>2016-2018</b> |
|-----------------------------------|-------------|-------------|-------------|-----------------------------|---|
| Total Output <sup>1</sup> (in €m) | 900         | 744.7       | 557.5       | 21%                         | 27%                                     |
| EBT (in €m)                       | 55          | 50.5        | 40.1        | 9%                          | 17%                                     |
| Net profit (in €m.)               | 40          | 37.0        | 29.4        | 8%                          | 17%                                     |
| Earnings per share (in €)         | 5.3         | 4.88        | 3.90        | 8%                          | 17%                                     |

| <b>Balance sheet indicators</b> | <b>2018</b> | <b>2017</b> | <b>2016</b> | <b>Change<br/>2017-2018</b> | <b>Change<br/>2016-2018</b> |
|---------------------------------|-------------|-------------|-------------|-----------------------------|-----------------------------|
| Net debt (in €m)                | 420         | 477.9       | 691.2       | -12%                        | -39%                        |
| Equity ratio (in %)             | 35%         | 31.4%       | 27.7%       | 4PP                         | 7PP                         |

<sup>1</sup> 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).

<sup>2</sup> CAGR: Compound Annual Growth Rate

**UBM Development** is the leading hotel developer in Europe. The strategic focus is on the three clearly defined asset classes hotel, residential and office as well as on the three core markets of Germany, Austria and Poland. With 145 years of experience, UBM focuses on its core competence, the development of real estate. From the planning to the marketing of the property, all services are offered from a single source. The shares of UBM are listed in the prime market segment of the Vienna Stock Exchange.

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