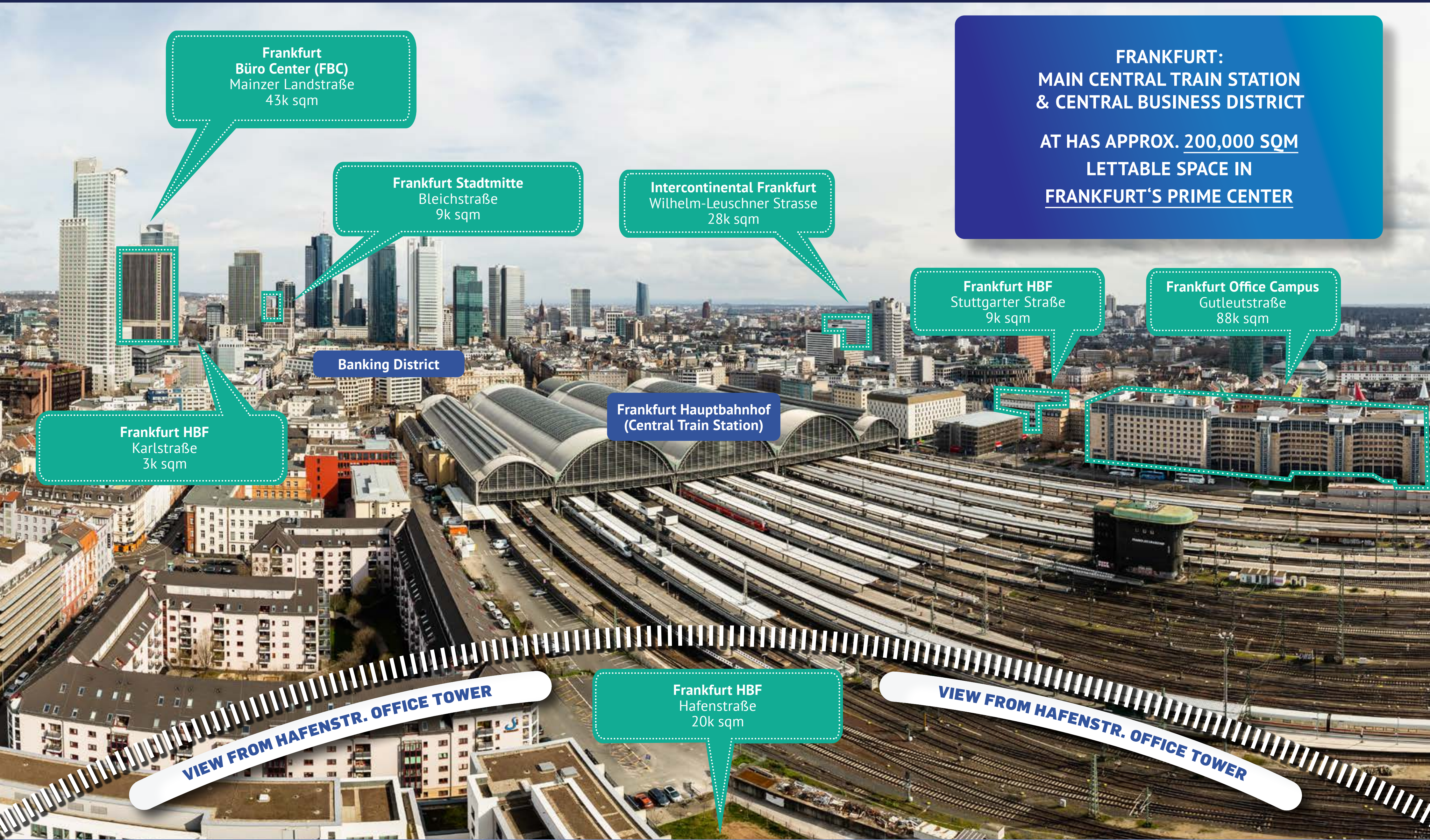
AROUNDTOWN SA

Dresden

INTERIM CONSOLIDATED REPORT

For the six-month period ended June 30, 2021


FRANKFURT:
MAIN CENTRAL TRAIN STATION
& CENTRAL BUSINESS DISTRICT
AT HAS APPROX. 200,000 SQM
LETTABLE SPACE IN
FRANKFURT'S PRIME CENTER
Frankfurt Büro Center (FBC) Mainzer Landstraße 43k sqm
Frankfurt Stadtmitte Bleichstraße 9k sqm
Intercontinental Frankfurt Wilhelm-Leuschner Strasse 28k sqm
Frankfurt HBF Stuttgarter Straße 9k sqm
Frankfurt Office Campus Gutleutstraße 88k sqm
Banking District
Frankfurt HBF Karlstraße 3k sqm
Frankfurt Hauptbahnhof (Central Train Station)
Frankfurt HBF Hafenstraße 20k sqm
VIEW FROM HAFENSTR. OFFICE TOWER
VIEW FROM HAFENSTR. OFFICE TOWER

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INTERIM CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FINANCIAL POSITION HIGHLIGHTS

in € millions unless otherwise indicated	**Jun 2021**	Dec 2020	Dec 2019
Total Assets	**30,720.6**	31,021.6	25,444.7
Total Equity	**15,717.9**	15,583.0	13,378.9
Investment property	**20,898.7**	21,172.4	18,127.0
Cash and liquid assets [1]	**3,244.2**	3,262.7	3,043.8
Unencumbered assets ratio [2]	**81%**	76%	81%
Equity Ratio	**51%**	50%	53%
Loan-to-Value	**33%**	34%	34%

1) including cash and liquid assets under held for sale
2) by rent

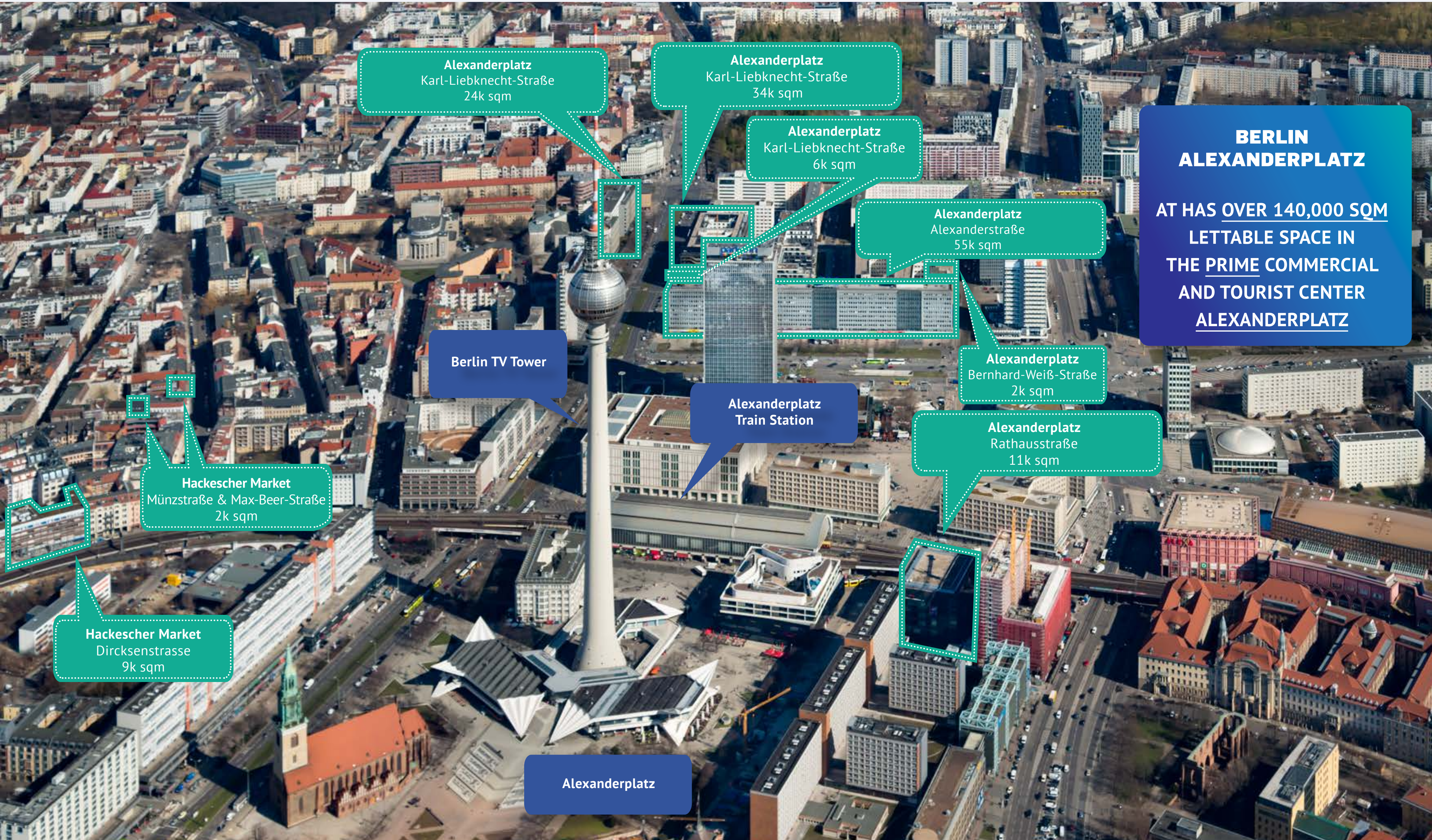
NET ASSET VALUE

in € millions unless otherwise indicated	EPRA NRV	EPRA NTA	EPRA NDV
Jun 2021	**13,113.4**	**11,221.5**	**8,371.8**
Jun 2021 per share (in €)	**11.2**	**9.6**	**7.2**
Per share growth (dividend adjusted)	**3%**	**3%**	**5%**
Per share growth	**1%**	**1%**	**1%**
Dec 2020	13,093.9	11,187.4	8,354.9
Dec 2020 per share (in €)	11.1	9.5	7.1

KEY FINANCIALS

in € millions unless otherwise indicated	**1-6/2021**	Change	1-6/2020
Revenue	**541.4**	(8%)	588.3
Net rental income	**457.8**	(9%)	501.9
Adjusted EBITDA [1]	**451.9**	(10%)	500.0
FFO I before Covid adjustment [1]	**247.2**	(8%)	268.5
FFO I per share before Covid adjustment [1]	**0.21**	5%	0.20
FFO I [1] [2] [3]	**172.0**	(26%)	233.5
FFO I per share [1] [2] [3]	**0.15**	(12%)	0.17
FFO II [2] [4]	**548.4**	61%	340.3
ICR	**5.0x**	0.5x	4.5x
Profit for the period	**362.1**	(42%)	626.3
EPS (basic) (in €)	**0.25**	(31%)	0.36
EPS (diluted) (in €)	**0.25**	(31%)	0.36

1) including AT's share in companies which AT has significant influence, excluding the contributions from assets held for sale
2) including extraordinary expenses for uncollected rent due to the Covid pandemic (€75 million in H1 2021, €35 million in H1 2020)
3) previously defined as FFO I (per share) after perpetual, Covid adjusted
4) reclassified in Q4 2020 to be based on FFO I (previously defined as FFO I after perpetual, Covid adjusted)



BERLIN ALEXANDERPLATZ

AT HAS OVER 140,000 SQM LETTABLE SPACE IN THE PRIME COMMERCIAL AND TOURIST CENTER ALEXANDERPLATZ

Berlin

THE COMPANY

The Board of Directors of Aroundtown SA and its investees (the "Company", "Aroundtown" or "AT"), including associates (the "Group"), hereby submits the interim report as of June 30, 2021. The figures presented are based on the interim consolidated financial statements as of June 30, 2021, unless stated otherwise.

Aroundtown SA is a real estate company with a focus on income generating quality properties with value-add potential in central locations in top tier European cities primarily in Germany and the Netherlands. Aroundtown invests in commercial and residential real estate which benefits from strong fundamentals and growth prospects. The commercial properties are held by Aroundtown and the residential investment is held through a holding in Grand City Properties S.A. ("GCP"). GCP is a publicly traded real estate company that focuses on investing in value-add opportunities predominantly in the German residential real estate market. As of June 2021, the Company's holdings in GCP is 42% (44% excluding shares GCP holds in treasury). In AT's financials, GCP is accounted for as an equity-accounted investee. The Group's unique business model and experienced management team led the Company to grow continuously since 2004.

Munich

HALF YEAR BUSINESS AND FINANCIAL HIGHLIGHTS

ACCRETIVE CAPITAL RECYCLING AND SHARE BUYBACK

APPROX. €1.1BN
Disposals closed in H1 2021

+3%
Margin above book value, validating the conservative value of the portfolio

FIREPOWER
Fuelling accretive share buybacks at deep discount to NAV

HIGH LIQUIDITY AND FINANCIAL FLEXIBILITY

€3.2BN
Cash and Liquid assets

3 TIMES
Liquidity is 3 times the debt maturing in the next 3 years

€16.1BN/ 81% OF RENT
Unencumbered assets

FINANCIAL DISCIPLINE MAINTAINED

33%
Low LTV

3 TIMES
Current assets are 3 times the current liabilities

BBB+/STABLE
Credit rating by S&P (reaffirmed in Dec 2020)

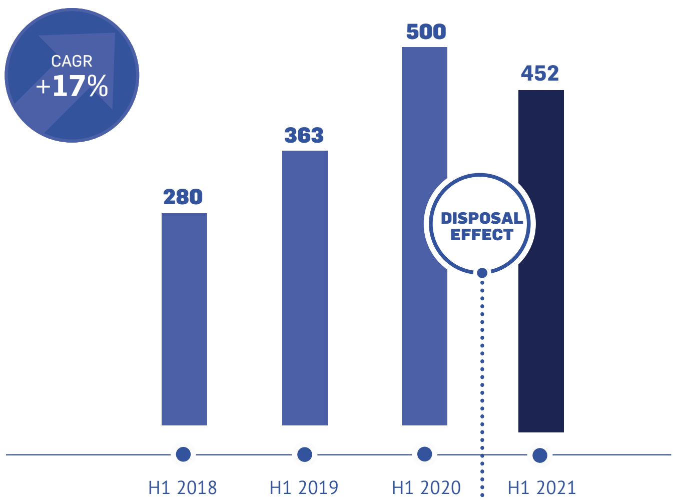
CONSERVATIVE DEBT PROFILE

1.4%
Low cost of debt

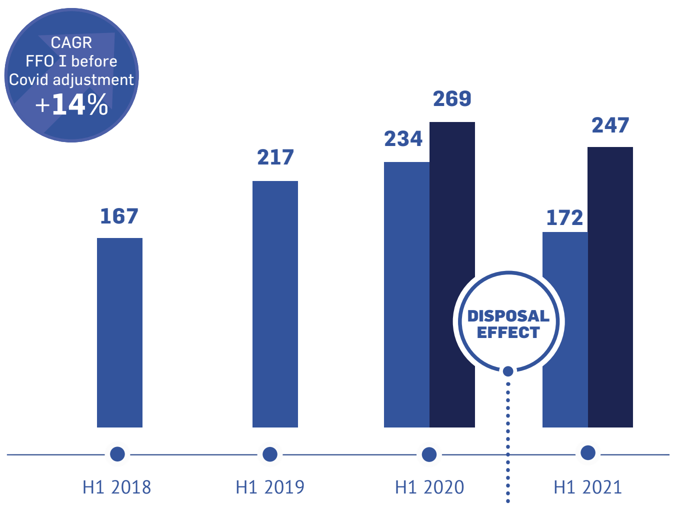
5.8Y
Long average debt maturity

97%
High interest hedge ratio

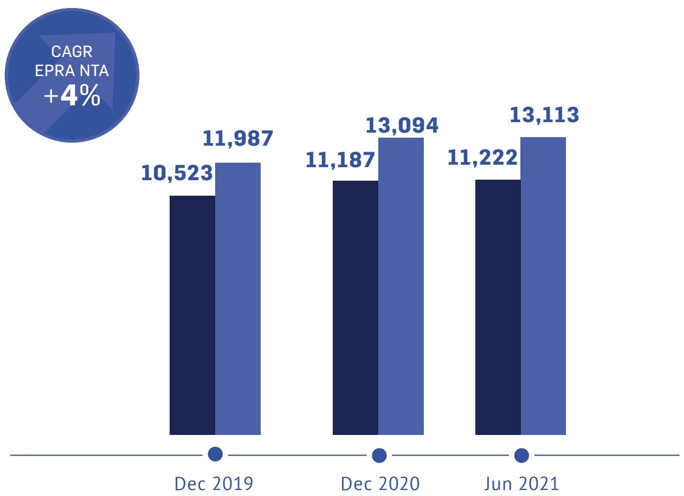
ADJUSTED EBITDA (IN € MILLIONS)



FFO I (IN € MILLIONS)

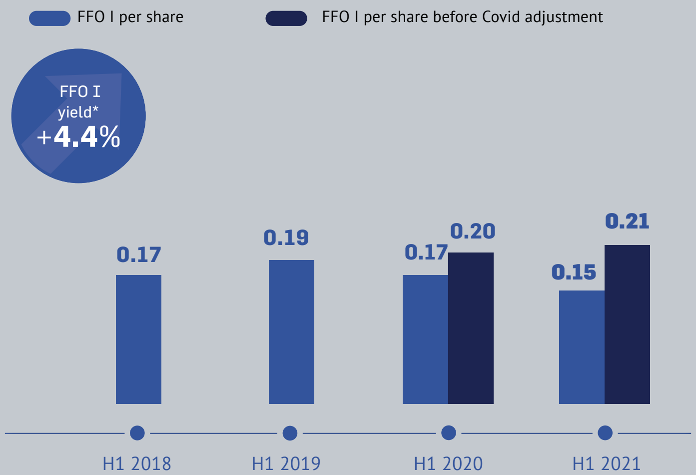


EPRA NTA & NRV (IN € MILLIONS)



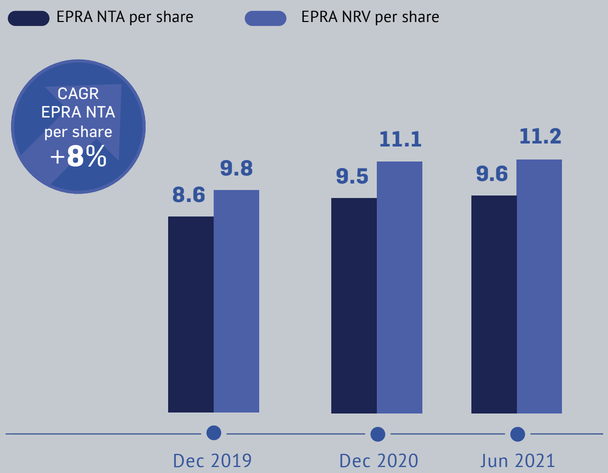
DISPOSALS ABOVE BOOK VALUE SUPPORTED SHARE BUY-BACK PROGRAMS EXECUTED AT DISCOUNT TO NAV, CREATING ACCRETIVE GROWTH ON A PER SHARE BASIS

FFO I PER SHARE (IN €)



*H1 2021 FFO I per share annualized and based on a share price of €6.75.

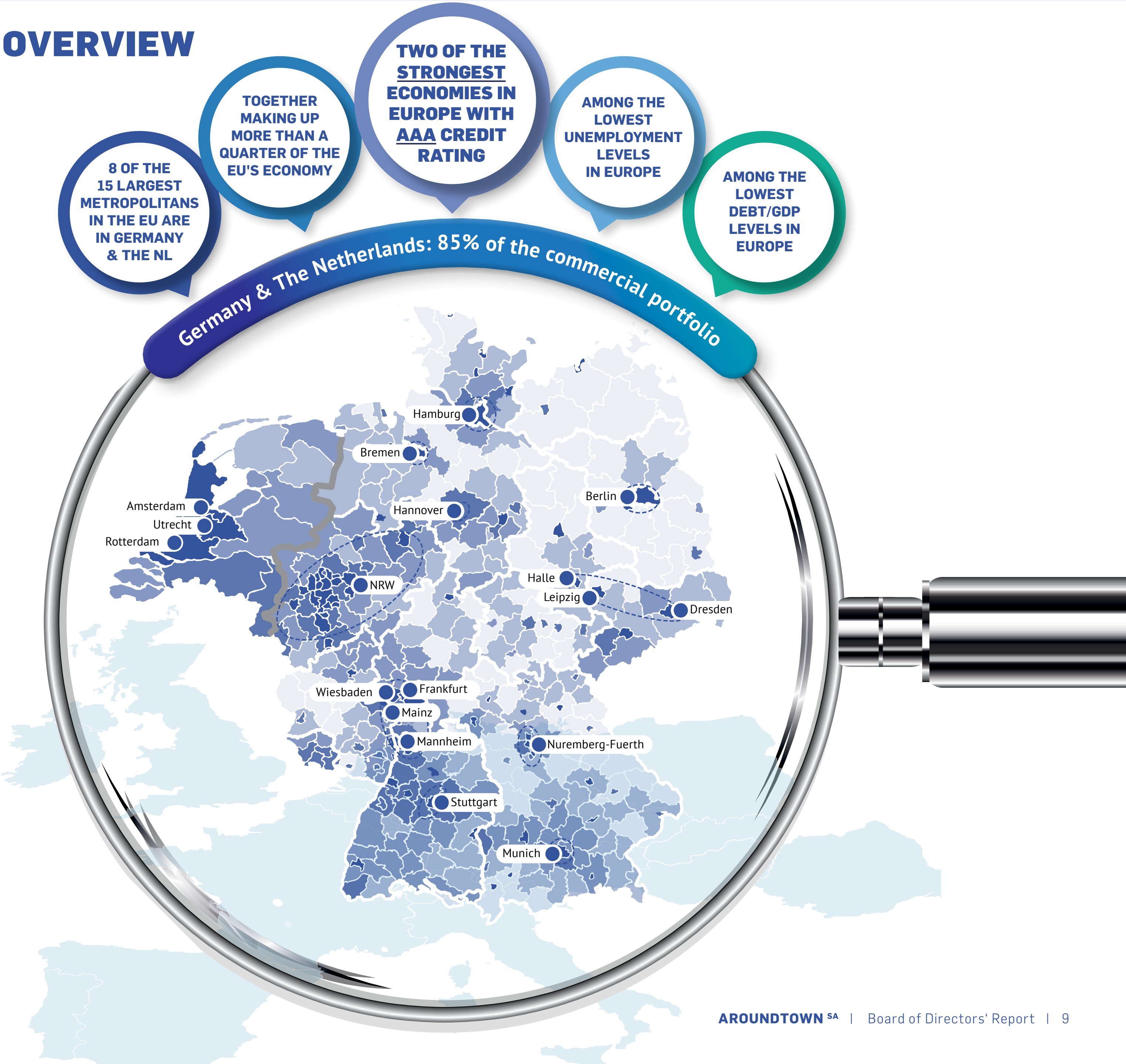
EPRA NTA & NRV PER SHARE (IN €)



AROUNDTOWN'S QUALITY PORTFOLIO

*representing GCP at 100%. AT's holding rate in GCP is 44% excluding the shares GCP holds in treasury

GROUP PORTFOLIO OVERVIEW



POPULATION DENSITY IN GERMANY AND THE NETHERLANDS

- 36 - 105
- 105 - 156
- 156 – 283
- 283 – 933
- 933 - 4,686

Inhabitants per sqkm (2017, Destatis; 2019, CBS)

WELL-DIVERSIFIED GROUP PORTFOLIO WITH FOCUS ON STRONG VALUE DRIVERS

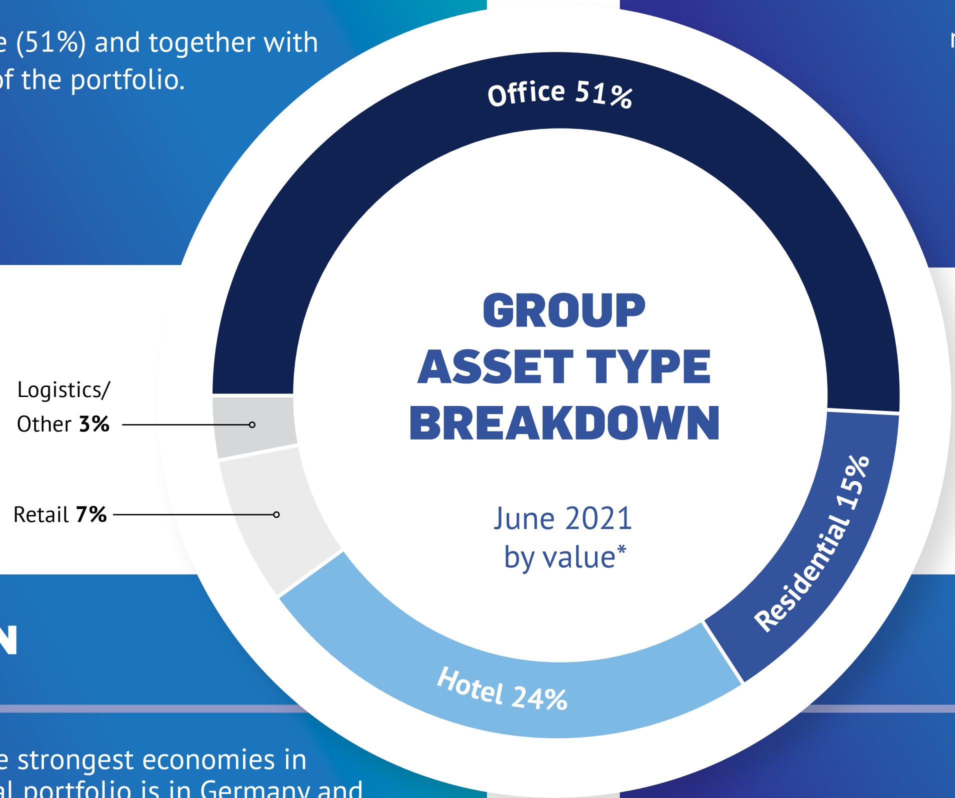
ASSET TYPE

The largest asset type is Office (51%) and together with Residential, it makes up 66% of the portfolio.
Hotels make up 24%

TENANT

High tenant diversification with no material tenant or industry dependency.

Commercial portfolio with approx. 3,500 tenants and residential portfolio with very granular tenant base



LOCATION

The portfolio is focused on the strongest economies in Europe: 85% of the commercial portfolio is in Germany and the Netherlands, both AAA rated countries.
Focus on Top 7 cities in Germany & top cities in NL

Well-distributed across multiple regions with a large footprint in top tier cities such as Berlin, Munich and Frankfurt

INDUSTRY

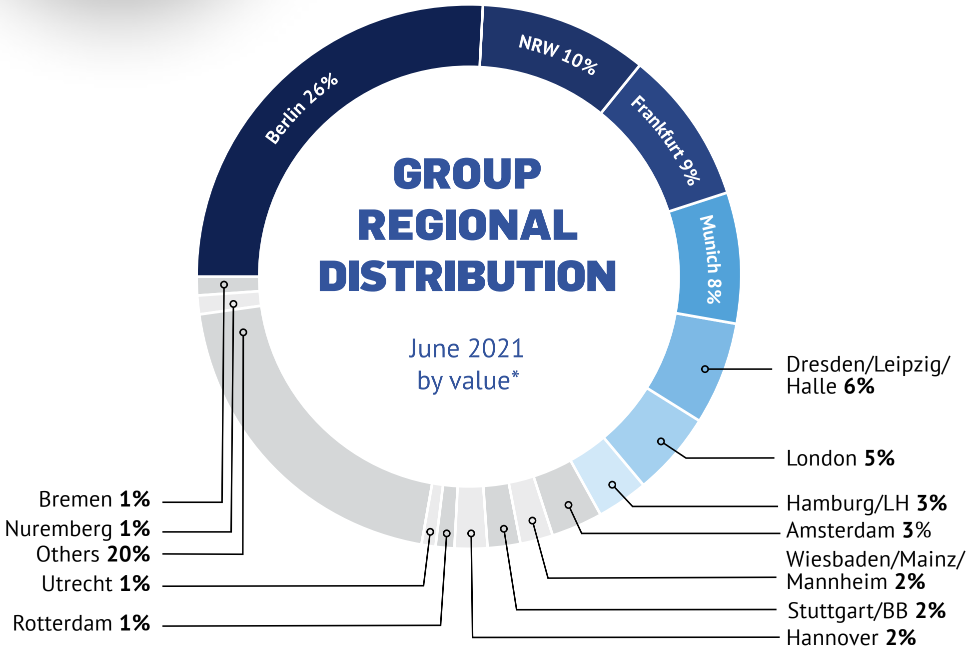
Each location has different key industries and fundamentals driving the demand.
Therefore, the Group's tenants are diversified into distinct sectors, eliminating the dependency on a single industry

* including proportion in GCP and development rights & invest

HIGH GEOGRAPHICAL DIVERSIFICATION

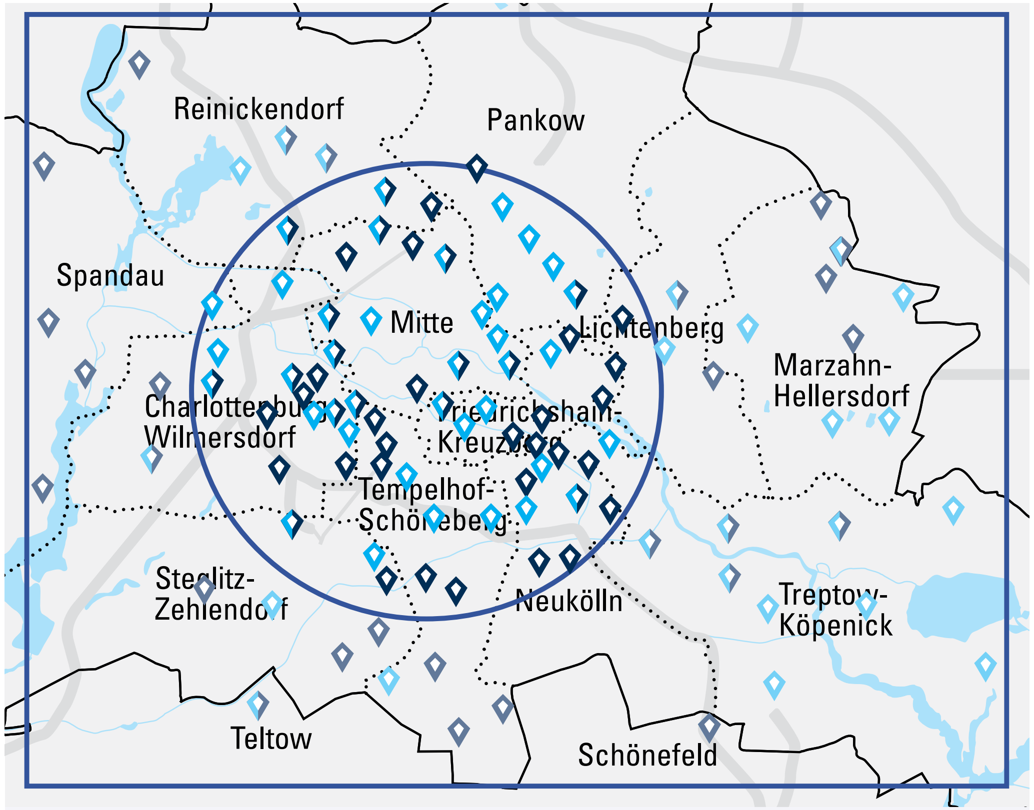
Berlin is the single largest location. AT has the largest Berlin office portfolio among publicly listed peers

Central locations within top tier cities: A Berlin example



* including proportion in GCP and development rights & invest

BEST-IN-CLASS BERLIN PORTFOLIO



- **90%** of the commercial portfolio is located in top tier neighborhoods including Charlottenburg, Wilmersdorf, Mitte, Kreuzberg, Friedrichshain, Lichtenberg, Schöneberg, Neukölln, Steglitz and Potsdam
- **10%** of the commercial portfolio is well located primarily in Reinickendorf, Spandau, Treptow, Köpenick and Marzahn-Hellersdorf

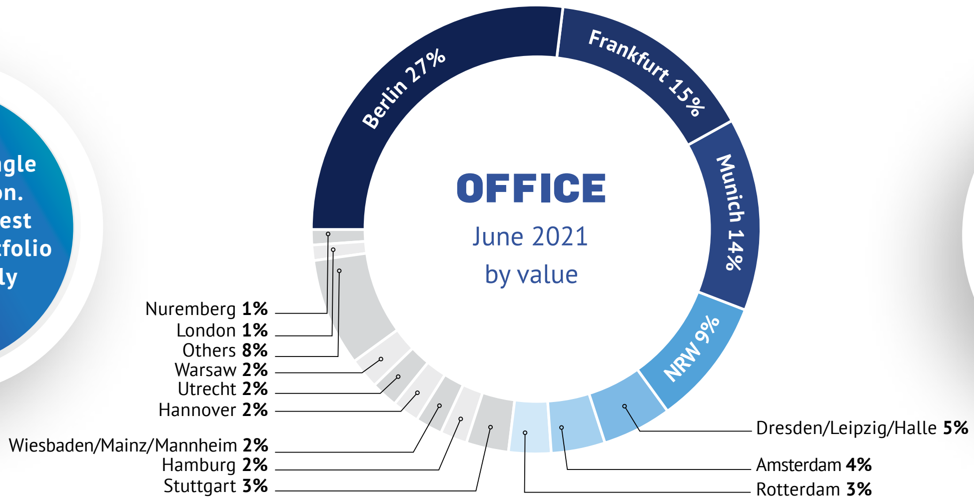
Commercial properties

Residential properties

*Map representing approx. 95% of the portfolio and 98% including central Potsdam

OFFICE: HIGH QUALITY OFFICES IN TOP TIER CITIES

Berlin is the single largest location. AT has the largest Berlin office portfolio among publicly listed peers



Top 4 office cities: Berlin, Munich, Frankfurt and Amsterdam make up 60% of the office portfolio

Aroundtown´s office assets are well-diversified and well-located across top tier cities in Europe with a focus on Germany and the Netherlands, two of the strongest and most stable economies in Europe

TOP OFFICE LOCATIONS	KEY INDUSTRIES DRIVING THE BUSINESS DEMAND			
BERLIN	Government	Start-up, Fintech, IT	Healthcare	Biotech
MUNICH	Insurance & Finance	Advanced manufacturing	Info & Comm. Tech & IT	Media
FRANKFURT	Finance	Chemicals/pharma	Aviation/Transportation	Exhibition & trade fair
AMSTERDAM	Info. & Comm. Tech	Finance & trade	Start-up, Fintech, Agtech	Infrastructure & transportation

On top of geographical diversification, different macroeconomic characteristics of each location provide AT with an additional layer of diversification in terms of industry exposure


Berlin


Frankfurt

Amsterdam


Stuttgart


Munich


Hamburg

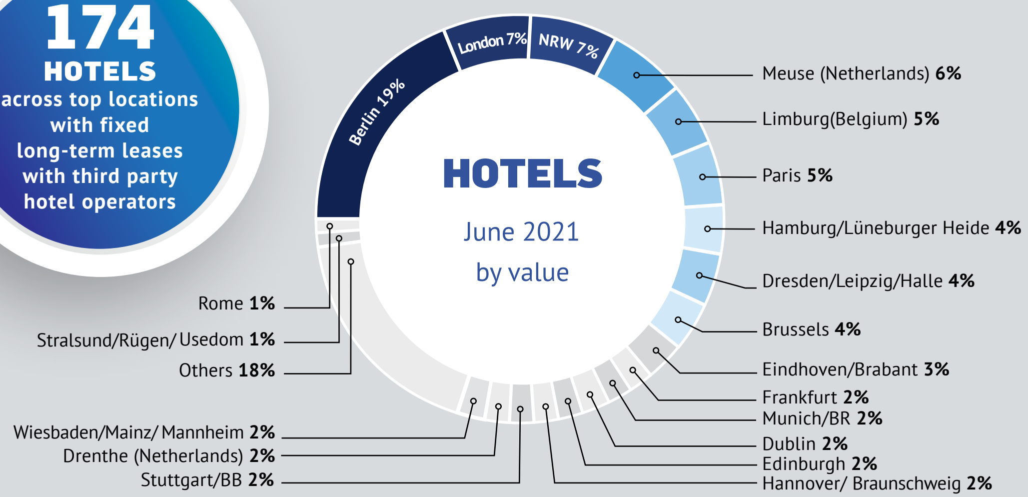

Cologne

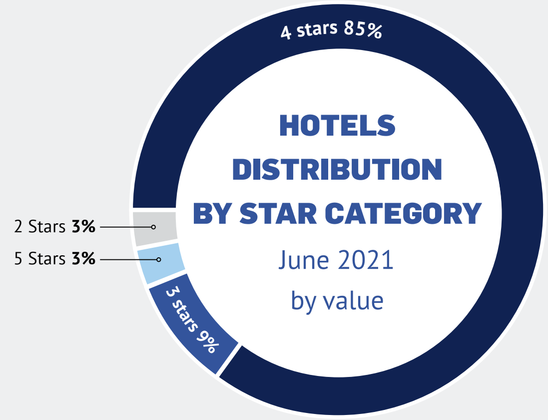

Rotterdam


Leipzig

HOTELS: FOCUS ON CENTRAL LOCATIONS

174 HOTELS across top locations with fixed long-term leases with third party hotel operators





AT's hotel portfolio, valued at €5.5 billion as of June 2021, is well diversified and covers a total of 1.8m sqm. The largest share of the hotel portfolio is 4-star hotels with 85%, catching the largest market share from tourism and business travel. The hotels are branded under a range of globally leading branding partners which offer key advantages such as worldwide reservation systems, global recognition, strong loyalty programs, quality perception and benefits from economies of scale.

The hotel assets are let to hotel operators which are selected according to their capabilities, track record and experience. AT's management participates in the branding decision of the hotel, applying its expertise in selecting the optimal brand. AT maintains close relations with the operators and monitors their performance on an ongoing basis, making use of its tailor-made IT/software system.

HOTELS LEASED TO THIRD PARTY OPERATORS AND FRANCHISED WITH VARIOUS STRONG BRANDS AND A LARGE SCALE OF CATEGORIES WHICH PROVIDES HIGH FLEXIBILITY FOR THE BRANDING OF ITS ASSETS

HIGH GEOGRAPHICAL DIVERSIFICATION


Berlin


Frankfurt

Berlin

Cologne

DIVERSE EUROPEAN METROPOLITAN FOOTPRINT

FIXED LONG TERM LEASES WITH THIRD PARTY HOTEL OPERATORS

Aroundtown's hotel assets are well-diversified and well-located across major European metropolitans, with a focus on Germany. The locations of AT's hotel assets benefit from a strong tourism industry since they are some of Europe's most visited cities as well as top business locations such as Berlin, Frankfurt, Munich, Cologne, Paris, Rome, Brussels, London, Vienna, Edinburgh and Dublin.


London


Dublin

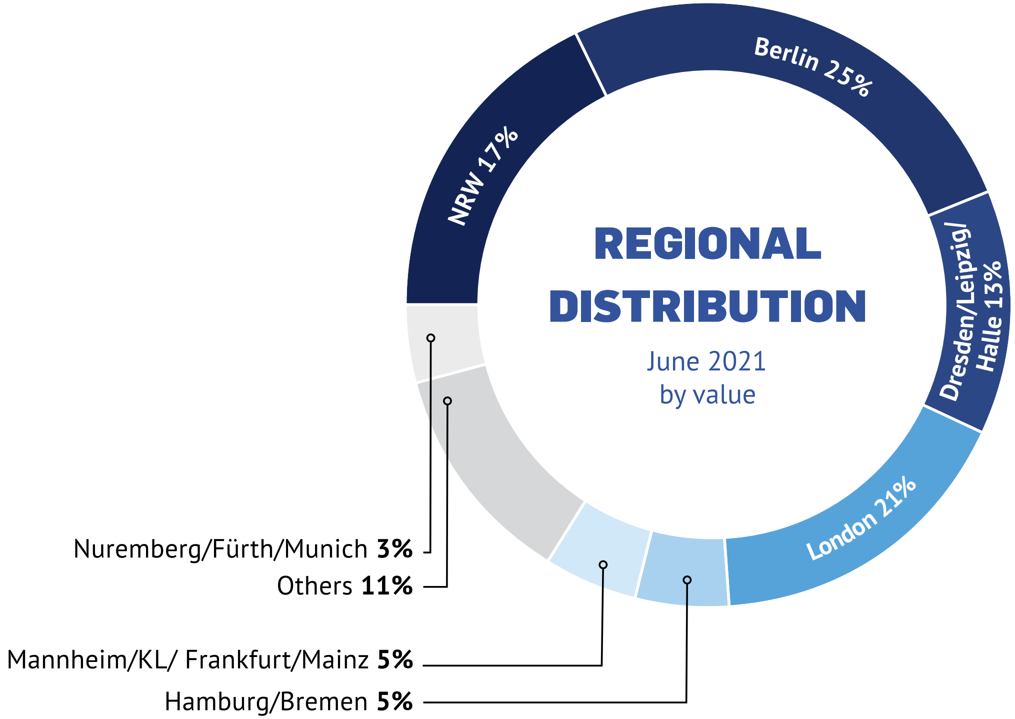

Edinburgh


Paris

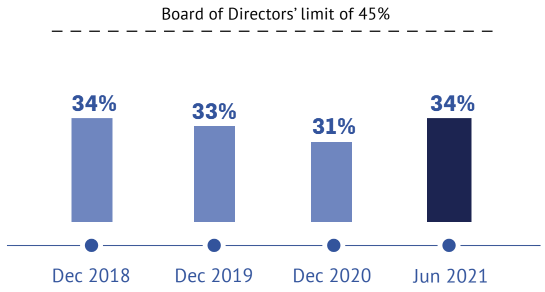

Berlin


Munich

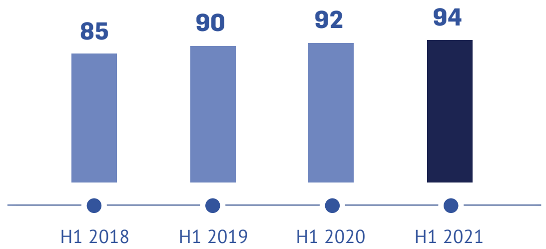
RESIDENTIAL PORTFOLIO (GRAND CITY PROPERTIES)



GCP – CONSERVATIVE LOAN-TO-VALUE



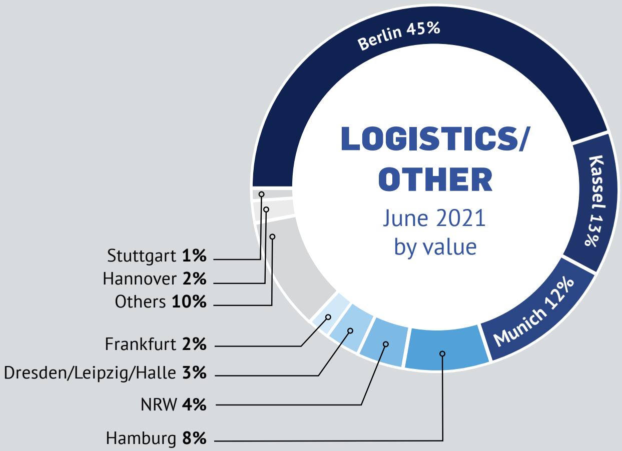
GCP - STRONG FFO I (IN € MILLIONS)



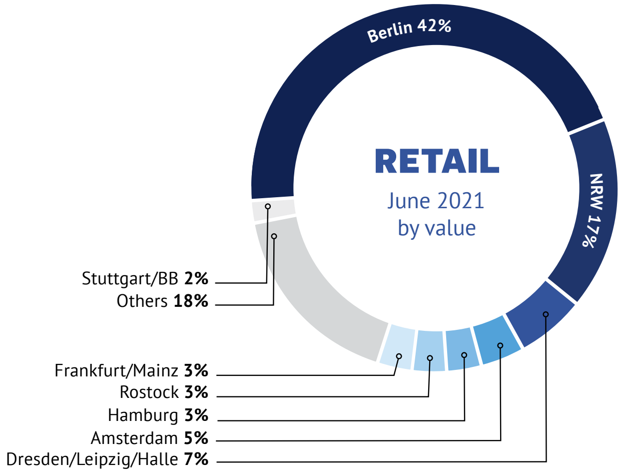
The residential portfolio is mainly held through a 42% stake in Grand City Properties ("GCP"), 44% excluding shares GCP holds in treasury, a leading market player in the German residential market and a specialist in value-add opportunities in densely populated areas predominantly in Germany, complemented by a residential portfolio in London. For an additional increase of AT's position in the residential real estate, AT holds minority positions in several subsidiaries of GCP. As of June 2021, GCP's residential portfolio has a value of €8.4 billion and operates at an in-place rent of €8.0/sqm and an EPRA vacancy of 5.7%. The residential portfolio generates an annualized net rental income of €354 million and includes a strong value-add potential. GCP holds 60k units in its portfolio with the properties spread across densely populated areas in Germany, with a focus on Berlin, North Rhine-Westphalia and the metropolitan regions of Dresden, Leipzig and Halle as well as London. GCP puts a strong emphasis on growing relevant skills in-house to improve responsiveness and generate innovation across processes and departments. Through its 24/7 Service Center and by supporting local community initiatives, GCP established industry-leading service standards and lasting relationships with its tenants.

S&P Global
BBB+
STABLE

FURTHER PORTFOLIO DIVERSIFICATION THROUGH LOGISTICS/OTHER AND RETAIL



Largest focus is on resilient essential goods tenants and grocery-anchored properties catering to the strong and stable demand from local residential neighborhoods



Dresden

Berlin

ASSET TYPE OVERVIEW - COMMERCIAL PORTFOLIO

JUNE 2021	Investment properties (in €M)	Area (in k sqm)	EPRA vacancy	Annualized net rent (in €M)	In-place rent per sqm (in €)	Value per sqm (in €)	Rental yield	WALT (in years)
Office	11,478	3,733	11.2%	467	11.2	3,075	4.1%	4.7
Hotel	5,461	1,754	3.9%	291	14.2	3,114	5.3%	17.0
Retail	1,568	693	10.4%	78	10.1	2,262	5.0%	4.9
Logistics/Other	472	523	12.3%	25	4.6	902	5.3%	5.1
Development rights & Invest	1,920							
Total	**20,899**	**6,703**	**8.9%**	**861**	**11.5**	**2,831**	**4.5%**	**8.9**

REGIONAL OVERVIEW - COMMERCIAL PORTFOLIO

JUNE 2021	Investment properties (in €M)	Area (in k sqm)	EPRA vacancy	Annualized net rent (in €M)	In-place rent per sqm (in €)	Value per sqm (in €)	Rental yield
Berlin	4,562	1,082	7.7%	157	12.8	4,217	3.4%
NRW	1,892	821	10.3%	93	10.3	2,303	4.9%
Frankfurt	1,818	493	13.8%	71	13.9	3,686	3.9%
Munich	1,787	553	7.9%	52	7.9	3,234	2.9%
Dresden/Leipzig/Halle	959	452	5.3%	52	9.8	2,121	5.4%
Amsterdam	621	158	10.4%	26	14.1	3,938	4.1%
Hamburg/LH	575	244	6.1%	30	10.8	2,357	5.2%
London	547	102	8.6%	27	25.2	5,380	5.0%
Wiesbaden/Mainz/Mannheim	416	154	8.3%	21	11.9	2,708	5.1%
Stuttgart/BB	384	149	9.6%	19	12.0	2,573	5.0%
Hannover	364	188	11.7%	16	8.2	1,929	4.4%
Rotterdam	258	100	4.9%	16	13.3	2,588	6.4%
Utrecht	216	93	15.0%	12	11.6	2,320	5.5%
Other	4,580	2,114	8.4%	269	11.5	2,167	5.9%
Development rights & Invest	1,920						
Total	**20,899**	**6,703**	**8.9%**	**861**	**11.5**	**2,831**	**4.5%**

CAPITAL MARKETS

KEY INDEX INCLUSIONS

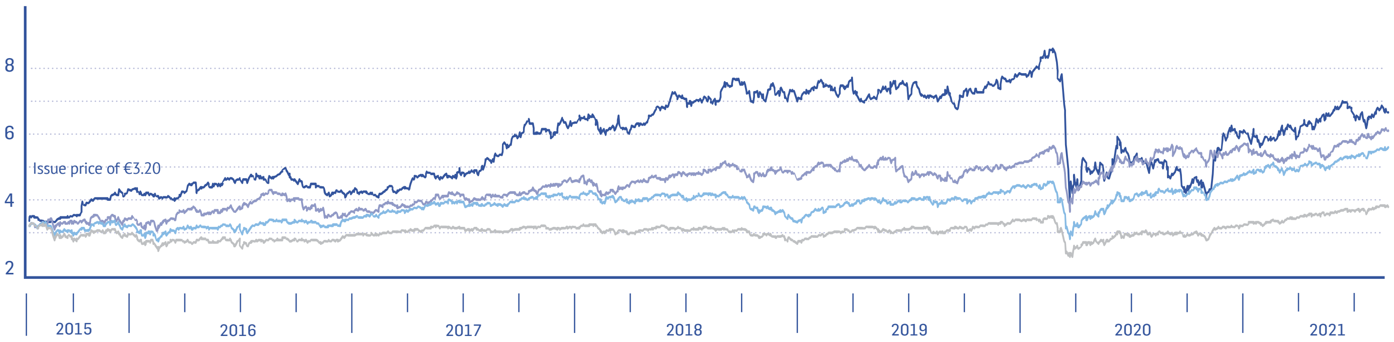
Aroundtown's share is a constituent of several major indices such as **MDAX, DAX 50 ESG, FTSE EPRA/NAREIT Index Series, FTSE Eurofirst 300, MSCI Index Series, S&P EUROPE 350, S&P EUROPE 350 ESG, STOXX Europe 600** as well as **GPR 250**, **GPR ESG** and **DIMAX**. These inclusions are the result of Aroundtown's large market cap and high trading volumes on the Prime Standard of the Frankfurt Stock Exchange (XETRA).

INVESTOR RELATIONS ACTIVITIES

The Group is proactively approaching a large investor audience in order to present its business strategy, provide insight into its progression and create awareness of its overall activities to enhance its perception in the market. AT participates in a vast amount of various national and international conferences, roadshows, one-on-one presentations and in virtual video conferences in order to present a platform for open dialogue. Explaining its unique business strategy in detail and presenting the daily operations allow investors to gain a full overview about the Group's successful business approach. The most recent information is provided on its website and open channels for communication are always provided. Currently, AT is covered by 21 different research analysts on an ongoing basis, with reports updated and published regularly.

SHARE PRICE PERFORMANCE AND TOTAL RETURN SINCE INITIAL PLACEMENT OF CAPITAL (13.07.2015)

Aroundtown +148% total return
EPRA Germany (rebased) +127% total return
MDAX (rebased) +76% total return
Stoxx 600 (rebased) +46% total return



TRADING DATA	
Placement	Frankfurt Stock Exchange
Market segment	Prime Standard
Trading ticker	AT1
Initial placement of capital	13.07.2015 (€3.2 per share)
Key index memberships	DAX 50 ESG MDAX FTSE EPRA / NAREIT: – Global – Developed Europe – Eurozone – Germany – Green Indexes MSCI Index Series S&P Europe 350 S&P Europe 350 ESG STOXX Europe 600 GPR 250 GPR ESG DIMAX
AS OF JUNE 30, 2021:	
Number of shares	1,537,025,609
Number of shares, base for share KPI calculations[1]	1,167,277,892 [1] excluding suspended voting rights, including the conversion impact of mandatory convertible notes
AS OF THE DAY OF THIS REPORT:	
Number of shares, base for share KPI calculations[1]	1,176,893,767[2] [2] as at August 20, 2021
Shareholder Structure[2]	Freefloat: 64% - of which Blackrock Inc. 5.7% Shares held in treasury*: 26% Avisco Group: 10% * 12% are held held through TLG Immobilien AG, voting rights suspended
Market cap	€10.4 bn

NOTES ON BUSINESS PERFORMANCE

Frankfurt

SELECTED CONSOLIDATED INCOME STATEMENTS DATA

	Six months ended June 30	
	2021	2020
	in € millions	
Revenue	541.4	588.3
Net rental income	**457.8**	**501.9**
Property revaluations and capital gains	108.7	564.0
Share in profit from investment in equity-accounted investees	91.6	108.2
Recurring property operating expenses [1]	(142.9)	(150.4)
Extraordinary expenses for uncollected rent [2]	(75.2)	(35.0)
Administrative and other expenses	(27.4)	(26.9)
Operating profit	496.2	1,048.2
Adjusted EBITDA [1] [3]	**451.9**	**500.0**
Finance expenses	(80.8)	(98.9)
Current tax expenses	(38.8)	(45.6)
FFO I before Covid adjustment [1] [4]	**247.2**	**268.5**
FFO I [4] [5]	**172.0**	**233.5**
FFO II [4] [6]	**548.4**	**340.3**
Other financial results	(1.5)	(99.7)
Deferred tax expenses	(13.0)	(177.7)
Profit for the period	**362.1**	**626.3**

1) excluding extraordinary expenses for uncollected rent due to the Covid pandemic
2) extraordinary expenses for uncollected rent due to the Covid pandemic
3) including AT's share in the adjusted EBITDA of companies in which AT has significant influence, excluding the contributions from commercial assets held for sale. For more details regarding the methodology, please see pages 40-43
4) including AT's share in the FFO I (after perpetual notes attribution if relevant) of companies in which AT has significant influence, excluding FFO I relating to minorities and contributions from assets held for sale. For more details regarding the methodology, please see pages 40-43
5) previously defined as FFO I after perpetual notes attribution
6) reclassified in Q4 2020 to be based on FFO I (previously defined as FFO I after perpetual, Covid adjusted)

OPERATING PROFIT

	Six months ended June 30	
	2021	2020
	in € millions	
Recurring long-term net rental income	**442.2**	**497.7**
Net rental income related to properties marked for disposal	15.6	4.2
Net rental income	**457.8**	**501.9**
Operating and other income	83.6	86.4
Revenue (a)	**541.4**	**588.3**
Share in profit from investment in equity-accounted investees (b)	91.6	108.2
Property revaluations and capital gains (c)	108.7	564.0
Recurring property operating expenses (d)	(142.9)	(150.4)
Extraordinary expenses for uncollected rent [1] (d)	(75.2)	(35.0)
Administrative and other expenses (e)	(27.4)	(26.9)
Operating profit	**496.2**	**1,048.2**

1) extraordinary expenses for uncollected rent due to the Covid pandemic

(a) Revenue

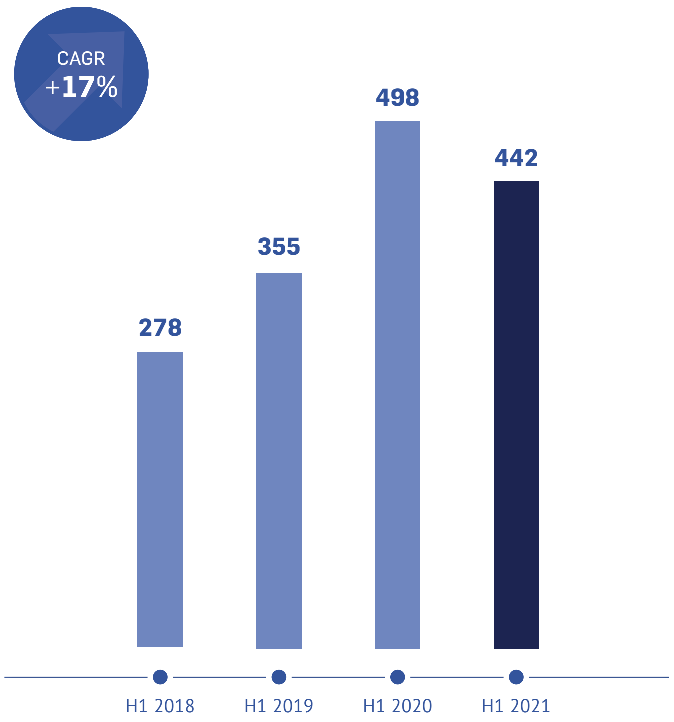
AT generated total revenues of €541 million in the first half of 2021, 8% lower compared to €588 million in the first half of 2020 due to property disposals during 2020 and 2021. Net rental income is the largest portion of revenues which amounted to €458 million in the first half of 2021, 9% lower compared to €502 million in the first half of 2020. Approx. €3.4 billion of disposals since the first quarter of 2020 was the main factor for the decline in revenue which was partly offset by the full impact of the TLG takeover which contributed only partially during the first half of 2020 as the takeover was completed in mid-Q1 2020. AT recorded a total like-for-like net rental income growth, excluding the hotels, of 0.8%, driven by in-place rent growth. Including the hotels, the rent like-for-like amounted to a negative 0.7% which comprised of negative 0.2% in-place rent like-for-like and negative 0.5% occupancy like-for-like. In the past twelve months, the hotel portfolio was significantly impacted from the pandemic, and therefore AT has reduced temporarily rents on a selective basis. This resulted in negative like-for-like of 3.4% for the hotel portfolio.

AT recorded operating and other income of €84 million in the first half of 2021, 3% lower compared to €86 million in the first half of 2020 impacted by the disposals. This income item is mainly linked to ancillary expenses that are reimbursable by tenants such as utility costs (energy, heating, water, electricity, insurance, etc.) and charges for services provided to tenants (cleaning, security, etc.).

AT further breaks down its net rental income into the recurring long-term net rental income and net rental income generated by properties marked for disposal. Since AT intends to dispose these properties, the Company views their contribution as non-recurring and are thus presented in a separate line item. The net rental income from the held-for-sale properties amounted to €16 million in the first half of 2021, compared to €4 million in the first half of 2020. Correspondingly, the recurring long-term net rental income totaled to €442 million in the first half of 2021, compared to €498 million in the first half of 2020.

During the first half of 2021, AT completed approx. €1.1 billion of disposals. The portfolio as of June 2021 already excludes the held for sale properties. Thus, the monthly annualized rent as of June 2021 amounts to €861 million, 3% lower than the annualized recurring net rent of the first half of 2021.

RECURRING LONG-TERM NET RENTAL INCOME (IN € MILLIONS)



(b) Share in profit from investment in equity-accounted investees

Share in profit from investment in equity-accounted investees amounted to €92 million in the first half of 2021, compared to €108 million in the first half of 2020. This item represents AT's share in the profits from investment in companies which are not consolidated in its financial statements but over which AT has significant influence. As of the reporting period, these profits are mostly attributed to the Company's share in GCP's profits and direct minority positions in residential properties consolidated by GCP. The decrease in the share in profit from investment in equity-accounted investees is tied to the decrease in GCP's reported shareholder's profit which decreased by more than 40% mainly due to non-recurring items such as lower revaluation gains. On the other hand, GCP's FFO I, representing the operational recurring profits, has increased by 3%. Following recent developments and following IFRS guidelines, GCP will be fully consolidated starting from Q3 2021 as AT has reached a position of de facto control in GCP.

In addition, this line item includes AT's profit share in Globalworth, the leading publicly listed office landlord in the CEE market, as well profit share in other investments. The operational profits of the investees, excluding non-recurring items such as revaluation gains, supported AT's operational profitability KPI's positively during the first half of 2021 and amounted to a contribution of €83 million to the adjusted EBITDA and €55 million to the FFO I, compared to €83 million and €57 million in the first half of 2020, respectively.

(c) Property revaluations and capital gains

Property revaluations and capital gains amounted to €109 million in the first half of 2021, compared to €564 million in the first half of 2020. AT has its portfolio revaluated at least once a year by independent and qualified appraisers and due to the significant Covid-related restrictions in H1 2021, AT is planning most of the revaluation processes to be in H2 2021. Therefore, during the first half of 2021, only a small portion of the portfolio has been revalued.

AT completed approx. €1.1 billion of disposals during the first half of 2021 with a 3% margin over their book values which have been accordingly recorded as capital gains. 53% of these were offices, 41% were logistics and retail assets and 6% were hotels. The properties were located across various core and non-core locations in Germany and the Netherlands, as well as in London. The sale multiples per assets types were 26x for offices, 23x for logistics, 23x for hotels and 17x for retail properties. Disposing a large volume of properties through various transactions across all asset types above book value not only validates the portfolio valuations across multiple segments but also highlights the large discrepancy between the premium in the transaction markets and the discount of AT's share price to its NAV metrics. Aroundtown is utilizing this discrepancy by freeing up funds from disposals at strong valuations to carry out share buybacks with a deep discount to NAV which creates long-term shareholder value.

As of June 2021, the portfolio reflects an average value of €2,831 per sqm and a net rental yield of 4.5%, compared to €2,665 per sqm and 4.6% in December 2020, respectively.

(d) Property operating expenses

AT recorded €143 million of recurring property operating expenses for the first half of 2021, 5% lower compared to €150 million recorded for the first half of 2020 decreasing mainly due to disposals and in-line with the decrease in revenue. The main portion of the property operating expenses are ancillary expenses which are mainly recoverable from tenants such as utility costs, charges for services provided to tenants and other services contracted in relation with the management of properties. The remainder of the property operating expenses are costs such as maintenance and refurbishment, operating personnel expenses, depreciation and amortization and various operating costs such as marketing, letting expenses, legal fees and others.

Property operating expenses include non- recurring extraordinary expenses for uncollected rent, which amount to €75 million in first half of 2021, compared to €35 million in the first half of 2020. AT created extraordinary expenses for uncollected rent in response to the impact of the Coronavirus pandemic especially affecting the hotel industry's ability to pay rent which has been heavily impacted by the restrictions. The extraordinary expenses increased in the first half of 2021 in comparison to the first half of 2020 as the pandemic had an effect on the collection rates starting from the second quarter of 2020. AT collected approximately 34% of hotel rents during the first half of 2021, not considering the agreed rent-free with hotel tenants in exchange for improved lease terms. The Company is working together with its tenants, on a case-by-case basis, to collect the deferred amounts. Including the extraordinary expenses for uncollected rent, property operating expenses amounted to €218 million in the first half of 2021.

(e) Administrative and other expenses

Administrative and other expenses amounted to €27 million in the first half of 2021, stable compared to the first half of 2020. These expenses consist mainly of personnel expenses, fees for legal, professional, accounting and audit services, as well as sales, marketing and other administrative expenses.

NET PROFIT

	Six months ended June 30	
	2021	2020
	in € millions	
Operating profit	**496.2**	**1,048.2**
Finance expenses (a)	(80.8)	(98.9)
Other financial results (b)	(1.5)	(99.7)
Current tax expenses (c)	(38.8)	(45.6)
Deferred tax expenses (c)	(13.0)	(177.7)
Profit for the period (d)	**362.1**	**626.3**
Profit attributable to:		
Owners of the Company	297.9	486.2
Perpetual notes investors	46.3	43.2
Non-controlling interests	17.9	96.9
Basic earnings per share (in €)	**0.25**	**0.36**
Diluted earnings per share (in €)	**0.25**	**0.36**
Weighted average basic shares (in millions)	1,178.6	1,335.3
Weighted average diluted shares (in millions)	1,179.8	1,336.7
Profit for the period	**362.1**	**626.3**
Total other comprehensive income (loss) for the period, net of tax (e)	37.4	(32.7)
Total comprehensive income for the period (e)	**399.5**	**593.6**

(a) Finance expenses

Finance expenses declined by 18% to €81 million in the first half of 2021 from €99 million in the first half of 2020 as a result of proactive debt optimization activities. Since the beginning of 2020, AT repaid over €2 billion of debt including the repurchases of Series E 2024, Series D 2022, Series F 2023 and Series 35 TLG 2024 straight bonds. Refinanced bonds had an average cost of debt of over 1.5% and these were partially financed by the issuance of €1 billion straight bond at 0% coupon at year-end 2020. As a result, AT proactively reduced its cost of debt from 1.6% in June 2020 to 1.4% in June 2021 while maintaining a long average debt maturity of 5.8 years. Refinancing of TLG's higher interest debt with a new 0% coupon bond supported the realization of synergies as a result of the takeover. The solid debt profile combined with the operational profitability manifests itself in the high ICR of 5.0x for the first half of 2021.

(b) Other financial results

Other financial results amounted to an expense of €2 million in the first half of 2021, compared to an expense of €100 million in the first half of 2020. Other financial results is composed of items that are primarily non-recurring and/or non-cash where values fluctuate and thus the result varies from one period to another. The result in the first half of 2020 included expenses related to net changes in the fair value of derivatives including contingent liabilities relating to the takeover of TLG, changes in the value of financial assets, expenses related to bond buybacks and loan breakages.

Amsterdam

(c) Taxation

Current tax expenses amounted to €39 million in the first half of 2021, lower compared to €46 million recorded in the first half of 2020. Current tax expenses are comprised of corporate income taxes and property taxes and declined mainly as a result of lower operational profits and a smaller portfolio due to disposals. AT recorded €13 million of deferred tax expenses in the first half of 2021, lower compared to €178 million recorded in the first half of 2020 mainly due to lower revaluation gains and a positive tax impact relating to changes in the fair value of financial derivatives, offset to a certain degree by partial recognition of tax loss carry forwards.

(d) Profit for the period & Earnings per share

AT generated a net profit of €362 million in first half of 2021, compared to €626 million generated in the first half of 2020. The shareholders' profit amounted to €298 million in the first half of 2021, compared to €486 million in the first half of 2020. The decrease is mainly due to lower revaluation gains, lower profit share from equity-accounted investees and extraordinary expenses for uncollected rent related to the Covid pandemic, as well as disposals. Accordingly, the profit attributable to non-controlling interests also decreased from €97 million in the first half of 2020 to €18 million in the first half of 2021. Profit attributable to perpetual notes investors increased from €43 million in the first half of 2020 to €46 million in the first half of 2021 mainly driven by the full period impact of TLG's perpetual notes and slight increase due to new perpetual notes (net of the repurchased notes). The accumulated coupon related to the new €600 million 1.625% perpetual notes was mostly offset by the coupon related to the repurchased ca. €230 million 3.75% perpetual notes.

AT generated basic and diluted earnings per share of €0.25 in the first half 2021, lower compared to €0.36 per share in the first half of 2020, following the development of shareholders' profit. Per share KPI's were positively impacted by the 12% decrease in the share count between the periods driven by the partial impact of the share buyback program, partially offset by the impact of scrip dividends issued in January 2021.

(e) Comprehensive income

Total comprehensive income for the first half of 2021 amounted to €400 million, lower compared to €594 million in the first half of 2020 due to the decrease in the profit which was partially offset by the comprehensive income of €37 million in the first half of 2021. This income was mainly due to positive impact of AT's share in other comprehensive income in equity-accounted investees and comparatively higher impact of cash flow hedges and currency fluctuations, net of taxes.

Leipzig

ADJUSTED EBITDA

	Six months ended June 30	
	2021	2020
	in € millions	
Operating profit	496.2	1,048.2
Total depreciation and amortization	3.3	1.7
EBITDA	**499.5**	**1,049.9**
Property revaluations and capital gains	(108.7)	(564.0)
Share in profit from investment in equity-accounted investees	(91.6)	(108.2)
Other adjustments incl. one-off expenses related to TLG merger [1]	3.4	6.4
Contribution from assets held for sale	(9.0)	(2.5)
Add back: Extraordinary expenses for uncollected rent [2]	75.2	35.0
Adjusted EBITDA commercial portfolio, recurring long-term	**368.8**	**416.6**
Adjustment for GCP's and other investments' adjusted EBITDA contribution [3]	83.1	83.4
Adjusted EBITDA	**451.9**	**500.0**

1) the other adjustment is expenses related to employees' share incentive plans
2) extraordinary expenses for uncollected rent due to the Covid pandemic
3) the adjustment is to reflect AT's share in the adjusted EBITDA of companies in which AT has significant influence. GCP generated an adjusted EBITDA of €147 million in H1 2021 and in H1 2020

Adjusted EBITDA is a key performance measure used to evaluate the operational result of the Company, derived by deducting from the EBITDA non-operational items such as revaluations, capital gains, extraordinary expenses and other adjustments. Additionally, in order to mirror the recurring operational results of the Group, the share in profit from investment in equity-accounted investees is subtracted as this also includes the Company's share in non-operational and non-recurring profits generated by these investees. Due to the nature of its strategic investment in GCP and in other investments, AT includes in its adjusted EBITDA its share in the adjusted EBITDA generated by investments where the Company has significant influence in accordance with its economic holding rate over the period.

The Group generated an adjusted EBITDA of €452 million in the first half of 2021, 10% lower compared to €500 million generated in the first half of 2020 mainly due to disposals. The contribution from GCP and other investments was stable year-over-year at €83 million. Adjusted EBITDA excludes the effect of extraordinary expenses for uncollected rent. Including these extraordinary effects, the adjusted EBITDA, Covid adjusted amounts to €377 million in the first half of 2021, as compared to €465 million in the first half of 2020.

The adjusted EBITDA accounts for other adjustments in the amount of €3.4 million in the first half of 2021 mainly related to non-cash expenses for employees' share incentive plans but also including other one-off costs related to the merger process with TLG. Furthermore, the Company conservatively does not include the contributions from properties marked for disposal since they are intended to be sold and therefore their contributions are non-recurring. This adjustment grew from €2.5 million in the first half of 2020 to €9.0 million in the first half of 2021 due to the larger disposal activity.

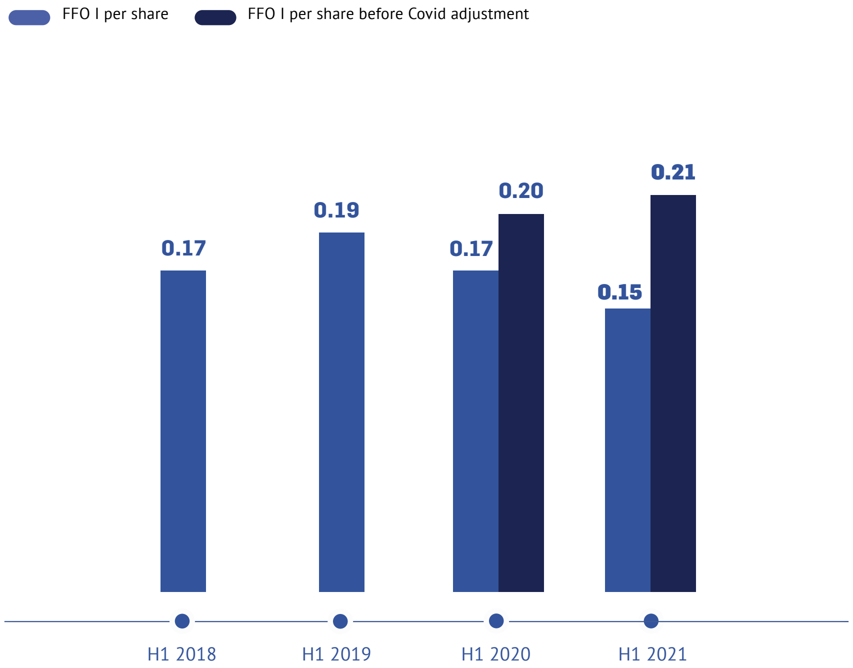
Utrecht

FUNDS FROM OPERATIONS (FFO I, FFO II)

	Six months ended June 30	
	2021	2020
	in € millions	
Adjusted EBITDA commercial portfolio, recurring long-term	**368.8**	**416.6**
Finance expenses	(80.8)	(98.9)
Current tax expenses	(38.8)	(45.6)
Contribution to minorities [1]	(14.1)	(19.3)
Adjustments related to assets held for sale [2]	3.8	1.8
Perpetual notes attribution	(46.3)	(43.2)
FFO I commercial portfolio, recurring long-term [3]	**192.6**	**211.4**
Adjustment for GCP's and other investments' FFO I contribution [4]	54.6	57.1
FFO I before Covid adjustment	**247.2**	**268.5**
FFO I per share before Covid adjustment (in €)	**0.21**	**0.20**
Extraordinary expenses for uncollected rent [5]	(75.2)	(35.0)
FFO I [6]	**172.0**	**233.5**
FFO I per share (in €) [6]	**0.15**	**0.17**
Weighted average basic shares (in millions) [7]	1,178.6	1,335.3
FFO I [6]	**172.0**	**233.5**
Result from the disposal of properties [8]	376.4	106.8
FFO II [9]	**548.4**	**340.3**

1) contribution to minorities and the minority share in TLG's FFO I (after perpetual notes attribution and contribution of AT)
2) the contribution which is excluded from the FFO amounts to €5.2 million in H1 2021 and €0.7 million in H1 2020
3) previously did not include perpetual notes attribution
4) the adjustment is to reflect AT's share in the FFO I of companies in which AT has significant influence. GCP generated an FFO I (after perpetual notes attribution) of €94 million in H1 2021 and in €92 million in H1 2020
5) extraordinary expenses for uncollected rent due to the Covid pandemic
6) previously defined as FFO I (per share) after perpetual, Covid adjusted
7) weighted average number of shares excludes shares held in treasury and includes the conversion impact of mandatory convertible notes; base for share KPI calculations
8) the excess amount of the sale price, net of transaction costs and total costs (cost price and capex of the disposed properties)
9) reclassified in Q4 2020 to be based on FFO I (previously defined as FFO I after perpetual, Covid adjusted)

FFO I PER SHARE (IN €)



Funds from Operations I (FFO I) is an industry standard performance indicator, reflecting the recurring operational profitability. FFO I starts by deducting the finance expenses, current tax expenses and the contributions to perpetual notes from the adjusted EBITDA. The calculation further includes the relative share of AT in GCP's FFO I and FFO I of other significant investment positions. Furthermore, FFO excludes the share in minorities' operational profits and makes an adjustment related to assets held for sale. The dividend payout ratio is based on 75% of the FFO I per share. In addition, AT provides the FFO II, which is an additional key performance indicator used in the real estate industry to evaluate the operational recurring profits including the disposal gains during the relevant period.

AT generated an FFO I before Covid adjustment of €247 million in the first half of 2021, 8% lower compared to €269 million in the first half of 2020 due to disposals. The decrease was offset from lower financing expenses as a result of the successful debt optimization. FFO I per share before Covid adjustment amounted to €0.21 in the first half of 2021, 5% higher compared to €0.20 per share in the first half of 2020. The increase in the per share amount is the result of the share buyback program offsetting the decrease in the absolute amount. The contribution from the properties marked for disposal amounted to €5.2 million in the first half of 2021 and €0.7 million in the first half of 2020 which is excluded from the FFO. Including the extraordinary expenses for uncollected rent due to the Covid pandemic, FFO I amounted to €172 million and €0.15 per share in the first half of 2021, lower compared to €234 million and €0.17 per share in the first half of 2020, respectively.

AT generated an FFO II of €548 million in the first half of 2021, 61% higher compared to €340 million in the first half of 2020. During the first half of 2021, AT completed approx. €1.1 billion of disposals with a 51% margin over their cost values including capex, which reflects the result from disposal of properties. In comparison, AT completed approx. €240 million of disposals during the first half of 2020. The high margin over total cost value demonstrates the substantial economic profit and value creation achieved in the disposed properties.

CASH FLOW

	Six months ended June 30	
	2021	2020
	in € millions	
Net cash provided by operating activities	233.8	281.0
Net cash provided by / (used in) investing activities	516.8	(354.8)
Net cash used in financing activities	(822.2)	(293.1)
Net changes in cash and cash equivalents	**(71.6)**	**(366.9)**
Net changes in cash and cash equivalents	**(71.6)**	**(366.9)**
Cash and cash equivalents as at the beginning of the year	2,692.1	2,191.7
Cash and cash equivalents from initial consolidation of TLG	-	509.8
Other changes*	8.0	(0.9)
Cash and cash equivalents as at the end of the period	**2,628.5**	**2,333.7**

* including change in cash balance of assets held for sale and movements in exchange rates on cash held

€234 million of net cash was provided by operating activities during the first half of 2021, compared to €281 million provided during the first half of 2020. Apart from the impact of disposals, the figure in H1 2021 was affected by the extraordinary deferrals due to the Covid pandemic and the lower amount of cash dividends from investments.

€517 million of net cash was provided by investing activities during the first half of 2021, compared to €355 million of cash that was used during the first half of 2020. AT completed approx. €1.1 billion of disposals during the first half of 2021 which was to a certain degree offset by capex, prepayments for future transactions, loans to third parties and investment in investees and traded securities, as well as financial assets such as asset-backed loans.

€822 million of net cash was used in financing activities during the first half of 2021, compared to €293 million that was used during the first half of 2020. The main uses during the first half of 2021 were approx. €590 million of debt repayments, €102 million of cash dividend distribution, €127 million of share buyback of AT and €155 million of share buyback of TLG. In addition, AT issued €600 million of perpetual notes at 1.625% coupon and subsequently bought back approx. €230 million of its first perpetual notes with a 3.75% coupon, resulting in a net inflow.

As a result, cash and cash equivalents at the end of June 2021 amounted to €2.6 billion. Including other liquid assets, the liquidity position totals to €3.2 billion. The high liquidity balance combined with the large amount of unencumbered assets not only reflects the high financial flexibility and headroom of the Company but also provides a large firepower for swift acquisitions.

Berlin

ASSETS

	Jun 2021	Dec 2020
	in € millions	
Non-current assets	**26,320.0**	**26,240.5**
Investment property	20,898.7	21,172.4
Equity-accounted investees - holding in GCP SA [1]	2,165.5	2,076.3
Equity-accounted investees, other	1,092.7	1,101.1
Current assets	**4,400.6**	**4,781.1**
Assets held for sale [2]	490.0	875.4
Cash and liquid assets [3]	3,244.2	3,262.7
Total Assets	**30,720.6**	**31,021.6**

1) according to AT's holding rate, the market cap of GCP as of Jun 2021 is €1.7 BN
2) excluding cash in assets held for sale
3) including cash in assets held for sale

AT's total assets amounted to €30.7 billion at the end of June 2021, slightly lower compared to €31.0 billion at year-end 2020. The large cash balance, which was reinforced during the period by the proceeds from additional disposals, was utilized in proactive debt repayments and accretive share buybacks, resulting in declining total assets during the period.

Non-current asset amounted to €26.3 billion at the end of June 2021, relatively stable compared to €26.2 billion at year-end 2020. Investment property, which makes up the largest part of non-current assets, amounted to €20.9 billion at the end of June 2021, 1% lower compared to €21.2 billion at year-end 2020 due to properties disposed and properties marked for disposals and no significant acquisitions during the first half of 2021. The like-for-like portfolio, excluding these disposals and acquisitions, reflected a slight growth since only a small portion of the portfolio was revalued during the first half of 2021.

The next largest item under non-current assets are investment in equity-accounted investees which amounted to €3.3 billion at the end of June 2021, reflecting a 3% growth compared to €3.2 billion at year-end 2020. This line item represents AT's long-term investments in which the Company has a significant influence but are not consolidated. The largest investment in this item is the residential portfolio via a 42% stake in Grand City Properties, 44% excluding the shares GCP holds in treasury, which amounts to €2.2 billion at the end of June 2021, growing by 4% compared to €2.1 billion at year-end 2020 due to GCP's net profits and a slightly higher stake in GCP through participation in the scrip dividends of GCP. Starting from Q3 2021, GCP will be fully consolidated in AT's financial statements and therefore, the total assets balance is expected to increase due to the consolidation of all of GCP's asset items net of the investment in equity position. GCP reinforces the Group's portfolio with a well-balanced presence in the resilient and affordable German residential real estate, as well as the London residential market. The balance of other equity-accounted investees amounted to €1.1 billion at the end of June 2021, relatively stable compared to €1.1 billion at year-end 2020. This line item mainly represents AT's stake in Globalworth, a leading publicly listed office landlord in the CEE market, and its stake in further real estate investments. The holding rate in Globalworth increased after the reporting period to approx. 30% indirectly held through a joint venture with CPI Property Group S.A. after an offer launched in April 2021 and was finalized in July 2021.

Non-current assets also include a goodwill at an amount of €0.8 billion created as part of the takeover of TLG. This goodwill mainly relates to TLG's deferred tax liability balance. The business combination was based on an EPRA NAV-to-EPRA NAV exchange ratio. The ratio of TLG's EPRA NAV to the shareholders' equity is much higher than AT's, primarily related to higher ratio of deferred tax balance and is thus, from an accounting perspective, reflected in the goodwill balance. Additionally, non-current assets include advance payments and deposits, long-term derivative financial assets, deferred tax assets and other long-term assets which are mainly comprised of vendor loans that are connected to disposals and loans-to-own assets. Loans-to-own assets are typically asset-backed and high-yielding loans with the embedded option to acquire the underlying asset at a material discount, under certain conditions. Loans-to-own assets are sourced through Aroundtown's wide deal sourcing network established over the years, provide the Company with options for alternative acquisition opportunities in the current market environment and complement the Group's broad-based platform.

Current assets amounted to €4.4 billion at the end of June 2021, lower compared to €4.8 billion at year-end 2020. During the first half of 2021, additional assets were classified into held-for-sale and were sold during the period, bringing the total disposal volume to approx. €1.1 billion. The remaining held for sale balance (excluding the cash of assets held for sale) of €490 million at the end of June 2021 consists of non-core and/or mature assets that are intended to be sold within the next 12 months.

The cash and liquid assets balance decreased slightly to €3.2 billion at the end of June 2021 from €3.3 billion at year-end 2020. During the first half of 2021, AT reinforced its cash balance with an inflow from operations, disposals and perpetual notes issuance (net of the repurchased note). These were utilized for debt repayments, dividend distribution and share buybacks, including the share buyback of TLG.

LIABILITIES

	Jun 2021	Dec 2020
	in € millions	
Loans and borrowings [1]	916.1	1,376.8
Straight bonds and schuldscheins [2]	10,481.5	10,484.1
Deferred tax liabilities [3]	2,036.1	2,054.4
Other long-term liabilities and derivative financial instruments [4]	634.4	671.3
Current liabilities [5]	934.6	852.0
Total Liabilities	**15,002.7**	**15,438.6**

1) including short-term loans and borrowings
2) including the amounts classified under current liabilities for Series E and Q straight bonds in Jun 2021 (repaid after the reporting period) and Series D in Dec 2020 (repaid during Q1 2020)
3) including deferred tax under held for sale
4) including short term derivative financial instruments
5) excluding current liability items that are included in the lines above

AT's total liabilities amounted to €15.0 billion at the end of June 2021, 3% lower compared to €15.4 billion at year-end 2020, mainly due to debt repayments. During the first half of 2021, AT repaid approx. €590 million of debt which comprised of the repayment of ca. €130 million of Series D 2022 and Series 35 TLG 2024 straight bonds, as well as the repayment of ca. €460 million of bank debt. These debt repayments were partly funded by the issuance of Series 38 bond at 0% coupon at year-end 2020. Thanks to these proactive debt optimization activities, AT further decreased its cost of debt to 1.4% while maintaining a long average debt maturity of 5.8 years.

Deferred tax liabilities amounted to €2.0 billion at the end of June 2021, slightly lower compared to €2.1 billion at year-end 2020. Deferred tax liabilities make up 14% of total liabilities and are non-cash items that are predominantly tied to revaluation gains. The deferred taxes are calculated conservatively by assuming the theoretical future property disposals in the form of asset deals and as such the full corporate tax rate is applied in the relevant jurisdictions.

Current liabilities amounted to €935 million at the end of June 2021, higher compared to €852 million at year-end 2020, mainly due to €251 million of dividend payable recorded at the end of June 2021 which have been paid out in July 2021. This amount was not fully distributed in cash since 41% of the shareholder opted for scrip dividends. Current assets of €4.4 billion comfortably covers current liabilities by several times which highlights the Company's significant headroom.

Hamburg

DEBT METRICS

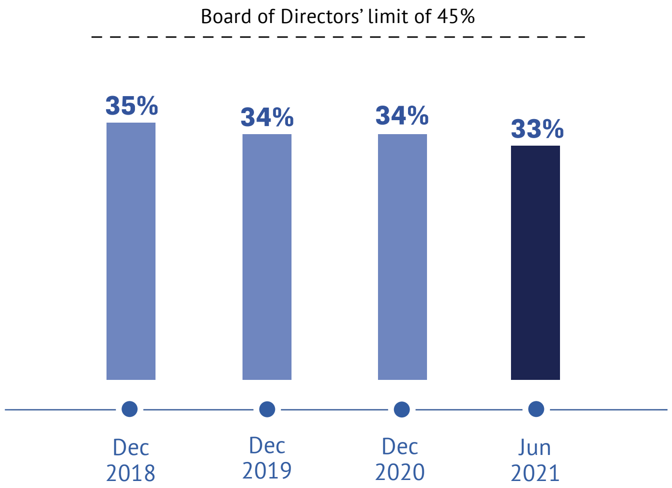
	Jun 2021	Dec 2020
Loan-To-Value (LTV)	in € millions	
Investment property [1]	20,975.6	21,150.0
Investment property of assets held for sale	478.5	830.2
Investment in equity-accounted investees	3,258.2	3,177.4
Total value (a)	**24,712.3**	**25,157.6**
Total financial debt	11,397.6	11,860.9
Less: Cash and liquid assets [2]	(3,244.2)	(3,262.7)
Net financial debt (b)	**8,153.4**	**8,598.2**
LTV (b/a)	**33%**	**34%**
Unencumbered Assets		
Rent generated by unencumbered assets [3]	842.2	796.6
Rent generated by the total Group [3]	1,041.0	1,045.9
Unencumbered assets ratio	**81%**	**76%**

	Six months ended June 30	
	2021	2020
Interest Cover Ratio (ICR)	in € millions	
Group finance expenses [4]	92.7	110.5
Adjusted EBITDA [5]	460.9	502.5
ICR	**5.0x**	**4.5x**

1) including advance payments and deposits and excluding the right-of-use assets
2) including cash and cash equivalents under held for sale
3) annualized net rent including the contribution from GCP and other investments and excluding the net rent from assets held for sale
4) including AT's share in GCP's and other investments' finance expenses
5) including the contributions from assets held for sale, GCP and other investments, excluding extraordinary expenses for uncollected rent due to the Covid pandemic

AT's disciplined debt management approach, its strong credit profile and its high financial strength are reflected in its solid debt metrics. AT's LTV amounted to 33% at the end of June 2021 which remains comfortably below the internal limit of 45% set by the Board of Directors. An unencumbered assets ratio of 81% with a total value of €16.1 billion as well as a high ICR of 5.0x are consistently maintained at comfortable levels, highlighting AT's financial flexibility.

LOAN-TO-VALUE



Hannover

EQUITY

	Jun 2021	Dec 2020
	in € millions	
Total equity	**15,717.9**	**15,583.0**
of which equity attributable to the owners of the Company	10,409.6	10,424.8
of which equity attributable to perpetual notes investors	3,485.2	3,132.9
of which non-controlling interests	1,823.1	2,025.3
Equity ratio	**51%**	**50%**

AT's total equity amounted to €15.7 billion at the end of June 2021, 1% higher compared to €15.6 billion at year-end 2020, mainly due to the issuance of €600 million perpetual notes with a coupon of 1.625%, which have been partially used to repurchase approx. €230 million of AT's first perpetual notes which have a coupon of 3.75%. The reduction in the coupon rate between the issuances is reflective of AT's stronger credit rating driven by the improvements in the business profile since the first issuance. Shareholders' equity amounted to €10.4 billion at the end of June 2021, stable compared to year-end end 2020. The profit contribution during the period was offset by the accretive share buybacks and dividends. The dividend for the financial year 2020 was announced in June 2021 and was paid out in July 2021. The Company has already made the reserves for the full amount of dividend in its equity, however, 41% of the shareholders opted for scrip dividends which will contribute to the equity base in the next quarter. Similarly, the dividend for the financial year 2019, which was paid out in January 2021, was fully reserved in the December 2020 figure, however, €58 million due to scrip dividends was added to the equity base in the first quarter of 2021. Furthermore, AT executed €127 million accretive share buybacks during the first half of 2021. The equity attributable to the non-controlling interests declined from €2.0 billion at year-end 2020 to €1.8 billion at the end of June 2021 mainly due to the relatively higher stake in TLG as a result of TLG's share buyback program (AT holds ca. 85% of TLG at the end of June 2021).

Following IFRS accounting treatment, perpetual notes are classified as equity as they do not have a repayment date, coupon payments are deferrable at the Company's discretion, they are subordinated to debt and do not have any default rights nor covenants. Following IFRS accounting treatment, mandatory convertible notes are classified as equity attributable to the owners of the Company.

Berlin

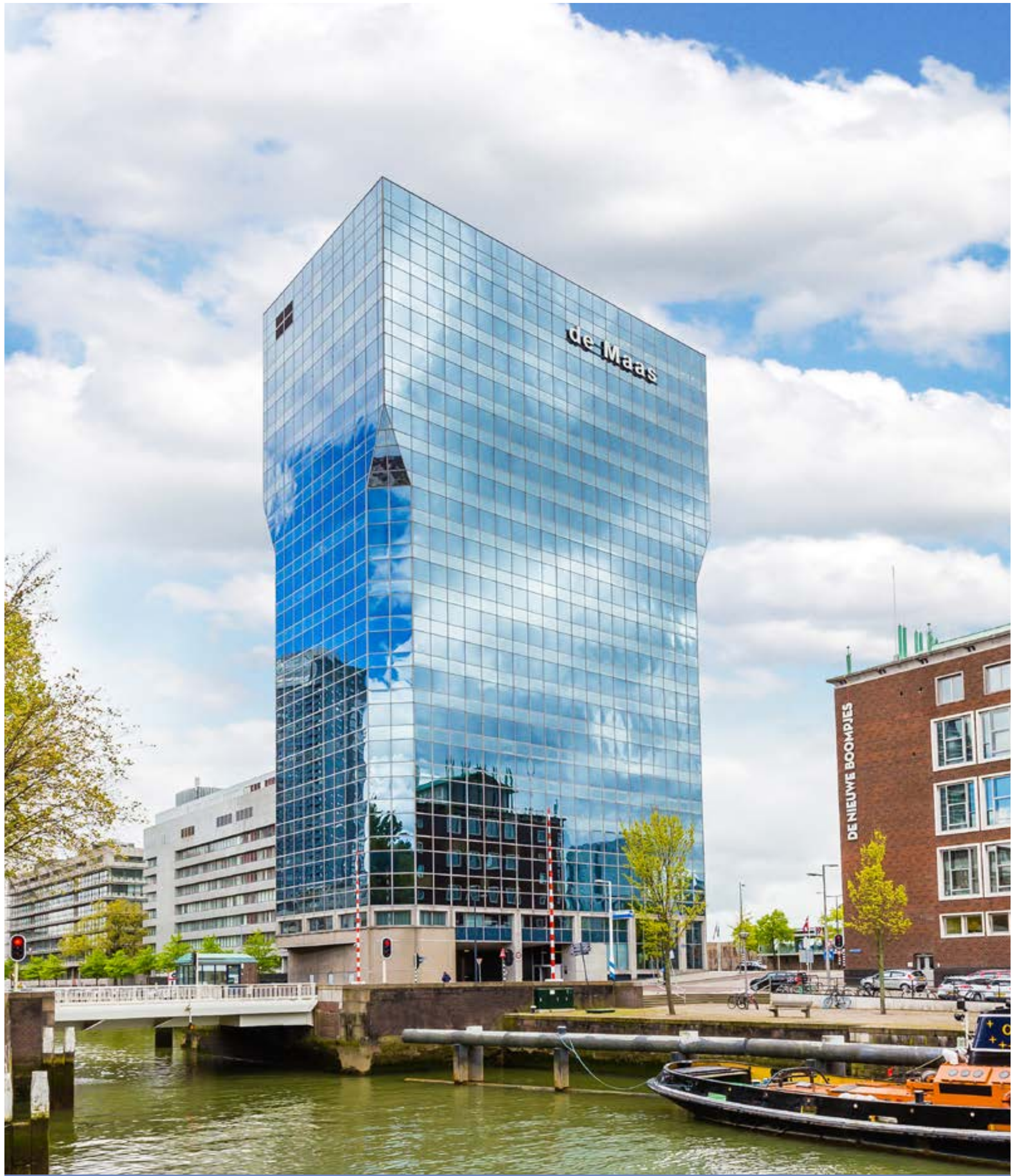
EPRA NAV KPIs

European Public Real Estate Association (EPRA) provides three key Net Asset Value (NAV) metrics designed to provide stakeholders with the most relevant information on the fair value of the Company's assets and liabilities. With the evolving nature of their business models, real estate companies progressed into actively managed entities, engaging in non-property operating activities, actively recycling capital and accessing capital markets for balance sheet financing. In line with these developments, EPRA has provided the market with the following three NAV KPIs: EPRA Net Reinstatement Value (EPRA NRV), EPRA Net Tangible Assets (EPRA NTA) and EPRA Net Disposal Value (EPRA NDV).

The EPRA NRV's purpose is to reflect the value of net assets required to rebuild a company on a long-term basis assuming entities do not sell assets. Therefore, balance sheet items that are not expected to crystallize in normal circumstances such as the fair value movements of financial derivatives and deferred tax liabilities are added back to the equity. Additionally, gross purchasers' costs are added back since this metric is aiming to reflect what would be needed to recreate a company through the investment markets based on its capital and financing structure.

The EPRA NTA aims to reflect the tangible value of a company's net asses assuming entities buy and sell assets, crystallizing certain levels of unavoidable deferred tax liabilities. Therefore, EPRA NTA excludes intangible assets and goodwill, and adds back the portion of deferred tax liabilities that is not expected to crystallize as a result of long-term hold strategy.

The EPRA NDV provides the shareholders with the value under the scenario that a company's assets are sold or its liabilities are not held until maturity. For this purpose, it assumes that deferred taxes, financial instruments and other adjustments are calculated to the full extent of their liability, net of any resulting tax.



Rotterdam

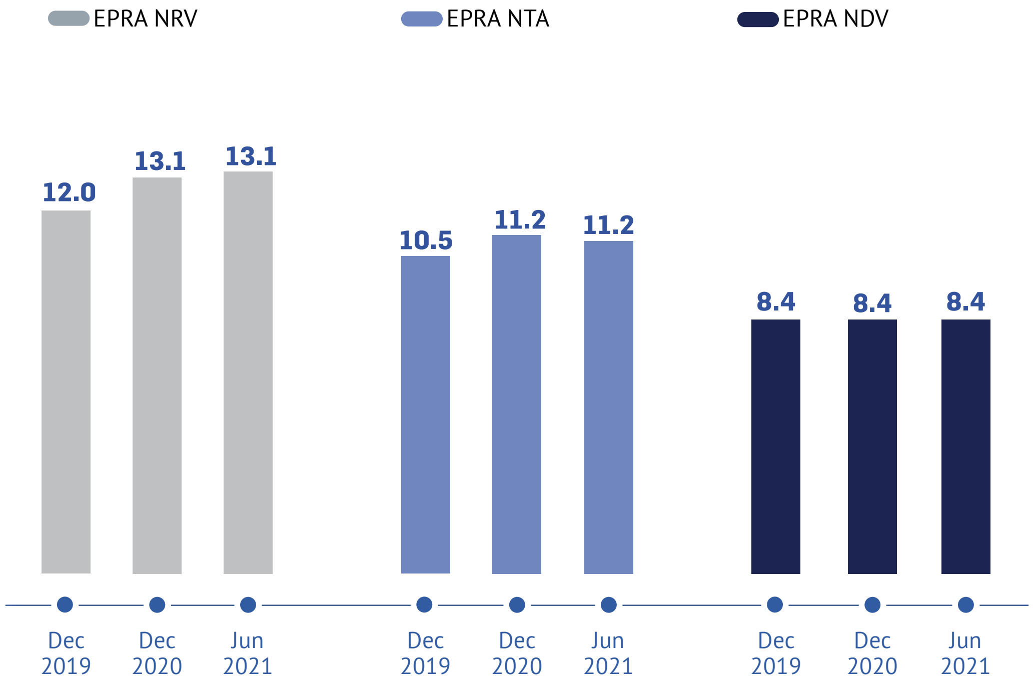
	Jun 2021			Dec 2020		
	EPRA NRV	**EPRA NTA**	**EPRA NDV**	**EPRA NRV**	**EPRA NTA**	**EPRA NDV**
	in € millions					
Equity attributable to the owners of the Company	**10,409.6**	**10,409.6**	**10,409.6**	**10,424.8**	**10,424.8**	**10,424.8**
Deferred tax liabilities [1]	1,884.7	1,577.8	-	1,853.2	1,494.5	-
Fair value measurement of derivative financial instruments [2]	46.8	46.8	-	55.8	55.8	-
Goodwill in relation to TLG [3]	(822.1)	(822.1)	(822.1)	(822.0)	(822.0)	(822.0)
Goodwill as per the IFRS balance sheet (related to GCP surplus) [4]	-	(620.3)	(620.3)	-	(620.5)	(620.5)
Intangibles as per the IFRS balance sheet	-	(18.1)	-	-	(18.0)	-
Net fair value of debt	-	-	(595.4)	-	-	(627.4)
Real estate transfer tax [5]	1,594.4	647.8	-	1,582.1	672.8	-
NAV	**13,113.4**	**11,221.5**	**8,371.8**	**13,093.9**	**11,187.4**	**8,354.9**
Number of shares (in millions) [6]	1,168.3			1,176.7		
NAV per share (in €)	**11.2**	**9.6**	**7.2**	**11.1**	**9.5**	**7.1**

1) excluding the minority share in TLG's deferred tax liabilities (DTL). EPRA NRV additionally includes DTL of assets held for sale
2) excluding the minority share in TLG's derivatives
3) deducting the goodwill resulting from the business combination with TLG
4) deducting the surplus on investment in GCP Group
5) including the gross purchasers' costs of assets held for sale. EPRA NTA includes only the gross purchasers' costs of properties where RETT optimization at disposal can be achieved
6) excluding shares in treasury and including the conversion impact of mandatory convertible notes, base for share KPI calculations

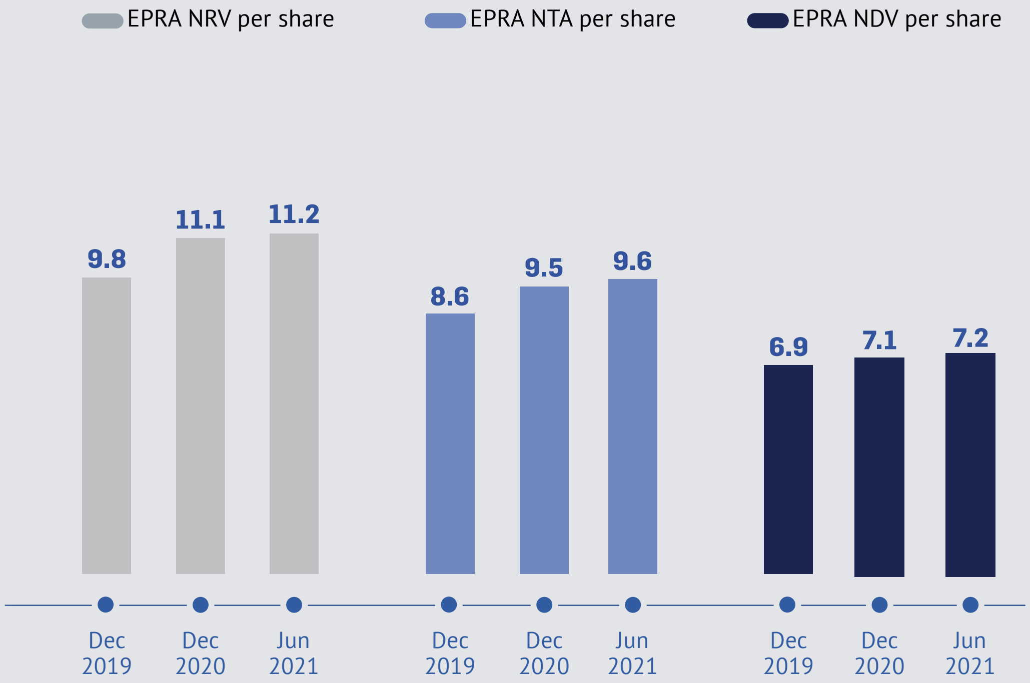
The EPRA NRV amounted to €13.1 billion and €11.2 per share at the end of June 2021, relatively stable compared to year-end 2020. The EPRA NTA amounted to €11.2 billion and €9.6 per share, relatively stable compared to year-end 2020. Adjusted for the dividends, the EPRA NTA per share reflects a 3% growth compared to year-end 2020. The per share growth was positively impacted by the share buyback program. At the end of Q1 2021, AT launched an additional share buyback program with a volume of up to €500 million, of which €127 million have been bought back as at the end of June 2021. The buyback of shares at a significant discount to NAV will create additional shareholder value in the following periods. The EPRA NDV amounted to €8.4 billion and €7.2 per share at the end of June 2021, compared to €8.4 billion and €7.1 per share at year-end 2020, respectively, higher due to movements in the net fair value of debt.

Berlin

EPRA NAV KPIs (IN € BN)



EPRA NAV PER SHARE KPIs (IN €)



Frankfurt

ALTERNATIVE PERFORMANCE MEASURES (APM)

Aroundtown follows the real estate reporting criteria and provides alternative performance measures. These measures provide more clarity on the business and enables benchmarking and comparability to market levels. In the following section, Aroundtown presents a detailed reconciliation for the calculations of its Alternative Performance Measures.

ADJUSTED EBITDA

The adjusted EBITDA is a performance measure used to evaluate the operational results of the Company by deducting from the *EBITDA*, which includes the *Total depreciation and amortization* on top of the *Operating Profit,* non-operational items such as the *Property revaluations and capital gains* and *Share in profit from investment in equity-accounted investees*, as well as *Contributions from assets held for sale*. AT adds to its adjusted EBITDA a non-recurring and/or non-cash item called *Other adjustments incl. one-off expenses related to TLG merger*, other adjustment being the expenses for employees' share incentive plans. In order to reflect only the recurring operational results, AT deducts the *Share in profit from investment in equity-accounted investees* as this item also includes non-operational profits generated by AT's equity-accounted investees. Due to the nature of its strategic investment in GCP and in other investments, AT includes in its adjusted EBITDA calculation its share in the adjusted EBITDA generated by those investments for the period in accordance with its holding rate over the period, labelled as the *Adjustment for GCP's and other investments' adjusted EBITDA contribution*.

AT created extraordinary expenses for uncollected rent due to Covid pandemic in response to the impact of Coronavirus on the hotel industry. Adjusted EBITDA excludes (adds back) these expenses which are called *Extraordinary expenses for uncollected rent*.

Adjusted EBITDA Calculation
Operating Profit
(+) Total depreciation and amortization
(=) EBITDA
(-) Property revaluations and capital gains
(-) Share in profit from investment in equity-accounted investees
(+) Other adjustments incl. one-off expenses related to TLG merger [1)]
(-) Contribution from assets held for sale
(+) Add back: Extraordinary expenses for uncollected rent [2)]
(=) Adjusted EBITDA Commercial portfolio, Recurring Long-term
(+) Adjustment for GCP's and other investments' adjusted EBITDA contribution [3)]
(=) Adjusted EBITDA

1) the other adjustment is expenses related to employees' share incentive plans
2) extraordinary expenses for uncollected rent due to the Covid pandemic
3) the adjustment is to reflect AT's share in the adjusted EBITDA of companies in which AT has significant influence

FUNDS FROM OPERATIONS (FFO I)

(PREVIOUSLY DEFINED AS FFO I AFTER PERPETUAL, COVID ADJUSTED)

Funds from Operations I (FFO I) is an industry standard performance indicator for evaluating operational recurring profit of a real estate firm. AT calculates *FFO I* by deducting from the *Adjusted EBITDA Commercial Portfolio, Recurring Long-term,* the *Finance expenses, Current tax expenses, Contribution to minorities* and adds back *Adjustments related to assets held for sale. Adjustments related to assets held for sale* refers to finance expenses and current tax expenses related to assets held for sale. *Contribution to minorities* include among others the minority share in TLG's FFO I after perpetual notes attribution and contribution of AT, excluding the contribution from assets held for sale. AT additionally deducts the *Perpetual notes attribution* to reach at *FFO I commercial portfolio, recurring long-term*. Previously, this figure did not deduct the perpetual notes attribution.

Due to the deduction of the *Share in profit from investment in equity-accounted investees* in the *adjusted EBITDA* calculation which includes the operational profits from those investments, AT adds back its relative share in GCP's reported FFO I (previously defined as FFO I after perpetual notes attribution) and the FFO I of other investments, reflecting the recurring operational profit generated by those investments for the period in accordance with the holding rate over the period. By adding the *Adjustment for GCP's and other investments' FFO I contribution,* AT reaches at *FFO I before Covid adjustment.*

AT created extraordinary expenses for uncollected rent due to the Covid pandemic in response to the impact of Coronavirus on the hotel industry. Therefore, AT's *FFO I* (previously defined as FFO I after perpteual, Covid adjusted) includes these expenses.

FFO I per share before Covid adjustment is calculated by dividing the *FFO I before Covid adjustment* by the *Weighted average basic shares* which excludes the shares held in treasury and includes the conversion impact of mandatory convertible notes. *FFO I per share* (previously defined as FFO I per share after perpetual, Covid adjusted) is calculated by dividing the *FFO I* by the *Weighted average basic shares* which excludes the shares held in treasury and includes the conversion impact of mandatory convertible notes.

Funds From Operations I (FFO I) Calculation
Adjusted EBITDA commercial portfolio, recurring long-term
(-) Finance expenses
(-) Current tax expenses
(-) Contribution to minorities
(+) Adjustments related to assets held for sale
(-) Perpetual notes attribution
(=) FFO I commercial portfolio, recurring long-term
(+) Adjustment for GCP's and other investments' FFO I contribution [1]
(=) FFO I before Covid adjustment
(-) Extraordinary expenses for uncollected rent [2]
(=) FFO I

1) the adjustment is to reflect AT's share in the FFO I of companies in which AT has significant influence
2) extraordinary expenses for uncollected rent due to the Covid pandemic

FFO I Per Share Calculation
(a) FFO I before Covid adjustment
(-) Weighted average basic shares [1]
(=) (a/b) FFO I per share before Covid adjustment
(c) FFO I
(d) Weighted average basic shares [1]
(=) (c/d) FFO I per share

1) excluding the shares held in treasury and including the conversion impact of mandatory convertible notes base for share KPI calculations

FUNDS FROM OPERATIONS II (FFO II)

Funds from Operations II (FFO II) is an additional measurement used in the real estate industry to evaluate operational recurring profits including the impact from disposal activities. To derive the *FFO II*, the *Results from disposal of properties* are added to the *FFO I* (reclassified to be based on this KPI, previously it was based on FFO I before perpetual). The results from disposals reflect the profit driven from the excess amount of the sale price, net of transaction costs, to cost price plus capex of the disposed properties.

FFO II Calculation
FFO I
(+) Results from the disposal of properties [1]
(=) FFO II [2]

1) the excess amount of the sale price, net of transaction costs and total costs (cost price and capex of the disposed properties)
2) reclassified to be based on FFO I (previously defined as FFO I after perpetual, Covid adjusted)

EPRA NET REINSTATEMENT VALUE (EPRA NRV)

The EPRA NRV is defined by the European Public Real Estate Association (EPRA) as a measure to highlight the value of a company's net assets on a long-term basis, assuming entities never sell assets. This KPI aims to represent the value required to rebuild the Company. AT's *EPRA NRV* calculation begins by adding to the *Equity attributable to the owners of the Company* the *Deferred tax liabilities* including balances in assets held for sale and *Fair value measurement of derivative financial instruments* which include the derivative financial instruments related to interest hedging. These items exclude the minority share in TLG's deferred tax liabilities and financial derivative instruments. These items are added back in line with EPRA's standards as they are not expected to materialize on an ongoing and long-term basis. AT then deducts the *Goodwill in relation to TLG* and adds *Real estate transfer tax* which is the gross purchasers' costs in line with EPRA's standards. *EPRA NRV per share* is calculated by dividing the *EPRA NRV* by the *Number of shares (in millions)* which excludes the treasury shares and includes the conversion impact of mandatory convertible notes.

EPRA NRV Calculation
Equity attributable to the owners of the Company
(+) Deferred tax liabilities [1]
(+/-) Fair value measurement of derivative financial instruments [2]
(-) Goodwill in relation to TLG [3]
(+) Real estate transfer tax [4]
(=) (a) EPRA NRV
(b) Number of shares (in millions) [5]
(=) (a/b) EPRA NRV per share

1) excluding the minority share in TLG's deferred tax liabilities (DTL), including DTL of assets held for sale
2) excluding the minority share in TLG's derivatives
3) deducting the goodwill resulting from the business combination with TLG
4) including the gross purchasers' costs of assets held for sale
5) excluding shares in treasury and including the conversion impact of mandatory convertible notes, base for share KPI calculations

EPRA NET TANGIBLE ASSETS (EPRA NTA)

The EPRA NTA is defined by the European Public Real Estate Association (EPRA) as a measure to highlight the value of a company's net tangible assets assuming that entities buy and sell assets, thereby crystallizing certain levels of unavoidable deferred taxes. AT's *EPRA NTA* calculation begins by adding to the *Equity attributable to the owners of the Company* the *Deferred tax liabilities* which excludes the deferred tax liabilities of properties held for sale, retail portfolio, development rights & invest portfolio and minority share in TLG's deferred tax liabilities. AT also adds/deducts *Fair value measurement of derivative financial instruments* which includes the derivative financial instruments related to interest hedging and excludes the minority share in TLG's financial derivative instruments. Furthermore, AT deducts the *Goodwill in relation to TLG, Goodwill as per the IFRS balance sheet* related to the surplus on investment in GCP Group and *Intangibles as per the IFRS balance sheet*. Moreover, AT adds gross purchasers' costs of properties which enable RETT optimization at disposals based on track record. *EPRA NTA per share* is calculated by dividing the *EPRA NTA* by the *Number of shares (in millions)* which excludes the treasury shares and includes the conversion impact of mandatory convertible notes.

EPRA NTA Calculation
Equity attributable to the owners of the Company
(+) Deferred tax liabilities 1)
(+/-) Fair value measurement of derivative financial instruments 2)
(-) Goodwill in relation to TLG 3)
(-) Goodwill as per the IFRS balance sheet (related to GCP surplus) 4)
(-) Intangibles as per the IFRS balance sheet
(+) Gross purchasers' costs 5)
(=) (a) EPRA NTA
(b) Number of shares (in millions) 6)
(=) (a/b) EPRA NTA per share

1) excluding the minority share in TLG's deferred tax liabilities (DTL)
2) excluding the minority share in TLG's derivatives
3) deducting the goodwill resulting from the business combination with TLG
4) deducting the surplus on investment in GCP Group
5) including only the gross purchasers' costs of properties where RETT optimization at disposal can be achieved
6) excluding shares in treasury and including the conversion impact of mandatory convertible notes, base for share KPI calculations

EPRA NET DISPOSAL VALUE (EPRA NDV)

The EPRA NDV is defined by the European Public Real Estate Association (EPRA) as a measure that represents the shareholders' value under a disposal scenario, where deferred taxes, financial instruments and certain other adjustments are calculated to the full extent of their liability, net of any resulting tax. AT calculates its *EPRA NDV* by deducting from the *Equity attributable to the owners of the Company*, the *Goodwill in relation to TLG*, *Goodwill as per the IFRS balance sheet* related to the surplus on investment in GCP Group and *Net fair value of debt* which is the difference between the market value of debt to the book value of debt, adjusted for taxes. *EPRA NDV per share* is calculated by dividing the *EPRA NDV* by the *Number of shares (in millions)* which excludes the treasury shares and includes the conversion impact of mandatory convertible notes.

EPRA NDV Calculation
Equity attributable to the owners of the Company
(-) Goodwill in relation to TLG 1)
(-) Goodwill as per the IFRS balance sheet (related to GCP surplus) 2)
(-) Net fair value of debt
(=) (a) EPRA NDV
(b) Number of shares (in millions) 3)
(=) (a/b) EPRA NDV per share

1) deducting the goodwill resulting from the business combination with TLG
2) deducting the surplus on investment in GCP Group
3) excluding shares in treasury and including the conversion impact of mandatory convertible notes, base for share KPI calculations

LOAN-TO-VALUE (LTV)

The Loan-to-Value (LTV) is a measurement aimed at reflecting the leverage of a Company. The purpose of this metric is to assess the degree to which the total value of the real estate properties are able to cover financial debt and the headroom against a potential market downturn. With regards to AT's internal LTV limit due to its conservative financial policy, the LTV shows as well the extent to which AT can comfortably raise further debt to finance additional growth. *Total value* is calculated by adding together the *Investment property* which includes *Advance payments and deposits* and excludes the right-of-use assets, *Investment property of assets held for sale* and *Investment in equity-accounted investees*. *Net financial debt* is calculated by deducting the *Cash and liquid assets* from the *Total financial debt* which is a sum of *Straight bonds and schuldscheins* and *Loans and borrowings*. *Loans and borrowings* includes short-term loans and borrowings and financial debt held for sale. *Straight bonds and schuldscheins* includes the respective amounts under current liabilities, if any. *Cash and liquid assets* is the sum of *Cash and cash equivalents, Short-term deposits* and *Financial assets at fair value through profit or loss*, as well as cash balances of assets held for sale. AT calculates the LTV ratio through dividing the *Net financial debt* by the *Total value*.

LOAN-TO-VALUE Calculation
(+) Investment property [1]
(+) Investment property of assets held for sale
(+) Investment in equity-accounted investees
(=) (a) Total value
(+) Total financial debt [2] [3]
(-) Cash and liquid assets [3]
(=) (b) Net financial debt
(=) (b/a) LTV

1) including advance payments and deposits and excluding the right-of-use assets
2) total bank loans and bonds and excluding lease liabilities
3) including balances held for sale

EQUITY RATIO

Equity Ratio is the ratio of *Total Equity* divided by *Total Assets*, each as indicated in the consolidated financial statements. AT believes that *Equity Ratio* is useful for investors primarily to indicate the long-term solvency position of Aroundtown.

Equity Ratio Calculation
(a) Total Equity
(b) Total Assets
(=) (a/b) Equity Ratio

UNENCUMBERED ASSETS RATIO

The Unencumbered assets ratio is an additional indicator to assess the Company's financial flexibility. As the Company is able to raise secured debt over the unencumbered asset, a high ratio of unencumbered assets provides the Company with additional potential liquidity. Additionally, unencumbered assets provide debt holders of unsecured debt with a headroom. AT derives the *Unencumbered assets ratio* from the division of *Rent generated by unencumbered assets* by *Rent generated by the total Group*. *Rent generated by unencumbered assets* is the net rent on an annualized basis generated by assets which are unencumbered, including the contribution from GCP and other investments but excluding the net rent from assets held for sale. In parallel, *Rent generated by the total Group* is the net rent on annualized basis generated by the total Group including the contribution from GCP and other investments but excluding the net rent from assets held for sale.

Unencumbered Assets Ratio Calculation
(a) Rent generated by unencumbered assets [1]
(b) Rent generated by the total Group [1]
(=) (a/b) Unencumbered Assets Ratio

1) annualized net rent including contribution from GCP and other investments and excluding the net rent from assets held for sale

INTEREST COVER RATIO (ICR)

The Interest Cover Ratio (ICR) is widely used in the real estate industry to assess the strength of a firm's credit profile. The multiple indicates the degree to which the Company's operational results are able to cover its debt servicing. *ICR* is calculated by dividing the *Adjusted EBITDA* including the contributions from assets held for sale, GCP and other joint ventures by the *Group Finance expenses* which is the sum of AT's finance expenses and AT's share in GCP's and other joint ventures' finance expenses.

ICR Calculation
(a) Group Finance Expenses [1]
(b) Adjusted EBITDA [2]
(=) (b/a) ICR

1) including AT's share in GCP's and other investments' finance expenses
2) including the contributions from assets held for sale, GCP and other investments, excluding extraordinary expenses for uncollected rent due to the Covid pandemic

Dortmund

RESPONSIBILITY STATEMENT

To the best of our knowledge, the interim consolidated financial statements of Aroundtown SA, prepared in accordance with the applicable reporting principles for financials statements, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the management report of the Group includes a fair review of the development of the business, and describes the main opportunities, risks, and uncertainties associates with the Group.

DISCLAIMER

The financial data and results of the Group are affected by financial and operating results of its subsidiaries. Significance of the information presented in this report is examined from the perspective of the Company including its portfolio with the joint ventures. In several cases, additional information and details are provided in order to present a comprehensive representation of the subject described, which in the Group's view is essential to this report.

By order of the Board of Directors, August 25, 2021

Frank Roseen
Executive Director

Jelena Afxentiou
Executive Director

INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Note	Six months ended June 30,		Three months ended June 30,	
		2021	2020	**2021**	2020
		Unaudited			
		in € millions			
Revenue	6	541.4	588.3	266.5	310.6
Property revaluations and capital gains		108.7	564.0	51.9	245.6
Share in profit from investment in equity-accounted investees		91.6	108.2	63.7	83.4
Property operating expenses		(218.1)	(185.4)	(109.6)	(115.0)
Administrative and other expenses		(27.4)	(26.9)	(14.3)	(12.8)
Operating profit		**496.2**	**1,048.2**	**258.2**	**511.8**
Finance expenses		(80.8)	(98.9)	(38.4)	(53.4)
Other financial results		(1.5)	(99.7)	25.0	(13.6)
Profit before tax		**413.9**	**849.6**	**244.8**	**444.8**
Current tax expenses		(38.8)	(45.6)	(18.0)	(21.2)
Deferred tax expenses		(13.0)	(177.7)	(11.0)	(43.0)
Profit for the period		**362.1**	**626.3**	**215.8**	**380.6**
Profit attributable to:					
Owners of the Company		297.9	486.2	188.6	302.8
Perpetual notes investors		46.3	43.2	23.3	23.0
Non-controlling interests		17.9	96.9	3.9	54.8
Profit for the period		**362.1**	**626.3**	**215.8**	**380.6**
Net earnings per share attributable to the owners of the Company (in €)					
Basic earnings per share		0.25	0.36	0.16	0.22
Diluted earnings per share		0.25	0.36	0.16	0.22

The accompanying notes on pages 54 to 60 form an integral part of these interim consolidated financial statements

INTERIM CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

	Six months ended June 30,		Three months ended June 30,	
	2021	2020	**2021**	2020
	Unaudited			
	in € millions			
Profit for the period	**362.1**	**626.3**	**215.8**	**380.6**
Other comprehensive income (loss):				
Items that are or may be reclassified subsequently to profit or loss:				
Foreign operations – foreign currency translation difference, net of investment hedges of foreign operations, net of tax	13.3	(31.9)	(12.2)	(23.7)
Cash flow hedges and cost of hedging, net of tax	14.2	(*) 19.2	3.7	(*) (24.2)
Equity-accounted investees – share of OCI	9.9	(20.0)	1.1	(10.2)
Total comprehensive income for the period	**399.5**	**593.6**	**208.4**	**322.5**
Total comprehensive income attributable to:				
Owners of the Company	335.3	453.5	181.2	244.7
Perpetual notes investors	46.3	43.2	23.3	23.0
Non-controlling interests	17.9	96.9	3.9	54.8
Total comprehensive income for the period	**399.5**	**593.6**	**208.4**	**322.5**

(*) reclassified

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As at June 30,	As at December 31,
		2021	2020
		Unaudited	Audited
	Note	in € millions	
ASSETS			
Property, equipment and intangible assets		893.2	877.2
Investment property	8	20,898.7	21,172.4
Advance payments and deposits		226.4	147.5
Investment in equity-accounted investees		3,258.2	3,177.4
Derivative financial assets		122.0	111.5
Other non-current assets		746.0	564.0
Deferred tax assets		175.5	190.5
Non-current assets		**26,320.0**	**26,240.5**
Cash and cash equivalents		2,628.5	2,692.1
Short-term deposits		135.0	140.8
Financial assets at fair value through profit or loss		477.5	427.8
Trade and other receivables		648.9	616.6
Derivative financial assets		17.5	26.4
Assets held for sale	8.2	493.2	877.4
Current assets		**4,400.6**	**4,781.1**
Total Assets		**30,720.6**	**31,021.6**

The accompanying notes on pages 54 to 60 form an integral part of these interim consolidated financial statements

	Note	As at June 30, 2021	As at December 31, 2020
		Unaudited	Audited
		in € millions	
EQUITY			
Share capital		15.4	15.4
Treasury shares	9.2	(2,691.3)	(2,621.6)
Retained earnings and other reserves		13,085.5	13,031.0
Equity attributable to the owners of the Company		**10,409.6**	**10,424.8**
Equity attributable to perpetual notes investors	9.3	3,485.2	3,132.9
Equity attributable to the owners of the Company and perpetual notes investors		**13,894.8**	**13,557.7**
Non-controlling interests	9.4	1,823.1	2,025.3
Total Equity		**15,717.9**	**15,583.0**
LIABILITIES			
Loans and borrowings	10.2	903.4	1,293.6
Straight bonds and schuldscheins	10.1	10,205.5	10,386.4
Derivative financial liabilities		341.2	409.3
Other non-current liabilities		277.8	249.4
Deferred tax liabilities		2,003.7	2,025.8
Non-current liabilities		**13,731.6**	**14,364.5**
Current portion of straight bonds, loans and borrowings and loan redemptions	10	288.7	180.9
Dividend payable	9.1	250.9	160.8
Trade and other payables		435.6	434.8
Tax payable		68.2	67.6
Provisions for other liabilities and accrued expenses		170.0	176.8
Derivative financial liabilities		15.4	12.6
Liabilities held for sale		42.3	40.6
Current liabilities		**1,271.1**	**1,074.1**
Total liabilities		**15,002.7**	**15,438.6**
Total Equity and Liabilities		**30,720.6**	**31,021.6**

The Board of Directors of Aroundtown SA authorized these interim consolidated financial statements for issuance on August 25, 2021

Frank Roseen
Executive Director

Jelena Afxentiou
Executive Director

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2021 (UNAUDITED)

	Attributable to the owners of the Company									
	Share capital	Share premium and other reserves	Cash flow hedge and cost of hedge reserves	Treasury shares	Retained earnings	Total	Equity attributable to perpetual notes investors	Equity attributable to the owners of the Company and perpetual notes investors	Non-controlling interests	Total equity
	in € millions									
Balance as at January 1, 2021	**15.4**	**5,752.4**	**(37.2)**	**(2,621.6)**	**7,315.8**	**10,424.8**	**3,132.9**	**13,557.7**	**2,025.3**	**15,583.0**
Profit for the period	-	-	-	-	297.9	297.9	46.3	344.2	17.9	362.1
Other comprehensive income for the period, net of tax	-	23.2	14.2	-	-	37.4	-	37.4	-	37.4
Total comprehensive income for the period	**-**	**23.2**	**14.2**	**-**	**297.9**	**335.3**	**46.3**	**381.6**	**17.9**	**399.5**
Transactions with owners of the Company										
Contributions and distributions										
Share buy-back program	-	-	-	(127.5)	-	(127.5)	-	(127.5)	-	(127.5)
Equity settled share-based payment	-	(0.7)	-	1.5	-	0.8	-	0.8	-	0.8
Dividend distribution - January 2021	-	2.1	-	56.3	-	58.4	-	58.4	-	58.4
Dividend announcement - June 2021	-	(250.8)	-	-	-	(250.8)	-	(250.8)	-	(250.8)
Total contributions and distributions	**-**	**(249.4)**	**-**	**(69.7)**	**-**	**(319.1)**	**-**	**(319.1)**	**-**	**(319.1)**
Changes in ownership interests										
Share buy-back in a subsidiary	-	-	-	-	(1.0)	(1.0)	-	(1.0)	(154.2)	(155.2)
Transactions with non-controlling interests	-	-	-	-	(3.4)	(3.4)	-	(3.4)	(65.9)	(69.3)
Total changes in ownership interests	**-**	**-**	**-**	**-**	**(4.4)**	**(4.4)**	**-**	**(4.4)**	**(220.1)**	**(224.5)**
Transactions with perpetual notes investors										
Issuance of perpetual notes net of perpetual notes buy-back	-	(27.0)	-	-	-	(27.0)	364.8	337.8	-	337.8
Payment to perpetual notes investors	-	-	-	-	-	-	(58.8)	(58.8)	-	(58.8)
Total transactions with perpetual notes investors	**-**	**(27.0)**	**-**	**-**	**-**	**(27.0)**	**306.0**	**279.0**	**-**	**279.0**
Balance as at June 30, 2021	**15.4**	**5,499.2**	**(23.0)**	**(2,691.3)**	**7,609.3**	**10,409.6**	**3,485.2**	**13,894.8**	**1,823.1**	**15,717.9**

The accompanying notes on pages 54 to 60 form an integral part of these interim consolidated financial statements

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2020 (UNAUDITED)

	Attributable to the owners of the Company									
	Share capital	Share premium and other reserves	Cash flow hedge and cost of hedge reserves	Treasury shares	Retained earnings	Total	Equity attributable to perpetual notes investors	Equity attributable to the owners of the Company and perpetual notes investors	Non-controlling interests	Total equity
					in € millions					
Balance as at January 1, 2020	**12.2**	**3,008.0**	**2.2**	**-**	**6,563.1**	**9,585.5**	**2,484.0**	**12,069.5**	**1,309.4**	**13,378.9**
Profit for the period	-	-	-	-	486.2	486.2	43.2	529.4	96.9	626.3
Other comprehensive income (loss) for the period, net of tax	-	(51.9)	19.2	-	-	(32.7)	-	(32.7)	-	(32.7)
Total comprehensive income (loss) for the period	**-**	**(51.9)**	**19.2**	**-**	**486.2**	**453.5**	**43.2**	**496.7**	**96.9**	**593.6**
Transactions with owners of the Company										
Contributions and distributions										
Share buy-back program	-	-	-	(12.7)	-	(12.7)	-	(12.7)	-	(12.7)
Issuance of mandatory convertible notes	-	190.6	-	-	-	190.6	-	190.6	-	190.6
Equity settled share-based payment	(*) 0.0	2.7	-	-	-	2.7	-	2.7	-	2.7
Total contributions and distributions	**0.0**	**193.3**	**-**	**(12.7)**	**-**	**180.6**	**-**	**180.6**	**-**	**180.6**
Changes in ownership interests										
Transactions with non-controlling interests	-	-	-	-	53.4	53.4	-	53.4	(126.4)	(73.0)
Business combination	3.2	2,746.2	-	(1,620.8)	-	1,128.6	643.1	1,771.7	644.9	2,416.6
Total changes in ownership interests	**3.2**	**2,746.2**	**-**	**(1,620.8)**	**53.4**	**1,182.0**	**643.1**	**1,825.1**	**518.5**	**2,343.6**
Transactions with perpetual notes investors										
Payment to perpetual notes investors	-	-	-	-	-	-	(51.7)	(51.7)	-	(51.7)
Total transactions with perpetual notes investors	**-**	**-**	**-**	**-**	**-**	**-**	**(51.7)**	**(51.7)**	**-**	**(51.7)**
Balance as at June 30, 2020	**15.4**	**5,895.6**	**21.4**	**(1,633.5)**	**7,102.7**	**11,401.6**	**3,118.6**	**14,520.2**	**1,924.8**	**16,445.0**

(*) less than €0.1 million

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	Six months ended June 30,	
		2021	2020
		Unaudited	
	Note	in € millions	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the period		362.1	626.3
Adjustments for the profit:			
Depreciation and amortization		3.3	1.7
Property revaluations and capital gains		(108.7)	(564.0)
Share in profit from investment in equity-accounted investees		(91.6)	(108.2)
Finance expenses and other financial results		82.3	198.6
Current and deferred tax expenses		51.8	223.3
Share-based payment		2.5	2.7
Change in working capital		(32.7)	(70.4)
Dividend received		7.3	16.4
Tax paid		(42.5)	(45.4)
Net cash provided by operating activities		**233.8**	**281.0**
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisitions of equipment and intangible assets, net		(7.0)	(5.6)
Proceeds from disposals of investment property, fixed asset and investees	8.2	1,047.5	(*) 130.3
Acquisitions of investment property and investees, investment in capex and advances paid		(345.4)	(*) (342.4)
Investments in traded securities and other financial assets, net		(178.3)	(137.1)
Net cash provided by (used in) investing activities		**516.8**	**(354.8)**

(*) reclassified

 The accompanying notes on pages 54 to 60 form an integral part of these interim consolidated financial statements

	Note	Six months ended June 30, 2021	2020
		Unaudited	
		in € millions	
CASH FLOWS FROM FINANCING ACTIVITIES			
Share buy-back program	9.2	(127.5)	(12.6)
Share buy-back in a subsidiary	9.4	(155.3)	-
(Payments) to mandatory convertible notes investors and proceeds from issuance, net		(5.2)	224.3
Proceeds (payments) from (to) perpetual notes investors, net of buy-back		279.0	(51.6)
Buy-back of straight bonds	10.1	(129.7)	(537.6)
Proceeds (repayments) from (of) loans from financial institutions and others, net		(450.5)	166.9
Amortizations of loans from financial institutions and others		(7.4)	(15.5)
Transactions with non-controlling interests		(35.8)	34.6
Dividend distribution	9.1	(102.4)	-
Interest and other financial expenses paid, net		(87.4)	(101.6)
Net cash used in financing activities		**(822.2)**	**(293.1)**
Net change in cash and cash equivalents		**(71.6)**	**(366.9)**
Cash and cash equivalents as at January 1		2,692.1	2,191.7
Assets held for sale – change in cash		(1.2)	0.7
Cash and cash equivalents from business combination		-	509.8
Effect of movements in exchange rates on cash held		9.2	(1.6)
Cash and cash equivalents as at June 30		**2,628.5**	**2,333.7**

The accompanying notes on pages 54 to 60 form an integral part of these interim consolidated financial statements

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL

Aroundtown SA ("the Company" or "Aroundtown"), a public limited liability company (Société Anonyme), incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 40, Rue du Curé, L-1368, Luxembourg. Aroundtown's shares are listed on the Prime Standard of the Frankfurt Stock Exchange and included in the MDAX index of the Deutsche Börse (symbol: AT1).

Aroundtown is a real estate company with a focus on income generating quality properties with value-add potential in central locations in top tier European cities, primarily in Germany and the Netherlands. Aroundtown invests in commercial and indirectly in residential real estate which benefits from strong fundamentals and growth prospects. The commercial properties are held by Aroundtown and the residential investments are held through its holding in Grand City Properties S.A. ("GCP S.A."), a publicly traded real estate company (symbol: GYC) that focuses on investing in value-add opportunities predominantly in the German residential real estate market. As at June 30, 2021, Aroundtown holds 43.81% in GCP S.A. (after deducting the own shares bought-back by GCP S.A.) (December 31, 2020: 41.12%) and presents it as an equity-accounted investee in these financial statements.

These interim consolidated financial statements for the six-month period ended June 30, 2021 consist of the financial statements of the Company and its investees ("the Group").

2. SIGNIFICANT CHANGES IN THE REPORTING PERIOD

The financial position and performance of the Group were affected by the following events and transactions during the reporting period:

1. Disposals of real estate assets in a total value of approximately €1.1 billion (for the investment property sold, see note 8.2).
2. Share buy-back of the Company's shares (see note 9.2).
3. Share buy-back tender offer in the subsidiary TLG Immobilien AG ("TLG") (see note 9.4).
4. Issuance a new series of perpetual notes carrying 1.625% annual coupon and buy-back of outstanding perpetual notes carrying 3.75% annual coupon (see note 9.3).
5. Buy-back some of the Company's straight bonds and repayment of bank loans (see note 10).
6. For additional information about changes in the Group's financial position and performance, see the "Notes on business performance" section in the Board of Directors' Report.

3. BASIS OF PREPARATION

These interim consolidated financial statements have been prepared in accordance with International Accounting Standard (IAS) 34 Interim Financial Reporting and are in compliance with the International Financial Reporting Standards (IFRSs) as adopted by the European Commission for use within the EU. These interim consolidated financial statements include a condensed version of financial statements and should be read in conjunction with the consolidated financial statements as at and for the year ended December 31, 2020. Selected explanatory notes are included to explain events and transactions that are significant for an understanding of the changes in the Group's financial position and performance since the last consolidated financial statements.

The accounting policies adopted in the preparation of these interim consolidated financial statements, including the judgments, estimates and special assumptions that affect the application of those accounting policies, are consistent with those followed in the preparation of the Group's consolidated financial statements for the year ended December 31, 2020, except for the adoption of new standards, amendments to standards and interpretations as described in note 4.

These interim consolidated financial statements have not been reviewed by an auditor, unless otherwise indicated.

Functional and presentation currency

The Group's interim consolidated financial statements are presented in euro, which is also the Group's functional currency, and reported in millions of euros rounded to one decimal point, unless stated otherwise.

As at June 30, 2021, the Group's main foreign exchange rates versus the euro were as follows:

	EUR/GBP ("British Pound")	EUR/USD ("US Dollar")
As at June 30, 2021	**0.858**	**1.188**
As at June 30, 2020	0.912	1.120
As at December 31, 2020	0.899	1.227
Average rate 01-06/2021	0.868	1.205
Changes (%) during the six-month period:		
Six months ended June 30, 2021	(4.6%)	(3.2%)
Six months ended June 30, 2020	7.2%	(0.3%)
Year ended December 31, 2020	5.6%	9.3%

4. CHANGES IN ACCOUNTING POLICIES

The following amendments were adopted for the first time in these interim consolidated financial statements, with effective date of January 1, 2021:

Interest Rate Benchmark Reform - Phase 2 Amendments to IFRS 9, IAS 39 IFRS 7, IFRS 4 and IFRS 16

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest
- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component.

The following amendments were adopted by the EU, with effective date of January 1, 2022:

- Amendments to IFRS 3 *Business Combinations*
- Amendments to IAS 16 *Property, Plant and Equipment*
- Amendments to IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*
- Annual Improvements 2018-2020.

These amendments had no impact on the interim consolidated financial statements of the Group.

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Frankfurt

5. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Fair value hierarchy

The following tables present the Group's financial assets and liabilities measured and presented at fair value as at June 30, 2021 and December 31, 2020 on a recurring basis under the relevant fair value hierarchy, and for those measured and presented at amortized cost which their carrying amount significantly differs from the fair value:

	As at June 30, 2021				As at December 31, 2020			
		Fair value measurement using				Fair value measurement using		
	Carrying amount	Total fair value	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Carrying amount	Total fair value	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)
	in € millions							
FINANCIAL ASSETS								
Financial assets at fair value through profit or loss	477.5	477.5	380.6	96.9	427.8	427.8	427.8	-
Derivative financial assets	139.5	139.5	-	139.5	137.9	137.9	-	137.9
Total financial assets	**617.0**	**617.0**	**380.6**	**236.4**	**565.7**	**565.7**	**427.8**	**137.9**
FINANCIAL LIABILITIES								
Straight bonds and schuldscheins	10,474.1	11,241.9	10,855.6	386.3	10,456.8	11,387.7	10,995.0	392.7
Derivative financial liabilities	356.6	356.6	-	356.6	421.9	421.9	-	421.9
Total financial liabilities	**10,830.7**	**11,598.5**	**10,855.6**	**742.9**	**10,878.7**	**11.809.6**	**10,995.0**	**814.6**

Wiesbaden

Level 1: the fair value of financial instruments traded in active markets (such as debt and equity securities) is based on quoted market prices at the end of the reporting period.

Level 2: the fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant input required to fair value of financial instrument are observable, the instrument is included in level 2.

Level 3: if one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The Group's policy is to recognized transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

There were no transfers between level 1, level 2 and level 3 during the reporting period.

When the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of input such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments and is discussed further below.

Valuation techniques used to determine fair values

The following methods and assumptions were used to estimate the fair values:

- The fair values of the quoted bonds are based on price quotations at the reporting date. The fair value of unquoted bonds is measured using the discounted cash flow method with observable inputs
- There's an active market for the Company's listed equity investments and quoted debt instruments
- The Company enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Interest rate and foreign exchange swap and forward contracts are valued using valuation techniques, which employ the use of market observable inputs. The most frequently applied valuation technique includes forward pricing and swap models using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves.

Cologne

6. REVENUE

	Six months ended June 30,	
	2021	2020
	in € millions	
Net rental income	457.8	501.9
Operating and other income	83.6	86.4
	541.4	**588.3**

7. TAXATION

On May 24, 2021, the report stage and third reading of the UK Finance Bill 2021 in the House of Commons took place and the final government amendments were passed. The amendments included an increase in the corporation tax (CT) rate from 19% to 25% on profits over GBP 250 thousand from April 1, 2023.

Düsseldorf

8. INVESTMENT PROPERTY

8.1 Reconciliation of investment property

	2021	2020
	(*) Level 3	(*) Level 3
	Unaudited	Audited
	in € millions	
As at January 1	**21,172.4**	**18,127.0**
Plus: investment property classified as held for sale	830.2	202.4
Total investment property	**22,002.6**	**18,329.4**
Acquisitions of investment property and investment in capex during the period / year	261.9	5,366.9
Disposal of investment property during the period / year	(1,031.0)	(2,324.3)
Effect of foreign currency exchange differences	67.6	(81.0)
Fair value adjustments	76.1	711.6
Total investment property	**21,377.2**	**22,002.6**
Less: investment property classified as held for sale	(478.5)	(830.2)
As at June 30 / December 31	**20,898.7**	**21,172.4**

(*) classified in accordance with the fair vale hierarchy. Since one or more of the significant inputs is not based on observable market data, the fair value measurement is included in level 3

8.2 Disposals of investment property

During the reporting period, the Group disposed of investment property in the book value of €1,031.0 million (the yearly sales of 2020 amounted to €2,324.3 million). The sales were done above book value and resulted in profit of €32.6 million (the yearly sales of 2020 resulted in profit of €57.8 million), presented as part of the property revaluations and capital gains in the interim consolidated statement of profit or loss.

As at June 30, 2021, an amount of €493.2 million is presented as disposal group held for sale, of which €478.5 million comprised of investment property (December 31, 2020: €877.4 million and €830.2 million, respectively). This is in line with the strategic decision to strengthen the Group's core real estate portfolio. The Company expects to complete the plan to sell the outstanding assets within the next twelve months.

9. EQUITY

9.1 Dividend distributions

Settlement of dividend announced in December 2020
On December 15, 2020, the shareholders' Ordinary General Meeting ("OGM") resolved upon the distribution of the dividend attributed to 2019 financial year in the amount of €0.14 per share from the share premium, in accordance with the proposal of the Company's Board of Directors. The Company provided the shareholders with the option to receive up to 85% of their dividend in the form of the Company's shares ("Scrip Dividend"). In January 2021, the Scrip Dividend was settled by paying €102.4 million in cash and delivering 11,257,157 shares from the Company's treasury shares.

Dividend announcement in June 2021
On June 30, 2021, the shareholders' Annual General Meeting ("AGM") resolved upon the distribution of the dividend attributed to 2020 financial year in the amount of €0.22 per share from the share premium, in accordance with the proposal of the Company's Board of Directors. The Company provided the shareholders with the option of Scrip Dividend. The results and payment took place in July 2021 and concluded in delivering 18,124,134 shares from the Company's treasury shares and cash payment of €149.7 million.

9.2 Treasury shares

Share buy-back program
During the year 2020, the Group bought back 204,693,362 of the Company's own shares by way of public share purchase offer and share buy-back program.

Following the shareholder authorization received by the OGM in May 2020, on March 25, 2021, the Company's Board of Directors resolved on a new share buy-back program ("the Program") with the volume of up to €500 million and a limit of 100 million shares. The Program started on March 26, 2021 and is expected to be finalized by December 31, 2021 at the latest. As part of the Program, by June 30, 2021, the Group acquired 19,812,855 of its own shares for a total amount of €127.5 million.

The shares acquired as part of the buy-back programs and the public purchase offer that are outstanding in the Company's treasury accounts have suspended voting rights and are not entitled to dividend.

9.3 Perpetual notes

On January 15, 2021, the Company issued €600 million nominal value of perpetual notes with a first reset date on July 15, 2026 ("First Reset Date"). The notes carry 1.625% coupon p.a. from and including interest commencement date up to but excluding the First Reset Date. The notes will carry the relevant 6-month fix-for-floating EURIBOR plus a margin of 2.419 per cent from the First Reset Date ending on but excluding July 15, 2031. A margin of 2.669 per cent for each reset period which falls in the period commencing on and including July 15, 2031 and ending on (but excluding) July 15, 2046, and a margin of 3.419 per cent for each reset period which falls on or after July 15, 2046.

In January 2021, the Company launched a buy-back tender offer ("the Offer") for its wholly owned subsidiary's 3.75% €600 million perpetual notes. As a result of the Offer, a nominal value of €231.1 million was bought-back for a total amount of €243.6 million.

9.4 Non-controlling interests

During the reporting period, TLG has conducted two tender offers to buy-back its own shares ("the TLG Tender Offers"). Both TLG Tender Offers were announced in December 2020 and February 2021, concluded in January 2021 and in March 2021, and resulted in buying-back 6.4 million of TLG shares for a total amount of €155.3 million. The impact on the Company's interim consolidated financial statements was reduction of non-controlling interests in the amount of €154.2 million.

10. LOANS, BORROWINGS AND BONDS

10.1 Straight bonds

During the reporting period, the Company completed the buy-back of the rest outstanding series D and series 35 in the total nominal value of €128.4 million for their nominal value with accrued and unpaid interest.

On June 30, 2021, the Company announced the final results of the tender offers to early redeem straight bonds series E and series Q, pursuant to which a principal amount of €64.5 million of bond series E (originally matures in 2024 and carries 1.5% interest p.a.) and of GBP 180.7 million of bond series Q (originally matures in 2027 and carries 3.25% interest p.a.) will be bought back by the Company. As at June 30, 2021, the Company presented the accepted tendered bonds as current liabilities. The cash settlement took place on July 2, 2021.

10.2 Bank loans

During the reporting period, the Group repaid bank loans in an amount of approximately €460 million to maintain the optimization of the debt maturity and cost of debt. Consequently, the value of encumbered investment property reduced to €4.8 billion (December 31, 2020: €5.6 billion).

11. COMMITMENTS

As at June 30, 2021, the Group had commitments for future capital expenditures on the real estate properties and others of approximately €0.2 billion. Furthermore, the Group had signed several deals to sell real estate in a volume of approximately €0.1 billion which were not yet completed and are subject to several conditions precedent. The Company estimates the completion of the transactions to take place within the next twelve months.

12. CONTINGENT ASSETS AND LIBILITIES

The Group had no significant contingent assets and liabilities as at June 30, 2021.

13. SIGNIFICANT SUBSEQUENT EVENTS

1. In July 2021, the Company published the results of the Scrip Dividend announced on June 30, 2021, whereby shareholders of approximately 541 million shares opted to receive their dividend in the form of shares of the Company. Accordingly, 18,124,134 shares were delivered to the shareholders from the Company's treasury shares. The remainder, amounted to €149.7 million, was paid in cash.

2. In July 2021, the Company settled the early redemption of €64.5 million and GBP 180.7 million nominal value of straight bonds series E and series Q, respectively. Following the cash settlement, a principal amount of €171.5 million and GBP 219.3 million of bond series E and bond series Q remained outstanding.

3. **Accounting consolidation of Grand City Properties S.A.**
In July 2021, following IFRS guidelines, Aroundtown announced that it has resolved upon the accounting consolidation of Grand City Properties S.A. in its financial statements starting from the third quarter of 2021. The resolution followed a thorough analysis of several cumulative circumstances which, together, from an accounting perspective, resulted in treating Aroundtown's investment in GCP S.A. as a position of de facto control, as defined under IFRS. These circumstances included, among others, the increase in the holding in GCP S.A. to 44.3% (excluding shares GCP S.A. holds in treasury), the historical attendance levels in GCP S.A.'s AGMs, and the current composition of GCP S.A.'s shareholding structure. The consolidation is an accounting adjustment and does not represent any change in the Group's holding rate of GCP S.A.

4. **Joint offer for Globalworth Real Estate Investments Limited ("GWI")**
In April 2021, the Group together with CPI Property Group SA (together: the "Consortium"), announced their intention to launch a joint cash offer for GWI shareholders to acquire their shares at a price of €7.0 in cash for each tendered share. On July 23, 2021, the Consortium published the total valid acceptances of 20,467,759 GWI Shares, representing approximately 9.24% of its issued share capital. Consequently, the Consortium owned in total 134,347,223 GWI Shares, representing 60.63% of GWI issued share capital. Aroundtown will continue to maintain significant influence in GWI and to account it for as equity-accounted investee.

5. After the reporting period, the Group bought-back an additional amount of above 9 million of its own shares as part of the ongoing share buy-back program.

14. AUTHORISATION OF THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

These interim consolidated financial statements were authorized for issuance by the Company's Board of Directors on August 25, 2021.

Berlin

Stuttgart

AROUNDTOWN SA