

Graphisoft Park

Hold

Downgraded from Buy

Price: HUF 5,140
Price target: HUF 5,285
(From HUF 4,336)

Thank you for being a friend

In mid-November, Graphisoft Park announced that it had taken out a EUR 40m 10-year loan from UniCredit. The company plans to use the proceeds to optimise its capital structure and either launch a buyback and or pay out a dividend. More details will be provided later this year. Since we upgraded Graphisoft Park to a Buy in June this year, the share price has appreciated by c.40%. The FFO yield has tightened to sub-7%, while the discount to book has narrowed to c.20%. We see two key drivers of upside in the medium- to long-term: a prospective acquisition by a larger player, and a further expansion of the Park. For short-term orientated investors though, we believe the current strength creates an interesting opportunity to lock in profits, as Graphisoft Park trades at a more expensive FFO yield than, for instance, GTC, while lacking the near-term growth profile, and presents a higher concentration risk. As such, we downgrade the stock to a HOLD, with a higher price target (PT) of HUF 5,285.

Developments a key driver of long-term value. There is a room to develop c.20k sqm in the Southern Development Area; that said, we believe there are no immediate plans and the company is waiting for the construction market to cool off before launching a new development phase here. Upon clean up, the Northern Area could accommodate an additional 42k sqm. If all this space is developed (42+20), the total GLA would increase by c.75% relative to the current levels.

However, the decontamination is yet to be launched. As the polluter – the Capital City Gas Works – has not appeared to be co-operative, the company launched legal proceedings this year. So far, three court hearings have been held, without the court coming to any decision. The last hearing was supposed to take place on 12 November; however, it was adjourned until 12 December. Any additional development would represent upside for our forecasts, as we do not expect any further developments (neither in the Northern nor the Southern area) in our model.

We value the company using a combination of a DCF and a peer multiples valuation. Our DCF arrives at a 12M PT of HUF 5.5k/share; while our peer valuation suggests HUF 5.1k/share. We use a WACC of around 5.1-5.4% and a COE of around 7%.

Key risks include: high tenant concentration; flooding; slower-than-expected progress with the decontamination of the northern development area; an economic downturn; FX fluctuations between HUF and EUR; oversupply on the office market; and an increase in capitalisation rates and borrowing costs.

Key triggers include: growth of monthly rents above EUR 16/sqm; further developments of new premises; a takeover by a larger real estate company.

Expected events

Announcement on dividends December 2019
4Q19 results February 2020 (tbc)

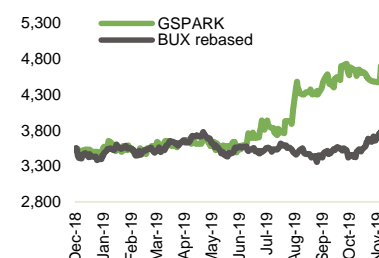
Key data

Market cap	EUR 164m
Free float	38%
Shares outstanding	10.08m
3M ADTV	EUR 95k
Major Shareholders	
Mr. Gábor Bojár	32%
Concorde/HOLD AM	16%
AEGON	10%
Reuters Code	GSPAEUR.DEP
Bloomberg Code	GSPARK HB Equity
BUX Index	43,691

Price performance

52-w range	HUF 3,460-5,140/share
52-w performance	45%
Relative performance	35%

Graphisoft Park 12M share price performance



Year	BV (EUR m)	BVPS (EUR)	Net LTV	Equity ratio	FFO (EUR m)	FFOPS (EUR)	FFO ROE	P/BV	FFO yield	DPS (EUR)	Div. Yield
2016	24	2.3	65%	30%	7.2	0.71	31.1%	3.4x	9.0%	0.25	3.2%
2017	26	2.6	69%	25%	8.5	0.84	34.3%	4.3x	7.5%	0.30	2.6%
2018	168	16.6	28%	67%	9.9	0.98	10.2%	0.7x	9.0%	0.64	5.9%
2019E	175	17.4	38%	59%	12.0	1.19	7.0%	0.88x	7.8%	2.77	18.1%
2020E	181	18.0	37%	59%	11.1	1.10	6.2%	0.85x	7.2%	0.71	4.7%
2021E	187	18.6	35%	60%	11.0	1.09	6.0%	0.8x	7.1%	0.71	4.6%

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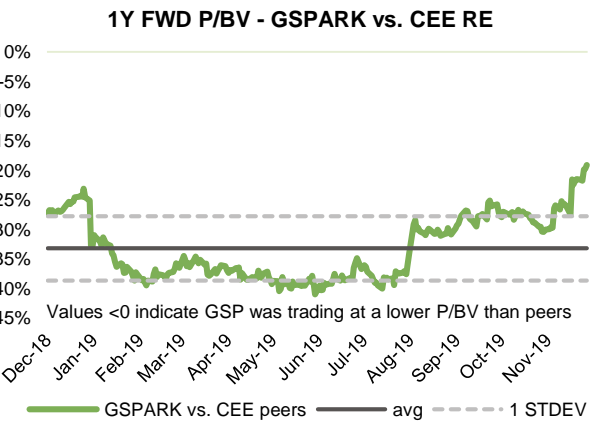
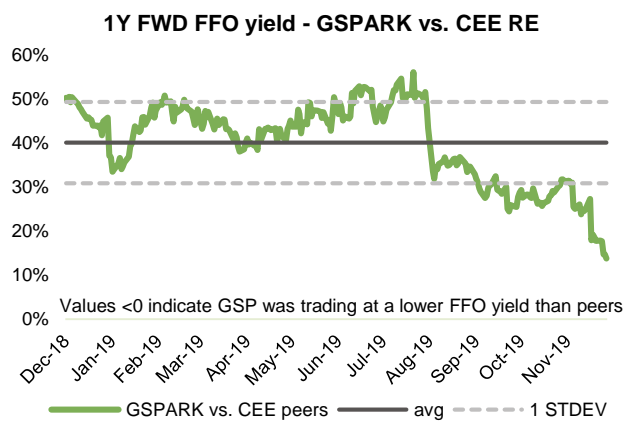
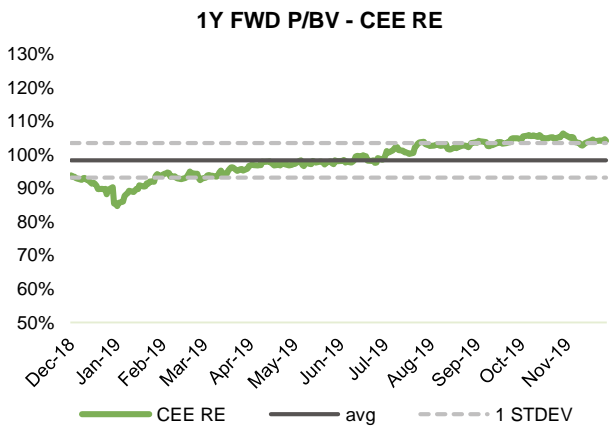
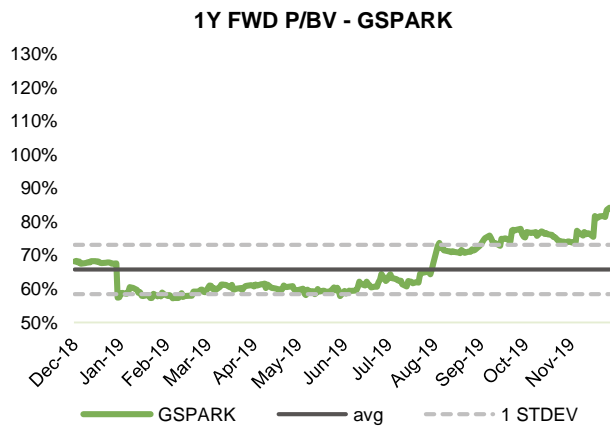
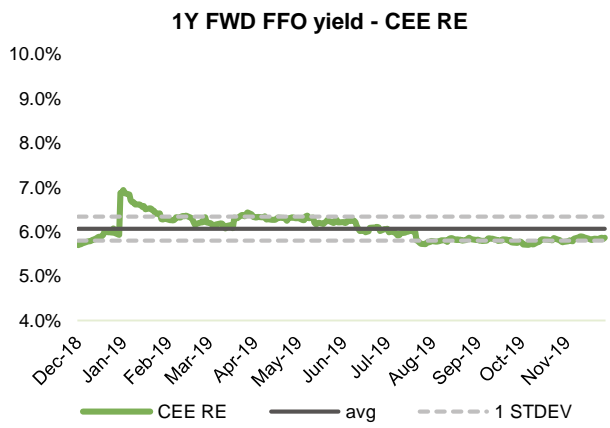
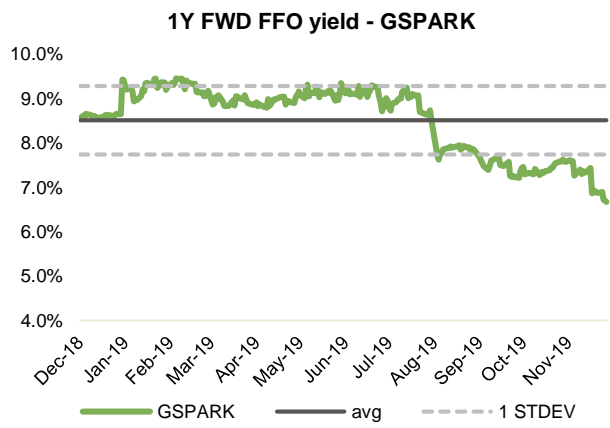
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Key risks and triggers

With a compact, unique portfolio of high-quality offices, we believe Graphisoft Park could become an attractive takeover target for either a financial or an industry investor. The development of new buildings on the existing land reserves – not priced in – could enhance the returns significantly beyond our forecasts.

Continued strong leasing demand in the Budapest office market and the growth of effective rents mean that the premium the offices have been leased at historically relative to the broader market is shrinking. We believe the key structural risk for the business model is that, with more high quality premises in and around the city centre, it may become less appealing, especially for younger people without cars, to commute to the outskirts of town. While unlikely from the current perspective, a sudden wave of new office developments, especially if coupled with an economic slowdown, could weigh on the rents. Other risks include: a yield expansion; flooding; slower-than-expected progress with the decontamination of the northern development area; an economic downturn; and FX fluctuations between the HUF and the EUR.

Graphisoft Park vs. peers



Source: Company data, Bloomberg, WOOD Research

WOOD: new vs. old estimates

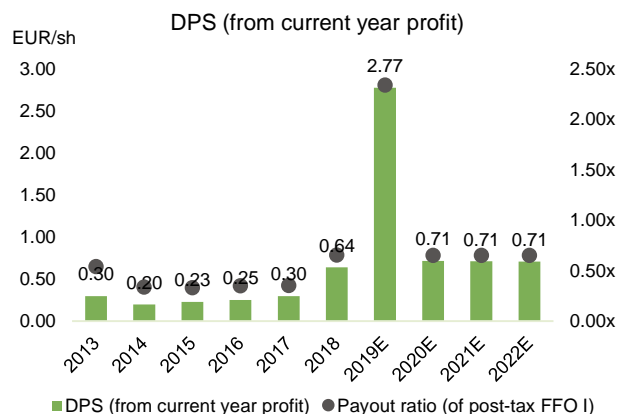
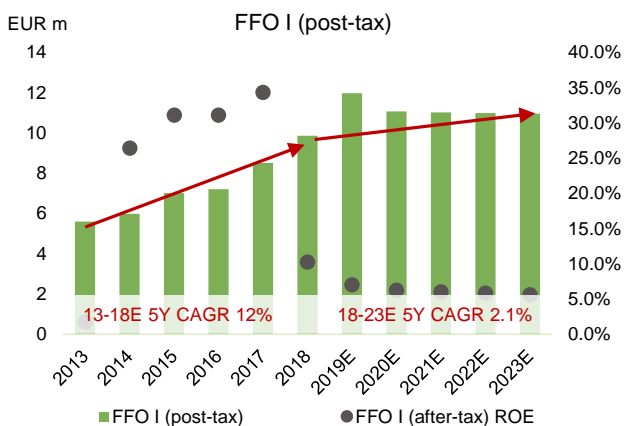
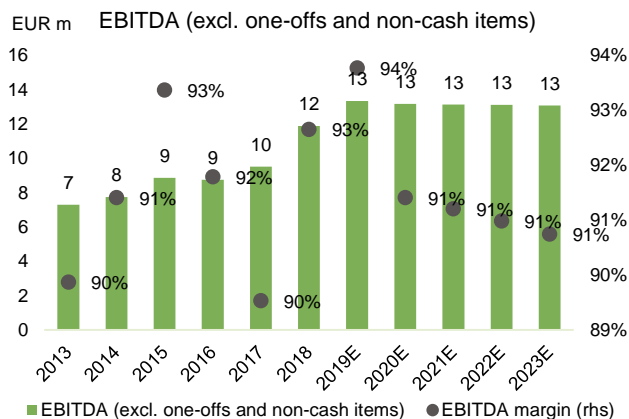
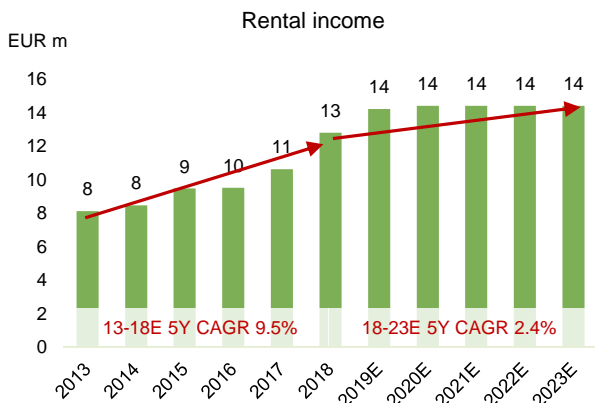
There is no consensus available for the stock.

WOOD: new vs. old

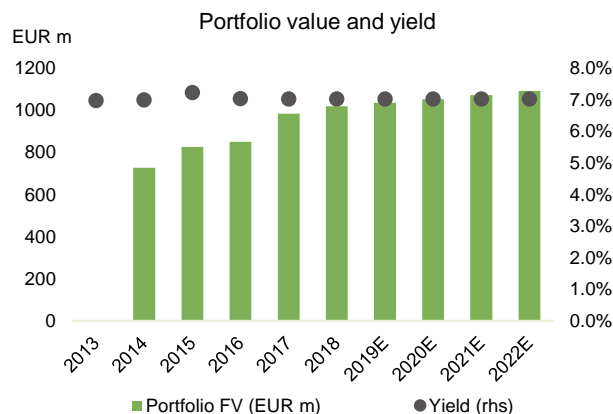
EUR m	2019E			2020E			2021E		
	new	old	Diff. (%)	new	old	Diff. (%)	new	old	Diff. (%)
Sales	15	14	3%	15	14	5%	15	14	5%
EBITDA	13	13	6%	13	158	-92%	13	12	5%
EBIT	13	12	7%	13	196	-93%	13	12	7%
Net profit	12	11	7%	11	142	-92%	11	11	1%
BPS (EUR)	17.4	19.6	-11%	18.0	26.6	-32%	18.6	20.3	-9%
FFOPS (EUR)	1.19	1.10	8%	1.10	1.36	-19%	1.09	1.10	-1%
DPS (EUR)	2.77	0.72	286%	0.71	0.82	-14%	0.71	0.71	-1%
<i>EBITDA margin</i>	<i>91.7%</i>	<i>88.6%</i>	<i>3.1ppt</i>	<i>88.9%</i>	<i>1120.8%</i>	<i>-1031.9ppt</i>	<i>88.7%</i>	<i>88.2%</i>	<i>0.5ppt</i>
<i>Net margin</i>	<i>80.8%</i>	<i>77.4%</i>	<i>3.4ppt</i>	<i>74.7%</i>	<i>1002.4%</i>	<i>-927.7ppt</i>	<i>74.3%</i>	<i>77.0%</i>	<i>-2.6ppt</i>

Source: WOOD Research

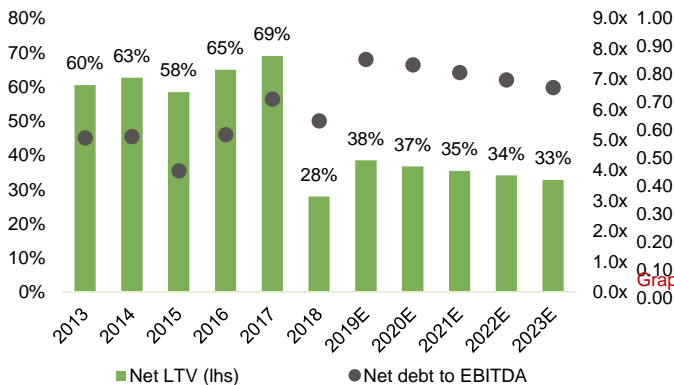
Graphisoft Park: earnings, dividends, portfolio, leverage and NAV



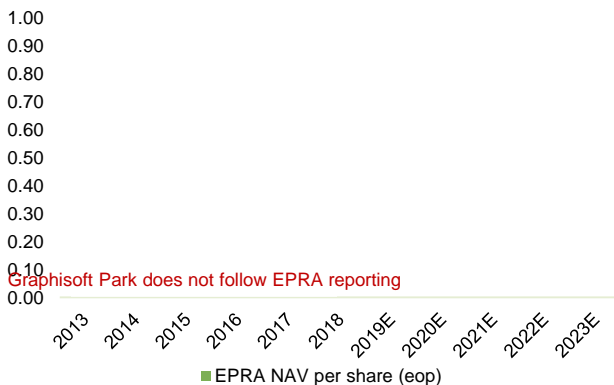
Rental income by country, 2019E



Leverage: net LTV and net debt to EBITDA



EPRA NAV/sh



Source: Company data, Bloomberg, WOOD Research

Valuation

We value Graphisoft Park using a combination of a DCF and a peer valuation, where we compare the company to its CEE and European office peers. We use a WACC of around 5.1-5.4% throughout our forecast horizon.

Setting 12M PT at HUF 5,285/share

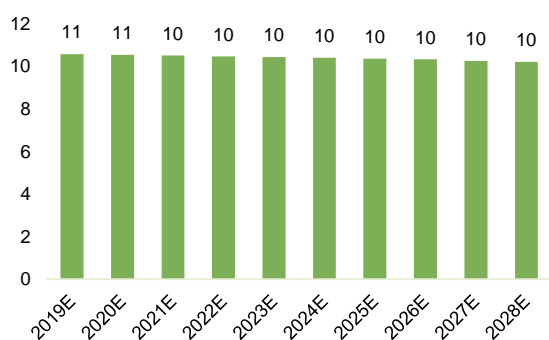
Valuation method	Weight	Per share (HUF)
Peer multiples	50%	5,099
DCF	50%	5,470
Weighted average target value		5,285
Current price		5,140
Upside/(downside)		2.8%

Source: WOOD Research

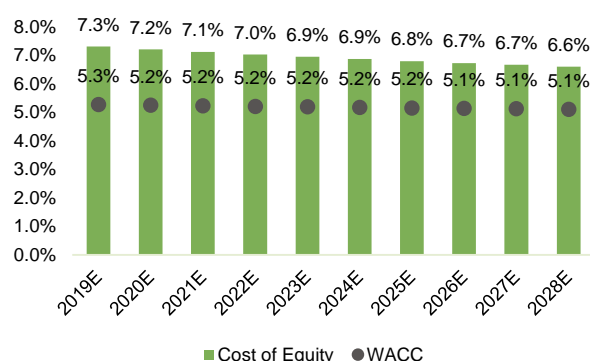
Graphisoft Park: valuation – COE, WACC, multiples

EUR m

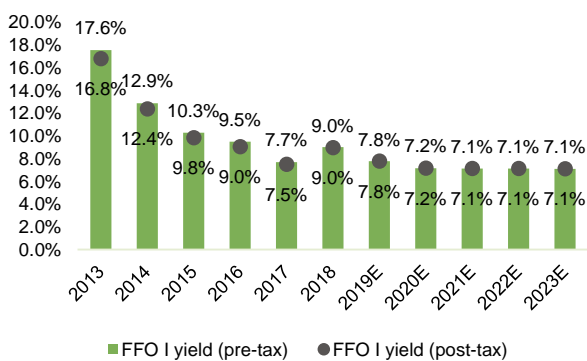
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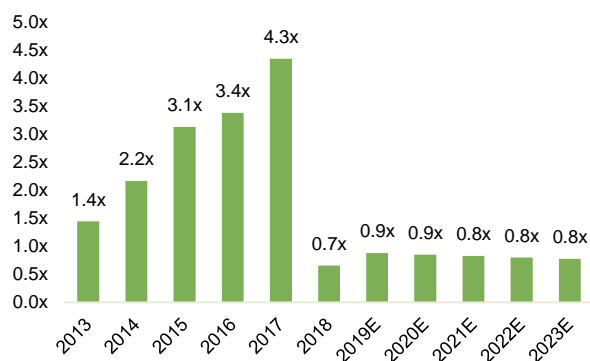
Cost of Equity and WACC



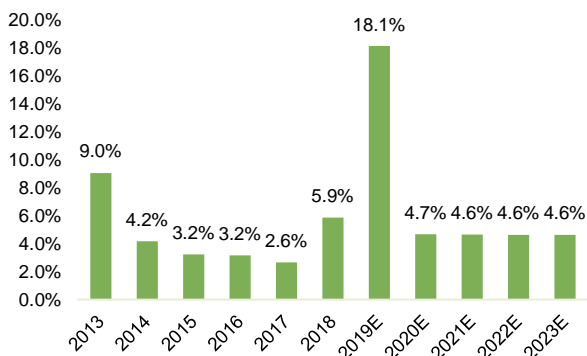
FFO I yield



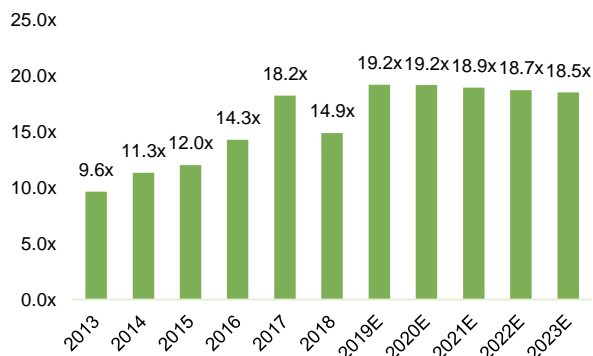
P/BV



Dividend yield



EV/EBITDA



Source: Company data; Bloomberg; WOOD Research

Financials

Graphisoft Park: P&L, FFO, DPS and rental income by country and sector

P&L (EUR m)	2013	2014	2015	2016	2017	2018	2019E	2020E	2021E	2022E
Rental income	8.1	8.5	9.5	9.5	10.6	12.8	14.2	14.4	14.4	14.4
- net service charges and property expenses	0.0	0.1	0.2	0.3	0.3	0.3	0.3	0.4	0.4	0.4
Net rental income	8.1	8.6	9.7	9.8	10.9	13.1	14.5	14.8	14.8	14.8
- income from hotels	0	0	0	0	0	0	0	0	0	0
- net operating expenses	-0.8	-0.8	-0.9	-1.0	-1.4	-1.3	-1.2	-1.6	-1.7	-1.7
EBITDA (excl. one-offs and non-cash items)	7.3	7.7	8.9	8.7	9.5	11.9	13.3	13.2	13.1	13.1
- revaluation gain/(loss)	-3.7	-4.1	-4.2	-4.2	-4.6	4.7	-0.2	0.0	0.0	0.0
- net result from sale of investment properties	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- result from JVs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	3.6	3.7	4.7	4.6	4.9	16.5	13.1	13.2	13.1	13.1
- net interest expense	-1.1	-1.3	-1.3	-0.8	-0.8	-1.2	-1.2	-2.0	-2.0	-2.0
- other financial income/expense	-0.1	-0.2	0.2	0.0	-0.1	-0.2	-0.1	-0.1	-0.1	-0.1
Pre-tax profit	2.3	2.2	3.6	3.7	4.0	15.1	11.8	11.1	11.0	11.0
- current income tax	-0.3	-0.2	-0.3	-0.4	-0.2	0.0	0.0	0.0	0.0	0.0
- deferred tax charge	-0.3	0.1	-0.2	-0.2	0.6	0.0	0.0	0.0	0.0	0.0
Net profit	1.8	2.0	3.0	3.2	4.4	15.1	11.8	11.1	11.0	11.0
- minorities	0	0	0	0	0	0	0	0	0	0
- discontinued operations	0	0	0	0	0	0	0	0	0	0
Net income	1.8	2.0	3.0	3.2	4.4	15.1	11.8	11.1	11.0	11.0
FFO & DPS (EUR m, unless per sh)	2013	2014	2015	2016	2017	2018	2019E	2020E	2021E	2022E
FFO I (pre-tax)	6	6	7	8	9	10	12	11	11	11
FFO I (post-tax)	6	6	7	7	8	10	12	11	11	11
FFO II	6	6	7	7	8	10	12	11	11	11
FFO I per share (pre-tax)	0.58	0.62	0.73	0.75	0.86	0.98	1.19	1.10	1.09	1.09
FFO I per share (post-tax)	0.55	0.59	0.69	0.71	0.84	0.98	1.19	1.10	1.09	1.09
FFO II per share	0.55	0.59	0.69	0.71	0.84	0.98	1.19	1.10	1.09	1.09
DPS (from current year profit)	0.30	0.20	0.23	0.25	0.30	0.64	2.77	0.71	0.71	0.71
Payout ratio (of post-tax FFO I)	0.54x	0.34x	0.33x	0.35x	0.35x	0.65x	2.34x	0.65x	0.65x	0.65x
Margins and growth	2013	2014	2015	2016	2017	2018	2019E	2020E	2021E	2022E
Net rental income margin	100%	101%	102%	103%	103%	103%	102%	103%	103%	103%
EBITDA margin	90%	91%	93%	92%	90%	93%	94%	91%	91%	91%
FFO I (pre-tax) margin	72%	74%	77%	79%	82%	77%	84%	77%	76%	76%
FFO I (post-tax) margin	69%	71%	74%	76%	80%	77%	84%	77%	76%	76%
Net rental income growth	-2%	4%	12%	0%	12%	21%	11%	1%	0%	0%
EBITDA growth	-2%	6%	14%	-1%	9%	25%	12%	-1%	0%	0%
Net income growth	-2%	10%	52%	5%	37%	245%	-22%	-6%	0%	0%
FFO I per sh (pre-tax) growth	8%	7%	18%	3%	15%	14%	21%	-8%	0%	0%
FFO I per sh (post-tax) growth	7%	7%	17%	3%	18%	16%	21%	-8%	0%	0%
FFO II per sh growth	7%	7%	17%	3%	18%	16%	21%	-8%	0%	0%
Rental income per country	2013	2014	2015	2016	2017	2018	2019E	2020E	2021E	2022E
Hungary	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Rental income per sector	2013	2014	2015	2016	2017	2018	2019E	2020E	2021E	2022E
Offices	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Retail										
Logistics										
Mixed use										
Special use										
Others										

Source: WOOD Research, company data

Graphisoft Park: capital structure, cash flow and EPRA indicators

Capital structure (EUR m)	2013	2014	2015	2016	2017	2018	2019E	2020E	2021E	2022E
Total debt	47	44	40	48	64	73	113	113	113	113
Cash	10	5	5	3	4	6	11	14	18	21
Net debt	37	39	35	45	60	67	102	98	95	91
Equity	23	22	23	24	26	168	175	181	187	193
Assets	72	69	66	80	104	252	299	305	312	318
Investment property	61	63	60	70	87	240	265	268	268	268
EBITDA	7.3	7.7	8.9	8.7	9.5	11.9	13.3	13.2	13.1	13.1
Equity ratio	32%	32%	35%	30%	25%	67%	59%	59%	60%	61%
Gross LTV	77%	70%	66%	69%	74%	30%	43%	42%	42%	42%
Net LTV	60%	63%	58%	65%	69%	28%	38%	37%	35%	34%
Net debt to EBITDA	5.1x	5.1x	4.0x	5.2x	6.3x	5.6x	7.6x	7.5x	7.2x	7.0x
Gearing (net debt to equity)	160%	177%	154%	192%	231%	40%	58%	54%	51%	47%
Cost of debt (incl. hedging)	n/a	n/a	n/a	n/a	n/a	n/a				
Average debt maturity (years)	n/a	n/a	n/a	n/a	n/a	n/a				
% of debt fixed or hedged	n/a	n/a	n/a	n/a	n/a	n/a				
% of unsecured debt	n/a	n/a	n/a	n/a	n/a	n/a				
% of unencumbered assets	n/a	n/a	n/a	n/a	n/a	n/a				
Rating by S&P	n/a	n/a	n/a	n/a	n/a	n/a				
Rating by Fitch	n/a	n/a	n/a	n/a	n/a	n/a				
Rating by Moody's	n/a	n/a	n/a	n/a	n/a	n/a				
Net debt, rel. change, yoy	-147%	7%	-11%	28%	33%	11%	52%	-3%	-4%	-4%
Equity, rel. change, yoy	-96%	-3%	2%	3%	11%	543%	5%	3%	3%	3%
Assets, rel. change, yoy	-90%	-5%	-4%	21%	30%	143%	19%	2%	2%	2%
Cash Flow (EUR m)	2013	2014	2015	2016	2017	2018	2019E	2020E	2021E	2022E
Profit before tax	4.5	2.6	3.0	3.6	4.0	15.1	11.8	11.1	11.0	11.0
CF from Operations (before WC)	9.4	7.9	9.1	8.7	9.5	11.2	13.0	13.1	13.0	13.0
WC changes	0.7	0.5	-0.1	-5.6	-2.0	5.9	-0.3	0.3	0.0	0.0
CF from Operations	10.0	8.5	9.0	3.1	7.5	17.1	12.7	13.4	13.1	13.0
Adjustment for net interest and taxes	-1.3	-1.7	-1.6	-1.3	-1.3	-1.3	-1.2	-2.0	-2.0	-2.0
Net CF from Operations	8.7	6.8	7.4	1.8	6.2	15.7	11.5	11.4	11.0	11.0
CAPEX	-2.3	-6.3	-1.2	-11.4	-21.6	-22.0	-2.5	-2.5	-2.5	-2.5
Proceeds from disposals	1.8	0.0	0.0	0.0	0.1	0.1	0.0	0.0	0.0	0.0
Others										
Net CF from Investing	-0.5	-6.3	-1.2	-11.4	-21.5	-21.9	-2.5	-2.5	-2.5	-2.5
Proceeds from issuance of share capital										
Acquisition of own shares	-0.1	-0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net issue of debt	-2.7	-2.8	-4.3	9.7	19.4	10.8	0.0	0.0	0.0	0.0
Dividends paid	-1.4	-3.0	-2.0	-2.3	-2.5	-3.0	-4.0	-5.3	-5.0	-5.0
Others										
Net CF from Financing	-4.2	-6.0	-6.3	7.4	16.9	7.8	-4.0	-5.3	-5.0	-5.0
Change in cash & equivalents	4.0	-5.5	-0.2	-2.2	1.6	1.6	5.0	3.5	3.5	3.5
EPRA Indicators (EUR m)	2013	2014	2015	2016	2017	2018	2019E	2020E	2021E	2022E
Book Value	23	22	23	24	26	168	175	181	187	193
EPRA NAV	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
EPRA NNNAV	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
BV per share (EUR)	2.28	2.21	2.26	2.33	2.58	16.62	17.39	17.96	18.56	19.15
EPRA NAV per share (EUR)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
EPRA NNNAV per share (EUR)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
EPRA Net Initial Yield (NIY)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
EPRA "topped-up" NIY	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
EPRA Ifl Gross Rental Income	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
EPRA Ifl Net Rental Income	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
EPRA Earnings (EUR m)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Company adj. EPRA Earnings	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
EPRA Earnings per share	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Company adj. EPRA Earnings (per share)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
EPRA Vacancy rate	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
EPRA Cost Ratio (incl. vacancy costs)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
EPRA Cost Ratio (excl. vacancy costs)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Source: WOOD Research, company data

Graphisoft Park: DCF, cost of capital, portfolio, share data and valuation multiples

DCF: FCFF reconciliation (EUR m)	2019E	2020E	2021E	2022E	2023E	2024E	2025E	2026E	2027E	2028E
FFO I	11.1	11.0	11.0	10.9	10.9	10.9	10.8	10.8	10.8	10.7
+ taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
+ interest costs	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Adj. EBIT	13.1	13.0	13.0	13.0	12.9	12.9	12.9	12.8	12.8	12.8
tax rate	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
NOPLAT	13.1	13.0	13.0	13.0	12.9	12.9	12.9	12.8	12.8	12.8
CAPEX	-2.5	-2.5	-2.5	-2.5	-2.5	-2.5	-2.5	-2.5	-2.5	-2.5
WC change	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Proceeds from disposals	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
FCFF	10.6	10.5	10.5	10.5	10.4	10.4	10.4	10.3	10.2	10.2
DCF: Cost of Equity and WACC	2019E	2020E	2021E	2022E	2023E	2024E	2025E	2026E	2027E	2028E
[A] Debt/Capital Ratio	38%	38%	37%	36%	35%	35%	34%	34%	33%	32%
[C] Equity/Capital Ratio	62%	62%	63%	64%	65%	65%	66%	66%	67%	68%
Marginal Cost of Debt (%)	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
x Marginal Tax Rate (%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
[B] Cost of Debt (post tax)	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Beta	0.95	0.92	0.90	0.88	0.87	0.85	0.83	0.82	0.80	0.79
x Equity Risk Premium	4.3%	4.2%	4.1%	4.0%	3.9%	3.8%	3.7%	3.7%	3.6%	3.5%
+ Risk Free Rate	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
[D] Cost of Equity	7.3%	7.2%	7.1%	7.0%	6.9%	6.9%	6.8%	6.7%	6.7%	6.6%
[A x B] + [C x D] = WACC:	5.3%	5.2%	5.2%	5.2%	5.2%	5.2%	5.2%	5.1%	5.1%	5.1%
Portfolio	2013	2014	2015	2016	2017	2018	2019E	2020E	2021E	2022E
Year-end, m2 ('000)	0	619	745	771	852	867	867	867	867	867
Rented space, m2	0	595	713	739	818	832	832	832	832	832
Occupancy	0.0%	96.1%	95.8%	95.8%	96.0%	96.0%	96.0%	96.0%	96.0%	96.0%
Gross Rental Income (EUR m)	0	51	58	61	65	71	73	74	75	77
Value (EUR m)	0	726	826	850	983	1,018	1,034	1,052	1,071	1,091
Weighted Average Lease Term (Y)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
- price / m2, EUR	0	1,173	1,109	1,102	1,154	1,174	1,192	1,213	1,234	1,258
- average gross rent per m2, EUR	n/a	n/a	n/a	n/a	7.1	6.7	6.9	6.6	7.1	7.3
- yield	0.0%	7.0%	7.0%	7.2%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
- yield at full occupancy	n/a	n/a	n/a	n/a	7.4%	6.9%	7.0%	6.5%	6.9%	6.9%
Number of shares and share price	2013	2014	2015	2016	2017	2018	2019E	2020E	2021E	2022E
Number of shares	10.63	10.63	10.63	10.63	10.63	10.63	10.63	10.63	10.63	10.63
Treasury shares / options	1.15	1.19	2.16	4.05	4.05	4.05	4.05	4.05	4.05	4.05
Number of shares outstanding	10.12	10.08	10.08	10.08	10.08	10.08	10.08	10.08	10.08	10.08
Average number of shares	10.63	10.63	10.63	10.63	10.63	10.63	10.63	10.63	10.63	10.63
Average number of treasury shares	1.15	1.17	1.68	3.11	4.05	4.05	4.05	4.05	4.05	4.05
Average number of shares outstanding	10.14	10.10	10.08	10.08	10.08	10.08	10.08	10.08	10.08	10.08
Average price/share (EUR)	3.28	4.78	7.07	7.90	11.23	10.91	11.65	n/a	n/a	n/a
Lowest price (EUR)	2.77	3.66	5.67	7.18	9.49	10.20	10.73	n/a	n/a	n/a
Highest price (EUR)	3.89	5.83	7.74	9.55	12.84	11.61	14.21	n/a	n/a	n/a
Closing price (EUR)	3.84	5.63	7.28	9.48	11.71	10.86	n/a	n/a	n/a	n/a
Market cap, average (EUR m)	33.29	48.34	71.33	79.63	113.20	110.00	117.46	n/a	n/a	n/a
Market cap, eop (EUR m)	38.90	56.75	73.38	95.62	118.05	109.51	n/a	n/a	n/a	n/a
Profitability and valuation multiples	2013	2014	2015	2016	2017	2018	2019E	2020E	2021E	2022E
FFO I (pre-tax) ROE	1.8%	27.5%	32.5%	32.6%	35.1%	10.2%	7.0%	6.2%	6.0%	5.8%
FFO I (after-tax) ROE	1.7%	26.4%	31.1%	31.1%	34.3%	10.2%	7.0%	6.2%	6.0%	5.8%
FFO II ROE	1.7%	26.4%	31.1%	31.1%	34.3%	10.2%	7.0%	6.2%	6.0%	5.8%
FFO I (pre-tax) RONA V	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
FFO I (after-tax) RONA V	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
FFO II RONA V	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
FFO I yield (pre-tax)	17.6%	12.9%	10.3%	9.5%	7.7%	9.0%	7.8%	7.2%	7.1%	7.1%
FFO I yield (post-tax)	16.8%	12.4%	9.8%	9.0%	7.5%	9.0%	7.8%	7.2%	7.1%	7.1%
FFO II yield	16.8%	12.4%	9.8%	9.0%	7.5%	9.0%	7.8%	7.2%	7.1%	7.1%
P/BV	1.4x	2.2x	3.1x	3.4x	4.3x	0.7x	0.9x	0.9x	0.8x	0.8x
P/EPRA NAV	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Dividend yield	9.0%	4.2%	3.2%	3.2%	2.6%	5.9%	18.1%	4.7%	4.6%	4.6%
EV/EBITDA	9.6x	11.3x	12.0x	14.3x	18.2x	14.9x	19.2x	19.2x	18.9x	18.7x

Source: WOOD Research, company data

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