



PRESS RELEASE

UBM results for the first half of 2023 influenced by revaluations

- **Write-downs lead to after tax loss of €-29.3m in first half-year**
- **Cash reserves of over €214m and equity ratio of nearly 30%**
- **€2.2 bn pipeline – 72% in timber-hybrid construction**
- **Outlook: Loss expected to be cut by half despite difficult operating environment**

Vienna, 31 August 2023 – UBM has not been left untouched by current developments on the real estate market, which have been influenced by rising interest rates and property investors' higher yield expectations. An unscheduled revaluation of projects and properties led to write-downs of €31.3m and a corresponding negative effect on half-year results. "UBM is unable to disengage from the general valuation trend, which has also affected other market participants", explained UBM-CEO Thomas G. Winkler.

Solid financial position

The cash buffer accumulated by UBM represents an essential foundation in the "perfect storm" that has currently taken hold of the real estate sector. Despite the costs for the early repayment of the hybrid bond, the reliable payment of the dividend and an acquisition in Germany, cash and cash equivalents remained high at €214.3m as of 30 June 2023. The successful placement of the first green bond brought €50m of fresh capital that allows UBM to react quickly to market opportunities. The equity ratio equalled 29.8% at the end of June and is still almost within the long-term target range of 30–35%. Starting in Q4/23, no bond repayments will be due in the next two years.

Operating successes

The largest rental in Frankfurt during the first half-year was realised by UBM: roughly 10,000 square meters of office space in the Timber Pioneer, Frankfurt's first office building in timber-hybrid construction. The neighbouring building, the F.A.Z. Tower, was transferred to the owner during the reporting period after the Frankfurter Allgemeine Zeitung moved in at the end of 2022. Operating results for the first half-year were nearly balanced due to satisfactory property sales which covered 51 apartments.

Timber offensive & ESG branch leadership

Plans for Vienna include the development of the Timber Marina Tower, a 113 metre office building in sustainable timber-hybrid construction – based on current statistics, the highest timber skyscraper in the world. For UBM, this project sets a further milestone on the course to becoming the leading developer of timber construction projects in Europe and will increase the timber-hybrid pipeline to over 300,000 square metres. Roughly 72% are already attributable to this form of construction. UBM's strategy was confirmed by top ESG ratings. The company was again awarded "Prime Status" (Level "B-") by the international rating agency ISS ESG, which makes it the most sustainable company in the branch in Germany and Austria. UBM's listing in the VBV Austrian Sustainability Index (VÖNIX) was also confirmed.

Outlook

The second half of this year is not expected to bring any substantial improvement in the real estate market, and that means UBM is also unlikely to complete any significant property sales during the coming six months. These sales are the primary source of earnings for a real estate developer. However, the building permit for the Timber Factory in Munich's Bauburgerstrasse was received at the end of July 2023 and should have a positive effect on Q3 2023 results.

The purchase price for the second half of the share held by the joint venture partner is now due in the agreed form. Consequently, the current loss could be cut roughly by half in the annual financial statements for 2023.

Earnings and financial indicators in detail

UBM Development generated Total Output of €116.2m in the first half of 2023, compared with €206.2m in the first six months of 2022. EBT declined from €16.1m in the previous year to €-31.6m and, with net profit of €-29.3m (H1/22: €15.8m), UBM's results were substantially lower than in the first half of 2022. Earnings per share fell from €-0.15 in the first quarter of 2023 to €-4.34 in the reporting period.

Key performance indicators H1 2023 UBM Development

Key earnings figures (in €m)	H1 2023	H1 2022	Change
Total Output ¹	116.2	206.2	-43.6%
Revenue	37.8	86.1	-56.1%
EBT	-31.6	16.1	n.a.
Net profit	-29.3	15.8	n.a.
Key asset and financial figures (in €m)	30.6.2023	30.6.2022	Change
Total assets	1,340.4	1,495.7	-7.7%
Equity	399.8	516.8	-20.3%
Equity ratio (in %)	29.8%	34.6%	-4.7PP
Net debt ²	606.3	486.9	21.2%
Cash and cash equivalents	214.3	344.0	-33.6%
Key share data and staff	30.6.2023	30.6.2022	Change
Earnings per share (in €) ³	-4.34	1.49	n.a.
Market capitalisation (in €m)	195.8	256.3	-23.6%
Dividend per share (in €) ⁴	1.10	2.25	-51.1%
Staff	276	295	-6.4%

¹ Total Output corresponds to the revenue generated by fully consolidated companies and companies consolidated at equity as well as the sale proceeds from share deals in proportion to the stake held by UBM.

² Net debt equals current and non-current bonds and financial liabilities, excluding leasing liabilities, minus cash and cash equivalents.

³ Earnings per share after the deduction of hybrid capital interest (change in calculation method beginning in 2020); values based on H1 2023.

⁴ The dividend is paid in the respective financial year but is based on profit for the previous financial year.

UBM Development is one of Europe's leading developers of timber construction projects. The strategic focus is on green building and smart office in major cities like Vienna, Munich, Frankfurt and Prague. A Platinum rating from EcoVadis and Prime Status from ISS ESG confirm the consequent focus on sustainability. With 150 years of experience, UBM offers all development services from a single source, from planning to marketing. The shares are listed on the Prime Market of the Vienna Stock Exchange, the segment with the highest transparency requirements.

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