

Publication of insider information according to Article 17 MAR of the Regulation (EU) No 596/2014

ERWE Immobilien AG: Fair value corrections impact net income

- **Preliminary net income at break even due to Corona-pandemic (previous year 8.7m EUR)**
- **NAV declines slightly to 4.12 EUR per share. EPRA NRV rises to 4.87 EUR per share**
- **Significant increase of rental income in the current year expected**

Frankfurt/M., 16. March 2021. ERWE Immobilien AG (ISIN DE000A1X3WX6), Frankfurt/M., has significantly increased its rental income in FY 2020 while the non-audited net result was impacted by the special situation of the Corona pandemic. According to the preliminary results, gross rental income rose by 61% to 5.6m EUR (previous year: 3.5m EUR). In addition to the newly acquired Kupferpassage Coesfeld, the main contributions came from new rental contracts at the portfolio properties in Lübeck and Krefeld, where ERWE has successfully implemented its multi-use concept. In a difficult trading environment the company has hence yet again demonstrated the benefits of its diversification strategy for its portfolio properties.

The preliminary net result was impacted by non-cash fair value corrections of the portfolio properties due to the pandemic. Compared to the previous year, the result from the measurement of investment properties fell by 5.8m EUR to 6.8m EUR. Retail and hotel spaces were negatively affected, particularly at our property in Speyer. The net income reached 0.1m EUR after 8.7m EUR in the previous year.

NAV per share fell only marginally to 4.12 EUR (4.22 EUR in 2019), hence asset valuation of the group has remained relatively stable. Starting in FY 2021, ERWE will switch its asset value reporting from NAV to NRV (Net Reinstatement Value), in line with the recommendation from EPRA. ERWE's NRV has improved in 2020 to 4.87 per share from 4.77 in 2019.

ERWE's equity ratio at the end of 2020 came in at 27.1% while liquid assets amounted to 8.0m EUR.

For 2021 ERWE expects to reach a gross rental income of 7.8-8.5m EUR (+ 40%-50%).

The audited results of FY 2020 will be published on 30 March 2021.

The Management Board

ERWE Immobilien AG focuses on developing a highly profitable mixed-use commercial real estate portfolio in the office, retail, hotel and residential segments. Its preferred sites involve promising downtown locations in German cities and exclusively prime locations in smaller towns and municipalities. ERWE acquires properties whose potential value growth can be sustainably exploited by introducing new utilisation concepts. This way, the company aims to build a highly profitable and valuable portfolio with substantial revenue growth. ERWE Immobilien AG is listed in the Regulated Market (Prime Standard) in Frankfurt and in open trading on the stock exchanges in Frankfurt am Main (XETRA), Berlin, Düsseldorf and Stuttgart (ISIN: DE000A1X3WX6).

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