AROUNDTOWN

Buy (unchanged) **Target: Euro 4.00** (old: Euro 5.00)

25 | November | 2026

Der Spezialist für Finanzaktien

Price (Euro)	**1,59**
52 weeks range	3.25 / 1.31

Key Data

ISIN	LU1673108939
Ticker	AT1
Bloomberg	AT1 GR
Reporting standard	IFRS
Market Cap (Euro million)	2.444
Number of shares (million)	1.537,0
Free Float	49,0%
Free Float Market Cap (Euro million)	1.197
CAGR Adj. EBITDA profit ('25-'28e)	16,2%

Multiples	**2025**	**2026e**	**2027e**	**2028e**
Market Cap/ Total revenues	1,6	1,5	1,5	1,5
PE-Ratio	**2,6**	**4,4**	**2,7**	**2,4**
Dividend Yield	5,0%	7,5%	9,4%	11,3%
Price-to-Book-Ratio	**0,23**	**0,22**	**0,21**	**0,20**
P/ NAV-ratio	**0,21**	**0,20**	**0,19**	**0,18**

Key Data per share (Euro)	**2025**	**2026e**	**2027e**	**2028e**
Earnings per share (EPS)	**0,61**	**0,36**	**0,58**	**0,67**
FFO I per share	**0,26**	**0,28**	**0,31**	**0,32**
Dividend per share (DPS)	**0,08**	**0,12**	**0,15**	**0,18**
EPRA NTA per share	**7,75**	**7,79**	**8,23**	**8,72**

Financial Data (Euro Millions)	**2025**	**2026e**	**2027e**	**2028e**
Revenues (rental income)	**1.543,1**	**1.577,0**	**1.611,7**	**1.650,4**
Capital gains, Prop. Revaluations	385,6	254,0	489,2	461,7
EBITDA profit	1.347,1	1.208,8	1.530,8	1.569,6
Adj. EBITDA profit (cash driven)	**999,3**	**980,8**	**1.070,8**	**1.569,6**
Operating profit (EBIT)	**1.329,4**	**1.186,7**	**1.507,9**	**1.545,0**
Net financial result	-292,1	-352,6	-346,5	-332,0
Pre-tax profit (EBT)	**798,3**	**777,1**	**1.096,3**	**1.171,0**
Taxation	329,6	-147,6	-197,3	-178,1
Net profit after minorities	**665,0**	**377,7**	**593,3**	**678,1**
FFO I	**288,0**	**295,3**	**318,2**	**329,1**
Shareholders' equity (Euro billion)	8,0	8,3	8,8	9,3
Property portfolio (Euro billion)	**24,9**	**25,0**	**25,5**	**26,1**
RoE (after tax)	**4,4%**	**2,5%**	**3,7%**	**4,0%**
Equity ratio (incl. equity minorities)	44,6%	44,2%	43,6%	43,1%

Main Shareholders

Treasury shares	26%
Avisco Group Plc. / Vergepoint	15%
Stumpf Capital GmbH	10%

Financial calendar

2026 annual report	March 2027
1Q 2027 report	May 2027
AGM	June 2027
1H 2027 report	August 2027

Analyst Dipl.-Kfm. Stefan Scharff, *CREA*

E-Mail scharff@src-research.de

Internet www.src-research.de
www.aktienmarkt-international.at
www.aktienmarkt-international.de

9M with higher like-for-like rents and a stable FFO, LEG stake expanded to 25%, balance sheet metrics very solid – still Buy

Aroundtown released the 9M 2026 report today. As in the first half of the year, the company delivered a solid operating performance in a still subdued overall economic environment. **Like-for-like rents increased by 2.6%, driven by strong hikes in residential (+3.5%) and hotels (+4.2%), while even the sluggish office market recorded positive l-f-l rental growth of 1.0%.** Besides the solid rental performance, the significantly higher exposure to residential is another positive. The living segment (residential and hotels) rose from 53% in 2025 to 61% now. The company increased its Grand City Properties stake from 63% to 85% and announced on 20 October the acquisition of a 20% stake in Düsseldorf based LEG, which has been expanded to 24.98% as of today. This financial investment is expected to deliver about 20% FFO accretion on a pro-rata basis after financing costs. Consequently, management narrowed its full year 2026 FFO I guidance upwards to Euro 285m to Euro 305m (previously Euro 275m to Euro 305m). The same applies to the FFO I per share guidance, where the range was adjusted from Euro 0.24 to Euro 0.27 to the new range Euro 0.26 to Euro 0.27. As the previous year was flattered by a positive revaluation picture of Euro 384m (9M 2026: Euro 2m) and a high one-time deferred tax income of Euro 230m (9M 2026: Euro -18m), the operating profit came down from Euro 1.1bn to Euro 711m (-36%) and the profit for the period more than halved from Euro 882m to Euro 332m.

The balance sheet remains healthy even after the major steps to increase the residential exposure. The LTV stood at 45% at the end of 9M within the targeted range (41% in Dec. 2025). The unencumbered assets are still very high at Euro 17.3bn (70% of assets by rent) and liquidity position is still at a high Euro 2.2bn plus over Euro 1bn undrawn credit lines. The EPRA LTV is at 60%, just slightly above the December level of 58%. With a higher interest rate environment, the cost of debt were up from 2.3% in 2025 to 2.6% in 9M 2026. Nevertheless, FFO I remained quite stable at Euro 215m, after Euro 221m last year. By buying the LEG shares far below their NAV level, the company will report a one off profit in the 2026 report of more than Euro 1bn. Aroundtown continues the capital rotation to shift portfolio into asset classes with stronger long-term fundamentals and to mitigate its risk profile.

Even if we see a rising possibility for a down-valuation of commercial assets due to the overall sluggish market, we expect good overall 2026 numbers to come in March, driven by the ongoing stable operating performance and letting success as well as the continued high pace of capital rotation. There is very steady progress in the disposal program. The disposals stood at Euro 380m at 9M 2026, after Euro 460m and Euro 440m in the last two years. With Euro 500m in the held-for-sale portfolio, the portfolio streamlining will continue with high momentum next year. We keep our Buy given the solid 9M picture, but lower our target to Euro 4.00, reflecting the commercial valuation headwinds.

THOMSON REUTERS ANALYST AWARDS 2017 WINNER
THOMSON REUTERS ANALYST AWARDS 2018 WINNER
SRC Der Spezialist für Finanzaktien

Aroundtown SA

Industry:	Real Estate
Sub-segments:	Commercial (incl. Hotel)/ Residential
Target Countries:	Germany
Registered	Luxembourg
German Office:	Berlin
Foundation:	2004
Employees:	1621
IR Contact:	Timothy Wright
Email	info@aroundtownholdings.com
Credit Rating:	BBB by S&P (Investment Grade)
Stock exchange:	Prime Standard Frankfurt
ISIN:	LU1673108939
Bloomberg:	AT1 GR

MANAGEMENT

Barak Bar-Hen CEO & COO	Timothy Wright CCMO	Jonas Tintelnot CFO	Limor Bermann CSO

Frank Roseen Director	Jelena Afxentiou Director	Markus Kreuter Indep. Director
Markus Leininger Indep. Director	Simone Runge- Indep. Director	Ran Laufer Non-Exec. Director
Daniel Malkin Indep. Director		

ADVISORY BOARD

Dr. Gerhard Cromme **Chairman**

Yakir Gabay

Claudio Jarczyk

Founded in 2004, AROUNDTOWN SA ("AT1") is a real estate investment company specializing in identifying and investing in value-add and income generating properties. Aroundtown SA is listed in the German Prime Standard since June 2017 and member of German MDax index.

AT's primary real estate target markets are ecoconomically attractive and densely populated regions in Germany. The company is active in both the commercial as well as the residential real estate sector. Nonetheless, it more plays an active role in the commercial sector since the residential exposure within the portfolio is represented by an interest in the publicly listed company Grand City Properties ("GCP") with a stake of 63% as of FY 2025, which is being fully consolidated since 1 July 2021. The firm's total portfolio currently amounts to Euro 25bn. Office properties have a share of 34% relatively to the total portfolio of investment properties based on appraisal values and residential properties stand for 33%. The hotel share stands at 20%. The rest is retail, logistics and others as well as development rights. The company is very much geared to continue its capital recycling program to sell non-core or mature assets and to buy properties or projects with a high value accretion potential. Here one important topic are conversion projects from outdated offices to serviced apartments or other types of residential use.

AT comes along with a well-experienced management team where each member supplements the team with a distinctive professional background in various fields like investment banking, real estate investment and asset management and project development for instance. AROUNDTOWN targets turnaround opportunities of distressed and/or mismanaged properties and has a strong track record with regard to property turnaround by working out sound individual business plans. Detailed property-related data are deliberately not diclosed. AT argues that they are doing so in order to direct investors' attention on the bottom line on company level rather than being monitored on the performance of each individual property. Currently, the firm sells assets but is also looking for intersting opportunities in commercial and residential poperties, where assets are under-valued or under-managed or in an under-rent situation. With a high cash balance of over Euro 4.0bn, additional undrawn credit lines of another 900m and a solid balance sheet with a 45% equity ratio and a decreasing LTV of 41% in 2025 (2024: 42%), we see the firm in a decent position despite the still challenging market and believe that once the conditions are more favourable again, the firm will translate the superior portfolio in much higher earnings. And investors will profit as the firm strives to pay-out about a higher 50% stake of FFO I result in dividends from FY 2026 on. The firm starts to pay a dividend in 2026 for FY 2025 (8 Cents), after skipping dividend in the difficult years 2022, 2023, 2024 which were coined by Covid pandemic and the German recession. The firm has a BBB / stable outlook investment grade S & P rating. Furthermore, the company has a 8.7 ESG rating from Sustainalytics which makes the Top 4% in the Real Estate Industry (2026 Sustainalytics Global ESG Leader Badge). Furthermore the company improved the ISS ESG rating from C to C+, making them top 20% of Real Estate sector in the ISS ESG Real Estate sector.

Aroundtown is part of the DAX ESG Index and ranked as the highest ESG ranked real estate constituent of the index. The company is also a member in the second highest German MDAX equity index.

PORTFOLIO OVERVIEW SEPTEMBER 2026

AROUNDTOWN SA

Portfolio by asset type not incl. held for sale	Investment property (€m)[3]	Lettable area (k sqm)	EPRA Vacancy[1][4]	Annualized net rent (€m)[5]	In-place rent/sqm (€)	Value/sqm (€)	Rental Yield	WALT (years)
Office	8,469	2,848	13.8%	418	13.8	2,974	4.9%	4.5
Residential	8,358	3,473	3.1%	414	10.1	2,406	5.0%	NA
Hotel	5,046	1,459	2.0%	252	14.8	3,458	5.0%	13.0
Logistics/Other	441	362	7.7%	24	5.8	1,219	5.5%	5.0
Retail	1,102	473	12.5%	53	10.5	2,332	4.8%	5.3
Development rights & Invest[2]	1,944							
Total	**25,360**	**8,615**	**7.6%**	**1,161**	**11.9**	**2,718**	**5.0%**	**7.4**
Total pro-forma, incl. 24.98% in LEG	**30,306**	**11,386**	**6.8%**	**1,394**	**10.9**	**2,470**	**4.9%**	**7.4**

Source: Company Data, SRC Research

THOMSON REUTERS ANALYST AWARDS 2017 WINNER
THOMSON REUTERS ANALYST AWARDS 2018 WINNER
SRC Der Spezialist für Finanzaktien

AROUNDTOWN SA *31/12 IFRS (Euro Millions)*	2022	2023	2024	2025	2026e	2027e	2028e	CAGR '25 - '28e
Revenues	**1.609,9**	**1.602,8**	**1.542,3**	**1.543,1**	**1.577,0**	**1.611,7**	**1.650,4**	**2,3%**
Capital gains, property revaluations and others	**-497,3**	**-3.217,5**	**-125,4**	**385,6**	**254,0**	**489,2**	**461,7**	
Share in profit from investment in equity-accounted investees	5,9	-149,8	-42,5	15,1	25,9	59,9	78,4	
Property-related operating expenses	-694,9	-638,4	-550,2	-549,0	-607,2	-588,3	-578,3	
thereof depreciation and amortization	-21,1	-17,9	-20,2	-17,7	-22,1	-22,9	-24,6	
Administrative and other expenses	-62,5	-64,7	-65,7	-65,4	-63,1	-65,7	-67,2	
Operating profit (EBITDA)	**382,2**	**-2.449,7**	**778,7**	**1.347,1**	**1.208,8**	**1.530,8**	**1.569,6**	**5,2%**
Operating Profit (EBIT)	**361,1**	**-2.467,6**	**758,5**	**1.329,4**	**1.186,7**	**1.507,9**	**1.545,0**	**5,1%**
Impairement of goodwill	-404,3	-137,0	-46,0	-239,0	-57,0	-65,0	-42,0	
Finance expenses	-184,8	-230,1	-235,2	-243,0	-270,2	-281,0	-276,5	
Other financial results	-194,1	-14,4	-31,0	-49,1	-82,4	-65,5	-55,5	
Net financial result	**-378,9**	**-244,5**	**-266,2**	**-292,1**	**-352,6**	**-346,5**	**-332,0**	
Pre-tax profit (EBT)	**-422,1**	**-2.849,1**	**446,3**	**798,3**	**777,1**	**1.096,3**	**1.171,0**	**13,6%**
Tax (cash and deferred)	-35,0	422,7	-137,0	329,6	-147,6	-197,3	-178,1	
Net profit before minorities	**-457,1**	**-2.426,4**	**309,3**	**1.127,9**	**629,4**	**899,0**	**992,9**	**-4,2%**
Minorities and perpetual notes investors	-188,0	438,8	-256,4	-462,9	-251,8	-305,7	-314,8	**-12,1%**
Net profit after minorities	**-645,1**	**-1.987,6**	**52,9**	**665,0**	**377,7**	**593,3**	**678,1**	**0,7%**
Number of shares (weighted average, excl. treasury shares)	**1.109,9**	**1.093,0**	**1.093,6**	**1.094,0**	**1.045,7**	**1.025,2**	**1.014,1**	
Earnings per share (EPS, basic)	**-0,58**	**-1,82**	**0,05**	**0,61**	**0,36**	**0,58**	**0,67**	
Earnings per share (EPS, diluted)	**-0,58**	**-1,82**	**0,05**	**0,61**	**0,36**	**0,58**	**0,67**	
Dividend per share (DPS)	0,00	0,00	0,00	0,08	0,12	0,15	0,18	
EBITDA	**382,2**	**-2.449,7**	**778,7**	**1.347,1**	**1.208,8**	**1.530,8**	**1.569,6**	**5,2%**
Adjusted EBITDA	**878,8**	**1.002,9**	**1.014,4**	**999,3**	**980,8**	**1.070,8**	**1.569,6**	**16,2%**
FFO I	**362,7**	**332,0**	**315,5**	**288,0**	**295,3**	**318,2**	**329,1**	**4,5%**
FFO I per share	**0,33**	**0,30**	**0,29**	**0,26**	**0,28**	**0,31**	**0,32**	**7,2%**
Shareholders' Equity (without minorities)	**9.585,3**	**7.643,3**	**7.630,2**	**8.005,1**	**8.295,2**	**8.763,1**	**9.287,4**	**5,1%**
Shareholders' Equity (including minorities)	**17.823,4**	**15.149,7**	**15.009,7**	**15.021,8**	**15.535,1**	**16.378,5**	**17.323,7**	
EPRA NTA	**10.775,3**	**8.058,7**	**8.165,4**	**8.502,5**	**8.545,0**	**9.026,9**	**9.567,0**	**4,0%**
Balance Sheet sum	37.347,1	33.559,3	33.619,9	33.690,6	35.155,9	37.535,3	40.230,1	
Equity Ratio	47,7%	45,1%	44,6%	44,6%	44,2%	43,6%	43,1%	
RoE (after tax)	-3,5%	-12,1%	0,4%	4,4%	2,5%	3,7%	4,0%	
Property portfolio (including equity-accounted investees)	**27.981,0**	**24.632,4**	**24.375,3**	**24.916,0**	**24.965,8**	**25.490,1**	**26.127,4**	
Book Value per share (Euro) - undiluted	**8,76**	**6,99**	**6,96**	**7,30**	**7,56**	**7,99**	**8,47**	**5,1%**
EPRA NTA per share (Euro) - undiluted	**9,85**	**7,36**	**7,45**	**7,75**	**7,79**	**8,23**	**8,72**	**4,0%**

SRC Research
- Der Spezialist für Finanz- und Immobilienaktien -

SRC - Scharff Research und Consulting GmbH
Visiting address:
Dahmestr. 5
D-12527 Berlin
Germany
Fon: +49 (0)170/ 316 12 08
Mail: scharff@src-research.de
Internet: www.src-research.de

Rating chronicle:

Company	Date	Rating	former share price	former target
Aroundtown	October 21, 2026	Buy	1,35 €	5,00 €
Aroundtown	August 26, 2026	Buy	2,03 €	5,00 €
Aroundtown	May 27, 2026	Buy	2,55 €	5,00 €
Aroundtown	March 5, 2026	Buy	2,61 €	5,00 €
Aroundtown	February 16, 2026	Buy	2,79 €	4,50 €
Aroundtown	November 26, 2025	Buy	3,19 €	4,50 €
Aroundtown	August 27, 2025	Buy	3,29 €	4,00 €
Aroundtown	May 28, 2025	Buy	2,69 €	3,20 €
Aroundtown	March 27, 2025	Buy	2,43 €	3,20 €
Aroundtown	November 27, 2024	Buy	2,00 €	3,50 €

Please note:
The share price mentioned in this report is from 24 November 2026. AROUNDTOWN SA mandated SRC Research for covering the share.

Disclaimer © 2026: This equity research report is published by: SRC-Scharff Research und Consulting GmbH, District Court of Darmstadt (HRB 107365), visiting address Dahmestrasse 5, 12527 Berlin, Germany (short name: SRC Research). All rights reserved.

Although we feel sure that all information in this SRC report originates from carefully selected sources with high credibility, we cannot give any guarantee for accuracy, trueness and completeness. All opinions quoted in this report give the current judgement of the author which is not necessarily the same opinion as SRC-Scharff Research und Consulting GmbH or another staff member. All the opinions and assessment made in this report may be changed without prior notice. Within the scope of German regulative framework the author and SRC-Scharff Research und Consulting GmbH do not assume any liability for this document or its content being used. This report is solely for information purposes and does not constitute a request or an invitation or a recommendation to buy or sell any stock that is mentioned here. Private clients should obtain personal advice at their bank or investment house and should keep in mind that prices and dividends of equities can rise and fall and that nobody can give a guarantee of the future development of equities. The author of this report and the SRC-Scharff Research und Consulting GmbH commit themselves on a unsolicited basis to having no long or short-positions in equities or derivatives related to equities mentioned in this report.
Reproduction, distribution or publishing this report and its content as a whole or in parts is only allowed with approval of SRC management written form. With acceptance of this document you agree with all regulations mentioned here and all general terms and conditions you will find at anytime at our website www.src-research.de.