

| | | | | |
|---|---|----------------|----------------|------------------|
| Price (Euro) | 38,30 | | | |
| 52 weeks range | 38.30 / 24.30 | | | |
| Key Data | | | | |
| ISIN | AT0000641352 | | | |
| Reuters | CAIV.VI | | | |
| Bloomberg | CAI AV | | | |
| Reporting standard | IFRS | | | |
| Market Cap (Euro million) | 4.076 | | | |
| Number of shares (million) | 106,4 | | | |
| Free Float | 38% | | | |
| Free Float Market Cap (Euro million) | 1.549 | | | |
| CAGR EBITDA cash profit ('20 - '23e) | 11,1% | | | |
| Multiples | 2020 | 2021e | 2022e | 2023e |
| Market Cap/ Total revenues | 11,7 | 11,0 | 10,3 | 9,8 |
| PE-Ratio | 14,0 | 14,0 | 16,4 | 14,0 |
| Dividend Yield | 2,6% | 9,4% | 9,7% | 3,4% |
| Price-to-Book-Ratio | 1,14 | 1,16 | 1,20 | 1,15 |
| P/ NAV-ratio | 0,96 | 0,95 | 0,89 | 0,85 |
| Key Data per share (Euro) | 2020 | 2021e | 2022e | 2023e |
| Earnings per share (EPS) | 2,73 | 2,74 | 2,33 | 2,73 |
| Dividend per share (DPS) | 1,00 | 3,60 | 3,70 | 1,30 |
| Book Value per Share (BVPS) | 33,63 | 32,95 | 31,85 | 33,19 |
| EPRA NTA per share | 40,09 | 40,45 | 42,85 | 45,12 |
| Financial Data (Euro '000) | 2020 | 2021e | 2022e | 2023e |
| Total revenues incl net disposal gains | 348.913 | 368.969 | 395.402 | 417.478 |
| Rental income | 235.609 | 248.778 | 265.443 | 271.999 |
| Admin expenses | -73.176 | -53.747 | -53.944 | -55.102 |
| EBITDA profit (cash-driven) | 195.584 | 234.948 | 247.315 | 268.120 |
| Net result from revaluations | 183.499 | 250.672 | 116.403 | 141.802 |
| Operating profit (EBIT) | 375.448 | 482.790 | 360.199 | 411.322 |
| Net financial result | -27.154 | -108.149 | -53.447 | -56.701 |
| Pre-tax profit (EBT) | 348.295 | 374.641 | 306.752 | 354.621 |
| Taxation | -94.341 | -99.035 | -72.410 | -79.984 |
| Net profit after minorities | 253.948 | 275.586 | 234.330 | 274.608 |
| Shareholders' equity (Euro million) | 3.128 | 3.316 | 3.205 | 3.340 |
| Property assets let (Euro million) | 4.736 | 5.115 | 5.461 | 5.793 |
| Property assets under development | 702 | 1.056 | 846 | 815 |
| RoE (pre-tax) | 11,1% | 11,3% | 9,6% | 10,6% |
| RoE (after tax) | 8,3% | 8,6% | 7,2% | 8,4% |
| Equity ratio | 45,9% | 46,7% | 43,9% | 45,2% |
| Main Shareholders | | | | |
| Starwood | 57% | | | |
| Own shares | 5% | | | |
| Financial calendar | | | | |
| 9M 2021 report | | | | 24 November 2021 |
| 2021 annual report | | | | 23 March 2022 |
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Core shareholder calls for the distribution of a Euro 5.00 special dividend in 2 tranches – Buy and € 42.00 affirmed

Yesterday evening, the management announced in an ad-hoc that the 57% majority shareholder SOF-11 Klimt CAI S.à r.l. (a company managed by the Starwood Capital Group), asks to convene an Extraordinary General Meeting in the next weeks for the purpose of adopting a resolution on the distribution of a € 5.00 special dividend in two tranches of € 2.50 each. The first Euro 2.50 “basic additional dividend” is to be paid on 15 December. A second special distribution, the so-called Euro 2.50 “super dividend”, is to be paid next year, on 15 March 2022, if there is no legal distribution restriction and there is enough liquidity in the company.

With more than 100 million outstanding shares (after deducting the 5.8 million treasury shares) a high Euro 5.00 special dividend means a dividend payment of more than Euro 500m. With a current share price around Euro 38.00 that is a very decent yield of over 13%. Keep in mind that CA Immo already paid a stable Euro 1.00 regular dividend in May 2021 for the last FY 2020, despite a more challenging Covid impacted economic framework. **The news begs the question if the major shareholder does not see enough opportunities that CA Immo expands the business with superior and modern green office space with all the available cash? The cash position was up 4% in the first half of the year, from Euro 935m to Euro 974m. With other short term assets the half-year cash position was even above Euro 1bn, at Euro 1.057bn.**

In our view, the answer is, CA Immo’s strength of balance sheet allows for both, a continuation of the profitable path of (quite steep) growth and a high extraordinary cash payment for the shareholders. The balance sheet is rock-solid with a half-year equity ratio of 49.3%, a net LTV below 30% (only 28.6% at 1H 2021), a net gearing down from 60% at year-end 2020 to only 48% at half-year 2021. Furthermore, the Operating Cash Flow in half-year was jumping and doubled from Euro 53m to Euro 106m. The operating EBITDA profited from a very good letting performance, a higher property sales result and lower indirect expenses and climbed +27% from Euro 90m to Euro 115m. The FFO II including the trading was up 12% to Euro 72m.

The ongoing capital rotation program helped to increase the portfolio quality and stability, by selling non-strategic assets like in Bratislava and some non-strategic German land plots. The second half of 2021 gave some more positive news like selling non-strategic Budapest Canada Square office in September and Meininger Hotel Downtown Franz in Vienna on 2 November. On the letting side the company also made some more significant progress in the second half of the year with prolongation and expansion of rental space with pharmaceutical giant Astra Zeneca in Warsaw. There were also new rental contracts for the newly completed Prague office buildings Mississippi and Missouri bringing up future cash flows.

All in all, the high dividend payment might bring down NAV and equity ratio for a short time, but the balance sheet and the current success in business operations is strong enough to offset, the more as we expect good numbers for the second half of the year to follow with 9M and full year reports. The 13% yield speaks for the CAI stock to continue the decent share price performance. Still Buy and still € 42.00 target price.

CA Immobilien Anlagen AG

Industry: Real Estate
Sub-segment: Office/ Commercial
Country: Austria
Headquarter: Vienna
Foundation: 1990
Employees (year-end 2019): 437

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Management Board of CA Immo
Andreas Quint (CEO)
Keegan Viscius (CIO)
Dr. Andreas Schillhofer (CFO)

Supervisory Board of CA Immo
Torsten Hollstein (Chairman)
Dr. Monika Wildner (Deputy Chairman)
Prof. Dr. Klaus Hirschler
Jeffrey G. Dishner
Georg Edinger
Walter Sonnleitner
Nicole Kubista
Sarah Broughton
Laura M. Rubin
Sebastian Obermayer

Founded in 1987 CA Immo is one of the major property owners in Europe. The Vienna-based company is a specialist in property management and the development of premium large-scale office properties as well as mixed city quarters and had on year-end 2020 a gross asset value of about Euro 5.6bn allocated in Germany (47%, mainly Berlin, Frankfurt and Munich), Austria (11%, mainly Vienna) and CEE (42%, mainly Warsaw, Budapest, Prague and Bucharest).

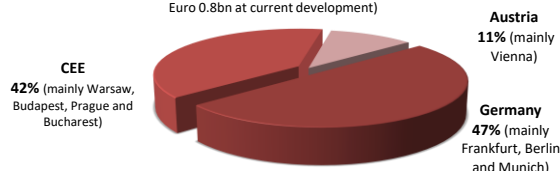
In the last years CA Immo further sharpened its specialist profile, especially by disposing some non-strategic assets like logistics assets or assets which do not belong to the core regions of activity. By doing this, CA Immo rebalanced the group's portfolio picture towards office and towards the more stable economies of Germany and Austria and some promising markets in CEE like Budapest and Bucharest, gaining a critical mass by some landmark acquisitions in the last four years (Millenium Towers in Budapest and Campus 6.1 in Bucharest in former years and Warsaw Postepu 14 office in 2020 to give three examples). Another important focus besides the sharpening of the profile by selling non-core assets was to grow the portfolio by several significant own developments (also developing the own residential land bank) and by acquisitions which make sense to strongly and sustainably uplift the future FFO results. The 2018 net rental income jumped by 7% to Euro 175m and again by more than 11% to Euro 195m in 2019. The pandemic year 2020 offered another significant 8% jump to almost Euro 210m. The FFO I jumped by 11% to Euro 118.5m in 2018 and even surged 12.5% in 2019 to Euro 133.3m. The pandemic year 2020 offered a quite stable FFO I of Euro 133.8m. Keep in mind that the 2019 FFO was flattered by more than 4m in Immofinanz dividend payment, which was not included in the 2020 numbers. In 2020 CA Immo completed two developments, one in Berlin and one in Munich, and expanded the portfolio by three acquisitions (two in Berlin, one in Warsaw). These properties will contribute to the rental top-line from 2021 on as well as three completions coming throughout the year (one in Mainz / Germany and two in Prague). On the trading side, the CUBE Berlin with 17k sqm (investment volume Euro 114m) with the highest standards in sustainability and technology (DGNB Gold) was completed in 1H 2020 and handed over to Nuveen Real Estate in July 2020. In the course of capital rotation the company recently exited the markets in Croatia, in October 2020 with the sale of Zagrebtower, and Slovakia, in March 2021, with the sale of two office properties.

Another highlight of the last years was the significant reduction of the financing costs. The average cost of debt remarkably came down, from an initial 2.3% at year-end 2016 to 1.9% at year-end 2017 and to only 1.7% at year-end 2018. It remained on this very low level in 2019. In 2020 the cost of debt even declined to 1.5%. The optimisation of the financing structure was completed by an inaugural Euro 500m Benchmark Bond issued in January 2020, with a 7 years duration and a coupon of only 0.875% (final yield 0.998%). A second Euro 350m green bond also came in last year with a 5 years duration and a 1.0% coupon. This issues helped in a challenging COVID-19 pandemic year as well as the comfortable debt maturity profile and the rock solid balance with an equity ratio of 46%, a net LTV of only 34% and liquid funds of Euro 935m at year-end 2020.

CAI is listed on Vienna Stock Exchange since 1988 and member of ATX Blue Chip index and clearly beat the ATX performance in 2018 as well as in 2019 (+36% / ATX: +16%). The firm will maintain to pay a high 70% of the FFO I cash earnings as dividend to the shareholders. Thus, the dividend remains stable at Euro 1.00 for FY 2020. For the next years the firm has about Euro 280m land reserves to develop / exploit, which are almost 100% in Germany (more or less a split of Frankfurt, Munich and Berlin) and would offer a high additional approx. Euro 4.2bn book value potential to be realized in the next ten years. The current development portfolio of about Euro 1bn is over 90% for the own standing portfolio and should be more or less realized within the next four years. The newest addition to development portfolio is the Upbeat highrise in Berlin for DKB bank with 35k sqm to be finished until 2025. A rental contract with DKB bank for the full space was signed in March 2021. Another development highlight is the Frankfurt based ONE highrise, which is to be finished in the first half of next year and has a current pre-let status of c. 50% (68k sqm).

Euro 5.6bn property portfolio at the year-end 2020

(thereof Euro 4.8bn property assets let and
Euro 0.8bn at current development)



Source: Company Data, SRC Research

CA Immobilien Anlagen AG

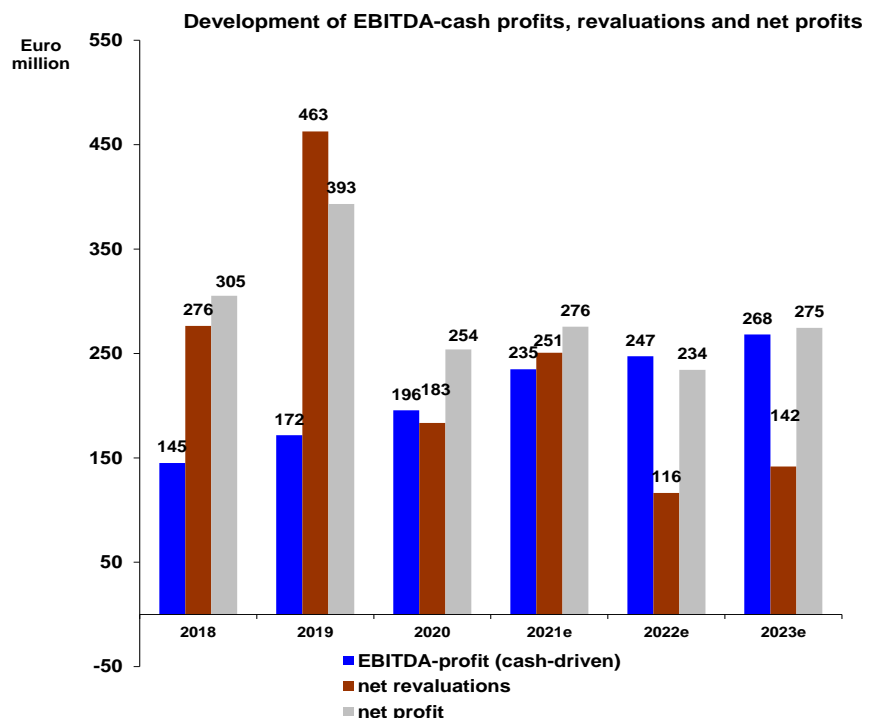
31/12 IFRS ('000)

| | 2017 | 2018 | 2019 | 2020 | 2021e | 2022e | 2023e | CAGR '20 - '23e |
|---|------------------|------------------|------------------|------------------|-------------------|------------------|------------------|-----------------|
| Rental income | 180.281,0 | 192.440,0 | 220.730,0 | 235.609,0 | 248.778,0 | 265.443,0 | 271.999,4 | 4,9% |
| Proceeds from property sale (Trading Portfolio) | 29.216,0 | 44.417,0 | 12.344,0 | 43.335,0 | 56.447,0 | 87.951,0 | 112.443,0 | |
| Expenses from property disposal (Trading Portfolio) | -15.664,0 | -37.011,0 | -13.617,0 | -35.387,0 | -42.583,0 | -64.138,0 | -83.737,0 | |
| Subtotal Trading Portfolio sale margin (Trading Portfolio) | 13.552,0 | 7.406,0 | -1.273,0 | 7.948,0 | 13.864,0 | 23.813,0 | 28.706,0 | |
| Proceeds from property sale (Hold Portfolio) | 107.849,0 | 45.842,0 | 45.312,0 | 200.076,0 | 178.447,0 | 115.441,0 | 145.003,0 | |
| Expenses from property disposal (Hold Portfolio) | -75.717,0 | -37.616,0 | -29.662,0 | -156.146,0 | -138.781,0 | -91.254,0 | -114.772,0 | |
| Result from property sales (Hold Portfolio) sale margin (Hold Portfolio) | 32.132,0 | 8.226,0 | 15.650,0 | 43.930,0 | 39.666,0 | 24.187,0 | 30.231,0 | |
| Operating costs passed on to tenants | 51.263,0 | 55.828,0 | 51.757,0 | 53.260,0 | 57.203,0 | 71.445,0 | 75.668,0 | |
| Revenues from construction | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | |
| Income from services | 11.109,0 | 12.145,0 | 8.500,0 | 8.166,0 | 9.458,0 | 10.514,0 | 10.874,0 | |
| Total revenues including the net gains from disposals | 288.337,0 | 276.045,0 | 295.364,0 | 348.913,0 | 368.969,0 | 395.402,0 | 417.478,4 | 6,2% |
| Operating expenses | -55.696,0 | -60.107,0 | -55.326,0 | -57.738,0 | -56.114,0 | -59.143,0 | -62.101,0 | |
| Other expenses directly related to Hold-Portfolio | -12.489,0 | -12.961,0 | -22.410,0 | -21.466,0 | -24.700,0 | -30.004,0 | -30.550,0 | |
| Expenses for construction | -2.845,0 | -6.141,0 | -3.157,0 | -2.154,0 | -1.447,0 | -6.554,0 | -3.225,0 | |
| Admin expenses | -44.618,0 | -53.246,0 | -43.464,0 | -73.176,0 | -53.746,9 | -53.944,0 | -55.102,0 | |
| Own works capitalised | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | |
| Other operating income | 1.051,0 | 1.485,0 | 721,0 | 1.204,0 | 1.987,0 | 1.558,0 | 1.620,0 | |
| EBITDA-profit (cash-driven operating profit) | 173.740,0 | 145.075,0 | 171.728,0 | 195.584,0 | 234.948,1 | 247.315,0 | 268.120,4 | 11,1% |
| Gains from Fair Value Adjustments (IAS 40) | 182.045,0 | 293.220,0 | 491.752,0 | 352.110,0 | 305.445,0 | 151.114,0 | 155.243,0 | |
| Losses from Fair Value Adjustments (IAS 40) | -78.021,0 | -16.759,0 | -28.985,0 | -168.611,0 | -54.773,0 | -34.711,0 | -13.441,0 | |
| Net result from Revaluations (IAS 40) | 104.024,0 | 276.461,0 | 462.767,0 | 183.499,0 | 250.672,0 | 116.403,0 | 141.802,0 | |
| Depreciation and amortisation of long-term assets | -2.658,0 | -2.385,0 | -4.626,0 | -4.662,0 | -5.020,0 | -5.054,0 | -1.030,0 | |
| Depreciation of properties of Trading-Portfolio | -1.189,0 | -234,0 | 95,0 | -871,0 | -185,0 | -320,0 | -20,0 | |
| Result from investments in joint ventures | 66.585,0 | 23.354,0 | 3.729,0 | 1.898,0 | 2.374,4 | 1.855,0 | 2.450,0 | |
| Operating Profit (EBIT) | 340.502,0 | 442.271,0 | 633.693,0 | 375.448,0 | 482.789,5 | 360.199,0 | 411.322,4 | 3,1% |
| Net financial result | -40.683,0 | -46.071,0 | -94.363,0 | -27.154,0 | -108.149,0 | -53.447,0 | -56.701,0 | |
| Pre-tax profit (EBT) | 299.819,0 | 396.200,0 | 539.330,0 | 348.295,0 | 374.640,5 | 306.752,0 | 354.621,4 | 0,6% |
| taxes on income | -64.960,0 | -90.896,0 | -146.026,0 | -94.341,0 | -99.035,0 | -72.410,0 | -79.984,0 | |
| tax-rate | 21,7% | 22,9% | 27,1% | 27,1% | 26,4% | 23,6% | 22,6% | |
| minorities | -5,0 | -11,0 | -21,0 | -5,0 | -20,0 | -12,5 | -29,0 | |
| Net Profit after minorities | 234.854,0 | 305.293,0 | 393.283,0 | 253.948,0 | 275.585,5 | 234.329,5 | 274.608,4 | 2,6% |
| number of shares without own shares ('000) | 93.226,3 | 93.028,3 | 93.028,3 | 93.028,3 | 100.645,1 | 100.645,1 | 100.645,1 | |
| Earnings per share (Euro) | 2,52 | 3,28 | 4,23 | 2,73 | 2,74 | 2,33 | 2,73 | 0,0% |
| Dividends per share (Euro) | 0,80 | 0,90 | 1,00 | 1,00 | 3,60 | 3,70 | 1,30 | |
| Book Value per share (Euro) | 25,73 | 28,37 | 31,90 | 33,63 | 32,95 | 31,85 | 33,19 | -0,4% |
| EPRA NTA per share (Euro) | 29,90 | 33,30 | 38,33 | 40,09 | 40,45 | 42,85 | 45,12 | |

Key Data

| | | | | | | | | |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|-------------|
| Shareholders' Equity | 2.398.459,0 | 2.639.635,0 | 2.967.884,0 | 3.128.218,0 | 3.316.168,5 | 3.205.447,6 | 3.340.076,4 | 2,2% |
| Property assets let (only fully owned from 2014 on) | 3.155.736 | 3.514.700 | 4.023.700 | 4.736.000 | 5.114.880 | 5.461.030 | 5.793.021 | |
| thereof Germany ('000) | 1.262,3 | 1.311,3 | 1.576,7 | 2.271,4 | 2.455,1 | 2.566,7 | 2.780,7 | |
| thereof Austria ('000) | 536,5 | 513,6 | 517,2 | 524,7 | 578,0 | 562,5 | 596,7 | |
| thereof CEE and SEE ('000) | 1.357,0 | 1.689,8 | 1.929,8 | 1.939,9 | 2.081,8 | 2.331,9 | 2.415,7 | |
| Gross yield property assets let | 5,9% | 5,8% | 5,5% | 5,2% | 4,9% | 4,8% | 4,8% | |
| Vacancy rate property assets let* | 10,5% | 5,6% | 3,9% | 5,2% | 8,1% | 8,5% | 7,9% | |
| Property assets under current construction | 579.295 | 406.100 | 597.400 | 701.600 | 1.056.041 | 845.741 | 814.571 | 5,1% |
| RoE (pre-tax) | 12,5% | 15,0% | 18,2% | 11,1% | 11,3% | 9,6% | 10,6% | |
| RoE (after tax) | 10,2% | 12,1% | 14,0% | 8,3% | 8,6% | 7,2% | 8,4% | |
| Total balance sheet sum | 4.768.707,6 | 5.355.504,0 | 5.888.690,0 | 6.820.289,0 | 7.099.920,8 | 7.305.108,6 | 7.385.920,0 | 2,7% |
| Equity ratio | 50,3% | 49,3% | 50,4% | 45,9% | 46,7% | 43,9% | 45,2% | |

* from 2018 shown as economic vacancy rate



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| Rating Chronicle | Date | Rating | former share price | former target |
|------------------|-------------------|------------|--------------------|---------------|
| CA Immo | August 26, 2021 | Buy | 36,55 € | 42,00 € |
| CA Immo | May 27, 2021 | Buy | 35,60 € | 41,00 € |
| CA Immo | March 25, 2021 | Buy | 35,90 € | 41,00 € |
| CA Immo | January 29, 2021 | Accumulate | 35,70 € | 39,00 € |
| CA Immo | November 26, 2020 | Buy | 29,45 € | 37,00 € |
| CA Immo | August 25, 2020 | Buy | 26,65 € | 37,00 € |
| CA Immo | May 28, 2020 | Buy | 28,75 € | 35,00 € |
| CA Immo | March 30, 2020 | Accumulate | 29,05 € | 33,00 € |
| CA Immo | November 21, 2019 | Accumulate | 34,75 € | 37,50 € |
| CA Immo | August 22, 2019 | Accumulate | 31,55 € | 36,00 € |
| CA Immo | May 22, 2019 | Hold | 34,15 € | 36,00 € |
| CA Immo | April 2, 2019 | Accumulate | 31,90 € | 36,00 € |

Please note:

The CA Immo share price mentioned in this report is from 4 November 2021 (02:45 pm Vienna time). CA Immo mandated SRC Research for covering the CA Immo share.

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