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Noratis AG with scheduled, profitable business development during the 1st half-year 2020

- Number of residential units rises to more than 3,000
- Turnover of EUR 14.0m, consolidated net income EUR 1.6m
- Focus on a significant extension of the real estate portfolio in line with the strategy

Eschborn, 27 August 2020 – Noratis AG (ISIN: DE000A2E4MK4, WKN: A2E4MK, “Noratis”) has recorded a positive business development in line with its expectations during the 1st half-year 2020. In accordance with the planned extension of its real estate portfolio, the leading portfolio developer of residential properties in Germany acquired a total of 753 units during the 1st half-year, for 155 units of which the transfer of benefits and encumbrances has already taken place. As scheduled, 32 apartments were sold, all within the framework of already started privatisations.

As a result, the real estate portfolio increased to 2,530 units as at the end of June 2020, versus 1,778 units a year ago. Taking into account the other properties already secured by a purchase and sales contract, the real estate portfolio increased to more than 3,000 units throughout Germany at the end of the half-year. On the one hand, Noratis has extended existing locations, mainly in the Rhine/Main region, the metropolitan region Hannover-Braunschweig-Göttingen-Wolfsburg and the Leipzig region. With acquisitions in Emden and the Upper Palatinate in Bavaria the company has, moreover, developed two new locations. During the further course of the year Noratis plans to continue to enlarge its portfolio.

As a result of the significant expansion of the real estate portfolio, the rental income increased during the 1st half-year 2020 to EUR 8.0m after EUR 5.9m during the prior year period. Following the planned low sales, the turnover, which includes sales revenues and rental income, has decreased, as anticipated, to EUR 14.0m after EUR 47.7m during the prior year period. Earnings before interest and taxes (EBIT) amounted to EUR 4.2m after EUR 8.8m during the 1st half-year 2019. The consolidated net income was at EUR 1.6m after EUR 5.0m before. Despite the corona pandemic, the goals set for the portfolio extension and the results on a German GAAP (HGB) basis have been achieved for the first half-year. Positive value developments of real properties are only recognised in the profit and loss account upon the sale of the properties; appreciations in the real estate holdings are, therefore, not included in the numbers.

Igor Christian Bugarski, CEO of Noratis AG: “We are very happy with the business development of the 1st half-year. We have significantly extended our real estate portfolio, thus laying the basis for



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future earnings. Even as, with a view to the planned growth, we currently have no major portfolio sales in the execution phase on a short-term basis, property sales remain an integral part of our business model and a major earnings pillar of Noratis AG.“

The 2020 half-year report is available in the Investor Relations section of the website www.noratis.de.

About Noratis:

Noratis AG (www.noratis.de) is a leading portfolio developer of residential properties in Germany. The company identifies and realizes potentials for tenants, owner-occupiers & investors, thereby creating and preserving attractive and at the same time affordable living space throughout Germany. Noratis specializes in the upgrading of ageing residential portfolios, mostly company-owned apartments, residential areas or housing estates in cities with more than 10,000 inhabitants and in peripheral areas of conurbations. After a successful development, the properties remain in the company's portfolio or are sold in the medium term to investors and/or individually to existing tenants, capital investors and owner-occupiers. In this way, Noratis creates a noticeable and sustainable added value for all stakeholders: from investors, employees and financing partners to current and future tenants. Noratis AG is listed on the Frankfurt Stock Exchange.

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