



PRESS RELEASE

Noratis AG significantly expands its portfolio at the end of 2021

- Acquisition in East Westphalia
- Real estate portfolio nationwide at more than 4,200 units
- First transfers to fixed assets

Eschborn, 28 December 2021 – Shortly before the end of the year, Noratis AG, a leading portfolio developer of residential properties, announces yet another acquisition in 2021: in Germany, East Westphalia, the listed company has purchased a real property and has hence been able to successfully expand its portfolio in the federal state North Rhine-Westphalia.

As a result of the acquisitions made in 2021, the nationwide portfolio of existing assets has increased to 4,200 residential units. The expansion of the portfolio has been pushed in line with the strategy despite the sale of almost 300 units in the course of the year. By way of comparison: at the end of 2020 the portfolio still included 3,366 units. The development comes along with a significant increase in income from portfolio management. Noratis' goal is to be sustainably profitable already from the portfolio.

As a result of the portfolio size reached by now, the successful portfolio developer can act flexibly on the market: Noratis can benefit either from the attractive rental yields of the standing properties developed by it or realise the added value from the portfolio development through a sale. Individual properties with attractive returns on equity can thus remain in the portfolio in the long term. Due to the company's accounting based on IFRS, these properties are to be carried as fixed assets. The reclassification means that the values created for the real estate held as fixed assets are now taken into consideration in both the balance sheet and the income statement within the framework of the annual financial statements.

“So far, we have only realised profits from portfolio development when the properties were sold. As a result, we had around EUR 49 million in hidden reserves, i. e. unrealised gains, in the portfolio at the end of 2020. As a result of the longer holding period for individual properties, the market values of these properties are now recognized in the balance sheet, and in the event of a positive development, this will ultimately lead not only to higher carrying amounts but also to improved corporate results”, André Speth, CFO of Noratis AG, explains.



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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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