



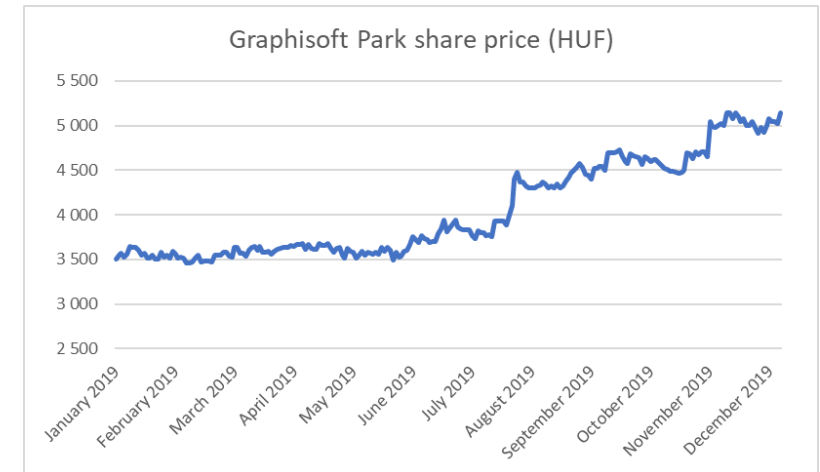
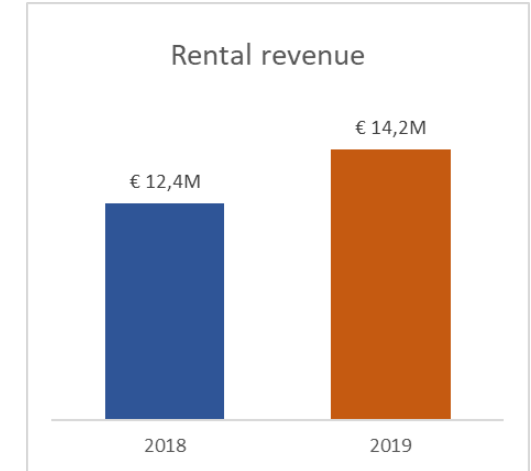
2019 results



# Financial results

Rental revenue	EBITDA	FFO I <sup>(1)</sup>	Pro forma earnings per share
<b>14.25 M EUR</b>	<b>13.35 M EUR</b>	<b>12.0 M EUR</b>	<b>0.49 EUR</b>
<b>+15%</b>	<b>+12%</b>	<b>+16%</b>	<b>+11%</b>

- Rental revenue rose by 1.8 million euros, or 15%, while EBITDA increased by 1.5 million euros, or 12% compared to the previous period, due to the rental revenues derived from the new office building in the southern area handed over in 2018 and due to the high occupancy. As a result, Pro forma earnings per share is 0.49 euro, surpassing prior year's figure by 11%.
- FFO increase is 35%, which was furthermore also influenced by the more favourable realized financial result.
- Besides, Graphisoft Park's share price grew by almost 150% during 2019.



(1) Revenue less operating expenses and realized financial result.

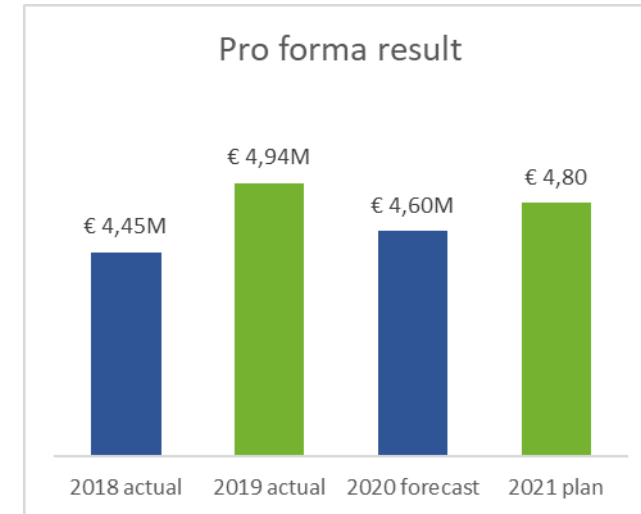


# New borrowing and structured share repurchase program

- On November 19, 2019 the Company concluded a euro-based, 10 years to maturity **loan facility agreement of 40 million EUR** value with UniCredit Bank in order to optimize the Company's capital structure; the facility was drawn on December 30, 2019.
- From the total facility 3 million EUR is short term loan, while from the remaining part the Company plans to pay out to its shareholders **33 million EUR** in the frame of a **structured share repurchase transaction**.
- The Company is planning to execute the Transaction on April 3, 2020, see details are under the following link: [https://bet.hu/site/newkib/en/2020.02./Graphisoft Park SE s extraordinary announcement on share repurchase 128353666](https://bet.hu/site/newkib/en/2020.02./Graphisoft_Park_SE_s_extraordinary_announcement_on_share_repurchase_128353666)
- The Board of Directors has convened the Company's General Meeting for March 2, 2020, to obtain the authorizations necessary for completing the Transaction. The General Meeting invitation and the proposals are available under the following links:
  - [https://bet.hu/site/newkib/en/2020.01./General Meeting invitation 128351879](https://bet.hu/site/newkib/en/2020.01./General_Meeting_invitation_128351879)
  - [https://bet.hu/site/newkib/en/2020.02./General Meeting proposal 128353658](https://bet.hu/site/newkib/en/2020.02./General_Meeting_proposal_128353658)

# Forecast for 2020 and 2021

Million euro	2018 actual	2019 actual	2020 forecast	2021 plan
Rental revenue	12.41	14.25	14.6	14.8
<b>EBIDTA</b>	<b>11.88</b>	<b>13.35</b>	<b>13.5</b>	<b>13.6</b>
Depreciation	5.96	7.13	7.1	7.1
Net interest expense	1.42	1.26	1.8	1.7
<b>Pro forma result</b>	<b>4.45</b>	<b>4.94</b>	<b>4.6</b>	<b>4.8</b>



- We modify our earlier published 5.1 million euros Pro forma profit forecast, which was calculated without the new borrowing, to **4.6 million euros**, while we expect **4.8 million euros** profit for 2021
- We forecast revenue rise of 350 thousand euro in 2020 and addition 200 thousand euro in 2021 calculating with similar occupancy rate. As a result we also forecast further increase of EBITDA. Pro forma profit after tax will fall in 2020 due to the increasing interest expense, while it will increase again from 2021.

# Property portfolio and financing

<ul style="list-style-type: none"> <li>• <b>Fair value of property portfolio</b></li> </ul>	<b>265 M EUR</b>	<p>0.5 million euros higher than at the end of 2018:</p> <ul style="list-style-type: none"> <li>• Leasing most of the the South Park office building (delivered in 2018) and empty office spaces in the core area (due to certain tenant movements), increased these properties' fair value by 6.7 million euros.</li> <li>• Fair value of development lands has decreased by 6.2 million euros, mainly due to further delay of remediation work to be performed by NKM Földgázszolgáltató Zrt.</li> </ul>
<ul style="list-style-type: none"> <li>• <b>Occupancy</b></li> </ul>	<b>97%</b>	The South Park office building (delivered in 2018) and majority of temporary vacant office spaces due to tenant moves have been leased.
<ul style="list-style-type: none"> <li>• <b>WAULT</b></li> </ul>	<b>4.8 years</b>	In 2019 we have renewed several lease contracts, among others one of our key tenants, Microsoft Magyarország Kft. renewed its lease contract (expiring at the end of this year) for additional 5 years as of June 28, 2019.
<ul style="list-style-type: none"> <li>• <b>Loans</b></li> </ul>	<b>112.9 M EUR</b>	Loan to value is 43%, due to the new loan drawn down at the end of 2019 . After concluding the hedge agreements, all of the Company's outstanding loan liabilities have been switched to fixed interest rates for the 10 year loan term.
<ul style="list-style-type: none"> <li>• <b>LTV</b></li> </ul>	<b>43%</b>	
<ul style="list-style-type: none"> <li>• <b>Net asset fair value</b></li> </ul>	<b>195 M EUR</b>	The increase of the investment property fair value, the loan installments and the increasing cash balance resulted that the fair value of net assets surpasses the net asset fair value of previous quarter by more than 4 million euros.
<ul style="list-style-type: none"> <li>• <b>Net asset fair value per share</b></li> </ul>	<b>19.4 EUR</b>	As a result, net asset value at fair value per share increased by 50 eurocent compared to the end of last year.





# Property portfolio and developments

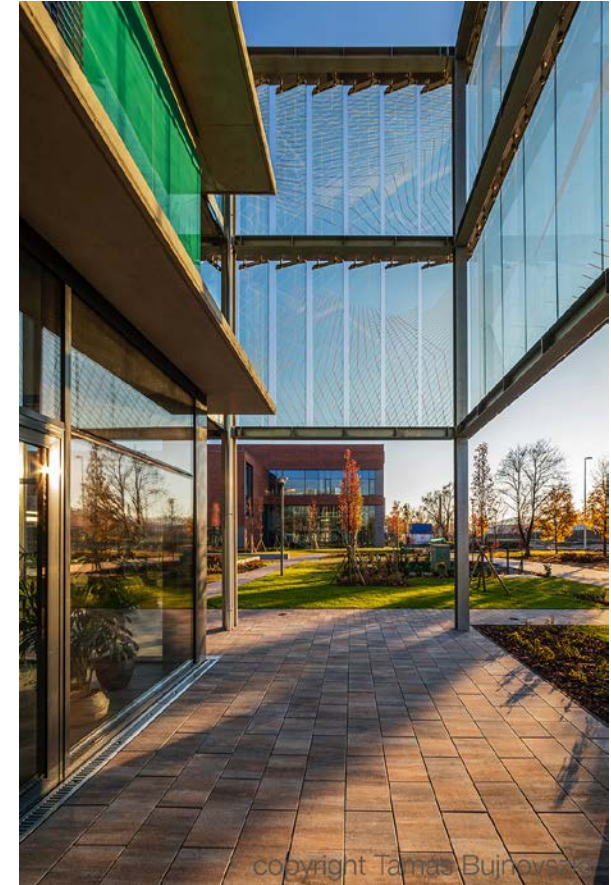
• <b>Gross leasable area</b>	<b>82,000 m<sup>2</sup></b>	Sum of delivered buildings located in the core, monument and southern area. The northern and southern areas offer additional 62,000 m <sup>2</sup> room for potential development.
• <b>Refurbishments</b>	<b>5,500 m<sup>2</sup></b>	From 2019 we started the technological refurbishment of certain office and service buildings in the core area, at a cost of 826 thousand euro for this year. We expect to continue the refurbishment works for 1 million euro per year.
• <b>Development plans</b>	<b>4,000 m<sup>2</sup></b>	In the second half of 2019 we have commenced the archaeological and landscaping works on the southernmost area of the Park on 4,000 m <sup>2</sup> , as well as the preparations for launching possible future projects there. The preparatory works will be continued in 2020.





- The Graphisoft Park is an office park located in the III. district of Budapest along the bank of the river Danube, in an environment inspiring research, creative work and education.
- Key characteristic of the Graphisoft Park domestic „Silicon Valley” concept is the sustained synergy between teams of startup entrepreneurs, global IT and Technology focused companies and Higher Educational Institutions as leading edge „knowledge-factories”.
- The total area of Graphisoft Park is nearly 18 hectares. Over the past 20 years, 82,000 m<sup>2</sup> gross leasable area have been developed.
- The remaining area provides the opportunity to develop an additional 62,000 m<sup>2</sup> of gross leasable area.
- Graphisoft Park Group is dealing with real estate development, property leasing and operation. From January 1, 2018 the companies are – except for one group member – regulated real estate investment entities (SZITs) and so they are exempt from paying corporate income and local business tax.
- The parent company is Graphisoft Park SE which is listed on the Budapest Stock Exchange since 2006.

# Graphisoft Park



## CONTACT

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