

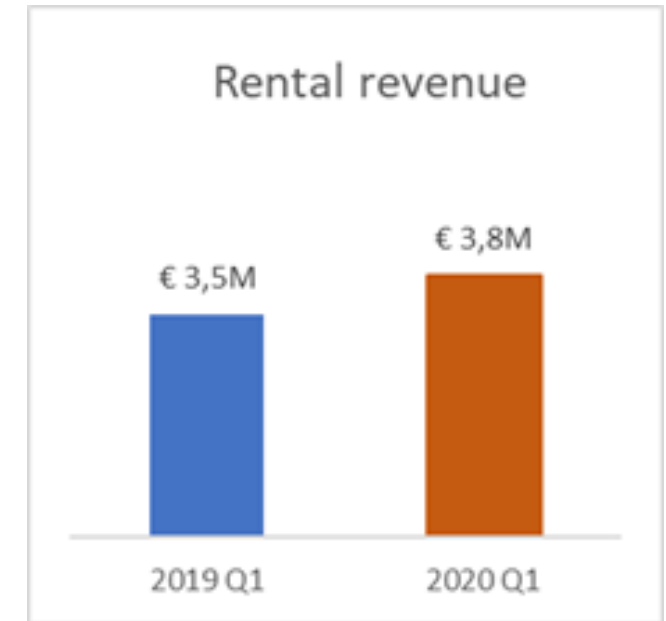


2020 Q1 results



Financial results

Rental revenue	EBITDA	FFO I ⁽¹⁾	Pro-forma result
3.8 M EUR	3.6 M EUR	2.9 M EUR	1.14 M EUR
+7%	+6%	-5%	-17%



- In 2020 Q1 rental revenue increased by 260 thousand euros or 7%, while EBITDA went up by 210 thousand euros, that is 6% compared to the same period of prior year.
- FFO decreased by 160 thousand euros and pro-forma results by 170 % euros mainly due to the increased interest expense connected to the higher balance of loans payable.
- 2020 Q1 results developed as expected, because effects of the crises caused by COVID-19 did not occur in this period.

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



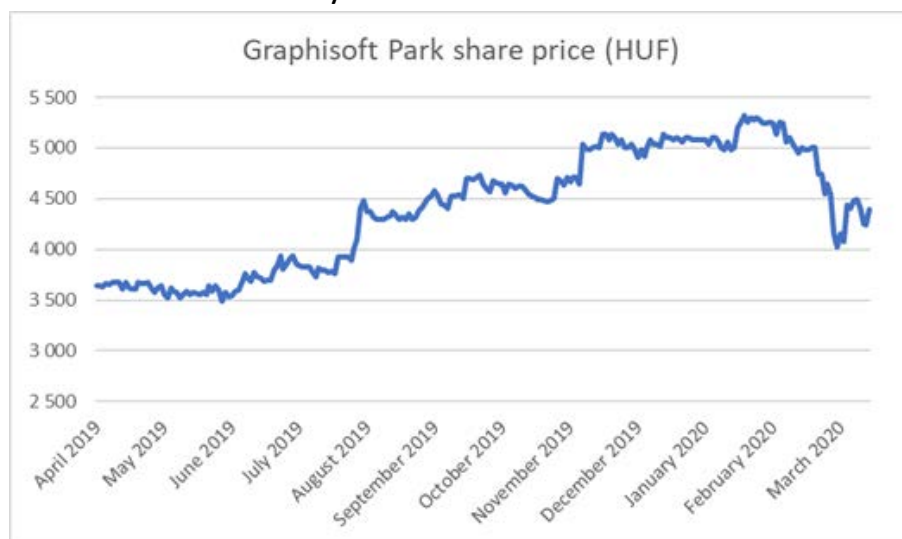
Dividend payment

- The **planned structured share repurchase transaction had been cancelled** by the Company's Board of Directors, taking into consideration the situation caused by the Coronavirus disease. The Board of Directors also decided to pay altogether **30 million euros** dividend, from which 4.5 million euros is 90% of the 2019 pro-forma result and 25.5 million euros is a part of the allocated amount for the cancelled transaction.
- From the 33 million euros amount allocated to the share repurchase transaction the remaining **7.5 million euros** is reasonable **reserve** in the current situation which ensures the Company's safe operation even in deepening recession.
- Dividend to be distributed is **1,060 HUF** per ordinary share, the starting date of dividend payment is June 8, 2020.
- Details of dividend distribution can be found in the following announcement:
https://bet.hu/site/newkib/en/2020.05./Dividend_Payment_128407087



Forecast for years 2020 and 2021

- The crisis caused by COVID-19 had no effect on the 2020 Q1 results, however in the second part of March the general market uncertainties had negative effect on the share price; the closing share price was under the local maximum price by 17% .
- In the rest of the year the possible effects of actions taken against the epidemiological situation will also affect Graphisoft Park, therefore we modify our forecasts. Tough majority of our tenants are financially stable companies operating in the information technology or biotechnology industry and as such might be less affected by the economic crisis, certain rental contracts might not be renewed or leased areas might decrease; therefore we count with 700 thousand euros rental revenue decrease, which means that revenue will drop by 5% compared to the previously reported one and by 2.5% compared to prior year. As a result, forecasted rental revenue is expected to be around **13.9 million euros** and consolidated pro-forma profit is around **4 million euros** in 2020. Decreased revenue relating to the rest of this year might affect also next year, therefore, instead of the previously reported increase, we plan that 2021 profit will be on the same level as in current year.
- In the current situation uncertainties relating to our forecasts are higher than before and actual results might significantly differ from the forecasted ones into any direction.



Million euros	2019 actual	2020 forecast	2021 plan
Rental revenue	14.25	13.9	13.9
EBIDTA	13.35	13.0	12.9
Deprecitation	7.13	7.1	7.1
Net interest expense	1.26	1.9	1.8
Pro forma result	4.94	4.0	4.0

Property portfolio and financing

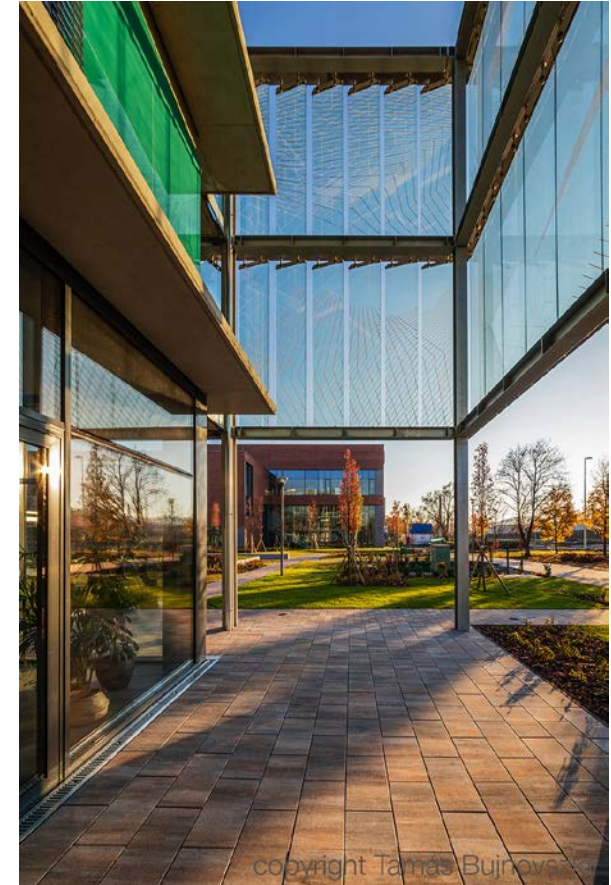
<ul style="list-style-type: none"> • Fair value of property portfolio 	263 M EUR	<p>2 million euros less compared to 2019 yearend:</p> <ul style="list-style-type: none"> • Value of completed properties decreased by 1.8 million euros. This is partly due to the increase of yield because of the uncertain economic conditions and partly due to the expected temporary vacancy in 2020-2021. • Value of development lands went down by 0.2 million euros as due to the uncertainties developments might delay.
<ul style="list-style-type: none"> • Occupancy 	97%	<p>Form the second part of 2019, after delivery of past years' development Park's occupancy rate is again permanently high, 97%.</p>
<ul style="list-style-type: none"> • WAULT 	4.5 years	<p>It also shows the loyalty of our tenants, that the average lease term in the Park calculated with the starting date of current tenants' earliest lease agreements is 13 years.</p>
<ul style="list-style-type: none"> • Loans 	107.6 M EUR	<p>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.</p>
<ul style="list-style-type: none"> • LTV 	41%	
<ul style="list-style-type: none"> • Net asset fair value 	195 M EUR	<p>Besides the decrease of the investment property fair value, the loan upcoming installments and current period profit also resulted that the fair value of net assets is 195 million euros at the end of 2020 Q1, which is only 400 thousand euros less than the 2019 Q4 figure.</p>
<ul style="list-style-type: none"> • Net asset fair value per share 	19.3 EUR	<p>As a result of all of the above, net asset fair value per share is 19.3 euros, however we emphasise, that after the planned dividend payment of 30 million euros in early June, fair value of net assets will decrease by around 15%, that is 2.8 euros per share.</p>





- 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 m² gross leasable area have been developed.
- The remaining area provides the opportunity to develop an additional 62,000 m² 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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