

2024

CONSOLIDATED INTERIM STATEMENT

as of June 30, 2024

GROUP FINANCIALS

Revenues and earnings	January 1 – June 30, 2024	January 1 – June 30, 2023	Change
Revenues (EUR k)	98,624	92,793	6.3 %
Net rental income (EUR k)	85,237	78,102	9.1 %
Consolidated profit for the period (EUR k)	47,797	9,206	419.2 %
FFO (EUR k) ¹⁾	41,454	47,908	-13.5 %
Earnings per share (EUR)	0.27	0.05	440.0 %
FFO per share (EUR) ¹⁾	0.23	0.27	-15.4 %

¹⁾ Excluding minorities.

Balance sheet	June 30, 2024	December 31, 2023	Change
Investment property (EUR k)	4,031,580	3,971,253	1.5 %
Total assets (EUR k)	4,297,263	4,237,518	1.4 %
Equity (EUR k)	1,682,705	1,617,547	4.0 %
Liabilities (EUR k)	2,614,558	2,619,971	-0.2 %
Net asset value (NAV) per share (EUR)	9.42	9.06	4.0 %
Net loan-to-value (Net LTV, %)	57.6	58.3	-0.7 pp

G-REIT figures	June 30, 2024	December 31, 2023	Change
G-REIT equity ratio (%)	44.0	43.0	1.0 pp
Revenues including other income from investment properties (%)	100	100	0.0 pp

EPRA figures ¹⁾	June 30, 2024	December 31, 2023	Change
EPRA NTA per share (EUR)	9.45	9.10	3.8 %
EPRA vacancy rate (%)	7.9%	8.0%	-0.1 pp

¹⁾ For further information, please refer to EPRA Best Practices Recommendations, www.epra.com.

1 PORTFOLIO OVERVIEW

Key metrics	June 30, 2024	December 31, 2023
Number of properties	106	106
Market value (EUR bn) ¹⁾	4.0	4.0
Annual contractual rent (EUR m)	202.6	199.6
Valuation yield (% , contractual rent/market value)	5.0	5.0
Lettable area (m ²)	1,395,000	1,394,000
EPRA vacancy rate (%)	7.9	8.0
WAULT (weighted average unexpired lease term in years)	5.2	5.3
Average value per m ² (EUR)	2,900	2,860
Average rent/m ² (EUR/month) ²⁾	15.10	14.61

¹⁾ Including fair value of owner-occupied properties.

²⁾ Average rent of office space.

Real estate operations

Letting metrics (m ²)	January 1 – June 30, 2024	January 1 – June 30, 2023	Change (m ²)
New leases	32,000	10,100	21,900
Renewals of leases ¹⁾	20,400	53,300	-32,900
Total	52,400	63,400	-11,000

¹⁾ Option drawings of existing tenants are included.

Transactions

alstria did not carry out any real estate transactions in the first half of 2024.

INTERIM MANAGEMENT REPORT

2 EARNINGS POSITION

The operations of alstria office REIT-AG (alstria) have developed according to plan in the year to date. Revenues increased to EUR 98,624 k in the reporting period (H1 2023: EUR 92,793 k). The 6.3% increase is mainly due to rent increases as a result of indexation and the start of new leases. Losses in rental income due to terminated rental agreements were therefore more than offset.

Consolidated profit for the period amounted to EUR 47,797 k in the reporting period (H1 2023: EUR 9,206 k). In addition to the higher net rental income of EUR 85,237 k (H1 2023: EUR 78,102 k), the significant increase in earnings was due to an improved valuation result of EUR -5,559 k (H1 2023: EUR 35,522 k) and income of EUR 11,791 k from the repurchase of bonds. The net financial result rose to EUR 24,609 k (H1 2023: EUR 20,626 k) as a result of taking on additional financial liabilities and increased refinancing costs. The bonds issued by the Company were purchased at a discount to their nominal value on the capital market. In contrast, the increase in interest expenses (EUR -39,848 k, H1 2023: EUR -26,829 k) as a result of higher debt and higher interest rates had a negative impact compared to the previous year.

The operating result (FFO after minorities) amounted to EUR 41,454 k in the reporting period. The decline compared to the previous year's figure (EUR 47,908 k) is primarily due to higher financing costs resulting from the take-up of additional financial liabilities and higher refinancing costs. The increase in rental income only partially compensated for this effect.

The reconciliation from consolidated net profit for the period to FFO is based on the elimination of non-cash income/cost figures that are not expected to recur annually, are not related to the period and do not serve the operating business. The adjustments between the income/cost figures in the income statement and FFO are shown in the table on the next page. The most significant adjustments (> EUR 1,000 k) in the reporting period related to the non-cash valuation result (EUR -5,559 k), EUR 3,276 k other operating expenses (valuation result for the limited partnership contributions of non-controlling partners recognized as debt capital as well as valuations of financial assets) and EUR 11,791 k in one-off income in the net financial result, which resulted from the repurchase of bonds in the capital market at a discount to their nominal value. The income tax income, which has also been adjusted, results from the release of tax provisions that were created for precautionary reasons when a subsidiary of alstria office REIT-AG changed its legal form in the 2016 financial year.

EUR k ¹⁾	IFRS P&L	Adjustments	FFO Jan. 1 – June 30, 2024	FFO Jan. 1 – June 30, 2023
Revenues	98,624	0	98,624	92,793
Revenues from service charge income	23,337	0	23,337	20,235
Real estate operating expenses	-36,724	818	-35,906	-34,055
Net rental income	85,237	818	86,054	78,973
Administrative expenses	-3,841	996	-2,845	-3,527
Personnel expenses	-5,377	0	-5,377	-5,666
Other operating income	2,856	-1,066	1,790	1,134
Other operating expenses	-3,013	3,276	263	-49
Net result from fair value adjustments to investment property	-5,559	5,559	0	0
Net result from the disposal of investment property	0	0	0	0
Net operating result	70,303	9,583	79,886	70,865
Net financial result	-24,609	-11,791	-36,400	-20,627
Share of the result of companies accounted for at equity	0	0	0	-12
Net result from fair value adjustments on financial derivatives at market value	-904	904	0	0
Pretax income/Pretax FFO²⁾	44,790	-1,304	43,486	50,226
Income tax result	3,007	-3,007	0	0
Consolidated profit/FFO (before minorities)	47,797	-4,310	43,486	50,226
Minority interests	0	-2,032	-2,032	-2,318
Consolidated profit/FFO (after minorities)	47,797	-6,343	41,454	47,908
<hr/>				
Number of outstanding shares (k)			178,562	178,562
FFO per share (EUR)			0.23	0.27

¹⁾ Numbers may not sum up due to rounding.

²⁾ FFO is not a measure of operating performance or liquidity under generally accepted accounting principles – in particular, IFRS – and should not be considered an alternative to the Company's income or cash flow measures as determined in accordance with IFRS. Furthermore, there is no standard definition for FFO. Thus, alstria's FFO values and the measures with similar names presented by other companies may not be comparable.

3 FINANCIAL AND ASSET POSITION

Investment property

The fair value of investment property as of June 30, 2024 was EUR 4,031,580 k, slightly above the level as of December 31, 2023 (EUR 3,971,253 k). The increase is due to investments in real estate assets. The net loss from the adjustment of the fair value of investment property resulted from personnel and administrative costs associated with the investments, which were initially capitalized in accordance with the Group requirements of the majority shareholder, but in the Company's view do not represent a sustainable increase in the value of the property and were therefore written off.

EUR k

Investment property as of December 31, 2023	3,971,253
Investments	65,886
Acquisitions	0
Acquisition costs	0
Disposals	0
Transfers to assets held for sale	0
Transfers to property, plant, and equipment (owner-occupied properties)	0
Net loss/gain from the fair value adjustment on investment property	-5,559
Investment property as of June 30, 2024	4,031,580
Carrying amount of owner-occupied properties	16,618
Carrying amount of the forest	2,835
Fair value of assets held for sale	0
Interests in joint ventures	0
Carrying amount of immovable assets	4,051,033

Further information on the investment properties can be found in the Group Management Report 2023.

Further key figures of the financial and asset position

As of June 30, 2024, alstria's cash and cash equivalents amounted to EUR 104,833 k (December 31, 2023: EUR 116,282 k).

Total equity increased by 4.0% to EUR 1,682,705 k as of June 30, 2024 (December 31, 2023: EUR 1,617,547 k). This development was mainly due to the consolidated result in the first half of 2024 as well as a result from fair value adjustments on financial derivatives booked directly in the equity.

Loans

The loan facilities in place as of June 30, 2024 are as follows:

Liabilities	Maturity	Principal amount drawn as of June 30, 2024 (EUR k)	LTV ¹⁾ as of June 30, 2024 (%)	LTV covenant (%)	Principal amount drawn as of December 31, 2023 (EUR k)
Loan #1	Jun. 30, 2031	125,000	-	65.0	150,000
Loan #2	Mar. 29, 2030	90,000	-	-	90,000
Loan #3	Sep. 29, 2028	97,000	-	65.0	97,000
Loan #4	Sep. 30, 2027	500,000	73.0	75.0	500,000
Loan #5	Aug. 29, 2025	107,000	-	-	107,000
Loan #6	Apr. 26, 2030	188,000	-	65.0	188,000
Loan #7	Aug. 31, 2028	100,000	-	65.0	100,000
Loan #8	Jun. 30, 2028	100,000	66.0	70.0	100,000
Loan #9	Dec. 28, 2029	111,720	-	70.0	0
Total secured loans		1,418,720	-	-	1,332,000
Bond #3	Nov. 15, 2027	311,400	-	-	328,000
Bond #4	Sep. 26, 2025	335,200	-	-	400,000
Bond #5	Jun. 23, 2026	334,100	-	-	350,000
Schuldschein 10y/fix	May 6, 2026	40,000	-	-	40,000
Revolving credit line	Apr. 29, 2026	0	-	-	0
Total unsecured loans		1,020,700	-	-	1,118,000
Total		2,439,420	60.1	-	2,450,000
Net LTV			57.6		

¹⁾ Calculation based on the market values of the properties serving as collateral in relation to the loan amount drawn down. The LTV is only shown here for loans for which a reporting obligation existed on the reporting date.

²⁾ Agreement of a revolving credit line of EUR 200 m on April 29, 2022.

In the reporting period, alstria drew down a mortgage loan (loan #9) signed at the end of 2023 in the amount of EUR 111,720 k (total loan amount: EUR 120,000 k). The proceeds from this new loan are intended exclusively for the refinancing of the Company's existing financial liabilities. In addition, loan #1, which was due on June 28, 2024, was extended by seven years and at the same time the loan amount was reduced by EUR 25 m to EUR 125 m. An overview of the financial derivatives entered into in connection with the above-mentioned loans can be found in Section 7.4 of this report in the notes to the consolidated financial statements.

In the course of the first half of 2024 alstria has acquired a total notional of EUR 97.3 m of its outstanding bonds at an average price of 88.34%. The table below summarizes the acquisitions made during the first half year of 2024.

Bond	Maturity	Notional amount acquired (EUR k)	Average price (%)
Bond #3	Nov. 15, 2027	16,600	78.75
Bond #4	Sep. 26, 2025	64,800	91.23
Bond #5	Jun. 23, 2026	15,900	86.53
Total		97,300	88.34

4 COVENANT REPORT

Compliance with and calculation of the Covenants referring to §11 of the Terms and Conditions*

In case of the incurrence of new Financial Indebtedness that is not drawn for the purpose of refinancing existing liabilities, alstria needs to comply with the following covenants:

- The ratio of the Consolidated Net Financial Indebtedness over Total Assets will not exceed 60 %
- The ratio of the Secured Consolidated Net Financial Indebtedness over Total Assets will not exceed 45 %
- The ratio of Unencumbered Assets over Unsecured Consolidated Net Financial Indebtedness will be more than 150 %

* The following section refers to the Terms and Conditions of the Fixed Rate Notes as well as to the Terms and Conditions of the Schuldschein (for further information, please refer to www.alstria.com). Capitalized terms have the meanings defined in the Terms and Conditions.

Under the terms of the bonds and promissory notes, alstria needs to maintain a ratio of the Consolidated Adjusted EBITDA over Net Cash Interest of no less than 1.80 to 1.00. The ratio should be calculated and published at every reporting date following the issuance of the bond or the Schuldschein.

EUR k	Q3 2023 -Q2 2024 cumulative
Earnings Before Interest and Taxes (EBIT)	-566,680
Net profit / loss from fair value adjustments to investment property	739,577
Net profit / loss from fair value adjustments to financial derivatives	971
Net profit / loss from the disposal of investment property	3
Other adjustments ¹⁾	-19,156
Fair value and other adjustments in joint venture	0
Consolidated adjusted EBITDA	154,716
Net Cash Interest	-59,264
Consolidated Coverage Ratio (min. 1.80 to 1.00)	2.6

¹⁾ Depreciation, amortization, and nonrecurring or exceptional items.

On June 30, 2024 alstria complied with all its covenants under the loan agreements and / or the terms and conditions of the bonds and Schuldschein.

5 OUTLOOK

Operationally, the first six months of the financial year 2024 went according to plan. Against this backdrop, alstria confirms the forecast for the expected revenues for the financial year 2024 of approximately EUR 195 mand an operating result (FFO) of EUR 71 m.

6 RISK MANAGEMENT

alstria is exposed to various risks through its business activities. Please refer to the detailed descriptions in the Annual Report 2023. There have been no significant changes to the risk situation described in the 2023 consolidated financial statements.

DISCLAIMER

The consolidated interim statement contains statements relating to anticipated future developments. These statements are based on current assessments and are, by their very nature, exposed to risks and uncertainty. Actual developments may differ from those predicted in these statements.

CONSOLIDATED INCOME STATEMENT

For the period from January 1 to June 30, 2024

EUR k	Note	H1 2024	H1 2023
Revenues		98,624	92,793
Revenues from service charge income		23,337	20,235
Real estate operating expenses		-36,724	-34,926
Net rental income		85,237	78,102
Administrative expenses		-3,841	-4,118
Personnel expenses	6.1	-5,377	-6,186
Other operating income	6.2	2,856	1,013
Other operating expenses	6.2	-3,013	-2,845
Net result from fair value adjustments to investment property	7.1	-5,559	-35,522
	6.3		
Net result from the disposal of investment property		0	83
Net operating result		70,303	30,527
Net financial result		-24,609	-20,627
Share of the result of companies accounted for at equity		0	-12
	7.4		
Net result from the adjustment of investment property		-904	-653
Pretax result		44,790	9,235
Income tax expenses	6.4	3,007	-29
Consolidated profit for the period		47,797	9,206
Attributable to:			
Shareholders of alstria office REIT-AG		47,797	9,206
Earnings per share in EUR			
Basic earnings per share	6.5	0.27	0.05
Diluted earnings per share	6.5	0.27	0.05

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the period from January 1 to June 30, 2024

EUR k	Notes	H1 2024	H1 2023
Consolidated profit for the period		47,797	9,206
Other comprehensive income for the period (items that can be reclassified to net income):			0
Market valuation cash flow hedges	7.4	17,361	-2,084
Other comprehensive income		17,361	-2,084
Total comprehensive income for the period		65,158	7,122
Total comprehensive income attributable to			
Shareholders of alstria office REIT-AG		65,158	7,122

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of June 30, 2024

ASSETS			
EUR k	Notes	June 30, 2024	Dec. 31, 2023
Noncurrent assets			
Investment property	7.1	4,031,580	3,971,253
Property, plant, and equipment		20,982	21,395
Intangible assets		296	635
Financial assets	7.3	94,432	95,350
Derivatives	7.4	25,114	6,587
Total noncurrent assets		4,172,404	4,095,220
Current assets			
Trade receivables		7,734	10,814
Income tax receivables	6.4	124	113
Other receivables		11,051	5,735
Derivatives	7.4	1,117	9,354
Cash and cash equivalents	7.2	104,833	116,282
thereof restricted		7,386	8,031
Total current assets		124,859	142,298
Total assets			
		4,297,263	4,237,518

		EQUITY AND LIABILITIES	
EUR k	Notes	June 30, 2024	Dec. 31, 2023
Equity			
Share capital		178,562	178,562
Capital surplus		245,961	245,961
Hedging reserve		10,953	-6,408
Retained earnings		1,243,744	1,195,947
Revaluation surplus		3,485	3,485
Total equity	8.1	1,682,705	1,617,547
Noncurrent liabilities			
Limited partnership capital noncontrolling interests		100,655	98,297
Long-term loans and bonds, net of current portion	8.2	2,422,599	2,177,607
Other provisions		855	1,672
Other liabilities		12,124	13,203
Derivatives	7.4	3,969	10,001
Total noncurrent liabilities		2,540,202	2,300,780
Current liabilities			
Limited partnership capital noncontrolling interests		21	21
Short-term loans	8.2	5,036	261,777
Trade payables		4,370	4,717
Derivatives	7.4	1,071	2,747
Income tax liabilities		394	2,177
Other provisions		2,985	3,008
Other current liabilities		60,479	44,744
Total current liabilities		74,356	319,191
Total liabilities		2,614,558	2,619,971
Total equity and liabilities		4,297,263	4,237,518

CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ending June 30, 2024

EUR k	Notes	H1 2024	H1 2023
1. Cash flows from operating activities			
Consolidated profit or loss for the period		47,797	9,206
Interest income		-15,723	-6,556
Interest expense		40,332	27,182
Result from income taxes	6.4	-3,007	29
Unrealized valuation movements		9,731	38,978
Other noncash income (-)/expenses (+)		-770	2,812
Gain (-)/loss (+) on disposal of investment properties		0	-83
Depreciation and impairment of fixed assets (+)		996	591
Increase (-)/decrease (+) in trade receivables and other assets not attributed to investing or financing activities		3,846	-1,743
Increase (+)/decrease (-) in trade payables and other liabilities not attributed to investing or financing activities		13,439	-1,948
Cash generated from operations		96,641	68,468
Interest received		2,859	4,593
Interest paid		-37,619	-29,614
Income taxes paid		1,184	-29
Net cash generated from operating activities		63,065	43,418
2. Cash flows from investing activities			
Acquisition of investment properties	7.1	-66,130	-77,123
Proceeds from the sale of investment properties	7.1	0	29,750
Payment of transaction cost in relation to the sale of investment properties		0	-19
Acquisition of other property, plant, and equipment and intangible assets		0	-873
Net cash used in investing activities		-66,130	-48,265

EUR k	Notes	H1 2024	H1 2023
3. Cash flows from financing activities			
Cash received from equity contributions		0	271
Proceeds from the issue of bonds and borrowings	7.3	111,720	330,937
Payments of transaction costs for taking out loans		-7,223	-4,882
Payments for the redemption portion of leasing obligations		-378	-240
Payments of dividends	10	0	-10,697
Payments due to the redemption of bonds and borrowings	7.3	-110,950	-362,000
Payments for the acquisition of financial derivatives		-1,553	-6,115
Net cash generated from/ used in financing activities		-8,384	-52,726
4. Cash and cash equivalents at the end of the period			
Change in cash and cash equivalents (subtotal of 1 to 3)		-11,449	-57,573
Cash and cash equivalents at the beginning of the period		116,282	364,973
Cash and cash equivalents at the end of the period			
<i>thereof restricted: EUR 7,386 k; previous year: EUR 7,504 k</i>	7.2	104,833	307,400

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period from January 1 to June 30, 2024

EUR k	Share capital	Capital surplus	Hedging reserve	Retained earnings	Revaluation surplus	Total equity
As of Dec. 31, 2023	178,562	245,961	-6,408	1,195,947	3,485	1,617,547
Changes H1 2024						
Consolidated profit	0	0	0	47,797	0	47,797
Other comprehensive income	0	0	17,361	0	0	17,362
Total comprehensive income	0	0	17,361	47,797	0	65,158
As of June 30, 2024	178,562	245,961	10,953	1,243,744	3,485	1,682,705

For the period from January 1 to June 30, 2023

EUR k	Share capital	Capital surplus	Hedging reserve	Retained earnings	Revaluation surplus	Total equity
As of Dec. 31, 2022	178,291	507,640	32,663	1,849,321	3,485	2,571,400
Changes H1 2023						
Consolidated profit	0	0	0	9,206	0	9,206
Other comprehensive income	0	0	-2,084	0	0	-2,084
Total comprehensive income	0	0	-2,084	9,206	0	7,122
Payments of dividends	0	-10,697	0	0	0	-10,697
Share-based remuneration	0	520	0	0	0	520
Conversion of convertible bond	271	270	0	0	0	541
As of June 30, 2023	178,562	497,733	30,579	1,858,527	3,485	2,568,886

NOTES

alstria office REIT-AG, Hamburg

Notes to the condensed interim consolidated financial statements

as of June 30, 2024

1. CORPORATE INFORMATION

alstria office REIT-AG (hereinafter referred to as “the Company” or “alstria office REIT-AG”, together with its subsidiaries, referred to as “alstria” or “the Group”), is a German stock corporation under the scope of the G-REIT-Act, based in Hamburg. It has been included in the consolidated financial statements of Brookfield Corporation, Toronto, Canada (hereinafter “Brookfield”) since the majority of its shares were acquired by Brookfield subsidiaries on January 11, 2022. As the ultimate parent company, Brookfield Corporation prepares the consolidated financial statements for the largest group of companies in the Brookfield Group. In addition, the Company is consolidated since January 1, 2023 within the consolidated financial statements of Brookfield Property Partners LP, Hamilton, Bermuda (BPY) within the Brookfield Group. BPY is listed in both the United States (Nasdaq) and Canada (Toronto). BPY’s consolidated financial statements are published on the Company website at <https://bpy.brookfield.com/>.

The Group’s principal activities are described in detail in Section 1 of the Notes to the consolidated financial statements for the financial year ending on December 31, 2023.

The condensed interim consolidated financial statements for the period from January 1, 2024, to June 30, 2024 (hereinafter referred to as the ‘consolidated interim financial statements’), were authorized for publication by a resolution of the Company’s Management Board on August 16, 2024.

2. BASIS OF PREPARATION

These consolidated interim financial statements were prepared in accordance with IAS 34, ‘Interim Financial Reporting’. They do not contain all the disclosures and explanations required in the annual consolidated financial statements; they should therefore be read in conjunction with the consolidated financial statements as of December 31, 2023.

3. SIGNIFICANT ACCOUNTING POLICIES

The applied accounting policies are consistent with the policies applied and outlined in the Group’s annual consolidated financial statements for the year ending on December 31, 2023.

The following new standards, amendments to standards and new interpretations are mandatory for the financial reporting period beginning on January 1, 2024 and will be applied where relevant:

EU Endorsement	Standard/ interpretation	Content
Nov. 20, 2023	Amendments to IFRS 16	Lease Liability in a Sale and Leaseback
Dec. 19, 2023	Amendments to IAS 1	Presentation of Financial Statements: Classification of Liabilities as Current or Noncurrent
May 15, 2024	Amendments to IAS 7/IFRS 7	Supplier Finance Arrangements (Proposed amendments to IAS 7 and IFRS 7). Qualitative and quantitative information about supplier finance arrangements

No significant impact on financial reporting arises from the amendments to the existing standards listed above.

The following new standards, interpretations and amendments to the published standards have been issued, but they are not in effect for the 2024 financial year and were not applied by the Group prior to becoming mandatory:

EU Endorsement	Standard	Content	Applicable for FY beginning on/after
Not yet endorsed	Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments to address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9 Financial Instruments	Jan. 1, 2026
Not yet endorsed	IFRS 18	New Standard. Presentation and Disclosure in Financial Statements. IFRS 18 includes requirements for all entities applying IFRS for the presentation and disclosure of information in financial statements. IFRS 18 replaces IAS 1 Presentation of Financial Statements.	Jan. 1, 2027
Not yet endorsed	IFRS 19	New Standard. Subsidiaries without Public Accountability. IFRS 19 specifies reduced disclosure requirements that an eligible entity is permitted to apply instead of the disclosure requirements in other IFRS Accounting Standards.	Jan. 1, 2027
Not yet endorsed	Amendments to IAS 21	The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability.	Jan. 1, 2025

No significant impact on financial reporting is expected from new standards and amendments to the existing standards listed above.

4. CONSOLIDATED GROUP

There have been no changes to the consolidated Group since the preparation of the consolidated financial statements as of December 31, 2023.

5. KEY JUDGEMENTS AND ESTIMATES

Preparing the consolidated financial statements in accordance with IFRS requires assumptions and estimates to be made for various items. These assumptions and estimates affect the amounts of disclosures concerning assets, liabilities, income and expenses. There were no changes compared to the key judgments and estimates described in the consolidated financial statements for the year ended December 31, 2023.

6. NOTES ON THE CONSOLIDATED INCOME STATEMENT

6.1. PERSONNEL EXPENSES

EUR k	Jan. 1 to June 30, 2024	Jan. 1 to June 30, 2023
Salaries and wages	2,996	3,292
Social insurance contribution	571	527
Bonuses	681	904
Expenses for long-term remuneration	901	1,210
<i>thereof relating to other long-term remuneration of the Management board</i>	266	66
<i>thereof relating to other long-term remuneration of the Employees</i>	635	1,144
Amounts for retirement provisions and disability insurance for the members of the Management Board	48	48
Other	180	205
	5,377	6,186

Personnel expenses decreased by EUR 809 k or 13.1 %. The reason for this decline is essentially the subsequent effects of the restructuring of compensation components as a result of the takeover by Brookfield, which had a negative impact on the previous year.

See also Sections 12 and 13 for information on expenses for long-term remuneration.

6.2. OTHER OPERATING INCOME AND EXPENSES

The other operating income includes releases of provisions, payments received on impaired receivables and flat-rate payments for dismantling obligations or other special rental services. The other operating expenses in the reporting period essentially contain the valuation result for the limited partnership contributions of non-controlling partners recognized as debt capital (EUR 2.4 m; H1 2023: EUR 2.8 m) as well as valuations of financial assets.

6.3. GAIN ON DISPOSAL OF INVESTMENT PROPERTY

There were no real estate sales in the reporting period. The sale of two properties in the same period of the previous year led to a net result from the sale of investment properties of EUR 83 k in the first half of the 2023 financial year.

6.4. INCOME TAX

As a consequence of its status as a G-REIT, alstria office REIT-AG is exempt from the German corporation tax (Körperschaftsteuer) and trade tax (Gewerbesteuer).

Tax payment obligations may arise for affiliates serving as general partners in a partnership or for REIT service companies and based on tax field audits for fiscal periods before inclusion in the REIT structure. The income tax income for the first half of 2024 results from the release of tax provisions that were created for precautionary reasons when a subsidiary of alstria office REIT-AG changed its legal form in the 2016 financial year.

6.5. EARNINGS PER SHARE

The tables below show the income and share data used in the earnings per share computations:

Basic earnings per share	Jan. 1 - June 30, 2024	Jan. 1 - June 30, 2023
Profit attributable to shareholders (EUR k)	47,797	9,206
Average number of outstanding shares (thousands)	178,562	178,369
Basic earnings per share (EUR) ¹	0.27	0.05

¹ The amount is equal to the diluted earnings per share

7. NOTES ON THE CONSOLIDATED BALANCE SHEET - ASSETS

7.1. INVESTMENT PROPERTY

Pursuant to IAS 40 in conjunction with IFRS 13, alstria office REIT-AG uses the fair-value model for revaluation purposes. External appraisals were obtained to determine the respective values as of December 31, 2023. For a detailed description of the process for determining the asset value, please refer to Section 2.5 of the consolidated financial statements as of December 31, 2023. The development of market prices and the cash flows based on the tenant lists were analyzed as of June 30, 2024. On this basis, no significant changes in value were identified, so that an external expert opinion was not obtained as of June 30, 2024.

There were no real estate transactions in the reporting period. The transactions in the reporting period of the first half of the previous year had the following structure:

H1 2023	Acquisition		Disposal	
	Number of properties	Transaction amount in EUR k	Number of properties	Transaction amount in EUR k
Property transaction				
Contract signed before Dec. 31.2022 transferred in H1 2023	0	0	1	26,550
Contract signed and transfer in H1 2023	0	0	1	3,200
Total	0	0	2	29,750

A reconciliation of the investment properties for the reporting period is shown in the following table:

EUR k	Jan. 1, - June 30, 2024	Jan. 1, - Dec. 31, 2023
Investment property as of the beginning of period	3,971,253	4,606,848
Investments	65,886	137,338
Acquisitions	0	0
Acquisition costs	0	0
Recognition of a right-of-use asset according to IFRS 16	0	0
Disposals	0	-3,292
Transfer to assets held for sale	0	0
Transfer to property, plant, and equipment (owner-occupied properties)	0	0
Net loss / gain from fair value adjustments to investment property	-5,559	-769,541
Investment property as of the end of period	4,031,580	3,971,253

7.2. CASH AND CASH EQUIVALENTS

Cash and cash equivalents amount to EUR 104,833 k (Dec. 31, 2023: EUR 116,282 k). As of the balance sheet date, EUR 7,386 k (Dec. 31, 2023: EUR 8,031 k) of cash and cash equivalents were subject to restrictions on disposal.

7.3. FINANCIAL ASSETS

Financial assets of EUR 94,432 k (Dec. 31, 2023: EUR 95,350 k) are related to long-term deposits in the amount of EUR 94,432 k (Dec. 31, 2023: EUR 94,432 k) and a term up to the end of the 2032 financial year. The decrease of EUR 918 k is due to valuation effects of two financial assets that were completely written off due to their lack of value.

7.4. DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments existed on the reporting date to the following extent:

Pro- duct	Strike p.a. (%)	Start of Hedging	Maturity date	Counterparty	June 30, 2024		Dec. 31, 2023	
					Nominal (EUR k)	Fair value (EUR k)	Nominal (EUR k)	Fair value (EUR k)
Swap	3,1350	30.06.2023	26.04.2030	Landesbank Hessen- Thüringen Girozentrale	70,500	-1,461	70,500	-3,362
Cap	0,0350	30.06.2023	26.04.2030	Societe Generale	70,500	1,133	70,500	1,191
Swap	4,0330 - 2,5000	01.11.2023	31.08.2028	Hamburg Commercial Bank AG	50,000	-522	50,000	-1,912
Swap w/ Floor	3,0000	30.06.2023	30.06.2028	Landesbank Baden- Württemberg	50,000	-280	50,000	-1,256
Swap	3,2300	30.06.2023	29.03.2030	Morgan Stanley Europe SE	67,500	-1,719	67,500	-3,561
Cap	3,5000 - 2,5000	01.11.2023	31.08.2028	Morgan Stanley Europe SE	10,000	180	10,000	165
Cap	3,5000 - 2,5000	01.11.2023	31.08.2028	Morgan Stanley Europe SE	40,000	721	40,000	663
Swap	1,7500	30.09.2022	30.09.2027	Societe Generale	500,000	17,723	500,000	10,714
Cap	3,5000	30.06.2023	30.06.2028	Societe Generale	35,000	301	35,000	323
Cap	3,5000	30.06.2023	29.03.2030	Societe Generale	22,500	354	22,500	372
Cap	3,5000	30.06.2023	26.04.2030	Societe Generale	47,000	756	47,000	795
Swap	3,0000	29.12.2023	31.08.2025	Societe Generale	107,000	403	107,000	-2,367
Swap	3,0000	29.08.2025	29.08.2026	Societe Generale	107,000	-310	n/a	n/a
Swap	3,0000	31.08.2026	29.08.2027	Societe Generale	107,000	-443	n/a	n/a
Floor	0,0000	28.06.2024	29.08.2025	Societe Generale	107,000	3	n/a	n/a
Swap	1,9240	30.09.2022	30.09.2028	UniCredit Bank AG	60,000	2,117	60,000	1,039
Swap	1,9240	30.09.2022	30.09.2028	UniCredit Bank AG	22,450	792	22,450	389
Cap	4,0500	09.02.2024	31.12.2029	Societe Generale	90,000	804	n/a	n/a
Cap	3,5000	28.06.2024	30.06.2024	Societe Generale	100,000	278	n/a	n/a
Swap	2,5000	30.06.2026	30.06.2031	Landesbank Baden- Württemberg	100,000	359	n/a	n/a
Financial drivatives					1,763,450	21,191	1,152,450	3,193

The derivative financial instruments held by alstria are exclusively interest rate swaps and caps to hedge interest on long-term financial liabilities. Derivative financial instruments in the amount of EUR 26,231 k (December 31, 2023: EUR 15,941 k) had a positive value as of the balance sheet date. Derivative financial instruments in the amount of EUR 5,040 k (December 31, 2023: EUR 12,748 k) are recognized as financial obligations.

At both the end of the reporting period and the balance sheet date of December 31, 2023, all derivative financial instruments were designated in hedging relationships..

8. NOTES TO THE CONSOLIDATED BALANCE SHEET - EQUITY AND LIABILITIES

8.1. EQUITY

Please refer to the consolidated statement of changes in equity for details.

Treasury shares

As of June 30, 2024, the Company held no treasury shares.

8.2. FINANCIAL LIABILITIES

As of June 30, 2024, alstria's total interest-bearing debt, which consists of corporate bonds and loan balances drawn, amounted to EUR 2,439,420 k (Dec. 31, 2023: EUR 2,450,000 k). The differing carrying amount of EUR 2,427,635 k (non-current: EUR 2,422,599 k; current: EUR 5,036 k) takes into account the interest liabilities and transaction costs allocated according to the effective interest rate method at the time when the loans in question were taken out over the maturity of the respective loans.

Financial liabilities with a maturity of up to one year are recognized as current loans. The fair value of non-current and current financial liabilities amounted to EUR 2,331,216 k as at the reporting date.

In the reporting period, the Company redeemed shares in corporate bonds with a total nominal value of EUR 97,300 k and a bank loan note for EUR 150,000 k. Bank loans secured by land charges were newly taken out with a nominal value of EUR 125,000 k

As a result, financial liabilities include bank loans in the nominal amount of EUR 1,418,720 k, corporate bonds in the nominal amount of EUR 980,700 k and the promissory note loan with a nominal value of EUR 40,000 k and, as of June 30, 2024. In addition, there is a revolving credit line with a volume of EUR 200,000 k, from which no loan amounts had been utilized as of the balance sheet date.

For a detailed description of the loans, including their terms and securities, please refer to Section 7.3 of the Notes to the consolidated financial statements as of December 31, 2023.

9. CONTINGENT LIABILITY DISCLOSURE

alstria is currently in breach of the 15% free float requirement, which must be restored by December 31, 2024, to comply with the legal requirement. Failure to comply with the free float requirement would lead to the loss of REIT status (Sec. 18 para. 3 of the G-REIT Act), and the Company would become fully subject to German income and trade tax as of January 1, 2025.

The Company is actively involved in several workstreams aimed at restoring the free float to 15% in line with the REIT Law requirements. However, the success or failure of these workstreams is dependent on uncertain future events that are not wholly within alstria's control. As of the reporting date, the Company cannot fully assess whether or not the REIT status will be upheld and is planning for both outcomes. Given the level of uncertainty and the Company's lack of control over the outcome, no provision is recorded as of the reporting date. However, the Company has considered it appropriate to disclose the existence of contingent liabilities, which could have a material impact on the Group's financial position and performance.

Potential Impact on Consolidated Financial Statements if REIT Status is Lost:

1. Deferred Tax Liabilities:

- If the Company loses its REIT status, it will need to book deferred tax liabilities reflecting the "hidden reserves" in its portfolio.
- Deferred tax liabilities would amount to approximately EUR 376.4 m* as of the reporting date, triggering an equivalent loss in alstria's P&L for 2024.
- The final amount of deferred tax liabilities will depend, among other factors, on the Company's asset valuation and the asset depreciation for FY2024 on its tax balance sheet.

2. Minority Shareholder's Compensation:

- Under specific circumstances, the Company bylaws require compensation to minority shareholders (Article 20 of the Company bylaws).
- The compensation shall reflect the disadvantage to minority shareholders in terms of distributions resulting from the termination of the tax exemption, considering the tax benefits of the shareholders on a lump-sum basis.
- It shall be determined with binding effect for the shareholders by an auditor appointed by the Institute of Auditors in Germany e.V.
- As there is no precedent for this calculation, there is a material uncertainty regarding the impact of Article 20 of the bylaws on the Company's financial statements.

The Company will continue to monitor the situation and will recognize a provision if it becomes probable that (i) an outflow of resources embodying economic benefits will be required to settle the obligation and (ii) that outflow can be properly determined.

* Based on a tax rate of 32.200%, which consists of 15.825% corporation tax (15.0%) including solidarity surcharge (5.5%) and trade tax of 16.375%.

10. DIVIDENDS PAID

	Jan. 1 - June 30, 2024	2023
Dividends on ordinary shares ¹⁾ in EUR k	0	262,469
Dividends per share (EUR)	0.00	1.47

A. ¹⁾Refers to all shares at the dividend payment date.

At the Annual General Meeting of alstria office REIT-AG held on June 6, 2024, no proposal for the distribution of a dividend was put to the vote. By comparison, the dividends paid out in 2023 totaled EUR 262,469 k (EUR 1.47 per outstanding share).

11. EMPLOYEES

From January 1 to June 30, 2024, the Group had 195 employees on average (average for January 1 to June 30, 2023: 182 employees). The average number of employees was calculated based on the total number of employees at the end of each month. On June 30, 2024, 196 people (December 31, 2023: 189 people) were employed at alstria office REIT-AG, not including the Management Board.

12. LONG-TERM REMUNERATION MANAGEMENT BOARD

As part of the current remuneration system introduced in the 2022 financial year, the members of the Management Board receive certificates with a term of two years, the performance of which is linked to certain budget-based performance indicators. At the end of the term, a payment is made in cash, whereby the performance and the amount of the payment can be between 0% and 115% depending on the development of the underlying performance indicators. The following table shows the development of the certificates granted to the members of the Management Board, each with a nominal value of EUR 1.00.

Number of certificates			
	Granted H1 2024	Granted 2023	Total 30.06.2024
Certificates granted as at January 1, 2024	500,000	500,000	1,000,000
As of June 30/ Dec. 31	500,000	500,000	1,000,000
Time pro rata as of June 30, 2024	24.8%	74.8%	n/a
Degree of target achievement as of June 30, 2024	100%	100%	n/a
Provision made as of June 30, 2024 in EUR	123,973	373,973	497,946

As of June 30, 2024, the provisions for long-term remuneration components for the Management Board amounted to EUR 498 k (December 31, 2023: EUR 774 k). The expenses from these remuneration components amounted to EUR 249 k in the first half of the financial year after EUR 325 k in the 2023 financial year.

Please refer to Section 13.1 of the Notes to the consolidated financial statements as at December 31, 2023, for a detailed description of the long term remuneration system.

13. EMPLOYEE PARTICIPATION PROGRAM

Beginning in the 2022 financial year, new variable remuneration components were also set up for employees. The employees also receive certificates (so-called ACES) as part of the “alstria Collective Employee Scheme”. The ACES have a term of two years and their performance is linked to certain budget-based indicators. At the end of the term, a payment is made in cash, whereby the performance and the amount of the payment can be between 0% and 115% depending on the development of the underlying key figures. The following table shows the development of the ACES granted to employees with a nominal value of EUR 1.00 each:

Number of ACES	Granted in H1 2024	Granted in 2023	Total
ACES in place as of January 1 of fiscal year 2024, granted in 2024 and 2023	0	2,853,751	2,853,751
ACES granted in reporting period	2,947,230	16,171	2,963,041
As of June 30/ Dec. 31	2,947,230	2,869,922	5,817,152
Time pro rata as of June 30, 2024	24.8%	74.8%	n/a
Degree of target achievement as of June 30, 2024	100%	100%	n/a
Provision made as of June 30, 2024 in EUR	730,752	2,146,544	2,877,296

The provisions for long-term remuneration components for employees (ACES) amounted to EUR 2,877 k as of June 30, 2024 (December 31, 2023: EUR 3,441 k). The expenses from these remuneration components amounted to EUR 1,454 k in the first half of the financial year after EUR 1,531 k in the 2023 financial year.

For a detailed description of the employee profit participation rights program, please refer to Section 13.2 of the Notes to the consolidated financial statements as of December 31, 2023.

14. RELATED PARTIES

The following table shows transactions with related companies in the first half of 2024 financial year:

in EUR k	Income/ Expenses (net) (-) H1 2024	Receivables/liabilities (-) June 30, 2024
Interest Corporate Bonds	-1,322	-841
Accounting & Reporting services	50	50
Containerlease	-27	0
Letting	27	0

The accounting and reporting services relate to the preparation of consolidation accounting and reporting services for Brookfield companies outside the alstria group.

The interest expenses relate to corporate bonds that alstria placed on the capital market and that were acquired by Brookfield companies on the capital market at the end of the reporting period. As of June 30, 2024, this relate to the following corporate bonds:

Bond	ISIN	Shares	Notional value of shares
			EUR k
Bond III	XS1717584913	87,500,000	87,500
Bond IV	XS52053346297	100,000,000	100,000
Bond V	XS2191013171	55,900,000	55,900
		243,400,000	243,400

Further significant legal transactions were not executed with respect to related parties during the reporting period.

15. SIGNIFICANT EVENTS AFTER THE END OF THE REPORTING PERIOD

In mid-July 2024, alstria extended the EUR 200 m revolving credit facility, which is currently not being used, by a further year until April 29, 2026. An extension of two years until April 29, 2027 was agreed for a partial amount of EUR 150 m. No other significant events or material business transactions have occurred after the balance sheet date up to the time of preparation of this half-year financial report.

16. MANAGEMENT BOARD

As of June 30, 2024, the Company's Management Board consisted of Mr. Olivier Elamine (Chief Executive Officer).

17. SUPERVISORY BOARD

In accordance with Section 9 of the Company's Articles of Association, the Supervisory Board consists of four members, all of whom are elected by the shareholders at the Annual General Meeting.:

Mr. Brad Hyler (Chairman)

Mr. Jan Sucharda (Vice Chairman)

Mr. Richard Powers;

Ms. Rebecca Worthington

Hamburg, Germany, August 16, 2024

Olivier Elamine

Chief Executive Officer

MANAGEMENT COMPLIANCE STATEMENT

‘To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.’

Hamburg, Germany, August 16, 2024

Olivier Elamine

Chief Executive Officer

BUILDING *YOUR* FUTURE