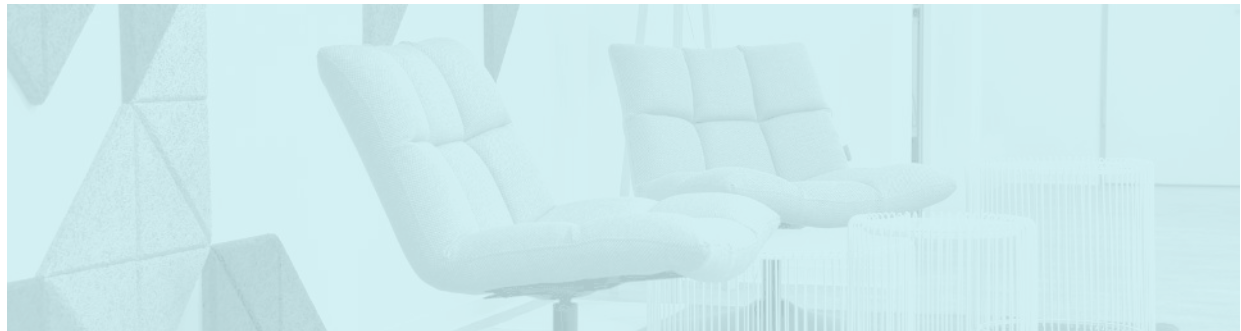
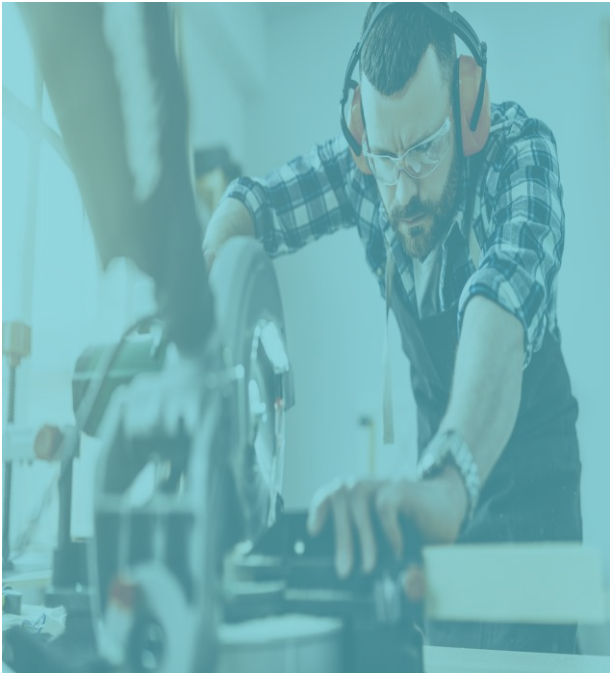


Sirius Real Estate Ltd

# Half Year Results - 30 Sep 2020





Investing In Industrial Business Parks In Germany

Leading owner and operator of business parks,  
offices and industrial complexes in Germany

# About Sirius



**Leading owner and operator**  
of business parks, out of town offices  
and industrial complexes in Germany



**Over €1.2bn of assets owned  
& 35% Share in €235.1m  
Joint Venture (Titanium)**

**€500m current debt**  
(Net LTV 31.6%)



**Fully integrated operating  
platform** including 275 employees  
in over 60 locations across Germany



**Listed on the main markets**  
of the LSE and JSE  
FTSE250



**Market capitalization of**  
€1.0 bn (£0.9 bn)

**Not a REIT**  
1.5x covered dividend



**FTSE EPR/NAREIT Global Real  
Estate Index** and **FTSE/JSE SA  
Listed Property Index**

# About Germany



## Several large autonomous markets

Frankfurt, Berlin, Munich, Hamburg, Dusseldorf, Cologne & Stuttgart.



## High replacement costs

German light industrial buildings are constructed to comparatively high standards and replacement costs are often up to 200% of the capital value of secondary stock



## Well diversified economy

Machinery, automotive & aviation  
chemical & medical  
energy & environmental  
consumer & service



## High levels of investment

Germany and German real estate in particular is attracting high levels of investment and the liquidity of real estate in German remains strong



## The Mittelstand

The German SME market, over 50% of the German economy in terms of both employment & output

## Covid19- Resilience

- A particularly well-functioning public health system
- One of the best diagnostic capabilities in Europe, resulting in higher and faster covid19 testing capacity
- A system based on 16 federal states resulting in efficiencies in the distribution of national subsidies.
- A robust social security system boosting consumer confidence
- Responsible, long-term oriented companies and labor unions
- A largely compliant population who are generally adhering to lockdown rules
- Second German lockdown, longer but much lighter

# Interim Highlights

**€29.1m**

**1.82c**

**7.4% increase in FFO**

**H1 dividend**

- » Funds from operations increased by 7.4% to €29.1 million (Sep 2019: €27.1 million)
- » H1 dividend of 1.82c increase of 2.8% (Sep 2019: 1.77c\*)
- » 97.3% cash collection success rate

**€50.3m**

**Investment property valuation increase**

- » €50.3m or 4.3% increase in investment property valuation portfolio to €1,229.7 million (Mar 2020: €1,176.2 million\*\*)
- » Stable LFL rent roll and occupancy levels at €89.2 million (Mar 2020: €89.6 million) & 83.9% (Mar 2020: 85.2%)

**97.3%**

**&**

**17.4%**

**Cash Collection Success**

**Increase in Enquiries**

- » 17.4% increase in enquiries & 13.4% sales conversion rate in the period
- » €128.4 million cash on balance sheet providing €70.0 million of acquisition potential for H2

**€70.0m**

**5.2%**

**Acquisition Potential**

**Increase in Adjusted NAV**

- » One completed disposal (€10.1m), no completed acquisitions, one acquisition notarised in the period (€9.1m)
- » MSCI awarded AA status (previously A) in recognition of sustainability focus

\* Based on 67% pay out ratio

\*\* Restated for disposals

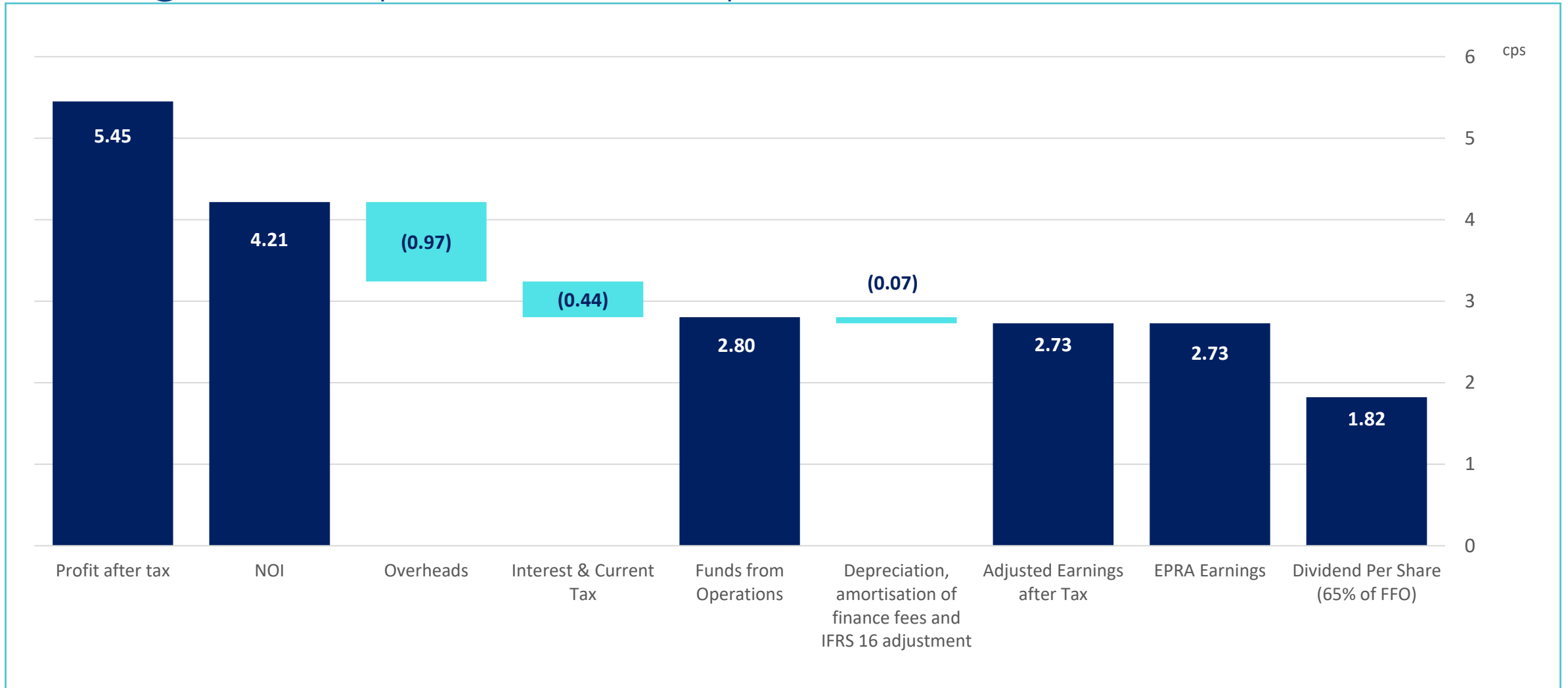
# Financials – Income Statement

	Sep 20	Sep 19		Movement
	€m	€m		€m
<b>Rental income</b>	45.9	43.5	5.5%	2.4
Titanium income	2.3	0.4		1.9
Service charge irrecoverable costs	(2.7)	(2.7)		-
Non-recoverable maintenance	(1.7)	(1.1)		(0.6)
<b>Net Operating Income</b>	<b>43.8</b>	<b>40.1</b>	<b>9.2%</b>	<b>3.7</b>
Corporate costs and overheads	(10.1)	(8.5)		(1.6)
<b>Adjusted EBITDA</b>	<b>33.7</b>	<b>31.6</b>	<b>6.6%</b>	<b>2.1</b>
Bank interest	(4.0)	(4.0)		-
Current tax (excluding tax on disposals)	(0.6)	(0.5)		(0.1)
<b>FFO</b>	<b>29.1</b>	<b>27.1</b>	<b>7.4%</b>	<b>2.0</b>
Depreciation & amortisation of financing fees	(1.6)	(1.4)		(0.2)
Add back current taxes (excluding tax on disposals)	0.6	0.5		0.1
IFRS 16 adjustment	1.0	-		1.0
<b>Adjusted profit before tax</b>	<b>29.1</b>	<b>26.2</b>	<b>11.1%</b>	<b>2.9</b>
Adjusting items	(1.6)**	(10.0)*		8.4
Surplus/Deficit on revaluation of investment properties	33.5	58.2		(24.7)
Gain/(Loss) on disposal of investment properties	-	6.3		(6.3)
Change in fair value of derivative financial instruments	(0.1)	(1.1)		1.0
Share of profit in associate not included in FFO	1.3	0.1		1.2
<b>Profit Before Tax</b>	<b>62.2</b>	<b>79.7</b>		<b>(17.5)</b>

\* Adjusting items include restructuring costs, expected selling costs relating to assets held for sale and costs relating to share incentive plans

\*\* Adjusting items include Covid-19 related costs and costs relating to share incentive plans

# Earnings development – cents per share



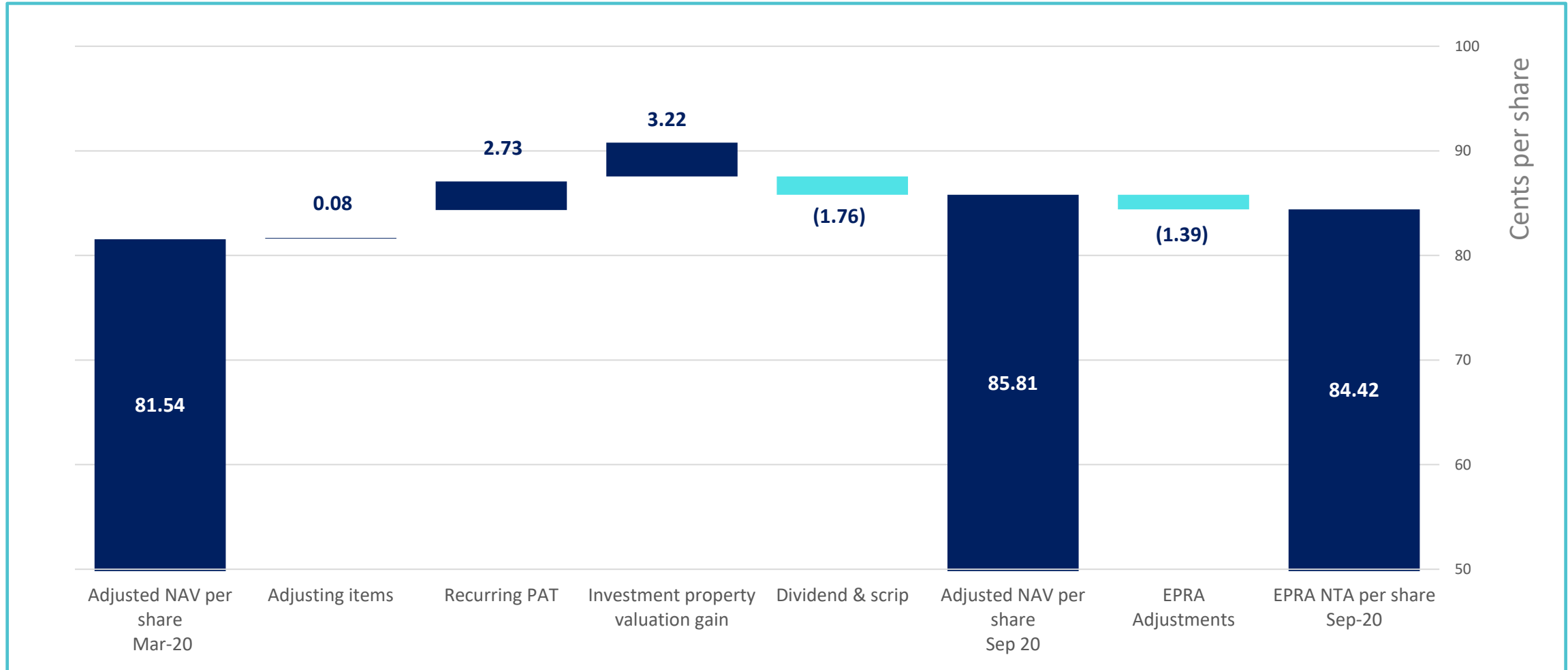
Note: All items in the chart above are calculated on the weighted average number of shares in issue during the period

## Financials – Statement of Financial Position

	As at Sep 20 €m	As at Mar 20 €m	Movement €m
<b>Assets</b>			
Investment properties (owned assets)	1,225.6	1,186.2	39.4
Investment properties (leased assets)	17.7	17.8	(0.1)
Investment in associate	51.6	49.5	2.1
Plant and equipment	4.9	4.4	0.5
Goodwill	3.7	3.7	-
Trade and other receivables	21.0	19.4	1.6
Cash and cash equivalents	128.4	121.3	7.1
<b>Total Assets</b>	<b>1,452.9</b>	<b>1,402.3</b>	<b>50.6</b>
<b>Liabilities</b>			
Trade and other payables	(44.1)	(56.8)	12.7
Interest bearing bank loans	(495.4)	(480.2)	(15.2)
Lease liabilities	(17.8)	(19.2)	1.4
Current & Deferred tax liabilities	(48.3)	(42.9)	(5.4)
Derivative financial instruments	(1.5)	(1.4)	(0.1)
<b>Total Liabilities</b>	<b>(607.1)</b>	<b>(600.5)</b>	<b>(6.6)</b>
<b>Net Assets</b>	<b>845.8</b>	<b>801.8</b>	<b>44.0</b>
<b>NAV per share</b>	<b>81.18c</b>	<b>77.35c</b>	<b>+5.0%</b>
<b>ADJUSTED NAV per share</b>	<b>85.81c</b>	<b>81.54c</b>	<b>+5.2%</b>
<b>EPRA NTA per share</b>	<b>84.42c</b>	<b>80.44c</b>	<b>+4.9%</b>



# NAV development - cents per share



\* EPRA adjustments add back deferred tax and derivative financial instruments relating to investments in associates, exclude goodwill and intangible assets. EPRA NTA per share is based upon the number of shares after taking into consideration share incentive plans.

# Titanium – Joint Venture Sirius & AXA Investment Managers

- » AXA Investment Managers – trusted partner & 65% equity holder of Titanium
- » Sirius Real Estate – exclusive asset manager & 35% equity holder of Titanium
- » Seed portfolio sold into Titanium by Sirius in Jul 19, €168.0m & 6.2% gross yield
- » Targeting stabilised assets > €45.0m with attractive running yields
- » First acquisition in Mar 20 – Hilden €58.9m (near Dusseldorf)
- » Titanium total investment property value - €235.1m at Sep 20 with future growth plans



# Titanium Joint Venture

€235.1m

Total Investment  
Property Value

33.3%

Net LTV

€14.7m

Annualised Rent Roll

## Combined Balance Sheet

	Titanium JV Sirius 35% Share	Sirius Core Balance Sheet	Combined
	€m	€m	€m
Investment property	82.3	1,243.4	1,325.7
Other assets	0.5	29.5	30.0
Cash	3.5	128.4	131.9
<b>Total assets</b>	<b>86.3</b>	<b>1,401.3</b>	<b>1,487.6</b>
Bank loans	(29.2)	(495.4)	(524.5)
Other liabilities	(2.8)	(63.4)	(66.2)
Tax	(4.7)	(48.3)	(53.0)
<b>Total liabilities</b>	<b>(36.7)</b>	<b>(607.1)</b>	<b>(643.7)</b>
<b>Net assets</b>	<b>49.6</b>	<b>794.2</b>	<b>843.8</b>
<b>No of assets</b>	<b>6</b>	<b>56</b>	
<b>Occupancy</b>	<b>87.0%</b>	<b>83.9%</b>	
<b>Rent Roll €m</b>	<b>14.7</b>	<b>89.2</b>	
<b>Gross Yield</b>	<b>6.3%</b>	<b>7.3%</b>	
<b>Average rate €/psqm</b>	<b>6.24</b>	<b>6.03</b>	
<b>No of tenants</b>	<b>495</b>	<b>5,115</b>	

# Income diversification through Titanium Joint Venture

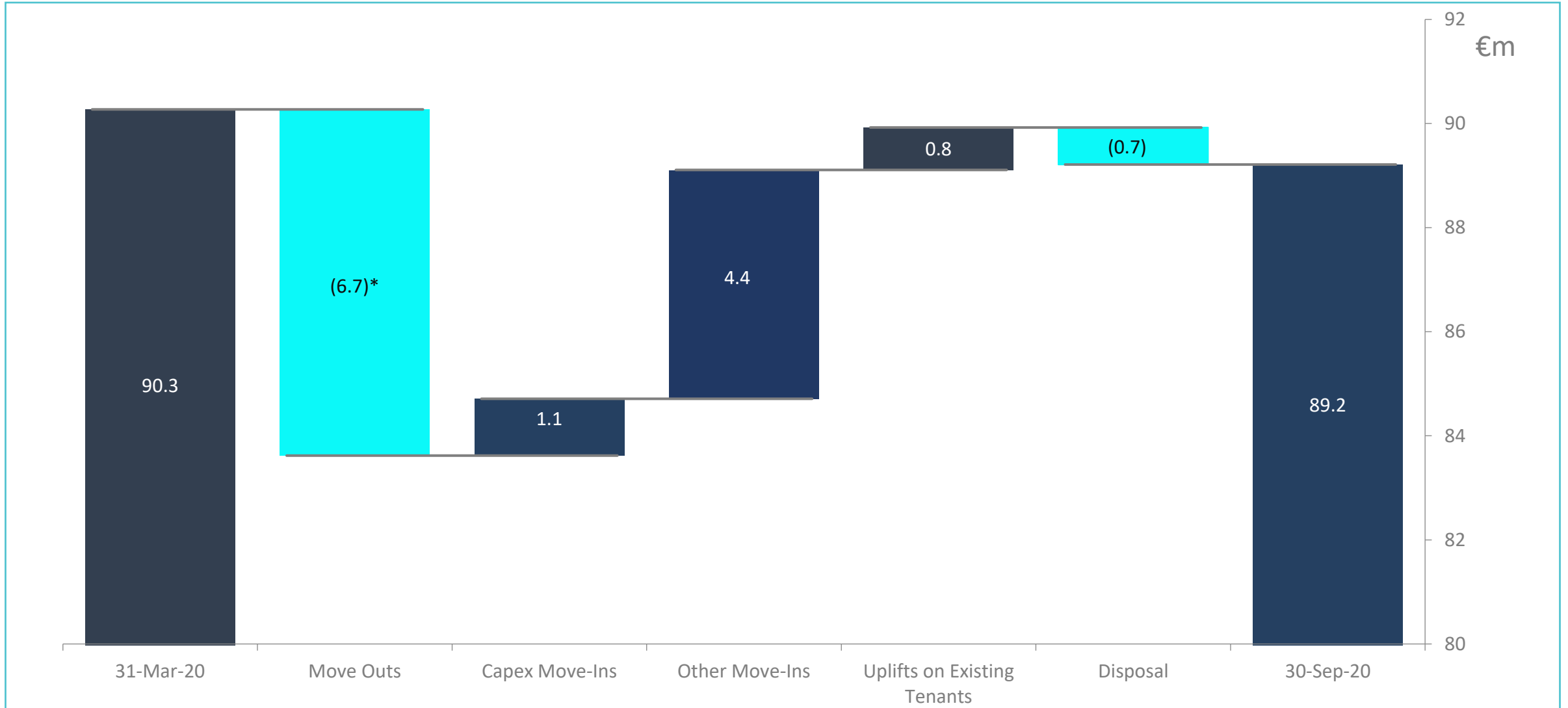
	Sep 20 Run Rate	Post Financing Run Rate*
<b>Invested equity</b>	€47.4m	€37.6m
<b>PAT</b>	€4.0m	€3.9m
<b>Management fees**</b>	€1.4m	€1.4m
<b>Total income</b>	€5.4m	€5.3m
<b>Return on equity</b>	11.4%	14.1%

- » Share of profit through 35% equity ownership
- » Management fees through utilisation of operating platform
- » Attractive income returns
- » Operating platform provides support for future growth

\* Assumes financing of the Hilden asset

\*\* Management fees net of direct costs

# Organic Growth – Rental Movement Analysis



\* Includes €1.75m of known move-outs in recent acquisitions

# Property Valuations & Book Value as at 30 Sep 20

Sep 20	Book Value €m	Annualised Rent Roll €m	NOI €m	Gross Yield	Net Yield	Capital Value psm €	Occupancy	Rate psm €	Vacant Space sqm
Total Portfolio	1,225.5	89.2	78.6	7.3%	6.4%	805	83.9%	6.03	237,308
Other	-	-	(1.0)	-	-	-			
<b>TOTAL</b>	<b>1,225.5</b>	<b>89.2</b>	<b>77.6</b>	<b>7.3%</b>	<b>6.3%</b>	<b>805</b>	<b>83.9%</b>	<b>6.03</b>	<b>237,308</b>

Valuation Movement in Year	€m	% Change
Book Value @ 31 Mar 20	1,186.2	
Capex	15.9	1.3%
Disposals	(10.1)	(0.9)%
Surplus on revaluation above Capex	34.4	2.9%
Lease Incentives	(0.9)	(0.1)%
<b>Book Value @ 30 Sep 20</b>	<b>1,225.5</b>	<b>3.2%</b>

Valuation Reconciliation to Book Value	€m
Cushman & Wakefield *	1,229.7
Adjustment relating to lease incentives	(4.2)
<b>Book Value @ 30 Sep 20</b>	<b>1,225.5</b>

\* After full provision of purchasers costs

# Portfolio Split – Value Add/Mature Assets

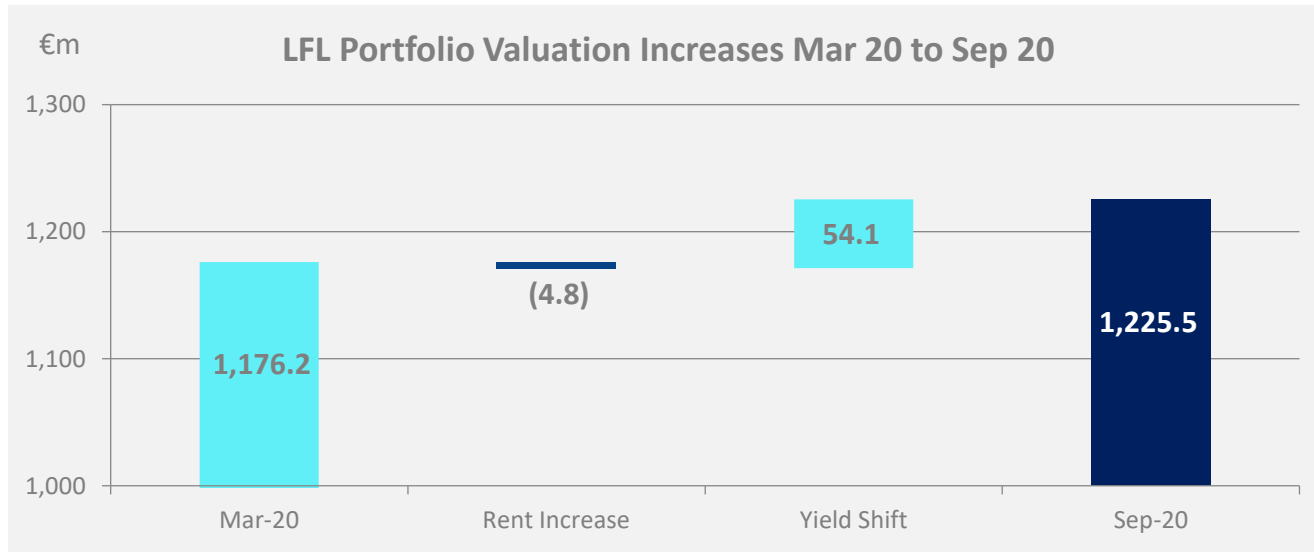
Mar 20 *	Book value €m	Rent roll €m	NOI €m	Gross yield	Net yield	Capital value psm €	Occupancy	Rate psm €	Vacant space sqm
Value-Add	680.0	54.7	46.8	8.0%	6.9%	675	80.1%	5.83	193,891
Mature	496.2	34.9	31.7	7.0%	6.4%	962	95.2%	6.18	23,630
Other	-	-	(1.2)	-	-	-	-	-	-
<b>TOTAL</b>	<b>1,176.2</b>	<b>89.6</b>	<b>77.3</b>	<b>7.6%</b>	<b>6.6%</b>	<b>772</b>	<b>85.2%</b>	<b>5.96</b>	<b>217,521</b>

Sep 20	Book value €m	Rent roll €m	NOI €m	Gross yield	Net yield	Capital value psm €	Occupancy	Rate psm €	Vacant space sqm
Value-Add	703.7	53.7	46.0	7.6%	6.5%	699	78.1%	5.87	213,449
Mature	521.9	35.5	32.6	6.8%	6.3%	1,012	95.2%	6.28	23,859
Other	-	-	(1.0)	-	-	-	-	-	-
<b>TOTAL</b>	<b>1,225.5</b>	<b>89.2</b>	<b>77.6</b>	<b>7.3%</b>	<b>6.3%</b>	<b>805</b>	<b>83.9%</b>	<b>6.03</b>	<b>237,308</b>

➤ €23.8m investment into 84,765 sqm of sub-optimal and vacated space expected to generate €7.2m rent roll

\* Restated for disposals

# Like-for-Like Valuation Movement



**As at 31 Mar 20:**

Gross Yield = 7.6%

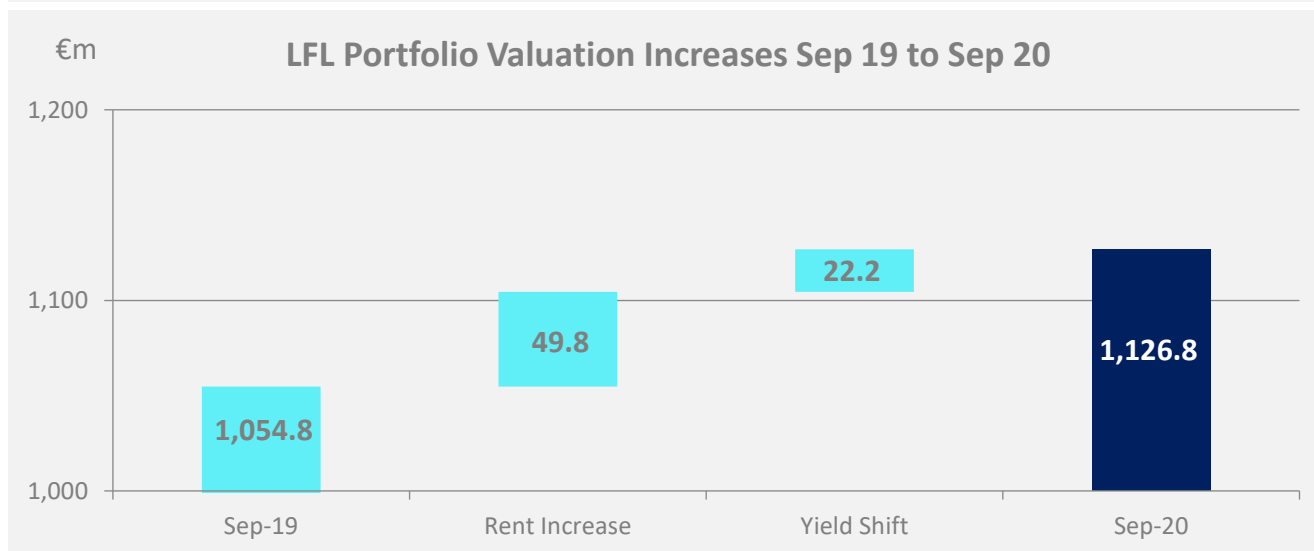
Net Yield = 6.6%

**As at 30 Sep 20:**

Gross Yield = 7.3%

Net Yield = 6.1%

**Gross Yield shift (34) bps**



**As at 30 Sep 19:**

Gross Yield = 7.4%

Net Yield = 6.3%

**As at 30 Sep 20:**

Gross Yield = 7.2%

Net Yield = 6.3%

**Gross Yield shift (15) bps**

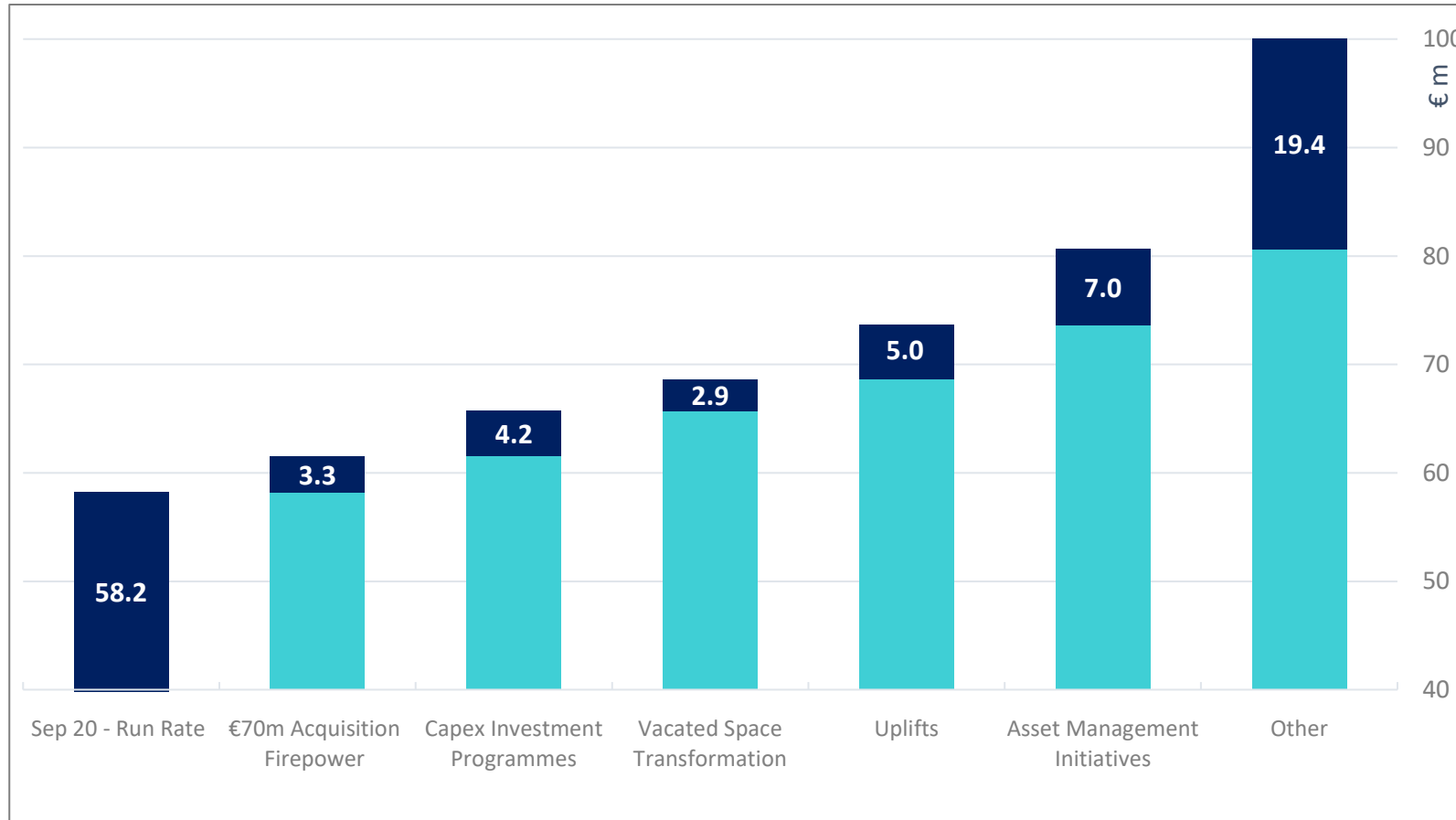
➤ Mar 20 valuation increases were suppressed due to 'material uncertainty clause' as a result of COVID



➤ Table on valuation increase from Sep 19 to Sep 20 is more representative of the valuation movements over last 12 months



# FFO – Growth Potential



- » €100m medium term ambition
- » Significant organic & acquisitive FFO growth potential
- » Deploy €70m of acquisition firepower
- » Capture organic growth through active asset management
- » Targeted investment into sub-optimal and vacated space

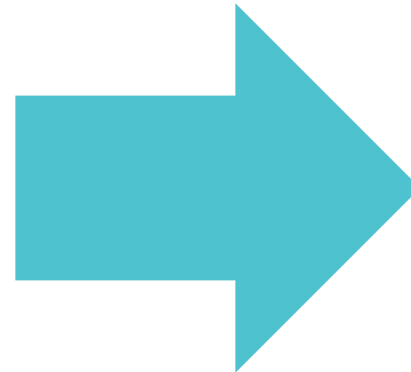
## Balance Sheet Providing Support for Growth

**€124.0m Unencumbered  
Assets (12)**

**€70m acquisition fire power**

**10x NOI Interest Cover  
8x EBITDA Interest Cover**

**31.6% Net LTV**



**Complete notarised assets**

**Increase acquisition pipeline**

**Invest into capex  
programmes**

**Invest into vacated space**

**Grow Titanium venture**

**Asset recycling**

# Banking

**3.0 Yrs**

**Weighted average debt expiry**

**1.5%**

**Average cost of debt**

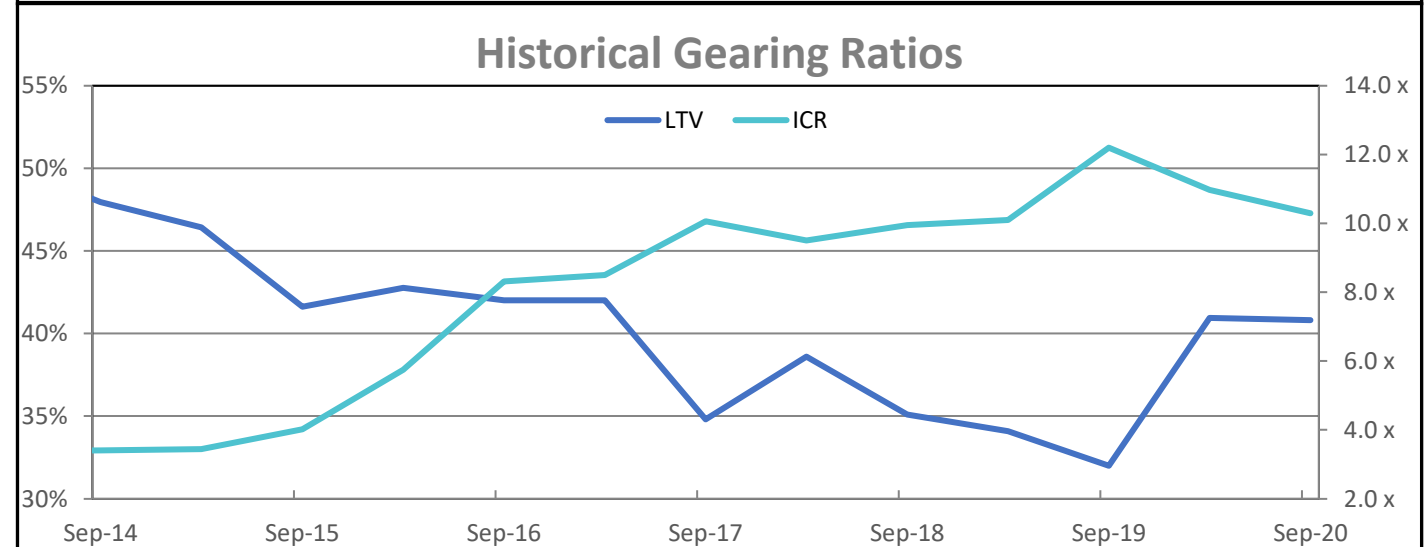
**10.3x**

**Interest cover from NOI**

**31.6%**

**Net LTV**

	Sep 20	Mar 20
Bank borrowings	€500.2m	€485.8m
Net LTV*	31.6%	32.8%
Gross LTV	40.8%	41.0%
Weighted average interest rate	1.5%	1.5%
NOI interest cover	10.3x	11.0x
EBITDA interest cover	9.1x	9.1x
Weighted average debt expiry	3.0 Years	3.6 Years
No. of unencumbered assets	12	12
Book value of unencumbered assets	€124.0m	€118.5m



\* Ratio of gross debt less cash excluding restricted cash to the aggregate value of investment property

# COVID-19 Summary & Outlook

- » Lockdown in Germany is much lighter than it is in the UK and will probably be extended for longer
- » Sirius will continue to work closely with its tenants to actively manage the situation throughout the crisis and beyond
- » Sirius has established a way of working in a COVID compliant way with less than 10% of on-site business park employees working remotely
- » Enquiries, viewings and new lettings continue at normal levels at a monthly average of more than 1,300, 1,000 & 180 respectively per month in the period to Sep 20
- » Unlike the first lockdown, technical due diligence can go ahead, so acquisition activity should pick up in H2

# Conclusion



- » Company successfully traded through a challenging six-month period supported by good cash collection rates and increased levels of enquiries
- » Strong balance sheet with 31.6% net LTV and €112.4m of unrestricted cash
- » Stable rent roll and occupancy levels
- » MSCI awarded AA status (previously A) in recognition of sustainability focus
- » FFO growth of 7.4% €29.1m and H1 dividend declared of 1.82c
- » Valuation increase of €50.3m following removal of material uncertainty clause
- » Cash collections and lettings activities post period end in line with normal working pattern
- » The Board remains confident that the Company is well placed to meet the challenges ahead and continue to deliver attractive and sustainable returns for shareholders in the future

## Appendices

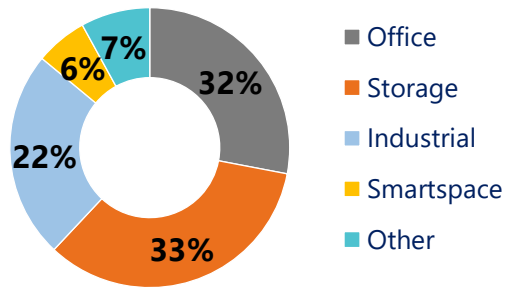
- Portfolio Diversity & Resilience (See Appendix I, page 23 - 33)
  - Well diversified portfolio in terms of geography, industry type, size of tenant, type of space (usage)
  - 7.6% of rent roll made up of Governmental tenants
  - 97.3% cash collection rate throughout COVID related trading period
  
- Portfolio Growth (See Appendix II, page 34 - 45)
  - 5 years of consistently strong organic growth
  - Strong track record of accretive asset recycling
  - €470m of acquisitions since Sep 14, now valued at €740m
  
- ESG (See Appendix III, page 45 -46)
  - Step 1 (Governance & Oversight) of TCFD in progress
  - Strong culture of diversity & inclusion throughout the company
  - 53%/47% female/male split across the company with employees from 26 nationalities
  
- Case Studies (See Appendix IV, page 47 - 53)
  - Hallbergmoos – out of town offices near Munich airport
  - Alzenau – Business Park near Frankfurt
  
- Share Register (See Appendix V, page 54-55)

## Appendix I

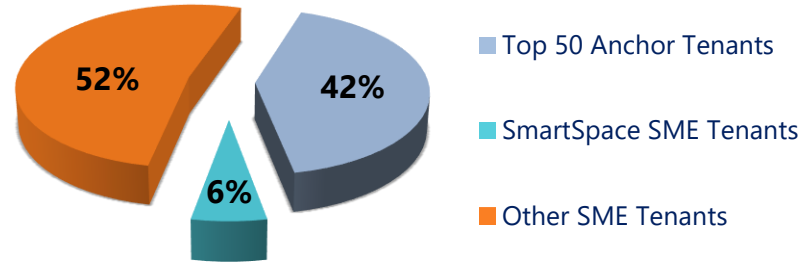
# Portfolio Diversity & Resilience

# Well diversified portfolio

**Usage split**



**Tenant split by revenue**



**5,000+**

**Tenants**

**3.0 Yrs**

**Portfolio WALT**

Type of tenant	No. of tenants @ 30 Sep 20	Occupied Sqm '000's	Annualised rent roll €m	Rate psm €
Top anchor tenants	50	557	37.1	5.56
SmartSpace SME tenants	2,556	60	5.8	7.95
Other SME tenants	2,509	616	46.3	6.26
<b>Total</b>	<b>5,115</b>	<b>1,233</b>	<b>89.2</b>	<b>6.03</b>

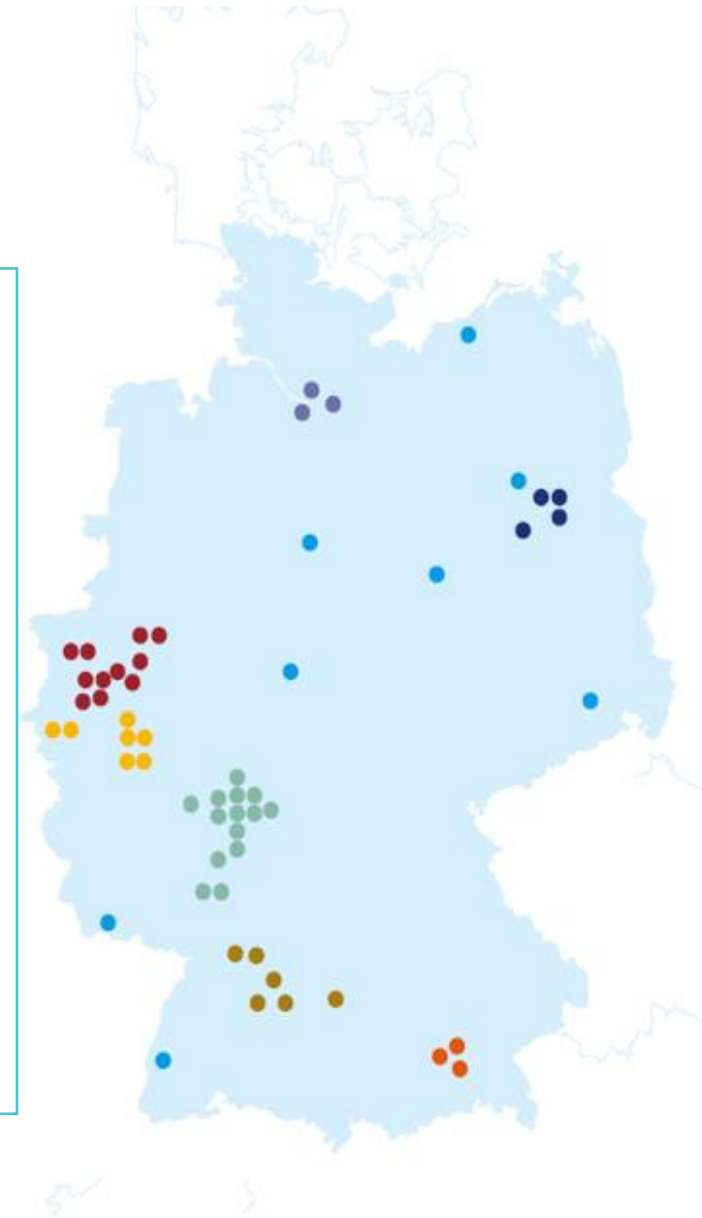
**7.6%**

**Of total rent roll relate to Government tenants**

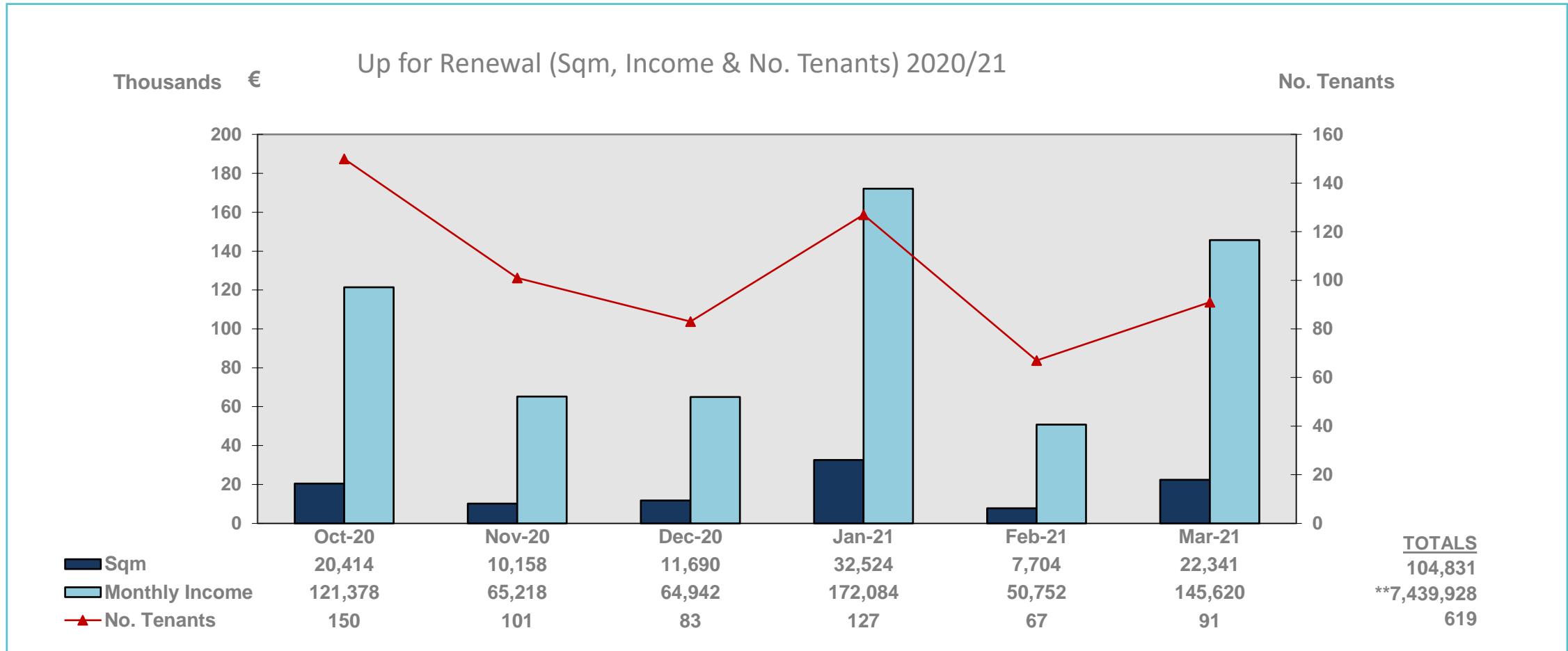


# Diversified Portfolio

Sep 20		No. Of Properties	Total Sqm m	Occupancy	Rate psm €	Annualised Rent €m	% of Portfolio By Rent	Book Value €m	Gross Yield
Frankfurt	<span style="color: green;">●</span>	14	358.1	84.4%	6.17	22.4	25.1%	291.0	7.7%
Berlin	<span style="color: blue;">●</span>	4	103.4	97.7%	7.27	8.8	9.9%	135.6	6.5%
Stuttgart	<span style="color: gold;">●</span>	6	251.3	91.0%	4.74	13.2	14.8%	166.8	7.9%
Cologne	<span style="color: yellow;">●</span>	7	127.2	82.2%	7.29	9.0	10.1%	134.6	6.7%
Munich	<span style="color: orange;">●</span>	3	125.7	79.3%	7.18	8.7	9.8%	170.4	5.2%
Düsseldorf	<span style="color: red;">●</span>	11	197.1	85.5%	5.32	10.8	12.1%	142.1	7.6%
Hamburg	<span style="color: purple;">●</span>	3	79.0	57.3%	5.15	2.8	3.1%	41.9	6.7%
Other	<span style="color: cyan;">●</span>	8	228.8	80.2%	6.12	13.5	15.1%	143.1	9.4%
<b>Total SRE</b>		<b>56</b>	<b>1,470.6</b>	<b>83.9%</b>	<b>6.03</b>	<b>89.2</b>	<b>100%</b>	<b>1,225.5</b>	<b>7.3%</b>



# Portfolio Renewals Analysis to Mar 21\*



\* Excluding DDS headleases and DDS subleases (DDS contracts with SmartSpace, Flexilager and conferencing clients)

\*\* Annualised total

# SmartSpace (SmSp) Products

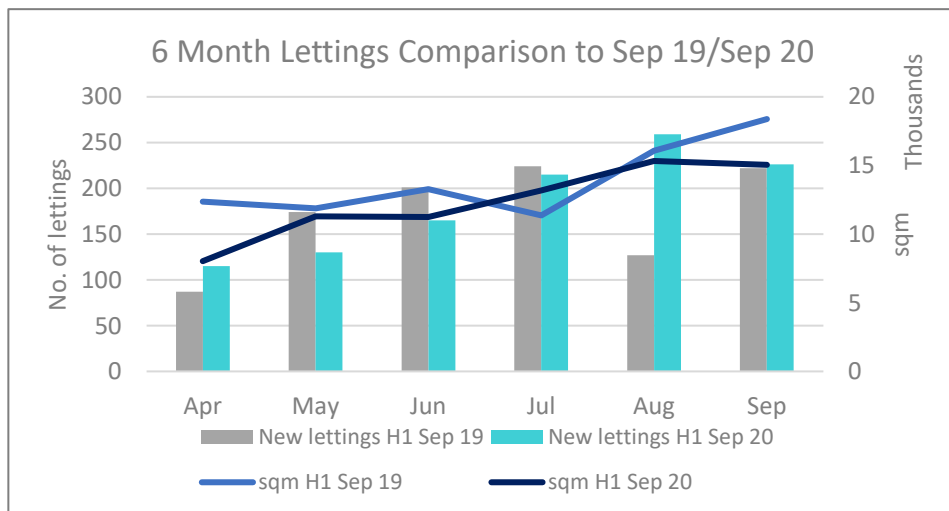
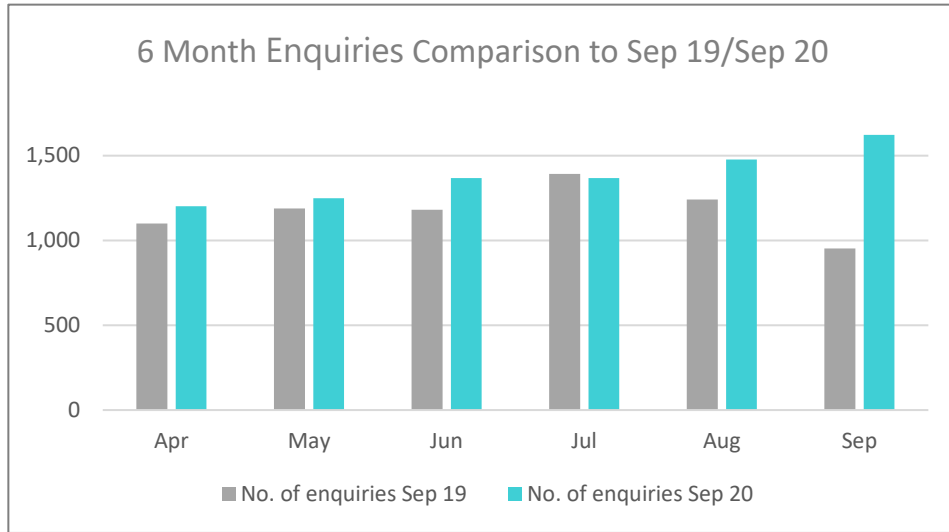


SmartSpace product type	Total sqm	Occupied sqm	Occupancy %	Annualised rent roll (ex. service charge) €'000	% of total annualised SmSp rent roll	Rate per sqm (excl. service charge) €
First Choice Office	4,399	1,822	41%	432	7%	19.78
SMSP Office	29,076	22,358	77%	2,402	42%	8.95
SMSP Workbox	6,997	5,727	82%	392	7%	5.70
SMSP Storage	38,350	28,010	73%	2,325	40%	6.92
<b>SMSP Subtotal</b>	<b>78,822</b>	<b>57,917</b>	<b>73%</b>	<b>5,551</b>	<b>96%</b>	<b>7.99</b>
SMSP Flexilager *	7,023	2,529	36%	214	4%	7.06
<b>SMSP TOTAL</b>	<b>85,845</b>	<b>60,446</b>	<b>70%</b>	<b>5,765</b>	<b>100%</b>	<b>7.95</b>

During the period a further 248sqm of SmartSpace Office, 2,714sqm of SmartSpace Storage and 1,125sqm of SmartSpace Workbox were created from vacant sub-optimal space and Flexilager

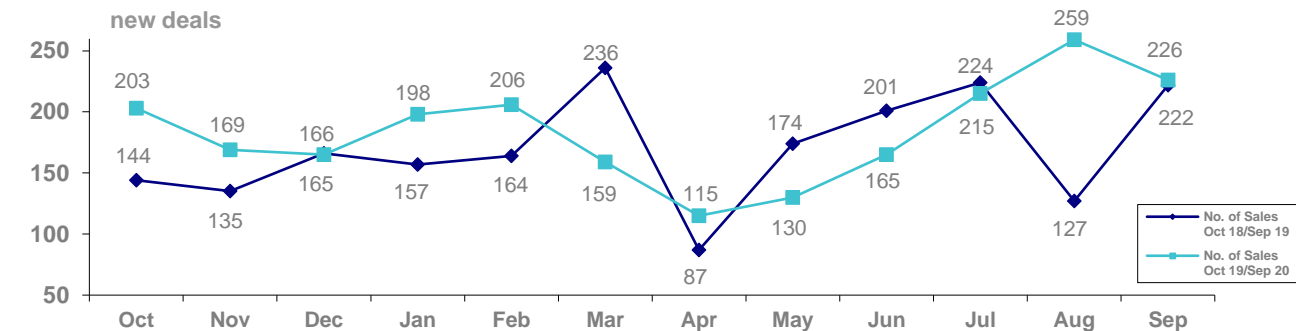
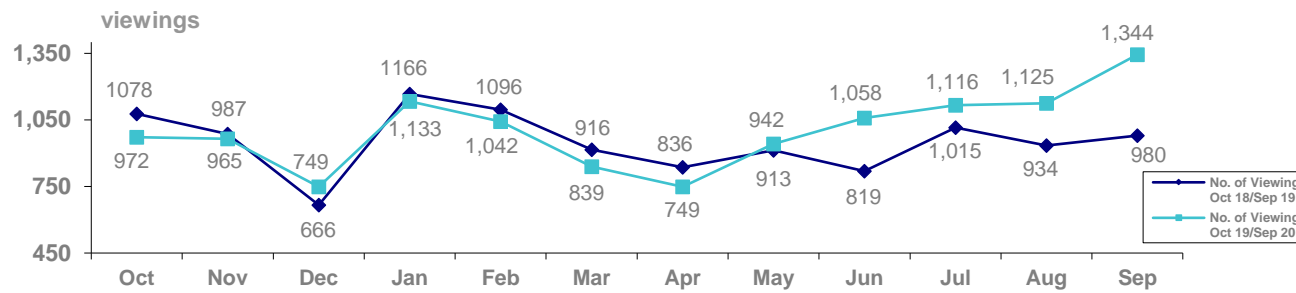
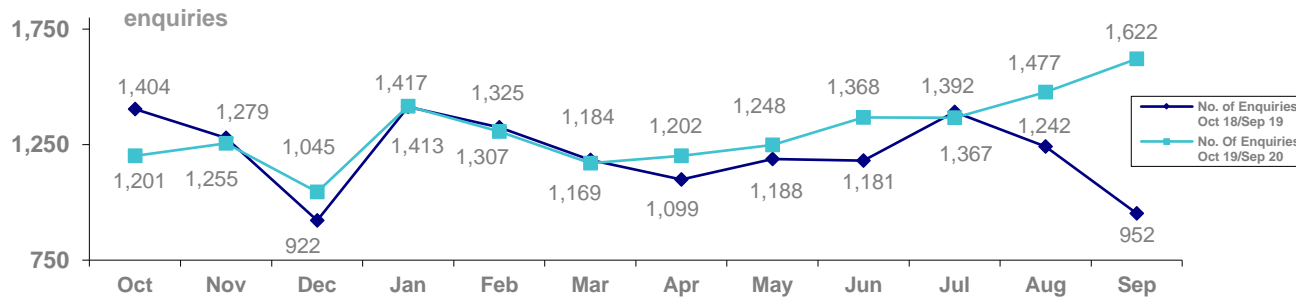
\* Not adjusted for common areas

# Sirius Resilience – H1 Enquiries & Sales - 6 Month Comparison



- » 17.4% year on year increase in enquiries in the period
- » 1,381 average enquiries per month in the period
- » Increase in storage enquiries in the period
- » 13.4% sales conversion rate versus 14.7% in prior year
- » 74k sqm sold in period versus 83k sqm in prior year
- » Average deal size 67 sqm versus 80 sqm in prior year

# Enquiries/Viewings/Sales – 2 Yr Comparison Oct 18 – Sep 20



**Average for 12 Months**

Oct 19 - Sep 20

**1,307**

**ENQUIRIES**

Increase on 12 month period last year

**7.5% ↑**

**Average for 12 Months**

Oct 19 - Sep 20

**1,003**

**VIEWINGS**

Conversion

Enquiries → Viewings

**77 %**

**Average for 12 Months**

Oct 19 - Sep 20

**184**

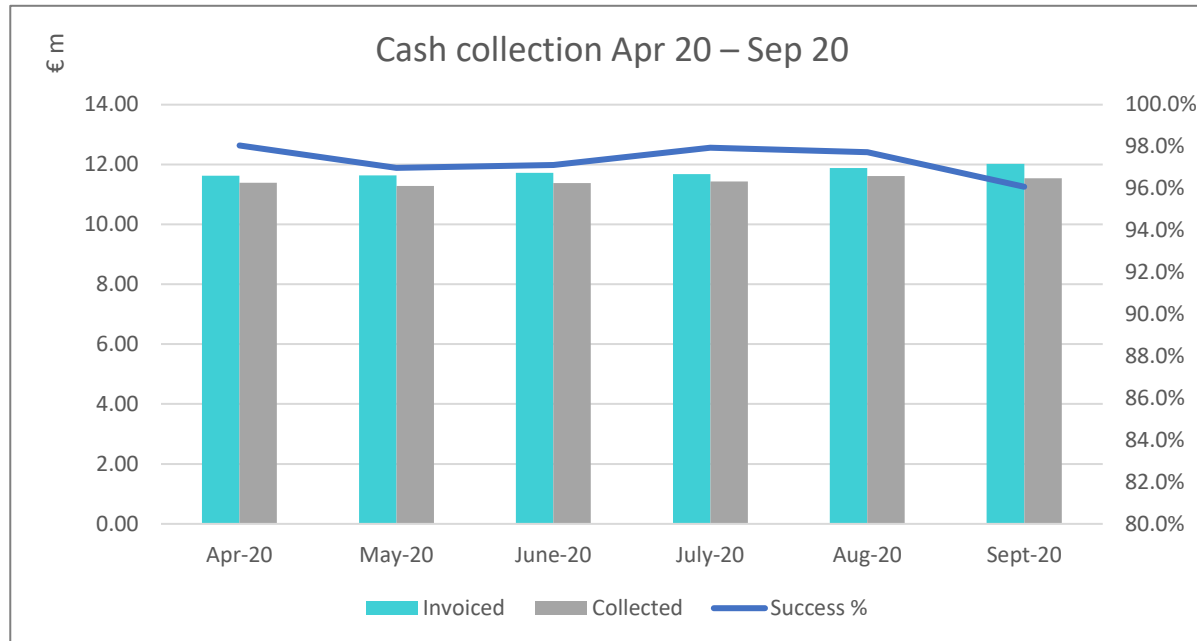
**NEW DEALS**

Conversion

Enquiries → Sales

**14.1 %**

# Sirius Resilience – H1 Cash Collection



- » Experienced cash collection team
- » 97.3% cash collection success rate for the period
- » €70.5m invoiced in period
- » €1.9m outstandings reduced to €1.6m by end of October
- » 11 deferred payment plans agreed relating to €0.3m
- » €0.1m write offs for the period

# Banking – Summary

Banking Facility	Outstanding debt Sep 20 €'000	Interest Rate	Annual Interest €'000	Maturity Date
Bayerische Landesbank *	22,844	1.66%	379	Oct-20
SEB AG	53,100	1.84%	977	Sep-22
Berlin Hyp AG/Deutsche Pfandbriefbank AG	60,571	1.66%	1,005	Apr-23
Berlin Hyp AG	62,948	1.48%	931	Oct-23
Berlin Hyp AG extension	114,038	0.90%	1,026	Oct-23
Deutsche Pfandbriefbank AG	60,422	1.63%	984	Dec-23
Schuldschein (unsecured)	50,000	1.60%	800	Dec-23**
SEB AG II	24,013	2.52%	605	Oct-24
Saarbrücken Sparkasse	16,165	1.53%	247	Feb-25
SEB AG III	36,100	1.58%	570	Mar-25
<b>TOTAL</b>	<b>500,201</b>	<b>1.50%</b>	<b>7,527</b>	

**1.50 %**

**Weighted average interest rate**

\* Fully repaid post period

\*\* Blended maturity

# Debt Maturity

**€22.8m**

**Bayern LB facility repaid  
post period end**

**67%**

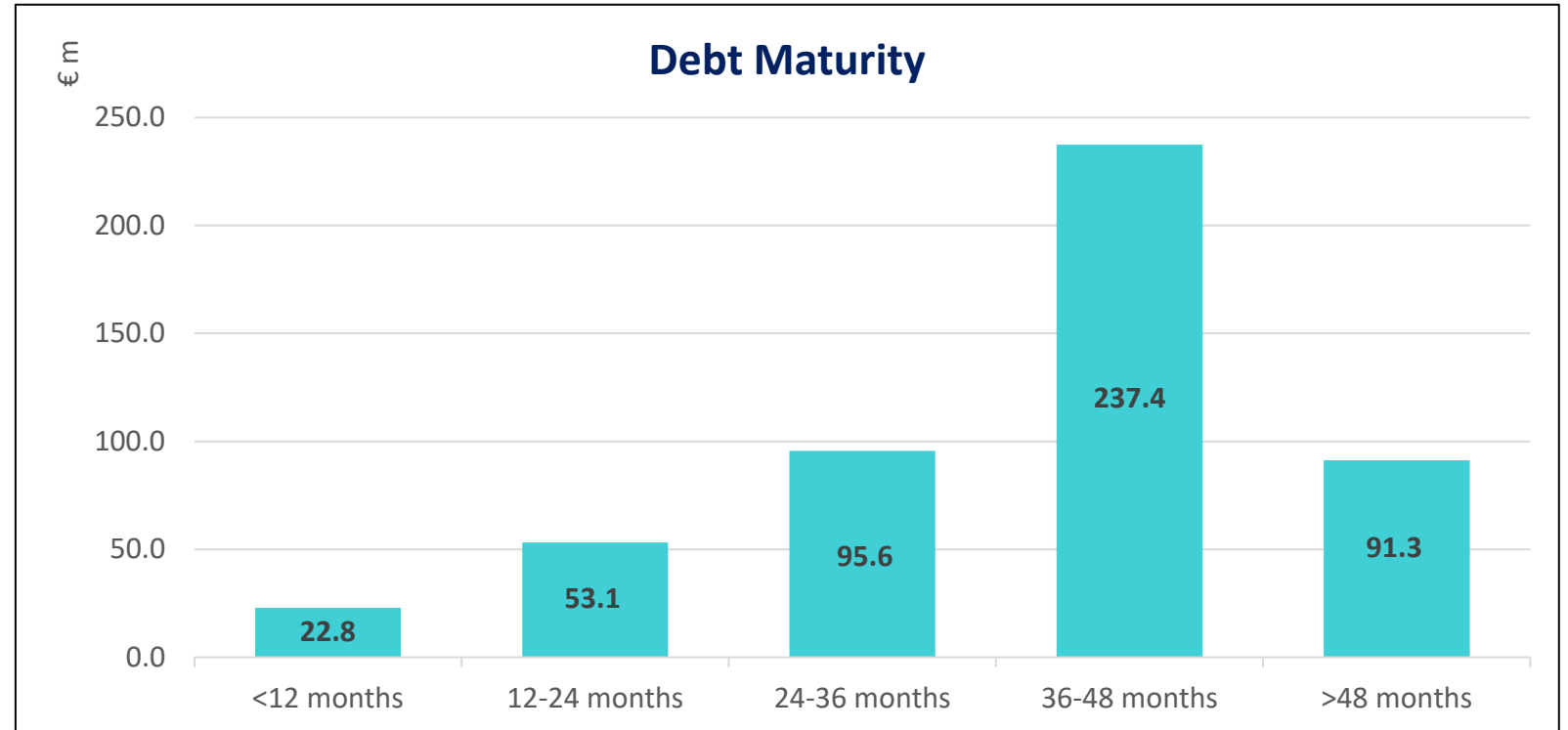
**Fixed rate debt**

**27%**

**Floating rate debt fixed via SWAP**

**6%**

**Floating rate debt**





# Banking



	Facility Covenants								Loan Expiry Date
	Sep 20 Position				Hard Covenant				
	ICR*	DSCR*	DYR*	LTV **	ICR	DSCR	DYR	LTV	
<b>Bayerische Landesbank</b>	n/a	7.01x	n/a	32.0%	n/a	2.50x	n/a	65.0%	Oct 20
<b>SEB AG</b>	8.06x	n/a	n/a	32.9%	4.30x	n/a	n/a	70.0%	Sep 22
<b>SEB AG II</b>	n/a	n/a	10.46%	45.1%	n/a	n/a	5.75%	66.5%	Oct 24
<b>SEB AG III</b>	n/a	n/a	12.56%	40.3%	n/a	n/a	7.50%	63.0%	Mar 25
<b>Berlin Hyp AG/Deutsche Pfandbriefbank AG</b>	n/a	2.91x	n/a	20.5%	n/a	1.10x	n/a	62.5%	Apr 23
<b>Berlin Hyp AG</b>	n/a	3.16x	n/a	62.6%	n/a	1.40x	n/a	65.0%	Oct 23
<b>Saarbrücken Sparkasse</b>	n/a	2.70x	n/a	53.0%	n/a	2.00x	n/a	n/a	Feb 25
<b>Deutsche Pfandbriefbank AG</b>	n/a	n/a	11.36%	51.4%	n/a	n/a	6.50%	75.0%	Dec 23
<b>Average</b>	<b>8.06x</b>	<b>3.95x</b>	<b>11.46%</b>	<b>40.8%</b>					

» €244m valuation headroom at Group level

» €29m income headroom at Group level

\* Sep 20 income covenant positions are calculated using various methods as per facility agreement and usually involve 12-month look-forward committed income and more onerous non-recoverable costs.

\*\* Sep 20 LTV covenant positions are calculated using Cushman & Wakefield valuations as at 30 Sep 20.

## Appendix II

# Portfolio Growth

# SRE – Key Metrics Development

	Sep-20	Mar-20	Mar-19	Mar-18	Mar-17	Mar-16	Mar-15
Portfolio book value (€m)	1,225.5	1,186.2	1,132.5	967.3	823.3	687.4	545.6
Rent roll (€m)	89.2	90.3	87.8	79.5	71.0	60.5	50.0
NOI (€m)	77.6	78.0	76.7	66.4	61.4	52.5	42.7
FFO (€m)	58.2*	55.7	48.4	38.4	37.0	26.7	14.3
Gross yield	7.3%	7.6%	7.8%	8.2%	8.6%	8.8%	9.2%
Like-for-like rent roll increase	(0.4)%	6.1%	7.1%	6.2%	5.1%	5.9%	5.2%
Like-for-like valuation increase	4.3%**	9.9%	13.3%	11.6%	8.5%	10.9%	6.4%
Occupancy	83.9%	85.3%	86.1%	79.2%	80.5%	80.0%	79.0%
<b>Rate € psqm</b>	<b>6.03</b>	<b>5.98</b>	<b>5.78</b>	<b>5.46</b>	<b>5.27</b>	<b>5.06</b>	<b>4.75</b>

- » Like for like increase in valuation driven by increase in income and yield shift
- » Assets with vacancy being acquired to fuel future capex investment programmes, a key driver of organic growth

\* Annualised  
 \*\* Six month period

# Organic Growth – Rental Income Analysis

Site	Sep-20	Mar-20	Sep-19	Difference	
Rent Roll	€89.2m	€90.3m	€78.5m		↓ (1.2)%
Rent Roll (Disposals)	(€0.7m)	-	(€11.3m)*	-	-
Rent Roll (Acquisitions)	-	€9.0m	-	-	-
Rent Roll (LFL)	€89.2m	€89.6m	€76.5m**		↓ (0.4)%
Occupancy (LFL)	83.9%	85.2%	82.9%**		↓ (1.3)%
Occupancy	83.9%	85.3%	83.0%		↓ (1.4)%
Rate psm (LFL)	€6.03	€5.96	€5.88**		↑ 1.2%
Rate psm	€6.03	€5.98	€5.90		↑ 0.8%
New Lettings	74,095sqm	162,607qm	83,279sqm		↓ (11.0)%
New Letting Rate psm	€6.68	€6.55	€6.53		↑ 2.2%
Move-Outs Rate psm***	€6.37	€5.85	€5.47		↑ 16.5%
Move-Outs***	87,033sqm	154,258sqm	94,339qm		↓ (7.7)%



\* Sale of Assets to Titanium

\*\* Excluding Alzenau, Neuruppin, Neuss II & Hallbergmoos

\*\*\* Excluding Disposals

# Transactions – No Acquisitions Completed in H1

Site	Date Completed	Total Proceeds €m	Price per sqm €	Annualised Disposal Rental Income €m	Annualised Disposal NOI €m	Disposal Occupancy	EPRA Net Initial Yield *
<b>Disposals Completed:</b>							
Stuttgart-Weilimdorf	Apr-20	10.1	1,493	0.7	0.7	100%	6.3%
<b>Total</b>		<b>10.1</b>	<b>1,493</b>	<b>0.7</b>	<b>0.7</b>	<b>100%</b>	<b>6.3%</b>
Site	Date Notarised	Total Investment €m	Cost per sqm	Annualised Acquisition Rental Income €m	Annualised Acquisition NOI €m	Acquisition Occupancy	EPRA Net Initial Yield
<b>Acquisitions Notarised:</b>							
Norderstedt	Sep-20	9.1	718	0.8	0.7	100%	7.6%
<b>Total</b>		<b>9.1</b>	<b>718</b>	<b>0.8</b>	<b>0.7</b>	<b>100%</b>	<b>7.6%</b>

- » No acquisitions completed in the period
- » One disposal completed in the period (Stuttgart-Weilimdorf)
- » One acquisition notarised in the period (Hamburg-Norderstedt)

\* Acquisition costs estimated

# Acquisitions Owned >1yr – Returns Achieved

34

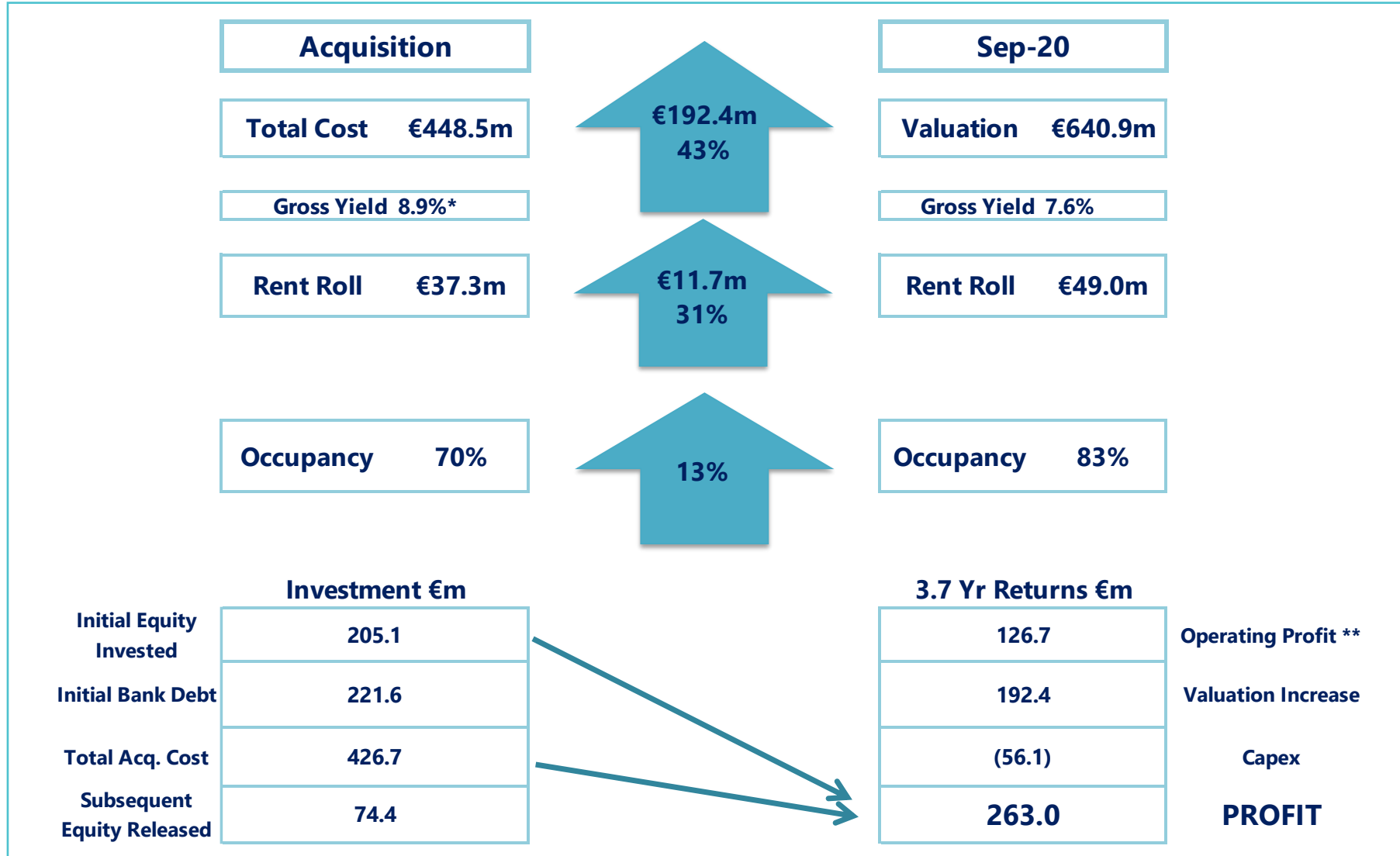
Assets acquired & owned for > 1 year

3.7 yrs.

Weighted average time asset owned

€263.0m

3.7 Year returns

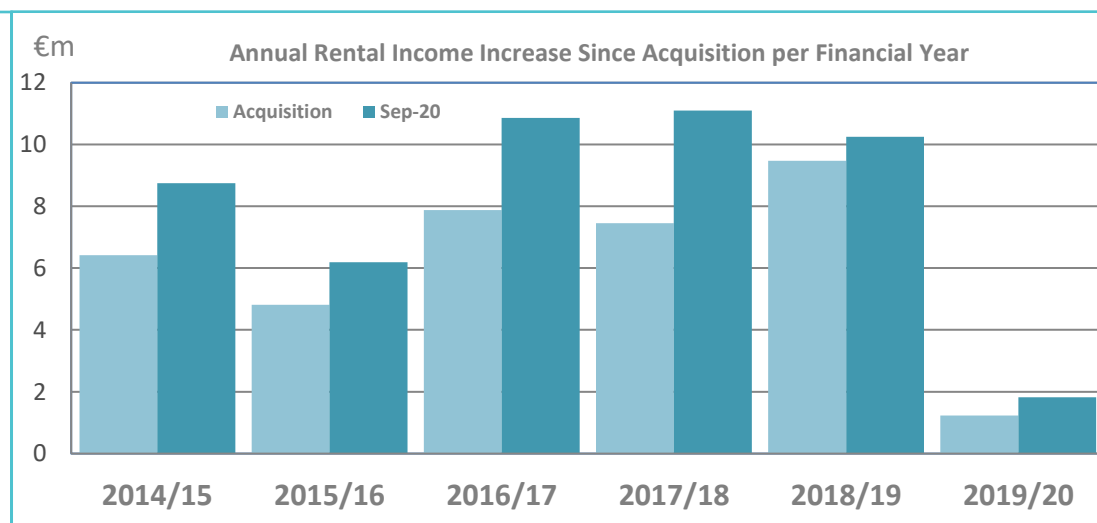
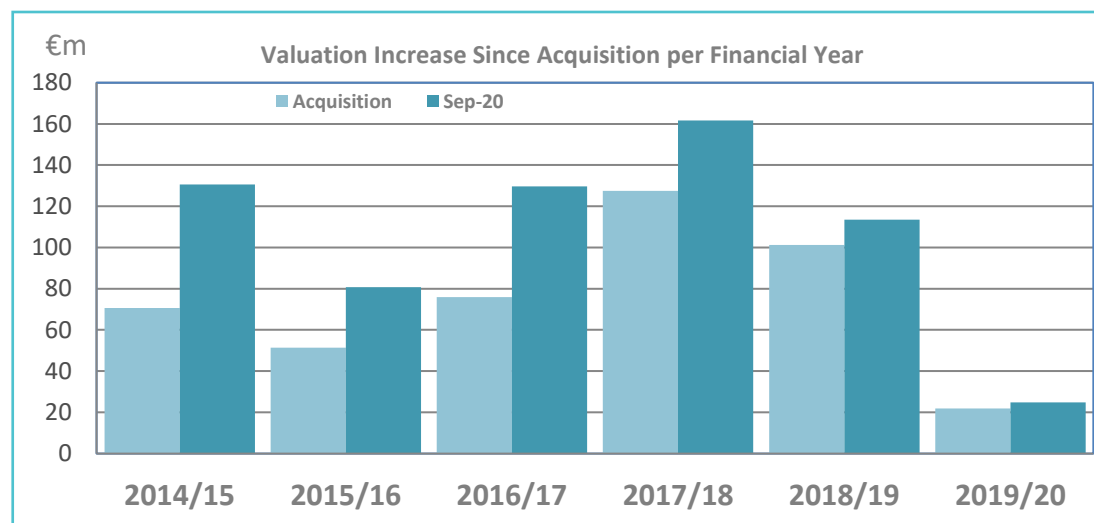


\* Based on a purchase price of €419.5m

\*\* NOI less bank interest

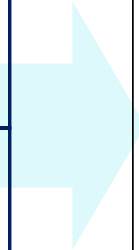
# Acquisitions Owned >1yr – Valuation & Rent Roll per Financial Year Acquired

Financial Year	Total Acq. Cost €	Sep 20 Valuation €	Valuation Increase	Acq. Rental Income €	Sep 20 Annualised Rental Income €	Annualised Rental Income Increase €	Acq. Occupancy	Sep 20 Occupancy	Occupancy Increase	Capex Since Acq. €m
2014/15 (4)	70.7	130.7	60.0	6.4	8.8	2.4	82%	96%	15%	5.6
2015/16 (5)	51.3	80.7	29.4	4.8	6.2	1.4	81%	92%	11%	5.4
2016/17 (6)	75.9	129.5	53.7	7.9	10.9	3.0	66%	85%	18%	20.4
2017/18 (11)	127.5	161.7	34.2	7.5	11.1	3.6	55%	72%	17%	17.2
2018/19 (6)	101.2	113.5	12.3	9.5	10.2	0.7	81%	85%	4%	6.5
2019/20 (2)	21.9	24.8	2.9	1.2	1.8	0.6	61%	72%	11%	1.0
<b>Total (34)</b>	<b>448.5</b>	<b>640.9</b>	<b>192.4</b>	<b>37.3</b>	<b>49.0</b>	<b>11.7</b>	<b>70%</b>	<b>83%</b>	<b>13%</b>	<b>56.1</b>



# Accretive Asset Recycling

<b>Core Disposals (20) *</b>		<b>Mar 12 - Sep 20</b>	
Value	€288.2m	Disposal Price	€325.0m
Gross Yield	7.1%	Uplift	13%
Total Sqm	401k	Occupancy	85%
<b>Land Package Disposals (9)</b>		<b>Sep 11 - Sep 18</b>	
Value	€10.6m	Disposal Price	€14.1m
Total Sqm	122k	Uplift	33%



<b>Acquisitions (38)</b>		<b>Sep-20</b>	<b>Sep 14 - Sep 20</b>
Total Cost	€546.6m	Valuation	€739.6m
Gross Yield	8.8%**	Gross Yield	7.7%
Rent Roll	€44.9m	Rent Roll	€56.8m
Occupancy	70%	Occupancy	83%
Total Sqm	896k		
		Uplift	35%
		Movement	(1.1)%
		Uplift	27%
		Movement	13%

» Almost 70 property transactions over seven years consisting €339m of disposals & €547m of acquisitions which are now worth almost €740m

\* Excluding two non-core asset disposals in Bremen sold for €19.3m with more than 50% vacancy

\*\* Gross yield based on €511.4m net purchase price



# Vacant Space Analysis

Sep-20 Ending Position

Total space – sqm	1.47m	<b>Occupancy</b>		<b>84%</b>
Occupied space – sqm	1.23m			
Vacant space - sqm	0.24m			
	<b>Sep-20</b>			
<b>Sub optimal space</b>	<b>% of Total space</b>	<b>Sqm</b>	<b>Capex €m</b>	<b>ERV (post invest) €m</b>
Original capex programme	0%	3,519	0.6	0.1
New acquisition capex programme	3%	43,232	13.3	4.2
<i>Other vacant Capex Investment</i>	3%	38,014	9.9	2.9
<b>Total sub-optimal space</b>	<b>6%</b>	<b>84,765</b>	<b>23.8</b>	<b>7.2</b>
Structural vacancy	2%	33,402		
<b>Lettable vacancy</b>				
Smart space	2%	26,282		2.5
Other vacancy	6%	92,859	1.4	5.6
<b>TOTAL LETTABLE SPACE</b>	<b>8%</b>	<b>119,141</b>	<b>1.4</b>	<b>8.1</b>
<b>TOTAL</b>	<b>16%</b>	<b>237,308</b>	<b>25.2</b>	<b>15.3</b>

# Opportunity within Vacancy

Sub-optimal space	Sqm	% of total space	Investment €m	ERV €m
Original capex investment programme	3,519	0%	0.6	0.1
New acquisition capex investment programme	43,232	3%	13.2	4.2
Vacated space	38,014	3%	9.9	2.9
<b>Sub total</b>	<b>84,765</b>	<b>6%</b>	<b>23.8</b>	<b>7.2</b>

Lettable space	Sqm	% of total space	Investment €m	ERV €m
SmartSpace	26,282	2%	-	2.5
Other vacancy	92,859	6%	1.4	5.6
<b>Sub total</b>	<b>119,141</b>	<b>8%</b>	<b>1.4</b>	<b>8.1</b>

**33k sqm (2%)**

**Structural vacancy**

**85k sqm & €7.2m**

**Sub-optimal space & ERV**

**119k sqm & €8.1m**

**Lettable space & ERV**

# Original Capex Programme

Completed in period



**0.1k sqm**

**€0.2m**

**50%+**

Vacant space refurbished in period

Invested in period

Return on cost

Capex Investment Programme Progress	Sqm	Budget					Achieved to date				
		Investment €m	Invest psm €	Rent Improvement €m	Rate €	Occupancy	Investment €m	Invest psm €	Rent Improvement €m	Rate €	Occupancy
Completed	200,623	26.0	129	10.5	5.57	79%	24.4	122	12.5	6.48	80%
In progress	2,242	0.3	128	0.1	4.60	80%	0.1	46	0.0	-	-
To commence in next financial yr.	1,277	0.4	356	0.1	5.00	86%	-	-	-	-	-
<b>Total</b>	<b>204,142</b>	<b>26.7</b>	<b>131</b>	<b>10.7</b>	<b>5.55</b>	<b>79%</b>	<b>24.5</b>	<b>120</b>	<b>12.5</b>	<b>-</b>	<b>80%</b>

Still to Come:

**3.5k sqm**

**€0.6m**

**€0.1m**

Vacant space still to be refurbished

Further investment

Further annualised rental income

# New Acquisition Capex Programme

Completed in Period

**25.5k sqm**

**€5.7m**

**€1.1m**

Vacant space refurbished in period

Invested in period

Annualised rental income increase

Capex Investment Programme Progress	Sqm	Budget					Achieved to date				
		Investment €m	Invest psm €	Rent Improvement €m	Rate €	Occupancy	Investment €m	Invest psm €	Rent Improvement €m	Rate €	Occupancy
Completed	127,895	28.4	222	9.4	7.49	82%	25.0	195	8.0	7.33	71%
In progress	19,080	4.7	250	1.2	6.49	83%	1.8	96	0.1	-	-
To commence in next financial yr.	24,186	8.9	367	1.7	7.1	81%	-	-	-	-	-
<b>Total</b>	<b>171,161</b>	<b>42.0</b>	<b>246</b>	<b>12.3</b>	<b>7.32</b>	<b>82%</b>	<b>26.8</b>	<b>157</b>	<b>8.1</b>	<b>-</b>	<b>71%</b>

Still to Come:

**43.3k sqm**

**€13.3m**

**€4.2m**

Vacant space still to be refurbished

Further investment

Further annualised rental income \*

\* At 85% occupancy

## Appendix IV

ESG

# Embedding Sustainability Into Our Business

## Environment

- » Currently 86% renewable energy supplied to 91.55 % of our portfolio
- » From January 2021 – 99.4 % of electricity consumption of portfolio 100% certified green electricity sources
- » Analysing Scope 1 & 2 of GHG emissions for reporting full year 2021
- » Will review Scope 3 emissions and examine potential for Net Zero within our strategy of maintaining and refurbishing existing buildings
- » Step 1 (Governance & Oversight) of TCFD in progress

## Social

- » Health & wellbeing of colleagues central to all actions throughout COVID-19 with no state support requested
- » 398 delegate days of training have been received in the period
- » Diversity remains core to our ethics with all colleagues receiving training on equal rights
- » 38% of colleagues are currently shareholders in the business
- » Refreshed purpose and values to be promoted throughout the company, ensuring our culture is aligned to our business strategy

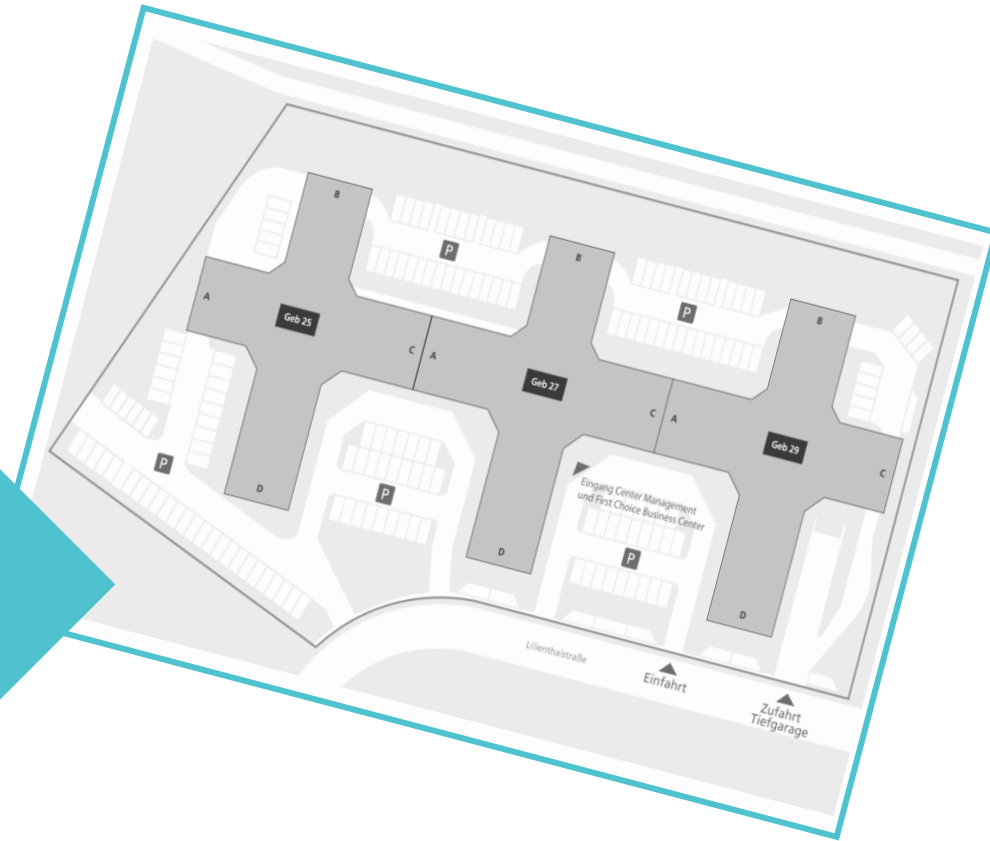
## Governance

- » Two new Board members bring additional expertise and strategic counsel
- » Workforce represented by 53% women and 47% men from 26 nationalities
- » Undertaking ESG Materiality Assessment as part of programme to embed Environment, Social & Governance throughout our business
- » Activity recognised with MSCI rating upgrade from A to AA

# Appendix IV Case Studies



## Case Study 1 – Hallbergmoos Site Plan & Impression





## Case Study 1 – Hallbergmoos Property Overview

- » Modern office building in the immediate vicinity of Munich International Airport with a total of 18,552 sqm including 8,999 sqm of vacant space providing value add opportunity and acquired at an EPRA NIY of 3.3%
- » Asset held on an unencumbered basis providing the Group with balance sheet optionality
- » Business plan to increase occupancy from 52% to 86% through targeted investment of €1.8m and the let up of vacant space
- » Total return of €15.0 million equating to a 1.7x multiple and 17% ungeared IRR



## Case Study 1 – Hallbergmoos

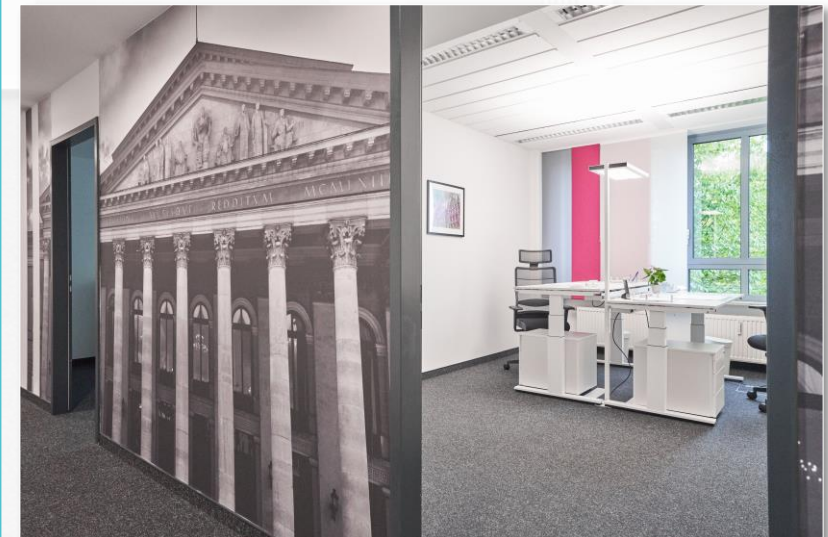
# Financials & Returns To Date

	Acquisition Dec 19	Sep 20	3 Yr Business plan target	Total Expected Improvement
<b>Total Cost/Valuation</b>	<b>€ 20.2m</b>	<b>€ 20.5m</b>	<b>€ 33.0m</b>	<b>€ 12.8m</b>
<b>Total SQM</b>	<b>18,552</b>	<b>18,552</b>	<b>18,552</b>	-
Value psm	€ 1,087	€ 1,105	€ 1,776	€ 689
Annualised Rent Roll	€ 0.9m	€ 0.9m	€ 1.8m	€ 0.9m
Annualised NOI	€ 0.7m	€ 0.8m	€ 1.7m	€ 1.0m
Vacant Space sqm	8,991	8,987	2,611	(6,378)
Occupancy	52%	52%	86%	34%
<b>Gross Yield *</b>	<b>5.0%</b>	<b>4.4%</b>	<b>5.5%</b>	<b>0.5%</b>
EPRA Net Yield **	3.3%	3.5%	4.8%	1.5%
<b>Capex Invested</b>	-	-	<b>€(1.8)m</b>	-
<b>Expected 3 Year Returns</b>				
Ungearred IRR				<b>17%</b>

### Returns Analysis

### 3.25 Yr Expected Returns €m

Retained Profit ***	4.0
Valuation Increase	12.8
Capex	(1.8)
<b>Total Return</b>	<b>15.0</b>



\* Excluding acquisition costs

\*\* Purchaser acquisition costs estimated

\*\*\* Retained profit calculated as net operating income less bank interest

## Case Study 2 – Alzenau

# Site Plan & Impression



## Case Study 2 – Alzenau

# Property Overview

- » Well located industrial business park acquired at highly attractive gross yield of 9.8% due to required capex investment
- » Stable income streams from high occupancy and well covenanted tenants
- » Financed by fully hedged facility at an interest rate of 1.40%, maturing in December 2023
- » Plan to complete capex investment, increase NOI by 40% through a combination of closing out remaining vacancy, capturing reversion potential and reducing service charge leakage
- » Expect to generate geared IRR of 32% on running NOI yield of 8.1% based on business plan



## Case Study 2 – Alzenau

# Financials & Returns To Date

	Acquisition Dec 19	Sep 20	Business plan target	Total Expected Improvement
<b>Total Cost/Valuation</b>	<b>€ 44.5m</b>	<b>€ 46.0m</b>	<b>€ 59.8m</b>	<b>€ 15.3m</b>
<b>Total SQM</b>	<b>66,688</b>	<b>66,688</b>	<b>66,688</b>	-
Value psm	€ 667	€ 690	€ 896	€ 229
Annualised Rent Roll	€ 4.1m	€ 4.2m	€ 5.1m	€ 1.0m
Annualised NOI	€ 3.5m	€ 3.5m	€ 4.9m	€ 1.4m
Vacant Space sqm	3,559	8,186	1,834	(1,725)
Occupancy	95%	88%	97%	2%
<b>Gross Yield *</b>	<b>9.8%</b>	<b>9.2%</b>	<b>8.6%</b>	<b>(1.2)%</b>
EPRA Net Yield **	7.8%	7.1%	7.6%	0.2%
<b>Capex Invested</b>	-	-	<b>€(3.5)m</b>	-
<b>Expected 3 Year Returns</b>				
Geared IRR				<b>32%</b>
Ungearred IRR				<b>15%</b>

### Returns Analysis

### 3.25 Yr Expected Returns €m

Retained Profit ***	12.6
Valuation Increase	15.3
Capex	(3.5)
Total Return	24.4



\* Excluding acquisition costs

\*\* Purchaser acquisition costs estimated

\*\*\* Retained profit calculated as net operating income less bank interest

## Appendix V

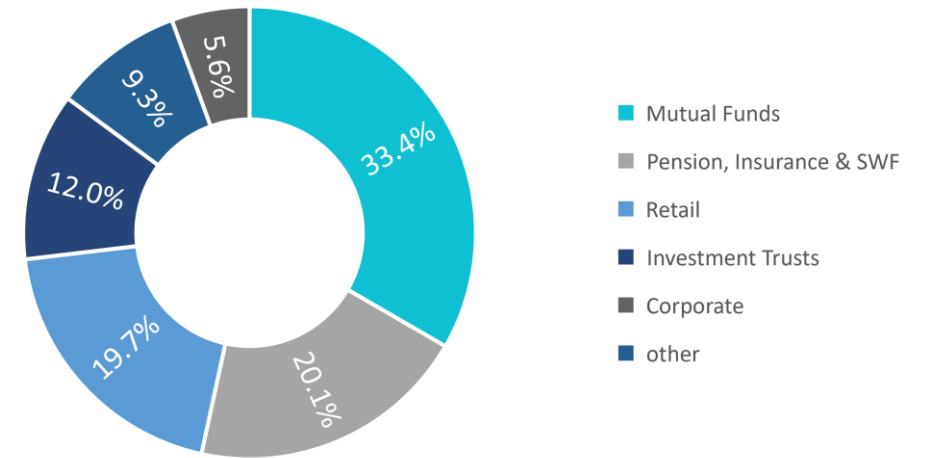
# Share Register

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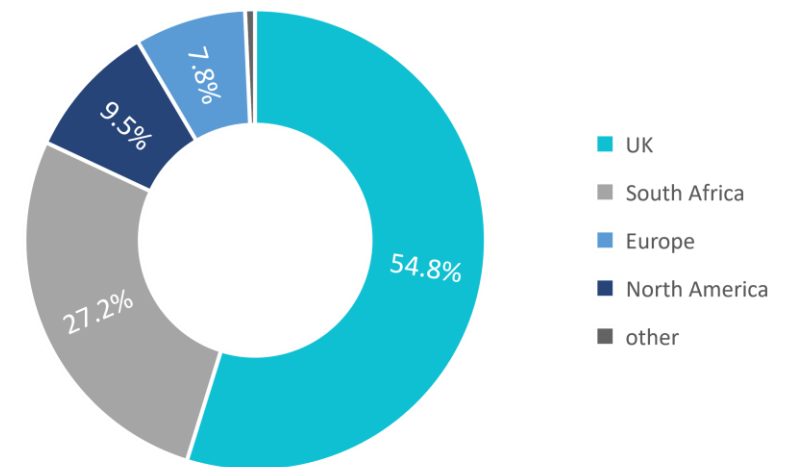
## Top 10 Shareholders

Top 10 Shareholders	Shares (m)	% Holding
Aberdeen Standard Investments	131.2	12.5%
BlackRock	112.2	10.7%
BMO Global Asset Management / Thames River	51.4	4.9%
Public Investment Corporation	46.1	4.4%
Mstead Limited / Homestead Group	41.9	4.0%
Vanguard Group	39.1	3.7%
Old Mutual Investment Group	31.3	3.0%
Legal & General Investment Management	24.2	2.3%
Sesfikile Capital	23.5	2.2%
SSGA	22.1	2.1%
<b>Total</b>	<b>523.0</b>	<b>50.0%</b>

Owners by Sector



Geography



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