

Media release / Marketing notification

Real I.S. records a transaction volume of 1.7 billion euros in 2022

- Sales transactions concluded at attractive terms
- Occupancy rate rose to 97.3 percent
- The product portfolio will be expanded by offers in the asset classes *Hotel* and *Residential*

Munich, Germany, 8 February 2023 – Real I.S. AG reached a transaction volume of around EUR 1.7 billion across all categories of use in 2022, overall the same level as last year. Real estate sales were initiated early in order to take advantage of attractive prices, in line with the investment strategy. They generated a total volume in the region of EUR 1.1 billion. In 2022 the subsidiary of Real I.S. in Australia sold the *Geoscience Australia* headquarters building and concluded the largest deal ever seen in the history of Canberra. At the same time, the Real I.S. made acquisitions worth around EUR 600 million in a lively market environment, in general at prices already adjusted.

Already very high, the occupancy rate of the overall portfolio increased again to 97.3 percent. Against the backdrop of the significant increase in interest rates and the generally complex situation, institutional investors were slow to make capital commitments. This resulted in a reduction of fundings to a total volume of approximately EUR 235 million. However, Real I.S. enjoys widespread trust among its investors, and this is reflected in the high degree of stability of the invested capital.

‘We have successfully driven forward our digital and sustainable transformation plans. And we are in a position to offer our investors attractive investment solutions and performance in this environment as well. Our product portfolios for institutional investors and our open-ended real estate fund *REALISINVEST EUROPA* for retail investors performed as expected in 2022. For institutional investors, we are now designing new investment fund solutions based on innovative concepts and a focus on the areas *Hotel* and *Residential*. We also want to attract investors from the Asia-Pacific region, and are already doing so together with our well-established subsidiary in Australia,’ explains Jochen Schenk, CEO of Real I.S. AG.

Real I.S. continues to consistently implement its ESG strategy, while the company concentrates on the digital transformation of all components of its value added chain. It aspires to become climate neutral as a company by 2030 and achieve climate neutrality for the entire portfolio by 2050. The German portfolio should be climate neutral in 2045.

A detailed analysis of the energy performance of almost all the properties has enabled specific action to be taken for individual properties since 2022. A centralised platform facilitates collection and assessment of all ESG relevant consumer data. Property-specific measures and climate protection roadmaps also include the application of AI-supported facility management and standardized green lease clauses in all newly entered rental contracts.

'The increased interest rates are currently leading to the correction of multipliers on the market. We notice that even sharper falls in prices are currently being cushioned by the stable rental market and by rent increases driven by inflation, especially in commercial real estate. The fundamental demand for real estate as an investment continues. It is only a matter of choosing the right properties. For correct assessment regarding pricing and timing, a local presence and proximity to markets are very important. In this respect too, we are very well positioned in Germany, Europe as a whole and in Australia,' says Jochen Schenk.

About the Real I.S. Group

The Real I.S. Group has a track record of 30 years as BayernLB's fund provider specialised in real estate investment. As a member company of the Sparkassen-Finanzgruppe (German savings banks group, Land central banks and associated companies), the Group ranks among the leading asset managers in the German market. Along with alternative investment funds (specialised institutional AIFs and closed-ended retail AIFs) and an open-ended retail real estate investment fund, the range of products and services comprises customised investment fund solutions, club deals and joint ventures. The company has assets of around EUR 13 billion under management. The Real I.S. Group has two licensed investment management companies (KVG) established under the German Investment Code (KAGB) and operates subsidiaries and branches in France, Luxembourg, the Netherlands, Spain, and in Australia. More information is available on the company's websites at www.realisag.de or www.realis-australia.com.au.

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