



Q1 |

*CONSOLIDATED INTERIM
STATEMENT*
as of March 31, 2016

GROUP FINANCIALS

EUR k	Jan. 1 – March 31, 2016	Jan. 1 – March 31, 2015	Change (%)
Revenues and Earnings			
Revenues	51,066	24,072	112.1
Net rental income	45,185	21,925	106.1
Consolidated loss/profit for the period ¹⁾	14,020	-10,532	n/a
FFO ¹⁾	28,983	11,211	158.5
Earnings per share (EUR)	0.09	-0.13	n/a
FFO per share (EUR)	0.19	0.13	46.2

EUR k	March 31, 2016	Dec. 31, 2015	Change (%)
Balance Sheet			
Investment property	3,261,495	3,260,467	0.0
Total assets	3,529,989	3,850,580	-8.3
Equity ¹⁾	1,633,620	1,619,377	0.9
Liabilities	1,857,499	2,192,916	-15.3
Net asset value (NAV) per share (EUR)	10.74	10.64	0.9
Diluted NAV per share (EUR) ²⁾	10.80	10.68	1.1
Net LTV (%)	49.0	49.3	-0.3 pp

¹⁾ Without minorities.

²⁾ Dilution based on potential conversion of convertible bond.

G-REIT Figures	March 31, 2016	Dec. 31, 2015	Change (%)
G-REIT equity ratio (%)	49.7	49.4	0.3 pp
Revenues incl. other income from investment properties (%)	100	100	0.0 pp

EPRA ¹⁾ Key Figures	Jan. 1 – March 31, 2016	Jan. 1 – March 31, 2015	Change (%)
EPRA earnings per share (EUR)	0.18	0.12	50.0
EPRA cost ratio A (%) ²⁾	20.0	25.0	-5.0 pp
EPRA cost ratio B (%) ³⁾	15.4	20.5	-5.1 pp

	March 31, 2016	Dec. 31, 2015	Change (%)
EPRA NAV per share (EUR)	11.10	10.91	1.7
EPRA NNNNAV per share (EUR)	10.77	10.66	1.0
EPRA net initial yield (%)	5.0	5.0	0.0 pp
EPRA 'topped-up' net initial yield (%)	5.4	5.3	0.1 pp
EPRA vacancy rate (%)	10.9	11.2	-0.3 pp

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

²⁾ Including vacancy costs.

³⁾ Excluding vacancy costs.

CONSOLIDATED INTERIM STATEMENT Q1 2016

1 KEY METRICS OF THE PORTFOLIO AND SIGNIFICANT EVENTS

Key Metrics	March 31, 2016	Dec. 31, 2016
Number of properties	121	120
Number of joint venture properties	1	1
Market value (EUR bn) ¹⁾	3.3	3.3
Annual contractual rent (EUR m)	211.3	208.3
Valuation yield (contractual rent/ market value)	6.3	6.3
Lettable area (sqm)	1,749,388	1,724,100
Vacancy (% of lettable area) ²⁾	11.6	11.8
WAULT (years)	5.1	5.2
Average rent/sqm (EUR/month)	11.5	11.5

¹⁾ Incl. fair value of owner-occupied properties.

²⁾ Contractual vacancy rate includes vacancies in assets of the Company's development pipeline.

5,600 SQM NEW LEASE IN THE KASTOR TOWER IN FRANKFURT

In the first quarter of fiscal year 2016, letting activities (as measured by new leases and lease extensions) were at a good level. In total, alstria let around 34,500 sqm, of which 14,900 sqm were new leases and 19,600 sqm were lease renewals.

A significant letting success was a new lease in Frankfurt, Platz der Einheit (KASTOR TOWER) for approximately 5,600 sqm of office and ancillary space. The lease will start on June 15, 2016, and will reduce the vacancy in the 30,600 sqm building from 71% to 53%.

LOAN REPAYMENT

On February 22, 2016, the loan to finance the Herkules portfolio with a nominal value of EUR 332 m was repaid prematurely. The refinancing was made using the proceeds from the bond that had been issued in November 2015.

2 KEY FIGURES FOR THE DEVELOPMENT OF EARNING POSITION

Rental revenues amounted to EUR 51.1 m in the first quarter of 2016, and thus increased by EUR 27.0 m compared to the revenues in the first quarter of the previous year (EUR 24.1 m). This includes revenues from Deutsche Office in an amount of EUR 26.0 m.

The consolidated net result amounted to EUR 14.6 m (of which EUR 0.6 m is attributable to minorities) in the reporting period and was higher than the consolidated net result of the first quarter 2015 (consolidated net result: EUR -10.5 m). The increase is mainly due to an unproportional increase in net financing costs as well as an improved net result from fair value adjustments on financial derivatives.

Funds from operations amounted to EUR 29.8 m (thereof attributable to minorities: EUR 0.8 m) and were thus EUR 18.6 m higher than funds from operations in the previous year's reporting period (EUR 11.2 m). The main reason for this is the increase in revenues resulting from the takeover of Deutsche Office and the improvement of financing costs.

EUR k	Jan. 1 – March 31, 2016	Jan. 1 – March 31, 2015
Pre-tax income (EBT)	14,561	-10,529
Net profit/loss from fair value adjustments on financial derivatives	12,888	20,450
Profit/loss from the disposal of investment property	11	0
Fair value and other adjustments in joint venture	0	431
Other adjustments ¹⁾	2,367	859
Funds from operations (FFO)²⁾	29,827	11,211
Attributable to minority shareholders	-844	-
Attributable to alstria office REIT-AG shareholders	28,983	11,211
Maintenance and re-letting	-2,768	-4,798
Adjusted funds from operations (AFFO)³⁾	26,215	6,413
Number of shares (k)	152,164	86,941
FFO per share (EUR k) ⁴⁾	0.19	0.13

¹⁾ Non-cash income or expenses and non-recurring effects.

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

³⁾ The AFFO is equal to the FFO with adjustments made for capital expenditures used to maintain the quality of the underlying investment portfolio and expenses for lease-ups.

⁴⁾ Without minorities.

3 KEY FIGURES FOR THE DEVELOPMENT OF THE FINANCIAL AND ASSETS POSITION

INVESTMENT PROPERTIES

The total value of investment properties amounted to EUR 3.26 bn as of March 31, 2016, in comparison to EUR 3.26 bn as of December 31, 2015.

EUR k	
Investment properties as of Dec. 31, 2015	3,260,467
Investments	5,771
Acquisitions	15
Disposals	0
Reclassifications	-4,758
Net loss/gain from fair value adjustments on investment property	0
Investment properties as of March 31, 2016	3,261,495
Carrying amount of owner occupied properties	9,114
Fair value of properties held for sale	70,088
Interests in joint ventures	24,293
Carrying amount of immovable assets	3,364,990
Adjustments to fair value of owner occupied properties	1,926
Fair value of immovable assets	3,366,916

For a detailed description of the investment properties, please refer to the Company Report 2015.

FURTHER KEY FIGURES OF THE ASSETS POSITION

As of March 31, 2016 alstria had cash and cash equivalents in an amount of EUR 127.8 m (December 31, 2015: EUR 460.3 m).

Total equity increased to EUR 1,672.5 m as of March 31, 2016 (December 31, 2015: EUR 1,657.7 m), containing a share of EUR 38.9 m that is attributable to minorities (December 31, 2015: EUR 38.3 m).

LOANS

as of March 31, 2016, the loan facilities in place are as follows:

Liabilities	Maturity	Principal amount drawn as of March 31, 2016 EUR k	LTV as of March 31, 2016 %	LTV covenant %	Principal amount drawn as of Dec. 31, 2015 EUR k
Syndicated loan #1	Sept. 30, 2020	466,464	47.4	70.0	470,556
Syndicated loan #2 ¹⁾	Feb. 22, 2016	0	–	72.0	331,910
Syndicated loan #3	Sept. 30, 2018	334,470	58.2	75.0	336,320
Loan #1	Sept. 30, 2019	67,000	45.2	65.0	67,000
Loan #2	June 30, 2017	58,538	58.2	n/a	58,868
Loan #3	April 30, 2021	59,817	50.2	66.0	60,048
Loan #4	Mar. 28, 2024	56,500	50.2	75.0	56,500
Loan #5	Dec. 17, 2018	56,000	45.9	60.0	56,000
Loan #6	Dec. 31, 2018	53,155	57.0	65.0	53,432
Loan #7	Dec. 30, 2017	18,358	50.7	73.0	18,507
Loan #8	July 30, 2021	15,384	52.0	60.0	15,423
Total loans		1,185,686	51.7	–	1,524,564
Bond	Mar. 24, 2021	500,000	–	–	500,000
Convertible bond	June 14, 2018	79,200	–	–	79,200
Total		1,764,886	52.9	–	2,103,764
Net LTV			49.0		

¹⁾ Loan agreement terminated as at February 22, 2016.

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%

Following the issuance of the bond on November 24, 2015 up to the reporting date alstria did not incur any new Financial Indebtedness. After the reporting period, alstria incurred two further Financial Indebtednesses to refinance existing Secured Financial Indebtedness (for further information please see section “Recent developments and outlook”).

Furthermore, starting from the fifth reporting date following the issuance of the bond, alstria needs to maintain a ratio of the Consolidated Adjusted EBITDA over Net Cash Interest of not less than 1.80 to 1.00. The initial calculation and publication of the ratio will be done together with the 2016 annual report.

As of March 31, 2016, no covenants under the loan agreements and/or the terms and conditions of the bond have been breached.

* The following section refers to the Terms and Conditions of the Fixed Rate Notes issued on November 24, 2015 with a total nominal amount of EUR 500 million with a coupon amounting to 2.25% per annum, maturing on March 24, 2021 (for further information please refer to www.alstria.de). Capitalized terms have the meaning as defined in the Terms and Conditions.

5 RECENT DEVELOPMENTS AND OUTLOOK

PLACEMENT OF A BOND

On April 5, 2016, alstria placed a second unsecured fixed-rated bond with a nominal value of EUR 500 m. The corporate bond, which matures April 2023, bears a fixed coupon of 2.125%. The proceeds from the bond serve for the refinancing of bank liabilities.

PLACEMENT OF A "SCHULDSCHEIN"

On April 28, 2016 the Company placed a Schuldschein with a nominal value of EUR 150 m. The Schuldschein with an average coupon of 2.07% has an average maturity of 7.1 years. The proceeds will be used to refinance existing bank debt.

FURTHER LOAN REPAYMENT

With the proceeds from the second bond the Company was able to refinance further bank liabilities. On May 2, 2016, the loan agreement for the financing of the Homer portfolio with a nominal value of EUR 333 m was terminated prematurely.

CAPITAL INCREASE

After the reporting period, the Company acquired an additional approx. 1.4% of DO Deutsche Office AG against the issuance of shares of alstria office REIT-AG.

alstria created the new shares by implementing a capital increase against contribution in kind in a volume of EUR 964,182.00, having partially utilized its authorized capital and having excluded shareholders' subscription rights. The implementation of the capital increase was registered in the commercial register as of May 3, 2016. Therefore, the registered capital of alstria office REIT-AG has increased from EUR 152,164,285.00 to EUR 153,128,467.00.

OUTLOOK

The first quarter of financial year 2016 proceeded as expected. The statements and forecasts presented in the Group management report of 2015 concerning the expected development of the Group for the financial year 2016 are still valid. Based on the recent transactions and the contractual rents, alstria still expects revenues in the amount of EUR 200 m and an FFO of EUR 115 m (FFO attributable to alstria shareholders) for fiscal year 2016.

RISK MANAGEMENT

The Group is exposed through its business to various risks. For further details please refer to the Annual Report 2015.

The overall risk situation of alstria has not changed.

DISCLAIMER

The management report 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 March 31. 2016

EUR k	01.01.- 31.03.2016	01.01.- 31.03.2015
Revenues	51,066	24,072
Income less expenses from passed on operating expenses	-342	-64
Real estate operating costs	-5,539	-2,083
Net Rental Income	45,185	21,925
Administrative expenses	-2,011	-1,066
Personnel expenses	-3,386	-3,163
Other operating income	1,770	970
Other operating expenses	-1,852	-285
Gain/loss on disposal of investment property	-11	0
Net Operating Result	39,695	18,381
Net financial result	-12,639	-8,250
Share of the result of joint venture	393	-210
Net loss from fair value adjustments on financial derivatives	-12,888	-20,450
Pre-Tax Income (EBT)	14,561	-10,529
Income tax expense	42	-3
Consolidated Profit/Loss for the period	14,603	-10,532
Attributable to:		
Owners of the company	14,020	-10,532
Noncontrolling interest	583	0
Earnings per share in EUR		
<i>based on the profit attributable to alstria's shareholders</i>		
Basic earnings per share	0.09	-0.13
Diluted earnings per share	0.09	-0.11

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the period from January 1 to March 31. 2016

EUR k	01.01.- 31.03.2016	01.01.- 31.03.2015
Consolidated loss/profit for the period	14,603	-10,532
Items which might be reclassified to the income statement in a future period:		
<i>Reclassification from Cashflow Hedging Reserve</i>	21	869
Other comprehensive result for the period:	21	869
Total comprehensive result for the period:	14,624	-9,663
Total comprehensive profit/loss attributable to:		
Owners of the company	14,041	-9,663
Noncontrolling interest	583	0

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at March 31, 2016

ASSETS

EUR k	31.03.2016	31.12.2015
Non-Current Assets		
Investment property	3,261,495	3,260,467
Equity-accounted investments	24,293	23,900
Property, plant and equipment	9,830	5,161
Intangible assets	540	607
Derivatives	3,766	8,462
Total Non-Current Assets	3,299,924	3,298,597
Current Assets		
Trade receivables	17,067	12,578
Tax receivables	225	226
Other receivables	14,916	9,783
Cash and cash equivalents	127,769	460,253
<i>thereof restricted</i>	15,126	32,036
Assets held for sale	70,088	69,143
Total Current Assets	230,065	551,983
Total Assets	3,529,989	3,850,580

EQUITY AND LIABILITIES

EUR k	31.03.2016	31.12.2015
Equity		
Share capital	152,164	152,164
Capital surplus	1,499,679	1,499,477
Hedging reserve	-249	-270
Retained earnings	-17,974	-31,994
Equity attributable to the owners of the company	1,633,620	1,619,377
Noncontrolling interests	38,870	38,287
Total Equity	1,672,490	1,657,664
Non-Current Liabilities		
Long-term loans, net of current portion	1,714,101	1,715,590
Derivatives	28,171	23,208
Other provisions	3,721	3,221
Other liabilities	1,588	1,854
Deferred taxes	132	132
Total Non-Current Liabilities	1,747,713	1,744,005
Current Liabilities		
Short-term loans	35,763	376,402
Trade payables	12,445	20,477
Profit participation rights	362	362
Income tax liabilities	8,687	8,687
Other provisions	1,883	1,794
Other current liabilities	50,646	41,189
Total Current Liabilities	109,786	448,911
Total Liabilities	1,857,499	2,192,916
Total Equity and Liabilities	3,529,989	3,850,580

CONSOLIDATED STATEMENT OF CASH FLOW

for the period from January 1 to March 31, 2016

EUR k	01.01.- 31.03.2016	01.01.- 31.03.2015
1. Operating activities		
Consolidated profit/loss for the period	14,603	-10,532
Unrealized valuation movements	12,495	20,450
Interest income	-18	-14
Interest expense	12,657	8,264
Result from income taxes	-42	3
Other non-cash expenses (+)	-5,086	-409
Gain (-)/loss (+) on disposal of investment properties	11	0
Depreciation and impairment of fixed assets (+)	168	109
Decrease (+)/increase (-) in trade receivables and other assets that are not attributed to investing or financing activities	-3,832	-798
Decrease (-)/increase (+) in trade payables and other liabilities that are not attributed to investing or financing activities	4,212	-591
Cash generated from operations	35,168	16,482
Interest received	18	14
Interest paid	-11,573	-8,961
Income tax paid	42	-3
Net cash generated from operating activities	23,655	7,532
Investing activities		
Acquisition of investment properties	-9,702	-5,824
Proceeds from sale of investment properties	0	1,000
Acquisition of other property, plant and equipment	-17	-21
Net cash used in investing activities	-9,719	-4,845
3. Financing activities		
Cash received from equity contributions	0	102,725
Payment of transaction costs of issue of shares	0	-1,285
Payments of the redemption of bonds and borrowings	-343,189	-3,785
Payments for the acquisition/redemption/adjustment of financial derivatives	-3,231	0
Net cash used in/generated from financing activities	-346,420	97,655
4. Cash and cash equivalents at the end of the period		
Change in cash and cash equivalents (subtotal of 1 to 3)	-332,484	100,342
Cash and cash equivalents at the beginning of the period	460,253	63,145
Cash and cash equivalents at the end of the period thereof restricted: EUR 15.126 k; previous year: EUR 0	127,769	163,487

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the period from January 1 to March 31, 2016

EUR k	Share capital	Capital surplus	Hedging reserve	Retained earnings	Equity of alstria shareholders	Non-controlling interests	Total Equity
As of January 1, 2016	152,164	1,499,477	-270	-31,994	1,619,377	38,287	1,657,664
Changes Q1 2016							
Consolidated profit	0	0	0	14,020	14,020	583	14,603
Other comprehensive income	0	0	21	0	21	0	21
Total comprehensive income	0	0	21	14,020	14,041	583	14,624
Share-based remuneration	0	202	0	0	202	0	202
As of March 31, 2016	152,164	1,499,679	-249	-17,974	1,633,620	38,870	1,672,490

for the period from January 1 to March 31, 2015

As of January 1, 2015	79,018	691,693	-3,095	78,977	846,593	-	846,593
Changes in Q1 2015							
Consolidated profit	0	0	0	-10,532	-10,532	-	-10,532
Other comprehensive income	0	0	869	0	869	-	869
Total comprehensive income	0	0	869	-10,532	-9,663	-	-9,663
Share-based remuneration	0	159	0	0	159	-	159
Proceeds from shares issued	7,903	94,822	0	0	102,725	-	102,725
Transaction costs of issue of shares	0	-1,339	0	0	-1,339	-	-1,339
As of March 31, 2015	86,941	785,578	-2,226	68,445	938,738	-	938,738

BUILDING YOUR FUTURE



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