

# AROWNTOWN

**Buy** (unchanged) **Target: Euro 5.00** (old: Euro 4.50)



Der Spezialist für Finanzaktien

5 | March | 2026

**Price (Euro)** **2,61**  
52 weeks range 3.52 / 2.15

## Key Data

ISIN LU1673108939  
Ticker AT1  
Bloomberg AT1 GR  
Reporting standard IFRS  
Market Cap (Euro million) 4.012  
Number of shares (million) 1.537,0  
Free Float 45,0%  
Free Float Market Cap (Euro million) 1.805  
CAGR Adj. EBITDA profit ('24-'27e) 1,9%

Multiples	2024	2025	2026e	2027e
Market Cap/ Total revenues	2,6	2,6	2,5	2,5
<b>PE-Ratio</b>	<b>54,0</b>	<b>4,3</b>	<b>6,0</b>	<b>4,6</b>
Dividend Yield	0,0%	3,1%	4,6%	6,1%
<b>Price-to-Book-Ratio</b>	<b>0,38</b>	<b>0,36</b>	<b>0,34</b>	<b>0,32</b>
<b>P/ NAV-ratio</b>	<b>0,35</b>	<b>0,34</b>	<b>0,32</b>	<b>0,30</b>

Key Data per share (Euro)	2024	2025	2026e	2027e
<b>Earnings per share (EPS)</b>	<b>0,05</b>	<b>0,61</b>	<b>0,43</b>	<b>0,57</b>
<b>FFO I per share</b>	<b>0,29</b>	<b>0,26</b>	<b>0,26</b>	<b>0,31</b>
<b>Dividend per share (DPS)</b>	<b>0,00</b>	<b>0,08</b>	<b>0,12</b>	<b>0,16</b>
<b>EPRA NTA per share</b>	<b>7,45</b>	<b>7,75</b>	<b>8,13</b>	<b>8,60</b>

Financial Data (Euro Millions)	2024	2025	2026e	2027e
<b>Revenues</b> (rental income)	<b>1.542,3</b>	<b>1.543,1</b>	<b>1.577,0</b>	<b>1.611,7</b>
Capital gains, Prop. Revaluations	-125,4	385,6	345,0	587,0
EBITDA profit	778,7	1.347,1	1.331,3	1.629,8
<b>Adj. EBITDA profit</b> (cash driven)	<b>1.014,4</b>	<b>999,3</b>	<b>1.012,3</b>	<b>1.072,0</b>
<b>Operating profit (EBIT)</b>	<b>758,5</b>	<b>1.329,4</b>	<b>1.309,2</b>	<b>1.606,9</b>
Net financial result	-266,2	-292,1	-337,6	-331,4
<b>Pre-tax profit (EBT)</b>	<b>446,3</b>	<b>798,3</b>	<b>971,7</b>	<b>1.275,5</b>
Taxation	-137,0	329,6	-184,6	-242,3
<b>Net profit after minorities</b>	<b>52,9</b>	<b>665,0</b>	<b>472,2</b>	<b>619,9</b>
<b>FFO I</b>	<b>315,5</b>	<b>288,0</b>	<b>284,6</b>	<b>337,0</b>
Shareholders' equity (Euro billion)	7,6	8,0	8,4	8,9
<b>Property portfolio (Euro billion)</b>	<b>24,4</b>	<b>24,9</b>	<b>24,4</b>	<b>25,2</b>
<b>RoE (after tax)</b>	<b>0,4%</b>	<b>4,4%</b>	<b>3,1%</b>	<b>3,8%</b>
Equity ratio (incl. equity minorities)	44,6%	44,6%	44,1%	43,5%

## Main Shareholders

Treasury shares 30%  
Avisco Group Plc. / Vergepoint 15%  
Stumpf Capital GmbH 10%

## Financial calendar

1Q 2026 report 27 May 2026  
AGM 24 June 2026  
2Q 2026 report 26 August 2026  
3Q 2026 report 25 November 2026

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**2025 operating profit +73% to Euro 1.3bn, EPRA NTA +4% to Euro 8.5bn, FFO per share quite stable despite asset disposals, share for share offer for the Grand City Properties shareholders**

Yesterday, German residential and commercial real estate investor Aroundtown published the 2025 annual report. 2025 was successful with a **steep 73% hike in operating profit, from Euro 759m to Euro 1.33bn. The EPRA Net tangible assets were also up +4%, from Euro 8.17bn to Euro 8.50bn, from Euro 7.45 to Euro 7.75 per share. The picture was flattered by a Euro +386m property revaluations and capital gains, after Euro -125m in 2024. AT profited here from the steady work to lift the portfolio quality by conversion and modernization measures and by rising like for like rents, +3.0% group-wide and split by asset classes it was +3.6% in resi, +1.8% in offices and +3.5% in hotels.** Despite the ongoing asset disposals of € 790m closed in 2025 (and € 575m already signed) the net rental income was very stable at € 1.18bn and FFO only slightly down from Euro 315m to Euro 288m with regards to a bit higher financing expenses due to a higher interest rate level.

On a per share basis, the FFO I remained quite stable at € 0.26, after € 0.29 in 2024. For the new year 2026 the company will continue the prudent capital recycling program and sell assets that reached their full value accretion. The assets held for sale amounted Euro 673m at year-end 2025, similar to the Euro 703m at year-end 2024.

Aroundtown gives a realistic Euro 250m to Euro 280m guidance for the 2026 FFO I which translates into 24 Cents to 27 Cents per share, quite similar to the 26 Cents in 2025. A further rent increase through indexations, a positive impact from acquisitions and from cost savings as well as from the recently announced Euro 250m share buy-back might be offset by the expected disposals (held for sale rents are not in FFO I) and the effect of 2025 disposals and somewhat higher refinancing costs. We might imagine that the FFO I might come in very similar to the Euro 288m level in 2025 with a good letting performance and first signs of an economic recovery to bring down the vacancy number, in particular in office segment that is still at 13% with a Euro 8.4bn portfolio size, out of a Euro 24.9bn total portfolio size (34% office stake). Some attractive office-to-residential transformations might be helpful here. With regards to the residential portfolio which has a similar 33% stake (Euro 8.1bn size) the company yesterday made a share-for-share voluntary tender offer for up to 89.5% of the Grand City Properties capital. The GCP shareholders receive 4 AT shares for 1 GCP share if they accept the offer. It's a 6.6% premium to the GCP share price from 3 March. AT has enough 440k treasury shares to make this tender offer. The acceptance period is expected from 6 March to 9 April. The GCP shareholders can switch from SDAX to a higher listed MDAX stock. For Aroundtown it is good to lift the 63% stake and get more resi exposure at a compelling 9.2% FFO yield and over 50% discount to NTA. **The 2025 numbers were satisfying and the GCP deal makes sense. With the higher EPRA NTA we lift our target price for Aroundtown to Euro 5.00. The stock is cheap and has a rewarding risk-return profile in our view. Buy rating affirmed.**

### Aroundtown SA

<b>Industry:</b> Real Estate <b>Sub-segments:</b> Commercial (incl. Hotel)/ Residential  <b>Target Countries:</b> Germany <b>Registered:</b> Luxembourg <b>German Office:</b> Berlin <b>Foundation:</b> 2004 <b>Employees:</b> 1621  <b>IR Contact:</b> Timothy Wright <b>Email:</b> info@aroundtownholdings.com  <b>Credit Rating:</b> BBB by S&P (Investment Grade)  <b>Stock exchange:</b> Prime Standard Frankfurt  <b>ISIN:</b> LU1673108939 <b>Bloomberg:</b> AT1 GR	<b>MANAGEMENT</b>  <table border="1"> <tr> <td>Barak Bar-Hen CEO &amp; COO</td> <td>Timothy Wright CCMO</td> <td>Jonas Tintelnot CFO</td> <td>Limor Bermann CSO</td> </tr> <tr> <td>Frank Roseen Director</td> <td>Jelena Afxentiou Director</td> <td>Markus Kreuter Indep. Director</td> <td></td> </tr> <tr> <td>Markus Leininger Indep. Director</td> <td>Simone Runge- Indep. Director</td> <td>Ran Laufer Non-Exec. Director</td> <td></td> </tr> <tr> <td>Daniel Malkin Indep. Director</td> <td></td> <td></td> <td></td> </tr> </table>	Barak Bar-Hen CEO & COO	Timothy Wright CCMO	Jonas Tintelnot CFO	Limor Bermann CSO	Frank Roseen Director	Jelena Afxentiou Director	Markus Kreuter Indep. Director		Markus Leininger Indep. Director	Simone Runge- Indep. Director	Ran Laufer Non-Exec. Director		Daniel Malkin Indep. Director				<b>ADVISORY BOARD</b>  Dr. Gerhard Cromme <b>Chairman</b>  Yakir Gabay  Claudio Jarczyk  David Maimon
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Founded in 2004, AROUNDTOWN SA ("AT1") is a real estate investment company specializing in identifying and investing in value-add and income generating properties. Aroundtown SA is listed in the German Prime Standard since June 2017 and member of German MDax index.

AT's primary real estate target markets are economically attractive and densely populated regions in Germany. The company is active in both the commercial as well as the residential real estate sector. Nonetheless, it more plays an active role in the commercial sector since the residential exposure within the portfolio is represented by an interest in the publicly listed company Grand City Properties ("GCP") with a stake of 63% as of FY 2025, which is being fully consolidated since 1 July 2021. The firm's total portfolio currently amounts to approx. Euro 25bn. Office properties have a share of 34% relatively to the total portfolio of investment properties based on appraisal values and residential properties stand for 33%. The hotel share stands at 20%. The rest is retail, logistics and others as well as development rights.

AT comes along with a well-experienced management team where each member supplements the team with a distinctive professional background in various fields like investment banking, real estate investment and asset management and project development for instance. AROUNDTOWN targets turnaround opportunities of distressed and/or mismanaged properties and has a strong track record with regard to property turnaround by working out sound individual business plans. Detailed property-related data are deliberately not disclosed. AT argues that they are doing so in order to direct investors' attention on the bottom line on company level rather than being monitored on the performance of each individual property. Currently, the firm sells assets but is also looking for interesting opportunities in commercial and residential properties, where assets are undervalued or under-managed or in an under-rent situation. With a high cash balance of over Euro 4.bn, additional undrawn credit lines of another 900m and a solid balance sheet with a 45% equity ratio and a decreasing LTV of 41% in 2025 (2024: 42%), we see the firm in a decent position despite the still challenging market and believe that once the conditions are more favourable again, the firm will translate the superior portfolio in much higher earnings. And investors will profit as the firm strives to pay-out about a higher 50% stake of FFO I result in dividends from FY 2026 on. The firm starts to pay a dividend in 2026 for FY 2025 (8 Cents), after skipping dividend in the difficult years 2022, 2023, 2024 which were coined by Covid pandemic and the German recession. The firm has a BBB / stable outlook investment grade S & P rating. Furthermore, the company has a 8.7 ESG rating from Sustainalytics which makes the Top 4% in the Real Estate Industry (2026 Sustainalytics Global ESG Leader Badge). Furthermore the company improved the ISS ESG rating from C to C+, making them top 20% of Real Estate sector in the ISS ESG Real Estate sector.

Aroundtown is part of the DAX ESG Index and ranked as the highest ESG ranked real estate constituent of the index. The company is also a member in the second highest German MDAX equity index.

## PORTFOLIO OVERVIEW DECEMBER 2025

Portfolio by asset type not incl. held for sale	Investment property (€m) <sup>3)</sup>	Lettable area (k sqm)	EPRA Vacancy <sup>1)4)</sup>	Annualized net rent (€m) <sup>5)</sup>
Office	8,397	2,907	13.0%	429
Residential	8,118	3,412	3.2%	397
Hotel	4,936	1,467	2.5%	245
Logistics/Other	438	395	8.4%	24
Retail	1,163	495	13.3%	54
Development rights & Invest <sup>2)</sup>	1,864			
<b>Total</b>	<b>24,916</b>	<b>8,676</b>	<b>7.6%</b>	<b>1,149</b>

Source: Company Data, SRC Research

AROUNDTOWN SA 31/12 IFRS (Euro Millions)	2022	2023	2024	2025	2026e	2027e	CAGR '24 - '27e
<b>Revenues</b>	<b>1.609,9</b>	<b>1.602,8</b>	<b>1.542,3</b>	<b>1.543,1</b>	<b>1.577,0</b>	<b>1.611,7</b>	<b>1,5%</b>
<b>Capital gains, property revaluations and others</b>	<b>-497,3</b>	<b>-3.217,5</b>	<b>-125,4</b>	<b>385,6</b>	<b>345,0</b>	<b>587,0</b>	
Share in profit from investment in equity-accounted investees	5,9	-149,8	-42,5	15,1	25,9	59,9	
Property-related operating expenses	-694,9	-638,4	-550,2	-549,0	-575,6	-588,3	
thereof depreciation and amortization	-21,1	-17,9	-20,2	-17,7	-22,1	-22,9	
Administrative and other expenses	-62,5	-64,7	-65,7	-65,4	-63,1	-64,5	
<b>Operating profit (EBITDA)</b>	<b>382,2</b>	<b>-2.449,7</b>	<b>778,7</b>	<b>1.347,1</b>	<b>1.331,3</b>	<b>1.629,8</b>	<b>27,9%</b>
<b>Operating Profit (EBIT)</b>	<b>361,1</b>	<b>-2.467,6</b>	<b>758,5</b>	<b>1.329,4</b>	<b>1.309,2</b>	<b>1.606,9</b>	<b>28,4%</b>
Impairment of goodwill	-404,3	-137,0	-46,0	-239,0	0,0	0,0	
Finance expenses	-184,8	-230,1	-235,2	-243,0	-255,2	-267,9	
Other financial results	-194,1	-14,4	-31,0	-49,1	-82,4	-63,5	
<b>Net financial result</b>	<b>-378,9</b>	<b>-244,5</b>	<b>-266,2</b>	<b>-292,1</b>	<b>-337,6</b>	<b>-331,4</b>	
<b>Pre-tax profit (EBT)</b>	<b>-422,1</b>	<b>-2.849,1</b>	<b>446,3</b>	<b>798,3</b>	<b>971,7</b>	<b>1.275,5</b>	<b>41,9%</b>
Tax (cash and deferred)	-35,0	422,7	-137,0	329,6	-184,6	-242,3	
<b>Net profit before minorities</b>	<b>-457,1</b>	<b>-2.426,4</b>	<b>309,3</b>	<b>1.127,9</b>	<b>787,1</b>	<b>1.033,1</b>	<b>49,5%</b>
Minorities and perpetual notes investors	-188,0	438,8	-256,4	-462,9	-314,8	-413,3	
<b>Net profit after minorities</b>	<b>-645,1</b>	<b>-1.987,6</b>	<b>52,9</b>	<b>665,0</b>	<b>472,2</b>	<b>619,9</b>	<b>127,1%</b>
<b>Number of shares</b> (weighted average, excl. treasury shares)	<b>1.109,9</b>	<b>1.093,0</b>	<b>1.093,6</b>	<b>1.094,0</b>	<b>1.094,5</b>	<b>1.095,0</b>	
<b>Earnings per share (EPS, basic)</b>	<b>-0,58</b>	<b>-1,82</b>	<b>0,05</b>	<b>0,61</b>	<b>0,43</b>	<b>0,57</b>	
<b>Earnings per share (EPS, diluted)</b>	<b>-0,58</b>	<b>-1,82</b>	<b>0,05</b>	<b>0,61</b>	<b>0,43</b>	<b>0,57</b>	
<b>Dividend per share (DPS)</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,08</b>	<b>0,12</b>	<b>0,16</b>	
<b>EBITDA</b>	<b>382,2</b>	<b>-2.449,7</b>	<b>778,7</b>	<b>1.347,1</b>	<b>1.331,3</b>	<b>1.629,8</b>	<b>27,9%</b>
<b>Adjusted EBITDA</b>	<b>878,8</b>	<b>1.002,9</b>	<b>1.014,4</b>	<b>999,3</b>	<b>1.012,3</b>	<b>1.072,0</b>	<b>1,9%</b>
<b>FFO I</b>	<b>362,7</b>	<b>332,0</b>	<b>315,5</b>	<b>288,0</b>	<b>284,6</b>	<b>337,0</b>	<b>2,2%</b>
<b>FFO I per share</b>	<b>0,33</b>	<b>0,30</b>	<b>0,29</b>	<b>0,26</b>	<b>0,26</b>	<b>0,31</b>	<b>2,2%</b>
<b>Shareholders' Equity (without minorities)</b>	<b>9.585,3</b>	<b>7.643,3</b>	<b>7.630,2</b>	<b>8.005,1</b>	<b>8.389,8</b>	<b>8.878,4</b>	<b>5,2%</b>
<b>Shareholders' Equity (including minorities)</b>	<b>17.823,4</b>	<b>15.149,7</b>	<b>15.009,7</b>	<b>15.021,8</b>	<b>15.712,3</b>	<b>16.593,9</b>	
<b>EPRA NTA</b>	<b>10.775,3</b>	<b>8.058,7</b>	<b>8.165,4</b>	<b>8.502,5</b>	<b>8.911,1</b>	<b>9.430,0</b>	<b>4,9%</b>
Balance Sheet sum	37.347,1	33.559,3	33.619,9	33.690,6	35.633,6	38.123,6	
<b>Equity Ratio</b>	<b>47,7%</b>	<b>45,1%</b>	<b>44,6%</b>	<b>44,6%</b>	<b>44,1%</b>	<b>43,5%</b>	
<b>RoE (after tax)</b>	<b>-3,5%</b>	<b>-12,1%</b>	<b>0,4%</b>	<b>4,4%</b>	<b>3,1%</b>	<b>3,8%</b>	
<b>Property portfolio (including equity-accounted investees)</b>	<b>27.981,0</b>	<b>24.632,4</b>	<b>24.375,3</b>	<b>24.916,0</b>	<b>24.417,7</b>	<b>25.150,2</b>	
<b>Book Value per share (Euro) - undiluted</b>	<b>8,76</b>	<b>6,99</b>	<b>6,96</b>	<b>7,30</b>	<b>7,65</b>	<b>8,10</b>	<b>5,2%</b>
<b>EPRA NTA per share (Euro) - undiluted</b>	<b>9,85</b>	<b>7,36</b>	<b>7,45</b>	<b>7,75</b>	<b>8,13</b>	<b>8,60</b>	<b>4,9%</b>

## SRC Research

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### Rating chronicle:

Company	Date	Rating	former share price	former target
Aroundtown	February 16, 2026	Buy	2,79 €	4,50 €
Aroundtown	November 26, 2025	Buy	3,19 €	4,50 €
Aroundtown	August 27, 2025	Buy	3,29 €	4,00 €
Aroundtown	May 28, 2025	Buy	2,69 €	3,20 €
Aroundtown	March 27, 2025	Buy	2,43 €	3,20 €
Aroundtown	November 27, 2024	Buy	2,00 €	3,50 €
Aroundtown	August 29, 2024	Buy	2,39 €	3,50 €
Aroundtown	May 29, 2024	Buy	2,20 €	3,50 €
Aroundtown	April 2, 2024	Buy	1,96 €	3,50 €
Aroundtown	November 29, 2023	Buy	2,30 €	3,50 €
Aroundtown	September 4, 2023	Buy	1,52 €	3,50 €
Aroundtown	May 31, 2023	Buy	0,93 €	4,50 €

### Please note:

The share price mentioned in this report is from 4 March 2026. AROUNDTOWN SA mandated SRC Research for covering the share.

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