

2021 with a very high revaluation result thanks to the sound asset base and some remarkable progress in current developments – we stick to our Buy rating and Euro 42.00 target

Price (Euro)	31,65			
52 weeks range	39.55 / 30.80			
Key Data				
ISIN	AT0000641352			
Reuters	CAIV.VI			
Bloomberg	CAI AV			
Reporting standard	IFRS			
Market Cap (Euro million)	3.368			
Number of shares (million)	106,4			
Free Float	38%			
Free Float Market Cap (Euro million)	1.280			
CAGR EBITDA cash profit ('20 - '23e)	10,1%			
Multiples	2020	2021e	2022e	2023e
Market Cap/ Total revenues	9,7	9,1	8,8	8,2
PE-Ratio	11,6	6,6	11,1	12,1
Dividend Yield	3,2%	11,4%	11,7%	4,1%
Price-to-Book-Ratio	0,94	0,96	0,99	0,95
P/ NAV-ratio	0,79	0,78	0,74	0,70
Key Data per share (Euro)	2020	2021e	2022e	2023e
Earnings per share (EPS)	2,73	4,83	2,86	2,61
Dividend per share (DPS)	1,00	3,60	3,70	1,30
Book Value per Share (BVPS)	33,63	32,95	31,85	33,19
EPRA NTA per share	40,09	40,45	42,85	45,12
Financial Data (Euro '000)	2020	2021e	2022e	2023e
Total revenues incl net disposal gains	348.913	368.969	382.462	410.623
Rental income	235.609	248.778	258.753	265.144
Admin expenses	-73.176	-53.747	-50.344	-55.102
EBITDA profit (cash-driven)	195.584	234.948	240.594	261.265
Net result from revaluations	183.499	540.216	190.957	141.802
Operating profit (EBIT)	375.448	772.334	427.997	404.467
Net financial result	-27.154	-108.149	-53.447	-56.701
Pre-tax profit (EBT)	348.295	664.185	374.550	347.766
Taxation	-94.341	-178.551	-86.944	-84.984
Net profit after minorities	253.948	485.614	287.584	262.753
Shareholders' equity (Euro million)	3.128	3.316	3.205	3.340
Property assets let (Euro million)	4.736	5.588	5.811	5.793
Property assets under development	702	1.056	846	815
RoE (pre-tax)	11,1%	20,0%	11,7%	10,4%
RoE (after tax)	8,3%	15,1%	8,8%	8,0%
Equity ratio	45,9%	46,7%	43,9%	45,2%
Main Shareholders				
Starwood	57%			
Own shares	5%			
Financial calendar				
2021 annual report	23 March 2022			
AGM	5 May 2022			
1Q 2022 report	24 May 2022			
1H 2022 report	24 August 2022			
SRC Forum Financials & Real Estate	13 September 2022			
Analyst	Dipl.-Kfm. Stefan Scharff, CREA			
E-Mail	scharff@src-research.de			
Internet	www.src-research.de www.aktienmarkt-international.at www.aktienmarkt-international.de			

On Friday afternoon, the company released a very pleasing ad-hoc news regarding the 2021 net revaluation result. **CA Immo will almost triple the net revaluation from Euro 183m in 2020 to about Euro 540m in 2021, thanks to the very superior asset quality and declining yields, in particular the German assets are to be mentioned, as the important hubs like Berlin, Munich and Frankfurt stand for these remarkable uplifts.** Another part of the story is the remarkable progress in some important developments, like the Berlin Upbeat and Highrise at Europa Platz as well as the Frankfurt ONE tower. The firm also has some valuable land reserves in Germany, that qualified for a mark-up. After a 9M 2021 net revaluation result of Euro 185.2m, our latest net revaluation forecast for the full year 2021 was only at Euro 251m, which now turns out to be much too conservative. The net revaluation of Euro 540m stands for Euro 5.36 per share, quite equivalent to the amount of the special dividend of Euro 5.00, the first Euro 2.50 tranche was already paid on 15 December, the second Euro 2.50 tranche is to be paid next month, on 15 March.

Besides the positive net revaluation, CA Immo recently delivered a decent news flow in terms of trading activities and letting performance. On 1 February, CAI announced the acquisition of a 10k sqm office in new-build quality after an extensive refurbishment in the city center of Dusseldorf with a long-term lease contract to a leading German Fintech company, contributing instantly to CA Immo's recurring FFO and giving a valuable completion to the existing Dusseldorf portfolio with Belmundo and LaVista office buildings. The company also announced a sale, just some days ago, on 27 January, for the Budapest based R 70 office building with about 19k sqm rental space, according to the capital rotation program to steadily improve the overall asset quality and risk/ return profile of the firm's total portfolio. From the letting side, CA Immo Poland reported on 31 January a very successful year 2021 with 29 new rental contracts standing for 36k sqm, a mix of new contracts with existing tenants and attracting new tenants. The biggest contract was the 5 years prolongation with pharma giant AstraZeneca in Warsaw Postepu 14 office with 18k sqm and renting another 3k sqm to AstraZeneca, underlining the good asset quality and the decent tenant relationship management.

With the very positive revaluation picture for the last year and the good news flow from the trading and letting activities, we maintain our clear Buy recommendation for the CA Immo share and also stick to our Euro 42.00 target price. The company is led by Silvia Schmitt-Walgenbach since 1 January, who followed Andreas Quint as CEO and has a broad and profound experience in the real estate and banking industry, since she was COO at Barclays Europe before joining CA Immo. The 2021 annual report is to be published on 23 March.

CA Immobilien Anlagen AG

Industry: Real Estate
Sub-segment: Office/ Commercial
Country: Austria
Headquarter: Vienna
Foundation: 1990
Employees (year-end 2019): 437

IR Contact
 Christoph Thurnberger / Julian Wöhrle
 (Mail: ir@caimmoag.com)

Management Board of CA Immo
 Silvia Schmitt-Walgenbach (CEO)
 Keegan Viscius (CIO)
 Dr. Andreas Schillhofer (CFO)

Supervisory Board of CA Immo
 Torsten Hollstein (Chairman)
 Dr. Monika Wildner (Deputy Chairman)
 Prof. Dr. Klaus Hirschler (Nicole Kubista)
 Jeffrey G. Dishner (Sarah Broughton)
 Georg Edinger (Laura M. Rubin)
 Walter Sonnleitner (Sebastian Obermayer)

Founded in 1987 CA Immo is one of the major property owners in Europe. The Vienna-based company is a specialist in property management and the development of premium large-scale office properties as well as mixed city quarters and had on year-end 2020 a gross asset value of about Euro 5.6bn allocated in Germany (47%, mainly Berlin, Frankfurt and Munich), Austria (11%, mainly Vienna) and CEE (42%, mainly Warsaw, Budapest, Prague and Bucharest).

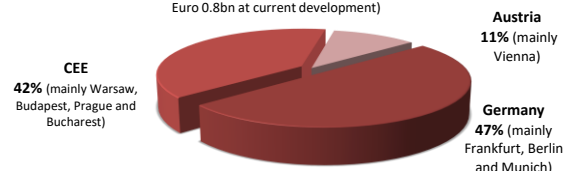
In the last years CA Immo further sharpened its specialist profile, especially by disposing some non-strategic assets like logistics assets or assets which do not belong to the core regions of activity. By doing this, CA Immo rebalanced the group's portfolio picture towards office and towards the more stable economies of Germany and Austria and some promising markets in CEE like Budapest and Bucharest, gaining a critical mass by some landmark acquisitions in the last four years (Millenium Towers in Budapest and Campus 6.1 in Bucharest in former years and Warsaw Postepu 14 office in 2020 to give three examples). Another important focus besides the sharpening of the profile by selling non-core assets was to grow the portfolio by several significant own developments (also developing the own residential land bank) and by acquisitions which make sense to strongly and sustainably uplift the future FFO results. The 2018 net rental income jumped by 7% to Euro 175m and again by more than 11% to Euro 195m in 2019. The pandemic year 2020 offered another significant 8% jump to almost Euro 210m. The FFO I jumped by 11% to Euro 118.5m in 2018 and even surged 12.5% in 2019 to Euro 133.3m. The pandemic year 2020 offered a quite stable FFO I of Euro 133.8m. Keep in mind that the 2019 FFO was flattered by more than 4m in Immofinanz dividend payment, which was not included in the 2020 numbers. In 2020 CA Immo completed two developments, one in Berlin and one in Munich, and expanded the portfolio by three acquisitions (two in Berlin, one in Warsaw). These properties will contribute to the rental top-line from 2021 on as well as three completions coming throughout the year (one in Mainz / Germany and two in Prague). On the trading side, the CUBE Berlin with 17k sqm (investment volume Euro 114m) with the highest standards in sustainability and technology (DGNB Gold) was completed in 1H 2020 and handed over to Nuveen Real Estate in July 2020. In the course of capital rotation the company recently exited the markets in Croatia, in October 2020 with the sale of Zagrebtower, and Slovakia, in March 2021, with the sale of two office properties.

Another highlight of the last years was the significant reduction of the financing costs. The average cost of debt remarkably came down, from an initial 2.3% at year-end 2016 to 1.9% at year-end 2017 and to only 1.7% at year-end 2018. It remained on this very low level in 2019. In 2020 the cost of debt even declined to 1.5%. The optimisation of the financing structure was completed by an inaugural Euro 500m Benchmark Bond issued in January 2020, with a 7 years duration and a coupon of only 0.875% (final yield 0.998%). A second Euro 350m green bond also came in last year with a 5 years duration and a 1.0% coupon. This issues helped in a challenging COVID-19 pandemic year as well as the comfortable debt maturity profile and the rock solid balance with an equity ratio of 46%, a net LTV of only 34% and liquid funds of Euro 935m at year-end 2020.

CAI is listed on Vienna Stock Exchange since 1988 and member of ATX Blue Chip index and clearly beat the ATX performance in 2018 as well as in 2019 (+36% / ATX: +16%). The firm will maintain to pay a high 70% of the FFO I cash earnings as dividend to the shareholders. Thus, the dividend remains stable at Euro 1.00 for FY 2020. For the next years the firm has about Euro 280m land reserves to develop / exploit, which are almost 100% in Germany (more or less a split of Frankfurt, Munich and Berlin) and would offer a high additional approx. Euro 4.2bn book value potential to be realized in the next ten years. The current development portfolio of about Euro 1bn is over 90% for the own standing portfolio and should be more or less realized within the next four years. The newest addition to development portfolio is the Upbeat highrise in Berlin for DKB bank with 35k sqm to be finished until 2025. A rental contract with DKB bank for the full space was signed in March 2021. Another development highlight is the Frankfurt based ONE highrise, which is to be finished in the first half of next year and has a current pre-let status of c. 50% (68k sqm).

Euro 5.6bn property portfolio at the year-end 2020

(thereof Euro 4.8bn property assets let and
Euro 0.8bn at current development)



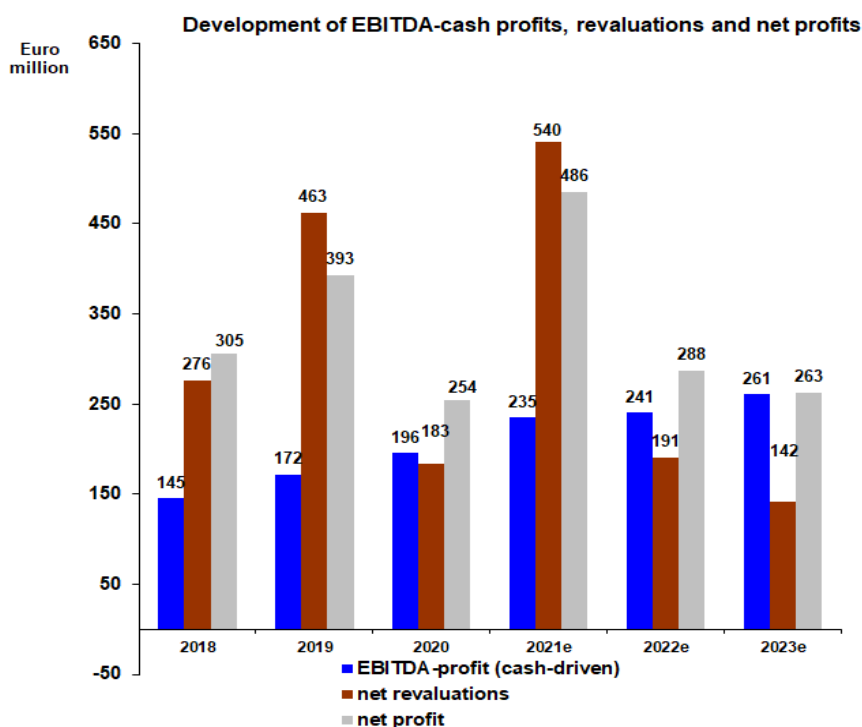
Source: Company Data, SRC Research

CA Immobilien Anlagen AG

31/12 IFRS ('000)

	2017	2018	2019	2020	2021e	2022e	2023e	CAGR '20 - '23e
Rental income	180.281,0	192.440,0	220.730,0	235.609,0	248.778,0	258.753,0	265.144,2	4,0%
Proceeds from property sale (Trading Portfolio)	29.216,0	44.417,0	12.344,0	43.335,0	56.447,0	87.951,0	112.443,0	
Expenses from property disposal (Trading Portfolio)	-15.664,0	-37.011,0	-13.617,0	-35.387,0	-42.583,0	-64.138,0	-83.737,0	
Subtotal Trading Portfolio	13.552,0	7.406,0	-1.273,0	7.948,0	13.864,0	23.813,0	28.706,0	
sale margin (Trading Portfolio)	46,4%	16,7%	-10,3%	18,3%	24,6%	27,1%	25,5%	
Proceeds from property sale (Hold Portfolio)	107.849,0	45.842,0	45.312,0	200.076,0	178.447,0	115.441,0	145.003,0	
Expenses from property disposal (Hold Portfolio)	-75.717,0	-37.616,0	-29.662,0	-156.146,0	-138.781,0	-91.254,0	-114.772,0	
Result from property sales (Hold Portfolio)	32.132,0	8.226,0	15.650,0	43.930,0	39.666,0	24.187,0	30.231,0	
sale margin (Hold Portfolio)	29,8%	17,9%	34,5%	22,0%	22,2%	21,0%	20,8%	
Operating costs passed on to tenants	51.263,0	55.828,0	51.757,0	53.260,0	57.203,0	65.195,0	75.668,0	
Revenues from construction	0,0	0,0	0,0	0,0	0,0	0,0	0,0	
Income from services	11.109,0	12.145,0	8.500,0	8.166,0	9.458,0	10.514,0	10.874,0	
Total revenues including the net gains from disposals	288.337,0	276.045,0	295.364,0	348.913,0	368.969,0	382.462,0	410.623,2	5,6%
Operating expenses	-55.696,0	-60.107,0	-55.326,0	-57.738,0	-56.114,0	-58.043,0	-62.101,0	
Other expenses directly related to Hold-Portfolio	-12.489,0	-12.961,0	-22.410,0	-21.466,0	-24.700,0	-28.485,0	-30.550,0	
Expenses for construction	-2.845,0	-6.141,0	-3.157,0	-2.154,0	-1.447,0	-6.554,0	-3.225,0	
Admin expenses	-44.618,0	-53.246,0	-43.464,0	-73.176,0	-53.746,9	-50.344,0	-55.102,0	
Own works capitalised	0,0	0,0	0,0	0,0	0,0	0,0	0,0	
Other operating income	1.051,0	1.485,0	721,0	1.204,0	1.987,0	1.558,0	1.620,0	
EBITDA-profit (cash-driven operating profit)	173.740,0	145.075,0	171.728,0	195.584,0	234.948,1	240.594,0	261.265,2	10,1%
Gains from Fair Value Adjustments (IAS 40)	182.045,0	293.220,0	491.752,0	352.110,0	602.441,0	225.668,0	155.243,0	
Losses from Fair Value Adjustments (IAS 40)	-78.021,0	-16.759,0	-28.985,0	-168.611,0	-62.225,0	-34.711,0	-13.441,0	
Net result from Revaluations (IAS 40)	104.024,0	276.461,0	462.767,0	183.499,0	540.216,0	190.957,0	141.802,0	
Depreciation and amortisation of long-term assets	-2.658,0	-2.385,0	-4.626,0	-4.662,0	-5.020,0	-5.089,0	-1.030,0	
Depreciation of properties of Trading-Portfolio	-1.189,0	-234,0	95,0	-871,0	-185,0	-320,0	-20,0	
Result from investments in joint ventures	66.585,0	23.354,0	3.729,0	1.898,0	2.374,4	1.855,0	2.450,0	
Operating Profit (EBIT)	340.502,0	442.271,0	633.693,0	375.448,0	772.333,5	427.997,0	404.467,2	2,5%
Net financial result	-40.683,0	-46.071,0	-94.363,0	-27.154,0	-108.149,0	-53.447,0	-56.701,0	
Pre-tax profit (EBT)	299.819,0	396.200,0	539.330,0	348.295,0	664.184,5	374.550,0	347.766,2	-0,1%
taxes on income	-64.960,0	-90.896,0	-146.026,0	-94.341,0	-178.551,0	-86.944,0	-84.984,0	
tax-rate	21,7%	22,9%	27,1%	27,1%	26,9%	23,2%	24,4%	
minorities	-5,0	-11,0	-21,0	-5,0	-20,0	-22,0	-29,0	
Net Profit after minorities	234.854,0	305.293,0	393.283,0	253.948,0	485.613,5	287.584,0	262.753,2	1,1%
number of shares without own shares ('000)	93.226,3	93.028,3	93.028,3	93.028,3	100.645,1	100.645,1	100.645,1	
Earnings per share (Euro)	2,52	3,28	4,23	2,73	4,83	2,86	2,61	-1,5%
Dividends per share (Euro)	0,80	0,90	1,00	1,00	3,60	3,70	1,30	
Book Value per share (Euro)	25,73	28,37	31,90	33,63	32,95	31,85	33,19	-0,4%
EPRA NTA per share (Euro)	29,90	33,30	38,33	40,09	40,45	42,85	45,12	
Key Data								
Shareholders' Equity	2.398.459,0	2.639.635,0	2.967.884,0	3.128.218,0	3.316.168,5	3.205.447,6	3.340.076,4	2,2%
Property assets let (only fully owned from 2014 on)	3.155.736	3.514.700	4.023.700	4.736.000	5.588.480	5.811.036	5.793.021	
thereof Germany ('000)	1.262,3	1.311,3	1.576,7	2.271,4	2.682,5	2.731,2	2.780,7	
thereof Austria ('000)	536,5	513,6	517,2	524,7	631,5	598,5	596,7	
thereof CEE and SEE ('000)	1.357,0	1.689,8	1.929,8	1.939,9	2.274,5	2.481,3	2.415,7	
Gross yield property assets let	5,9%	5,8%	5,5%	5,2%	4,9%	4,8%	4,8%	
Vacancy rate property assets let*	10,5%	5,6%	3,9%	5,2%	8,1%	8,5%	7,9%	
Property assets under current construction	579.295	406.100	597.400	701.600	1.056.041	845.741	814.571	5,1%
RoE (pre-tax)	12,5%	15,0%	18,2%	11,1%	20,0%	11,7%	10,4%	
RoE (after tax)	10,2%	12,1%	14,0%	8,3%	15,1%	8,8%	8,0%	
Total balance sheet sum	4.768.707,6	5.355.504,0	5.888.690,0	6.820.289,0	7.099.920,8	7.305.108,6	7.385.920,0	2,7%
Equity ratio	50,3%	49,3%	50,4%	45,9%	46,7%	43,9%	45,2%	

* from 2018 shown as economic vacancy rate



SRC Research

- The Specialist for Financial and Real Estate Stocks -

SRC - Scharff Research und Consulting GmbH

Klingerstr. 23

D-60313 Frankfurt

Germany

Fon: +49 (0)69/ 400 313-80

Mail: scharff@src-research.de

Internet: www.src-research.de

Rating Chronicle	Date	Rating	former share price	former target
CA Immo	November 25, 2021	Buy	37,50 €	42,00 €
CA Immo	November 4, 2021	Buy	38,30 €	42,00 €
CA Immo	August 26, 2021	Buy	36,55 €	42,00 €
CA Immo	May 27, 2021	Buy	35,60 €	41,00 €
CA Immo	March 25, 2021	Buy	35,90 €	41,00 €
CA Immo	January 29, 2021	Accumulate	35,70 €	39,00 €
CA Immo	November 26, 2020	Buy	29,45 €	37,00 €
CA Immo	August 25, 2020	Buy	26,65 €	37,00 €
CA Immo	May 28, 2020	Buy	28,75 €	35,00 €
CA Immo	March 30, 2020	Accumulate	29,05 €	33,00 €
CA Immo	November 21, 2019	Accumulate	34,75 €	37,50 €
CA Immo	August 22, 2019	Accumulate	31,55 €	36,00 €
CA Immo	May 22, 2019	Hold	34,15 €	36,00 €
CA Immo	April 2, 2019	Accumulate	31,90 €	36,00 €
CA Immo	March 6, 2019	Buy	30,12 €	34,00 €

Please note:

The CA Immo share price mentioned in this report is from 4 February 2022. CA Immo mandated SRC Research for covering the CA Immo share.

Disclaimer © 2022: This equity research report is published by: SRC-Scharff Research und Consulting GmbH, Klingerstr. 23, D-60313 Frankfurt, Germany (short name: SRC Research). All rights reserved.

Although we feel sure that all information in this SRC report originates from carefully selected sources with high credibility, we cannot give any guarantee for accuracy, trueness and completeness. All opinions quoted in this report give the current judgement of the author which is not necessarily the same opinion as SRC-Scharff Research und Consulting GmbH or another staff member. All the opinions and assessment made in this report may be changed without prior notice. Within the scope of German regulative framework the author and SRC-Scharff Research und Consulting GmbH do not assume any liability for this document or its content being used. This report is solely for information purposes and does not constitute a request or an invitation or a recommendation to buy or sell any stock that is mentioned here. Private clients should obtain personal advice at their bank or investment house and should keep in mind that prices and dividends of equities can rise and fall and that nobody can give a guarantee of the future development of equities. The author of this report and the SRC-Scharff Research und Consulting GmbH commit themselves on a unsolicited basis to having no long or short-positions in equities or derivatives related to equities mentioned in this report.

Reproduction, distribution or publishing this report and its content as a whole or in parts is only allowed with approval of SRC management written form. With acceptance of this document you agree with all regulations mentioned here and all general terms and conditions you will find at anytime at our website www.src-research.de.