

Graphisoft Park

Buy

Maintained

Price: EUR 10.4
Price target: EUR 13.0
(From EUR 10.5)

Still great value

We reiterate our BUY rating on Graphisoft Park (GSPARK), increasing our 12M PT to EUR 13.0/share. Even with its low leverage (2Q24 net LTV of 32%), GSPARK generates 8-9% FFO ROE, one of the highest among the European landlords. Trading at a >30% discount to book, this translates into an FFO yield in the mid-teens, well ahead of its cost of equity, which we estimate at c.9-10%. GSPARK plans to build around 150 apartments in the Southern area of the Park. We expect to learn more details about the residential project in the next 6-12m. For now, we pencil in a c.20-30% gross profit margin (GPM), with selling prices at EUR 3.5k per sqm, boosting the CF and P&L in 2027E. The proceeds may be paid out as dividends (we estimate in 2028E). Over the next 5Y, GSPARK could pay out a cumulative c.EUR 50m in dividends, on our estimates. This is almost half of its current market cap. At present, it is only paying out around half of its FFO. The retained earnings could fund organic growth via developments, or a gradual debt amortisation. Decontamination of the Northern Development Area, and M&A, remain potential triggers.

EUR 212m standing portfolio at EPRA NIY of 6.9%. Occupancy was 95% in 2Q24, and while it may decrease by the year end, we expect an eventual recovery to the mid-90%. Historically, the Park has been nearly fully occupied. Average monthly rents are EUR 18-19/sqm, above the market average rent, but below the c.EUR 20+/sqm asking rents for new developments.

Budapest office stock at 4.4m sqm. CBRE estimates vacancies at 13.9% and average asking rents of EUR 14.6/sqm as of 2Q24. There is c.0.4m sqm of new space under construction, due for completion by YE26E.

Yields. The BV seems reasonable, to us, especially in the context of easing. As of 2Q24E, CBRE estimated the prime office yield for Budapest at 7.0%. Colliers's estimate was 6.25%. There have been few-to-no deals, so there is very limited visibility on pricing. GSPARK's portfolio is booked at a gross yield of 8.2% on 2Q24 rental income, or 8.7% if adjusted for full occupancy.

Residential. We pencil in a gross profit of c.EUR 10-11m in 2027E (assuming 150 x 70sqm units selling at EUR 3.5k), which could fuel a special DPS.

Decontamination may offer upside optionality, as might a prospective takeover. Any progress with the Northern Development Area decontamination would be a major positive, but given that there has been no progress so far, we are not including any upside from this in either our forecasts or our valuation. On M&A, the requirement to sell at least on par with book, as well as the broader Hungarian risk premium, are hurdles, but falling rates should revive real estate investment volumes across Europe, in our view. This could make the M&A angle more relevant, especially given the high ROE and low LTV.

We use a combination of DCF, DDM and peer group multiples valuations. We use a WACC of around 8% and a COE of around 9-10%.

Risks: recession; upward pressure on yields and borrowing costs; growing vacancy rates and pressure on rents, no progress with decontamination; flooding; FX fluctuations; tenant concentration; office market oversupply; country risk; and taxes. **Triggers:** ECB easing; yield compression/revaluation gains; rental growth; successful development of the residential project; further office developments; a takeover bid; higher dividends; and, at some point, possibly the decontamination of the Northern Development Area.

Expected events

3Q24 results 12 November

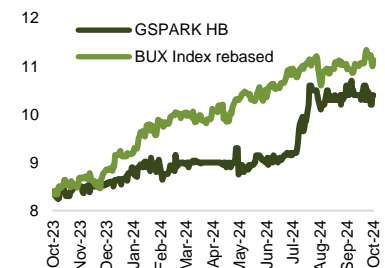
Key data

Market cap	EUR 105m
Free float	c.55%
Shares outstanding	10.1m
3M ADTV	EUR 28k
Major Shareholders	
	Mr. Gábor Bojár and BNBA: 32%
	HOLD: 12%
Reuters Code	GSPARK:HB
Bloomberg Code	GSPARK HB Equity
BUX Index	73,529

Price performance

52-w range	EUR 8.2-10.7/share
52-w performance	24%
Relative performance	-9%

12M share price performance (EUR)



Year	BV	BVPS	Net LTV	Equity	FFO	FFOPS	FFO ROE	P/BV	FFO yield	DPS	Div. Yield
	EUR m	EUR/sh			EUR m	EUR/sh				EUR/sh	
2021	136	13.5	38%	57%	12.1	1.2	9.0%	0.7x	13.6%	0.5	5.4%
2022	150	14.8	33%	60%	12.6	1.2	8.4%	0.7x	14.2%	0.5	6.1%
2023	152	15.1	32%	62%	13.4	1.3	8.9%	0.7x	12.7%	0.7	6.7%
2024E	160	15.9	29%	64%	14.9	1.5	9.5%	0.7x	14.2%	0.7	6.5%
2025E	169	16.8	26%	67%	13.9	1.4	8.4%	0.6x	13.2%	0.7	6.5%
2026E	180	17.9	24%	71%	13.9	1.4	7.9%	0.6x	13.2%	0.7	6.9%

Analysts: Jakub Caithaml, Peter Palovic
E-mail: jakub.caithaml@wood.com, peter.palovic@wood.cz

Prague: +420 222 096 481
Website: www.wood.com

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Closing Prices as of 03 October 2024

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Requests for permission to make copies of any part of this report should be mailed to:

WOOD & Company Financial Services a.s.
Palladium, Namesti Republiky 1079/1a,
110 00 Prague 1 – Czech Republic
tel.: +420 222 096 111
fax: +420 222 096 222
<http://www.wood.cz>

Valuation

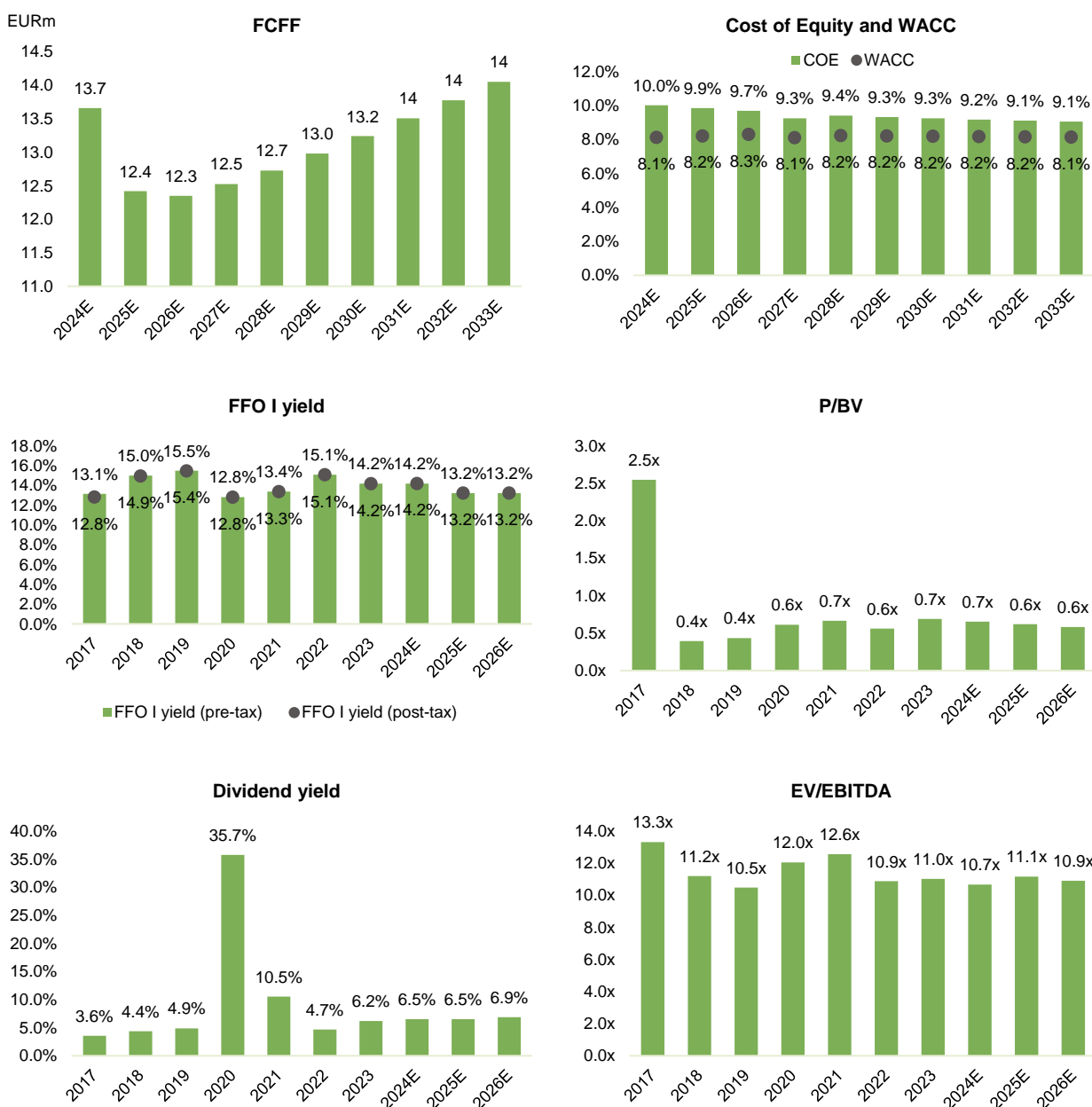
We value GSPARK using a combination of our DCF, DDM and peer group valuations, weighted equally. We use a WACC of c.8% throughout our forecast horizon, and RFRs and ERPs of 5% each. In the peer valuation, we compare GSPARK to other European office landlords, and pencil in that it deserves to trade at a 20% discount relative to peers on BV, and a c.30% discount on earnings. Through this, we try to reflect the small size of the company, its low liquidity and the concentration risk. Trading at a 13-14% FFO yield, on our estimates, GSPARK is currently at a >50% discount to its peers' median on earnings. Given its history of stable and growing earnings, good management and long-term tenant relationships, as well as its quality, campus-style portfolio, we view the current discount as excessive.

We set our 12M PT at EUR 13.0/share

DCF	13.1
DDM	12.1
Peers	13.9
12M PT	13.0
Price	10.4
Upside	25%

Source: WOOD Research

Valuation - COE, WACC, multiples



Source: Company data, Bloomberg, WOOD Research

DCF

(EURm)	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E
FFO I	14.9	13.9	13.9	14.0	13.8	14.1	14.4	14.7	15.0	15.3
Adjustments for										
Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net interest costs	0.9	0.9	0.8	1.0	1.5	1.5	1.5	1.5	1.5	1.5
Adj EBIT	15.8	14.7	14.7	15.0	15.3	15.6	15.9	16.2	16.5	16.8
Tax rate	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
NOPLAT	15.8	14.7	14.7	15.0	15.3	15.6	15.9	16.2	16.5	16.8
Capex	-2.3	-2.3	-2.3	-2.4	-2.5	-2.6	-2.6	-2.7	-2.7	-2.8
WC change	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Proceeds from disposals	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Free cash flows	13.7	12.4	12.3	12.5	12.7	13.0	13.2	13.5	13.8	14.1
Discount factor	0.98	0.91	0.84	0.78	0.71	0.66	0.61	0.57	0.52	0.48
PV of FCF	13.4	11.3	10.3	9.7	9.1	8.6	8.1	7.6	7.2	6.8
SUM of FCF	92									
Terminal value growth	1.50%									
Terminal value	215									
PV of terminal value	104.1									
Enterprise value	196									
Less net debt (2023YE + DPS)	76.3									
Less minorities	0.00									
Fair value of equity	120									
Shares outstanding (ex. treasury and employee)	10.1									
Fair value of equity per share (EUR)	11.9									
12M PT (EUR/share)	13.1									
Price per share (EUR)	10									
Upside/(downside)	26%									

Source: WOOD Research

WACC and cost of equity

(EURm)	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E
Assumptions used for RFR and ERP										
HU RFR	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
HU ERP	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Company's capital structure										
Cash	20	16	11	28	19	21	24	27	30	32
Total debt	84	75	66	66	66	66	66	66	66	66
Total equity	160	169	180	207	209	220	230	240	251	262
Total capital outstanding	244	244	246	272	275	285	296	306	317	327
[A] Debt/capital ratio (%)	34%	31%	27%	24%	24%	23%	22%	21%	21%	20%
[C] Equity/capital ratio (%)	66%	69%	73%	76%	76%	77%	78%	79%	79%	80%
Cost of debt:										
Marginal cost of debt (%)	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%
x Marginal tax rate (%)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
[B] Cost of debt (post tax) (%)	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%
Cost of equity:										
Unlevered Beta corrected for cash	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Unlevered Beta	0.7	0.7	0.7	0.6	0.7	0.7	0.7	0.7	0.7	0.6
Beta	1.0	1.0	0.9	0.9	0.9	0.9	0.9	0.8	0.8	0.8
x Equity risk premium (%)	5.0%	4.9%	4.7%	4.3%	4.4%	4.3%	4.3%	4.2%	4.1%	4.1%
+ Risk free rate (%)	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
[D] Cost of equity (%)	10.0%	9.9%	9.7%	9.3%	9.4%	9.3%	9.3%	9.2%	9.1%	9.1%
[A x B] + [C x D] = WACC:	8.1%	8.2%	8.3%	8.1%	8.2%	8.2%	8.2%	8.2%	8.2%	8.1%

Source: WOOD Research

DDM

(EURm)	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E
FFO (previous year)	15	14	14	14	14	14	14	15	15
Payout ratio	47%	54%	54%	148%	63%	64%	65%	65%	66%
Dividends	7	7	7	21	9	9	9	10	10
Dividends per normal share	0.7	0.7	0.7	2.0	0.8	0.9	0.9	0.9	1.0
Present value per share	0.6	0.6	0.6	1.4	0.5	0.5	0.5	0.4	0.4
Present value of dividends	5.9								
Terminal value growth	1.5%								
Terminal value PV per share	5.1								
Total PV of equity per share	11.0								
12M PT (EUR/share)	12.1								
Price per share (EUR)	10								
<i>Upside/(downside)</i>	16%								

Source: WOOD Research

Peer valuation

	Price (LCU)	Mcap (EURm)	P/BV		Dividend yield		FFO yield	
			2024E	2025E	2024E	2025E	2024E	2025E
Graphisoft Park	10	111	0.65x	0.62x	6.5%	6.5%	14.2%	13.2%
CA Immo	26.8	2,856	0.97x	0.95x	3.0%	3.0%	4.1%	4.1%
Alstria Office REIT	5.9	1,050	0.77x	0.73x	0.5%	1.0%	7.1%	5.9%
Aroundtown	3.0	4,550	0.43x	0.42x	0.0%	3.0%	9.2%	8.4%
FDR	54.0	6,022	0.70x	0.70x	6.3%	6.4%	8.0%	7.8%
Gecina	102.6	7,866	0.73x	0.71x	5.4%	5.7%	6.2%	6.6%
Castellum	149.6	6,482	1.00x	0.95x	1.6%	1.9%	5.8%	6.0%
Fabege	101.2	2,945	0.84x	0.82x	1.9%	2.0%	4.3%	4.9%
Icade	26.3	2,002	0.45x	0.46x	16.8%	12.9%	14.0%	12.4%
NSI	20.4	410	0.57x	0.56x	7.3%	7.2%	9.5%	9.1%
Entra	139.0	2,165	1.07x	0.98x	n/a	2.5%	5.2%	6.2%
Inmobiliara Colonial Socimi	6.1	3,821	0.69x	0.69x	4.4%	4.5%	5.1%	5.3%
Nyfosa	125.3	2,294	1.33x	1.26x	1.9%	2.2%	4.6%	5.2%
Corem Property Group	9.3	1,168	0.87x	0.56x	1.1%	1.6%	4.4%	5.9%
Wihlborgs Fastigheter AB	119.3	3,227	1.58x	1.48x	2.7%	2.8%	4.7%	5.3%
Platzer Fastigheter Holding	111.8	1,180	1.05x	0.99x	1.9%	2.0%	n/a	n/a
European office peer group median			0.84x	0.73x	2.3%	2.8%	5.5%	6.0%
Peer group average			0.84x	0.73x	2.3%	2.8%	5.5%	6.0%

	BPS		FFOPS	
	2024E	2025E	2024E	2025E
Our forecast (EUR/share)	15.9	16.8	1.5	1.4
Peer group current multiple	84%	73%	5.5%	6.0%
GSPARK: discount vs. peers	20%	20%	30%	30%
GSPARK: target multiple	67.0%	58.5%	7.8%	8.6%
Implied price (EUR/share)	11	10	19	16
Ave. implied price from P/BV	10.2			
Ave. implied price from FFO yield	17.5			
Average implied price	13.9			
12M PT (EUR/share)	13.9			
Graphisoft Park current share price	10			
Upside	33%			

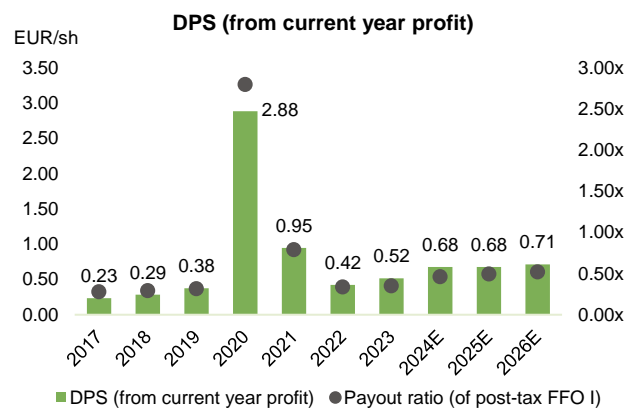
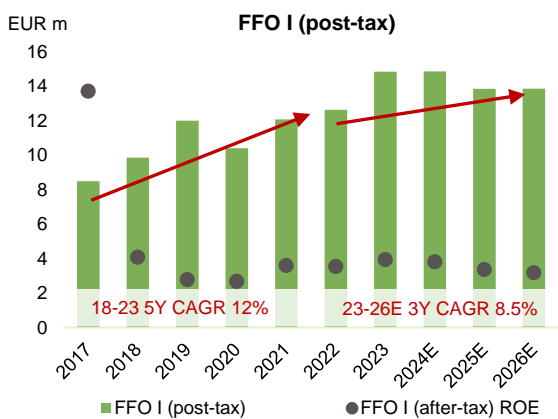
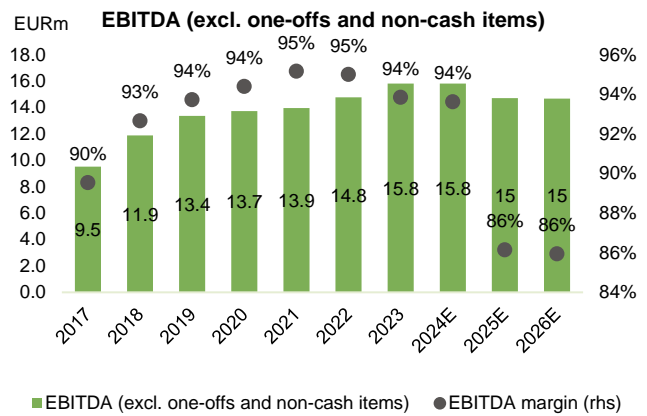
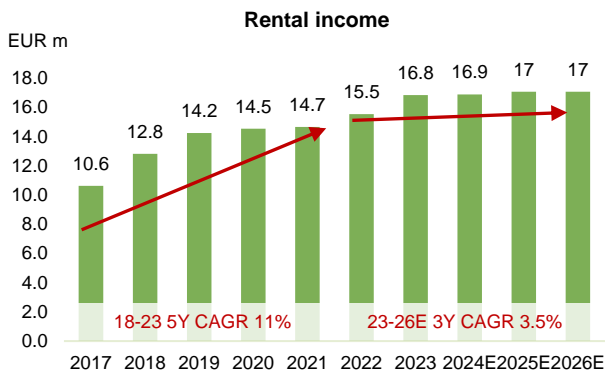
Source: Company data, Bloomberg, WOOD Research

Risks

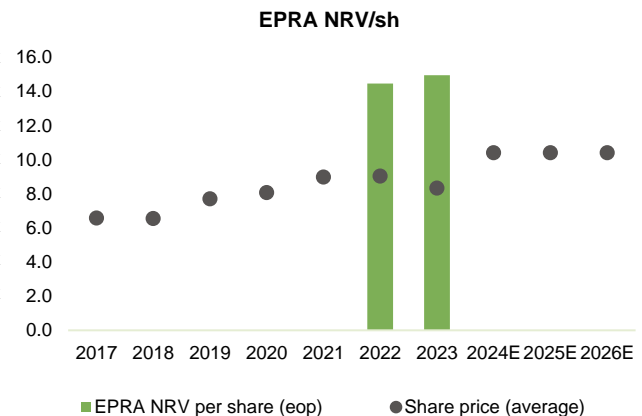
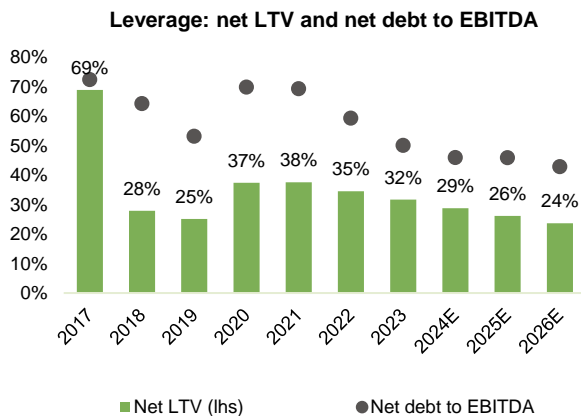
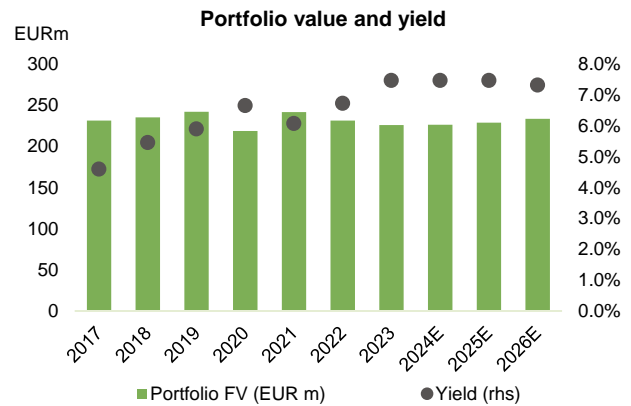
- ✓ Ongoing shift towards working from home, especially among IT companies, leading to pressure on occupancy and rents.
- ✓ Companies moving closer to the city centre.
- ✓ If the construction activity of new offices remains elevated in Budapest, some of the tenants may be tempted to move to newer premises. In addition, there may be more competition from landlords for new tenants. This could also weigh on the effective rents across the market.
- ✓ Yield expansion, pressure on valuations. Even though the current easing cycle alleviates this risk, with few transactions in the market, visibility on pricing is low. A resumption of deal activity could set the new pricing equilibrium lower than the realtors are currently expecting.
- ✓ Recession, pressure on rents, higher vacancy rates.
- ✓ Lack of progress with decontamination.
- ✓ Flooding, as the entire portfolio is located on the banks of the Danube.
- ✓ Permitting risks and delays and/or cost overruns in development projects. This is currently most relevant for the planned residential development project.
- ✓ Taxes.
- ✓ Country risk.

Financial estimates

Earnings, dividends, portfolio, leverage and NRV



Rental income by country, 2024E



Source: Company data, Bloomberg, WOOD Research

WOOD estimates: new vs. old

EURm	2024E			2025E			2026E		
	New	Old	Diff. (%)	New	Old	Diff. (%)	New	Old	Diff. (%)
Sales	16.7	14.6	15%	16.5	16.0	3%	16.5	16.0	3%
EBITDA	15.8	12.9	23%	14.7	14.2	3%	14.7	14.2	3%
EBIT	16.1	12.9	25%	16.9	35.8	-53%	19.1	18.6	3%
Net profit	15.2	11.0	38%	16.1	34.0	-53%	18.3	16.9	8%
BPS (EUR)	15.9	12.9	23%	16.8	15.9	6%	17.9	16.6	8%
FFOPS (EUR)	1.47	1.09	36%	1.37	1.23	11%	1.37	1.24	11%
DPS (EUR)	0.68	0.38	79%	0.68	0.91	-25%	0.71	0.92	-23%
<i>EBITDA margin</i>	94.4%	88.1%	6.3ppt	89.3%	89.0%	0.3ppt	89.0%	88.7%	0.3ppt
<i>Net margin</i>	90.6%	75.2%	15.5ppt	97.7%	212.4%	-114.7ppt	111.1%	105.8%	5.4ppt

Source: WOOD Research

No consensus is available for the stock.

Financials

P&L, FFO, DPS and rental income by country and sector

	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
P&L (EURm)									
Rental income	12.8	14.2	14.5	14.7	15.5	16.8	16.9	17.1	17.1
- Net service charges and property expenses	0.3	0.4	0.4	0.4	0.4	0.1	-0.1	-0.6	-0.6
Net rental income	13.1	14.7	14.9	15.0	15.9	17.0	16.7	16.5	16.5
- Income from hotels	0	0	0	0	0	0	0	0	0
- Net operating expenses	-1.3	-1.3	-1.2	-1.1	-1.1	-1.2	-0.9	-1.8	-1.8
EBITDA (ex. one-offs and non-cash items)	11.9	13.4	13.7	13.9	14.8	15.8	15.8	14.7	14.7
- Revaluation gain/(loss)	4.7	4.3	-24.5	-1.0	-4.3	-4.6	0.3	2.2	4.5
- Net result from sale of investment properties	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- Result from JVs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	16.5	17.6	-10.8	13.0	10.5	11.2	16.1	16.9	19.1
- Net interest expense	-1.2	-1.2	-2.0	-1.7	-1.5	-0.9	-0.9	-0.9	-0.8
- Other financial income/expense	-0.2	0.0	-1.0	-0.2	-0.2	-0.1	0.0	0.0	0.0
Pre-tax profit	15.1	16.4	-13.7	11.1	8.8	10.2	15.2	16.1	18.3
- Current income tax	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- Deferred tax charge	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net profit	15.1	16.3	-13.8	11.0	8.8	10.2	15.2	16.1	18.3
- Minorities	0	0	0	0	0	0	0	0	0
- Discontinued operations	0	0	0	0	0	0	0	0	0
Net income	15.1	16.3	-13.8	11.0	8.8	10.2	15.2	16.1	18.3
FFO & DPS (EURm, unless per share)									
FFO I (pre-tax)	9.9	12.0	10.4	12.1	12.6	14.9	14.9	13.9	13.9
FFO I (post-tax)	9.9	12.0	10.4	12.1	12.6	14.8	14.9	13.9	13.9
FFO II	9.9	12.0	10.4	12.1	12.6	14.8	14.9	13.9	13.9
FFO I per share (pre-tax)	1.0	1.2	1.0	1.2	1.3	1.5	1.5	1.4	1.4
FFO I per share (post-tax)	1.0	1.2	1.0	1.2	1.3	1.5	1.5	1.4	1.4
FFO II per share	1.0	1.2	1.0	1.2	1.3	1.5	1.5	1.4	1.4
DPS (from current year profit)	0.3	0.4	2.9	0.9	0.4	0.5	0.7	0.7	0.7
Payout ratio (of post-tax FFO I)	0.3x	0.3x	2.8x	0.8x	0.3x	0.4x	0.5x	0.5x	0.5x
Margins and growth									
Net rental income margin	103%	103%	103%	103%	102%	101%	99%	97%	97%
EBITDA margin	93%	94%	94%	95%	95%	94%	94%	86%	86%
FFO I (pre-tax) margin	77%	84%	72%	83%	81%	88%	88%	81%	81%
FFO I (post-tax) margin	77%	84%	72%	82%	81%	88%	88%	81%	81%
Net rental income growth	21%	11%	2%	1%	6%	8%	0%	1%	0%
EBITDA growth	25%	12%	3%	2%	6%	7%	0%	-7%	0%
Net income growth	245%	8%	-184%	-180%	-21%	16%	49%	6%	14%
FFO I per share (pre-tax) growth	14%	21%	-13%	16%	5%	18%	0%	-7%	0%
FFO I per share (post-tax) growth	16%	22%	-13%	16%	5%	18%	0%	-7%	0%
FFO II per share growth	19%	22%	-14%	19%	5%	16%	2%	-7%	0%
Rental income per country									
Hungary	100%	100%	100%	100%	100%	100%	100%	100%	100%
Rental income per sector									
Offices	100%	100%	100%	100%	100%	100%	100%	100%	100%

Source: Company data, WOOD Research

Capital structure, cash flow and EPRA indicators

	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
Capital structure (EURm)									
Total debt	73	109	100	95	89	84	84	75	66
Cash	6	46	16	10	12	15	20	16	11
Net debt	67	62	84	85	77	69	64	59	55
Equity	168	179	133	136	150	152	160	169	180
Assets	252	299	245	240	249	244	252	252	254
Investment property	240	247	224	225	222	219	221	226	232
EBITDA	11.9	13.4	13.7	13.9	14.8	15.8	15.8	14.7	14.7
Equity ratio	67%	60%	54%	57%	60%	62%	64%	67%	71%
Gross LTV	30%	44%	44%	42%	40%	38%	38%	33%	28%
Net LTV	28%	25%	37%	38%	35%	32%	29%	26%	24%
Net debt to EBITDA	5.6x	4.7x	6.1x	6.1x	5.2x	4.4x	4.0x	4.0x	3.7x
Gearing (net debt to equity)	40%	35%	63%	62%	51%	46%	40%	35%	31%
Net debt, rel. change, yoy	11%	-7%	35%	1%	-9%	-10%	-8%	-7%	-7%
Equity, rel. change, yoy	543%	7%	-26%	2%	10%	2%	5%	6%	6%
Assets, rel. change, yoy	143%	19%	-18%	-2%	4%	-2%	3%	0%	1%
Cash flow (EURm)									
Profit before tax	15.1	16.4	-13.7	11.1	8.8	10.2	15.2	16.1	18.3
CF from operations (before WC)	11.2	13.1	12.9	13.7	14.4	15.9	15.8	14.7	14.7
WC changes	5.9	0.5	-1.0	-0.5	0.4	-0.3	0.1	0.0	0.0
CF from operations	17.1	13.5	11.8	13.2	14.8	15.6	15.9	14.7	14.7
Taxes	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CF from operations after taxes	17.0	13.5	11.8	13.2	14.7	15.6	15.9	14.7	14.7
Adjustment for net interest	-1.3	-1.2	-2.0	-1.7	-1.5	-0.9	-0.9	-0.9	-0.8
Net CF from operations	15.8	12.3	9.9	11.5	13.3	14.7	15.0	13.9	13.9
Capex	-22.0	-3.4	-1.5	-1.4	-1.0	-1.0	-2.3	-2.3	-2.3
Proceeds from disposals	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Others									
Net CF from Investing	-21.9	-3.4	-1.4	-1.4	-0.9	-1.0	-2.3	-2.3	-2.3
Proceeds from issuance of share capital									
Acquisition of own shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net issue of debt	10.8	35.7	-8.7	-5.8	-5.8	-5.9	0.0	-9.0	-9.0
Interest paid	-1.3	-1.2	-2.0	-1.8	-1.7	-1.6	-1.7	-1.6	-1.5
Dividends paid	-3.0	-3.9	-30.3	-10.0	-4.3	-5.4	-7.1	-7.1	-7.4
Others									
Net CF from financing	6.6	30.5	-41.0	-17.5	-11.9	-13.0	-8.7	-17.6	-18.0
Change in cash & equivalents	1.6	40.6	-30.6	-5.7	2.1	2.3	5.7	-4.5	-4.9
EPRA indicators (EURm)									
Book value	168	179	133	136	150	152	160	169	180
EPRA NRV	n/a	n/a	n/a	n/a	146	151	n/a	n/a	n/a
EPRA NTA	n/a	n/a	n/a	n/a	146	151	n/a	n/a	n/a
BV per share (EUR)	16.6	17.7	13.2	13.5	14.8	15.1	15.9	16.8	17.9
EPRA NRV per share (EUR)	n/a	n/a	n/a	n/a	14.5	14.9	n/a	n/a	n/a
EPRA NTA per share (EUR)	n/a	n/a	n/a	n/a	14.5	14.9	n/a	n/a	n/a
EPRA net initial yield (NIY)	n/a	n/a	n/a	n/a	6.4%	7.0%	n/a	n/a	n/a
EPRA "topped-up" NIY	n/a	n/a	n/a	n/a	6.4%	7.1%	n/a	n/a	n/a
EPRA earnings (EURm)	n/a	n/a	n/a	n/a	12.8	14.6	n/a	n/a	n/a
EPRA earnings per share	n/a	n/a	n/a	n/a	1.3	1.4	n/a	n/a	n/a
EPRA vacancy rate	n/a	n/a	n/a	n/a	2.0%	3.7%	n/a	n/a	n/a
EPRA cost ratio (inc. vacancy costs)	n/a	n/a	n/a	n/a	6.5%	7.4%	n/a	n/a	n/a
EPRA cost ratio (ex. vacancy costs)	n/a	n/a	n/a	n/a	6.3%	7.2%	n/a	n/a	n/a

Source: Company data, WOOD Research

Portfolio, share data and valuation multiples

	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
Portfolio									
Year-end, m ² (000)	82	82	82	82	82	82	82	82	82
Rented space, m ²	78	80	77	79	80	78	75	76	76
Occupancy	95.0%	97.0%	94.0%	96.0%	97.0%	95.0%	92.0%	93.0%	93.0%
Gross rental income (EURm)	13	14	15	15	16	17	17	17	17
Value (EURm)	235	242	219	242	231	226	226	229	233
- Price/m ² , EUR	2,867	2,949	2,665	2,945	2,819	2,753	2,759	2,789	2,846
- Average gross rent per m ² , EUR	13.7	14.9	15.7	15.5	16.3	18.0	18.7	18.7	18.7
- Yield	5.5%	5.9%	6.7%	6.1%	6.7%	7.5%	7.5%	7.5%	7.3%
- Yield at full occupancy	5.7%	6.1%	7.1%	6.3%	6.9%	7.9%	8.1%	8.0%	7.9%
Number of shares and share price									
Number of shares	10.6	10.6	10.6	10.6	10.6	10.6	10.6	10.6	10.6
Number of shares outstanding	10.1	10.1	10.1	10.1	10.1	10.1	10.1	10.1	10.1
Average number of shares	10.6	10.6	10.6	10.6	10.6	10.6	10.6	10.6	10.6
Average number of shares outstanding	10.1	10.1	10.1	10.1	10.1	10.1	10.1	10.1	10.1
Average price/share (EUR)	6.6	7.7	8.1	9.0	9.0	8.3	10.4	10.4	10.4
Lowest price (EUR)	6.2	6.6	7.0	7.5	7.3	7.9	10.4	10.4	10.4
Highest price (EUR)	7.0	9.7	9.9	9.8	11.1	8.9	10.4	10.4	10.4
Closing price (EUR)	6.6	9.7	7.6	9.3	7.8	8.7	10.4	10.4	10.4
Market cap, average (EURm)	66	78	81	90	91	84	105	105	105
Market cap, eop (EURm)	66	98	77	94	79	88	105	105	105
Profitability and valuation multiples									
FFO I (pre-tax) ROE	10.2%	6.9%	6.7%	9.0%	8.9%	9.9%	9.5%	8.4%	7.9%
FFO I (after-tax) ROE	10.2%	6.9%	6.7%	9.0%	8.8%	9.8%	9.5%	8.4%	7.9%
FFO II ROE	10.2%	6.9%	6.7%	9.0%	8.8%	9.8%	9.5%	8.4%	7.9%
FFO I yield (pre-tax)	15.0%	15.5%	12.8%	13.4%	13.9%	17.7%	14.2%	13.2%	13.2%
FFO I yield (post-tax)	14.9%	15.4%	12.8%	13.3%	13.9%	17.7%	14.2%	13.2%	13.2%
FFO II yield	14.9%	15.4%	12.8%	13.3%	13.9%	17.7%	14.2%	13.2%	13.2%
P/BV	0.4x	0.4x	0.6x	0.7x	0.6x	0.6x	0.7x	0.6x	0.6x
Dividend yield	4.4%	4.9%	35.7%	10.5%	4.7%	6.2%	6.5%	6.5%	6.9%
EV/EBITDA	11.2x	10.5x	12.0x	12.6x	11.4x	9.7x	10.7x	11.1x	10.9x

Source: Company data, WOOD Research

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		20/09/2022	HUF 4,144
		22/02/2023	EUR 10.5
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CCC	5
CD Projekt	5
Colt CZ Group	3, 5
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CONTACTS

Czech Republic

namesti Republiky 1079/1a
Palladium
110 00 Praha 1
Czech Republic
Tel +420 222 096 111
Fax +420 222 096 222

Poland

Centrum Marszalkowska
Marszalkowska 126/134
7th Floor
00 008 Warszawa
Poland
Tel +48 22 222 1530
Fax +48 22 222 1531

UK

16 Berkeley Street
London
W1J 8DZ
Tel +44 20 3530 0691

Italy

Via Luigi Settembrini, 35
20124 Milan
Italy
Tel +39 02 36692 500

Bloomberg page
WUCO

www.wood.com

Romania

Lamda Building
7A Bucuresti-Ploiesti Street
4th Floor
013682 Bucharest 1
Tel.: +40 316 30 11 81

Research

Co-Head of Equities/ Head of Research

Marta Jezewska-Wasilewska
+48 22 222 1548
marta.jezewska-wasilewska@wood.com

Deputy Head of Research

Jakub Caithaml
+420 222 096 481
jakub.caithaml@wood.com

Macroeconomics

Raffaella Tenconi
+44 20 3530 0685
raffaella.tenconi@wood.com

Head of Türkiye Research

Atinc Ozkan
+420 222 096 700
atinc.ozkan@wood.com

Head of Consumer/Industrials

Lukasz Wachelko
+48 22 222 1560
lukasz.wachelko@wood.com

Head of Polish Research

Maria Mickiewicz
+48 602 450 718
maria.mickiewicz@wood.com

Head of Financials

Can Demir
+44 20 3530 0623
can.demir@wood.com

Head of TMT

Piotr Raciborski
+48 22 222 1551
piotr.raciborski@wood.com

Utilities/Mining/Pharma

Bram Buring
+420 222 096 250
bram.buring@wood.com

Energy

Jonathan Lamb
+44 20 3530 0621
jonathan.lamb@wood.com

Macroeconomics

Alessio Chiesa
+44 75177 06102
alessio.chiesa@wood.com

Türkiye

Can Yurtcan
+420 222 096 780
can.yurtcan@wood.com

Industrials/Utilities

Jakub Bronicki
+ 48 22 222 1546
jakub.bronicki@wood.com

Consumer

Dmitry Vlasov
+44 750 714 6702
dmitry.vlasov@wood.com

Financials

Miguel Dias
+420 735 729 418
miguel.dias@wood.com

Real Estate

Peter Palovic
+420 222 096 486
peter.palovic@wood.cz

Greece

George Grigoriou
+30 697 410 8565
george.grigoriou@wood.com

Sales

Co-Head of Equities

Jarek Tomczynski, CFA
+48 22 222 1611
jarek.tomczynski@wood.com

Ilgin Erdogan

+420 222 096 708
ilgin.erdogan@wood.com

Jan Koch

+48 22 222 1616
jan.koch@wood.com

Piotr Kopec

+48 22 222 1615
piotr.kopec@wood.com

Constantinos Koufopoulos

+30 697 585 5517
costas.koufopoulos@wood.com

Ioana Pop

+44 20 3530 0693
ioana.pop@wood.com

Tatiana Sarandinaki

Brasil Plural in association with WOOD&Co.
1 212 388 5613
tsarandinaki@wood-brasilplural.com

Sales Trading and Execution Services

Co-Head of Equities

Zuzana Mora
+420 222 096 283
zuzana.mora@wood.com

Jan Koch

+48 22 222 1616
jan.koch@wood.com

Ermir Shkurti

+420 222 096 847
ermir.shkurti@wood.com

Vladimir Vavra

+420 222 096 397
vladimir.vavra@wood.com

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