

Paris, 13th February 2020



Covivio to launch takeover offer for Godewind Immobilien AG, a €1.2 bn German office real estate company

Acquisition of 35% of the share capital of Godewind Immobilien secured

Today, Covivio published its decision to launch a voluntary public takeover offer for all shares in Godewind Immobilien AG (“Godewind”), a listed office property company active in Germany. The offer is launched for EUR 6.40 per share and has the full support of both the Management Board and the Supervisory Board of Godewind. Covivio has secured up to approx. 35% of Godewind’s fully diluted share capital. Following the closing of this major investment, the company will have critical mass in the German office real estate market with a total portfolio of €2.1 Bn¹.

Operating in Germany since 2005 with a local team of 570 people, Covivio has been historically active in the residential and hotel sectors. Building on its expertise and the success of its development pipeline in Europe, Covivio initiated an offices activity in Germany in 2018. Already the owner of €280M of offices and €600M of development projects mainly in Berlin, Covivio is now accelerating its investments in this market.

This transaction will enable Covivio to acquire a core portfolio of 10 offices buildings (290,000 m²) valued at €1.2 Bn and located in Frankfurt (40% of the portfolio), Düsseldorf (28%), Hamburg (24%) and Munich (8%). These 4 cities are among the Top 10 biggest European offices markets alongside Paris, Berlin and Milan where Covivio is already active.

A transaction supported by Godewind’s Management, Supervisory Board and key shareholders

The offer will be conducted through Covivio X-Tend AG, a wholly owned indirect subsidiary of Covivio. Today, Covivio, Covivio X-Tend AG and Godewind entered into a Business Combination Agreement, which contains the principal terms and conditions of the offer and the parties’ mutual intentions and understandings. On the basis of the business combination agreement, the Management Board and Supervisory Board of Godewind welcome and support the offer.

Furthermore, Covivio has secured up to approx. 35% of Godewind’s fully diluted share capital². It entered today into definitive agreements with various shareholders of Godewind, who are selling at a price of €6.40 per share, subject to anti-trust conditions. Additionally, Godewind has committed to tendering all of its treasury shares into the offer.

Covivio currently intends to conduct the offer in a fashion that satisfies the requirements for a delisting under German law and has entered into corresponding contractual arrangements with Godewind.

¹ €1.5 Bn of existing assets and €600 M of developments (valued at cost)

² Including 3% from CEO’s – to-be-exercised- stock options which will be tendered during the offer



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Regulatory clearance is expected to be obtained prior to the commencement of the tender offer which will commence with the acceptance period by end-March. The end of the public offer and the delisting by the Management are currently expected to occur by end-May 2020.

A high-quality portfolio located in Germany's most dynamic cities

The offices market in Germany has some of the strongest fundamentals in Europe. Since 2014, take-up in the 7 major German cities has been growing by 6% per year, while immediate supply has been shrinking by 17% per year. Low vacancy rates, 2% in Berlin and Munich, 3% in Hamburg and less than 6% in Frankfurt and Düsseldorf, combined with available supply under construction representing on average one year of take-up, are fueling rental growth (+4% expected in 2020)³.



Covivio will deploy asset management work on this portfolio focused on reducing vacancy rate and increasing rents. The expected investment yield is 4.7% following current vacancy reduction (~8%; 4.3% immediate yield) and potentially >5.0% given the value creation levers (reversionary potential above 10% and a potential 15,500 m² development in Munich).

Working, travelling, living: Covivio deploys its know-how in Europe

After completion of this transaction, Covivio will own an offices portfolio in Germany with a critical size of €2.1 Bn⁴, spread across the main German cities: Berlin (38% of assets by value, including the development project of a mixed-use tower of 60,000 m² at Alexanderplatz), Frankfurt (23%), Düsseldorf (16%), Hamburg (14%) and Munich (7%).

"Covivio is continuing its European development and is now reaching an important step in its growth in Germany. With this acquisition, Covivio creates a €2.1 Bn offices platform located in Germany's most dynamic cities. As in France and Italy, Covivio intends to contribute to the design of the city of tomorrow and to offer high-performance, flexible and service-oriented spaces", underlines **Christophe Kullmann, Chief Executive Officer of Covivio.**

[To find out more, click here to access the press release of Covivio's 2019 Annual Results.](#)

³ Sources: Colliers and JLL

⁴ Current value of existing assets and total cost of development projects

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Detail of the portfolio

CITY	ASSET	SURFACE	SPLIT PER CITY IN VALUE
Frankfurt	Airport Center	48 439 m ²	40%
Frankfurt	City Gate	22 186 m ²	
Frankfurt	Y2	30 935 m ²	
Frankfurt	ComConCenter	16 264 m ²	
Dusseldorf	Herzog Terrassen	55 149 m ²	28%
Dusseldorf	Airport Business Center	13 069 m ²	
Hamburg	Zeughaus	43 521 m ²	24%
Hamburg	Pentahof	25 345 m ²	
Munich	Sunsquare	17 917 m ²	8%
Munich	Eight Dornach	17 612 m ²	
		290 438 m²	

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 ABOUT COVIVIO

Thanks to its partnering history, its real estate expertise and its European culture, Covivio is inventing today's user experience and designing tomorrow's city.

A preferred real estate player at the European level, Covivio is close to its end users, capturing their aspirations, combining work, travel, living, and co-inventing vibrant spaces.

A benchmark in the European real estate market with €24 Bn in assets, Covivio offers support to companies, hotel brands and territories in their pursuit for attractiveness, transformation and responsible performance.

Build sustainable relationships and well-being, is the Covivio's Purpose who expresses its role as a responsible real estate operator to all its stakeholders: customers, shareholders and financial partners, internal teams, local authorities but also to future generations and the planet. Furthermore, its living, dynamic approach opens up exciting project and career prospects for its teams.

Covivio's shares are listed in the Euronext Paris A compartment (FR0000064578 - COV) and on the MTA market (Mercato Telematico Azionario) of the Milan stock exchange, are admitted to trading on the SRD, and are included in the composition of the MSCI, SBF 120, Euronext IEIF "SIIC France" and CAC Mid100 indices, in the "EPRA" and "GPR 250" benchmark European real estate indices, EPRA BPRs Gold Awards (financial + Sustainability), CDP (A), Green Star GRESB and in the ESG FTSE4 Good, DJSI World & Europe, Euronext Vigeo (World 120, Eurozone 120, Europe 120 and France 20), Euronext® CDP Environment France EW, Oekom, Ethibel, Sustainalytics and Gaïa ethical indices.

Covivio is rated BBB+/Stable outlook by Standard and Poor's.

Notations solicited:

Financial part: BBB+ / Stable outlook by Standard and Poor's

Extra-financial part: A1+ by Vigeo-Eiris



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