

**Annual General Meeting
of alstria office REIT-AG
on September 29, 2020**

Speech by the Chief Financial Officer

Alexander Dexne

(convenience translation)

Ladies and gentlemen,

Welcome to the annual general meeting of alstria office REIT-AG, also on behalf of our employees. Extraordinary times call for extraordinary measures, and we are therefore delighted that you are joining us for this premiere: alstria's first ever virtual annual general meeting.

Dear shareholders, before my colleague Oliver Elamine and I give you a detailed breakdown of the current situation and the impact of the coronavirus pandemic, we will start by taking a look at our consolidated earnings figures and at how the economy performed last year, in 2019.

Ladies and gentlemen, during the course of 2019 the German economy had already begun to show signs of a slowdown. In December 2019, for example, monthly unemployment rose for the first time in six years. Although the increase was marginal at a mere 0.1 percentage points, it was indicative of a decline in the willingness of companies to hire new staff. In spite of this, skills shortages remained a prominent feature of the German labour market, while a rebound in Germany's Ifo Business Climate Index suggested that companies were looking to the future with greater optimism. The economic slowdown showed no signs of spilling over into the real estate market in 2019. Quite the opposite, in fact. Office space take-up in the Big 7 locations had reached the 4 million square meter mark by the end of 2019, generating the strongest turnover of recent years alongside the level achieved in 2017.

Ladies and gentlemen, how did alstria perform in this environment? To answer this question, I will now take you through the key aspects from the year 2019.

At 581 million Euro, our record profit, which reflects the earnings generated from the appreciation in the value of our properties and consolidated funds from operations, had a substantial impact on our equity position and thus on our EPRA net asset value. The latter increased significantly by 18.3% in 2019 to 17.91 Euro per share.

In 2019 we remained rigorous in our approach to bolstering an already strong balance sheet. It is still our firm belief that low debt levels provide the best safeguard when confronted with market fluctuations and in ensuring that the Company is equipped to weather a crisis. Another notable highlight on this front was the continued fall in our net loan-to-value ratio, which dropped to 27.1% as at December 31, 2019. At the time this constituted the lowest level ever recorded in our Company's history, and I will go into this in more detail during the course of my speech. We also registered an expansion in our profit margin, which came in at an all-time high of 60%.

The main factor behind this development was a further decline in our funding costs, which we achieved by reducing our financial liabilities.

Ladies and gentlemen, these figures serve as clear evidence that alstria shared to a significant degree in the aforementioned positive trend on the German real estate market in 2019 and reaped the benefits.

In 2019 we improved on our impressive profit level from the prior year, posting a 10% rise to set a new earnings record of 581 million Euro. The valuation of our real estate portfolio was a decisive factor behind this strong result. In 2019 we twice commissioned valuations of our real estate portfolio by independent experts. This was necessary following the change in the valuation cycle in response to the highly dynamic price growth on the German real estate market. In order to reflect the positive price trend for German office properties, our experts valued the alstria portfolio at around 4.5 billion Euro as at December 31, 2019. This corresponds to growth of around 455 million Euro after subtracting investment expenditure. The appreciation in the value of our portfolio had a significant impact on the net asset value of the alstria share, which grew by 2.56 Euro.

Ladies and gentlemen, let us now have a closer look at how our key balance sheet items fared during the financial year.

I will start with the real estate assets on our balance sheet, which I am pleased to report grew by around 13%. This increase is primarily attributable to the appreciation in the value of our portfolio and the acquisition of five properties. This result was diminished slightly by the sale of six properties. My colleague Mr Elamine will go into this in more detail shortly.

This valuation gain and the strong operating performance also delivered a substantial boost to our Company's equity position. The appreciation gains in our portfolio and the book gains from the property sales saw our equity increase by around 18% to 3.2 billion Euro. Our REIT equity ratio reached a then record level of 70.9% at the end of 2019, far exceeding the 45% required by law. Correspondingly, we ended the year with a very low loan-to-value ratio of 27.1%. But it wasn't just our balance sheet that impressed in 2019. Earnings also came in as projected.

Ladies and gentlemen, as you all know, alstria is an investor with a long-term outlook. We regularly review our portfolio and make adjustments according to prospective risks and earnings opportunities. Last year we capitalised on the extremely high price levels on the German real estate market by divesting ourselves of non-strategic properties located outside of our core regions.

Due to our property divestments and a corresponding reduction in rental space, we recorded a slight decline in rental income. However, thanks to our new acquisitions and our very strong letting performance, we were largely able to offset the loss of rental income that accompanied the divestments. As a result, sales, at 187.5 million Euro, and funds from operations at 112.6 million, came in only marginally lower than in the prior-year period and in line with our forecasts.

Ladies and gentlemen, in order to secure our leading position in the German office property market over the long term, we have to adapt to the fast-changing environment. This means continually pressing forward with digitalisation and the implementation of new technologies in our Company. We are also utilising the potential of our portfolio and constantly modernising our development properties. For these and all the other tasks we face, we require skilled professionals, as reflected by the rise in personnel and administrative costs. However, when it comes to costs, we still remain on an extremely competitive footing. Our operating profit margin also continued to expand, notching up a new record at 60.0% and beating our strong prior-year margin by 60 basis points.

Dear shareholders, our consolidated net earnings in 2019 surpassed our all-time record set in 2018 by a margin of 10%, rising to 581 million Euro. It is important, however, to make a distinction between the individual earnings components. While funds from operations strayed narrowly into negative territory at just over 112 million Euro due to property divestments, we recorded a substantial increase in earnings thanks to the divestment proceeds and the appreciation in the value of our portfolio. All in all, this resulted in a 10% rise in consolidated earnings.

Ladies and gentlemen, before I finish, I would like to say a few words about the capital increase that has taken place since the last annual general meeting.

In May 2019, 176,925 shares were issued from the Company's Conditional Capital III 2015 program. The Company's share capital was increased in order to grant shares to the owners of 176,925 convertible profit participation certificates that had been issued to Company employees as part of the employee profit participation program as authorised by the annual general meeting of 6 May 2015.

Dear shareholders, I shall now give the floor to my colleague Olivier Elamine, who will provide you with further details. He will mainly be focusing on the performance of our investment portfolio. We will then give you a detailed breakdown of the impact that the coronavirus pandemic, which began in March 2020, has had on our business in the current financial year.

**Annual General Meeting
of alstria office REIT-AG
on September 29, 2020**

**Speech by the Chief Executive Officer
Olivier Elamine**

Ladies and gentlemen, dear shareholders,

A very warm welcome also from my side. It is a new experience for me as well not to be able to welcome you personally in Hamburg, but to attend alstria's first virtual AGM.

Ladies and gentlemen, as our CFO Alexander Dexne just reported, 2019 was another successful year for our Company from a financial perspective and despite the current macroeconomic uncertainties we are optimistic with regard to the operational performance of our Company in the years to come. Over the past years we made use of the positive real estate market to prepare alstria for more difficult times. As our CFO just said, we used the opportunities to reduce the indebtedness of our Company, but we also streamlined the real estate portfolio. We made use of the strong demand for German real estate assets to execute the profitable selloff of the weaker assets in our portfolio, located outside of our core investment areas, or at the fringe of these locations. This approach aimed at reducing the risk on our portfolio in case of a weakening letting market.

Ladies and gentlemen, let's first have a look at our portfolio. When we acquire real estate assets, we strive for internal rates of return of 6% to 8% over a 10-year period on average. The final return expectation is determined based on the individual risk of the property. Potential acquisition targets undergo a rigorous due diligence and have to perform on an unlevered basis. Over the past years our pricing discipline has remained unchanged, regardless of the current low interest rate environment. It is not because the money is cheap that we should buy expensive assets. Performance in real estate is built over years and the initial price paid for the asset remains a major driver for the overall performance of a real estate business plan.

With this in mind, we continued our very selective acquisition strategy in the course of 2019 and acquired five buildings in our core markets of Berlin, Düsseldorf and Stuttgart for a total consideration of 49.3 million Euro. This corresponds to a purchase price of around 2,800 Euro per square meter. The current rent in the acquired buildings averages 9.30 Euro per square meter and is thus below the market level, and also below the average rent of the overall alstria portfolio. These assets therefore provide rental growth opportunities going forward. Especially in Berlin we continued to grow our portfolio. After we opened our local office there at the beginning of 2018, we took advantage of our growth opportunity in the German capital by acquiring three buildings in 2019. The assets perfectly match our acquisition criteria. They are located in the inner city, they are currently under-rented, and we will be able to increase the rents after the expiration of the current leases.

While we continued to buy assets in our core regions, we sold properties outside, or at the periphery of these locations. This process allows us to continuously improve the efficiency and the quality of our portfolio. Demand for office properties remained high last year, irrespective of their location and we used the market momentum for the disposal of six buildings with a total value of 139.7 million Euro. Thus we realised a book gain of 11.2% compared to the appraised value as per year-end 2018 on the disposed assets, therefore generating a gain of 14 million Euro. The disposal price was also 13% higher than the acquisition price. We sold buildings in the cities of Essen, Bremen and Kaiserslautern, and further sharpened the focus on our core regions and therefore de-risked our portfolio. The average achieved IRR on these disposals was 6.6%

Dear shareholders, also in the first six months of 2020 we continued to focus our portfolio on our core regions and sold five buildings located at the outside or at the periphery of our markets for a total consideration of 82 million Euro at an 5% premium to the year-end 2019 valuation.

Ladies and gentlemen, at that point I would like to take the opportunity to provide you with some more details on our investment portfolio. As you can see on the map, due to our strategic transaction activities, alstria is more than ever concentrated on the large and liquid German cities, in which we are represented via local offices.

As of December 31st, 2019, your Company owned 116 buildings with a lettable area of around 1.5 million square meters. My colleague Alexander Dexne already discussed the valuation uplift of our portfolio, which reflects the consistent high price level in the German commercial real estate market. Due to the valuation uplift of around 455 million Euro and investments into our portfolio the total value of our portfolio grew by 13% to 4.5 billion Euro as per end of 2019. Significant valuation gains were generated particularly by the assets in Solmsstr. 27-37 (Frankfurt) and Gustav-Nachtigal-Str. 3 & 5 (Wiesbaden), Rotebühlstrasse 98-100 (Stuttgart) and Am Seestern 1 (Düsseldorf), reflecting the substantial asset management activities, which led to a significant leasing progress.

Our total portfolio was yielding 4.7% as per December 31, 2019, which indicates the attractiveness of our assets and the cashflow they generate. The average remaining lease length stood at 6.3 years and has improved compared to 4.8 years in 2018. This is a strong indication of the very supportive letting market in Germany and our ability, to benefit from this situation.

Ladies and gentlemen, one of the fundamental parts of our business is our leasing activity. It secures our rental income and our cashflow and represents the basis for our dividend and the underlying value of our assets.

2019 was a record year in terms of leasing for our Company. We achieved the highest leasing volume in the Company's history with 197,600 square meters of new leases and 171,300 square meters of lease extensions. This is a unique testimony to the strength of our portfolio and the ability of our real estate operations to create spaces that meet modern corporate demands. Understanding client needs is the basis for a successful leasing strategy and this in turn is the basis of our long-term corporate success.

The signature of our two largest new contracts took place in our development portfolio. At Solmsstr. 27-37 in Frankfurt, we let 30,900 square meters and at Gustav-Nachtigal-Str. 3 & 5 in Wiesbaden a total of 26,000 square meters, both to public tenants and thus securing long-term cash flows. These leasing contracts enabled us to increase the pre-leasing rate in our development portfolio to 70% and to raise the future annual rent on our refurbishment pipeline to 26.0 million Euro. These two leases alone represent future income for the Company worth 252 million Euro. Due to the strong leasing success, our total portfolio vacancy rate according to EPRA standards declined to 8.1%.

Ladies and gentleman, to effectively exploit the potential of our portfolio, several buildings are constantly in the development process. Our current development pipeline comprises ten buildings, with a total lettable space of 184,000 square meters. Our development team is currently concentrating especially on the properties in Gustav-Nachtigal-Str. 3 & 5 (Wiesbaden), which comprise a lettable area of 26,000 square meters. In 2019 we signed a 15-year lease with a public tenant, who will move into the building in 2021/2022. Through our refurbishment measures we were able to more than triple the annual rent on the buildings and we will generate a yield on cost of more than 9% for our shareholders. With an expected investment volume of 63 million Euro, the project at Gustav-Nachtigal-Str. 3 & 5 is the largest refurbishment project in alstria's corporate history.

Another sizable refurbishment project is located in Frankfurt. The asset in Solmsstr. 27-37 comprises a lettable area of 30,900 square meters of office space. Last year we signed a 20-year lease with the City of Frankfurt, which is an outstanding success of our local team in Frankfurt. The new tenant will move into the building in the second half of 2021. So far, the corona pandemic had no significant negative impact on our refurbishment projects.

Ladies and gentlemen, the corona pandemic caused a severe global crisis and through the lockdown, public life and economic activity came to a standstill in the second quarter of 2020. This is also true for the real estate market in Germany, where letting activities and transactions have virtually stopped at the beginning of the lockdown in March. While our Company is in a very strong place, our business is not immune to the impact of the corona virus and there is uncertainty how things evolve in the future. However, we adapted rapidly to the crisis and adjusted our operating mode and procedures. I will come back to the financial impact of the corona pandemic on our 2020 numbers in a minute. From the beginning of the corona pandemic in March this year, we immediately focused on measures to safeguard the health of our employees and our business partners, implemented social distancing and allowed alstria's team to work from home. We also used the time to reshape our own office in light of social distancing requirements. This will allow a safe return to the office in the coming weeks, as we will hopefully gradually return to normal.

Ladies and gentleman, we were not prepared to face a pandemic, however we knew that the economic environment is volatile by nature and as a company you should always be prepared to withstand strong headwinds that can occur at any time. We have spent the last few years preparing the Company to face such headwinds. As such, alstria has entered the crisis as strong as it can be.

We are firmly convinced that the corona pandemic is not over yet and it is clear, that we are in a recession. The open question is, how long it will last and how deep the economic impact will be. While we do not have the answer to these questions, we feel very confident as we are entering these difficult times with the strongest balance sheet and the most resilient portfolio we ever had. We have sufficient liquidity to withstand a longer and more severe recession and we are also in a position to react, if market opportunities occur.

While the corona pandemic and the following economic downturn are causing a lot of uncertainties and volatility, it is not creating new trends, but making them more apparent and accelerating them. The underlying trends in the office market have been there before and will remain and they will continue to shape the marketplace, also when the crisis is over. The trends to a more flexible use of space, the need to continuously invest into the buildings, the trend towards efficient operations and the trend to sustainability to mitigate the climate change. These are rightly in focus today, and at the forefront of every real estate discussion, but they are not new. We have been working on concepts to adapt the long-lasting trends and today we feel well positioned to master the challenges that we are seeing in the market.

Ladies and gentlemen, I would now like to give you some more insights in how alstria performed from a financial perspective in the first six months of the year.

In March of this year, the German Parliament passed a legislation to mitigate the consequences of the corona pandemic. Among other things, the amendments to the law provided, that rents may be temporarily deferred for the period from April 1 to June 30, 2020, if the non-payment of the rent is due to the effects of the corona pandemic. However, the rent remains due under the new legislation and all unpaid rents must be paid by June 30, 2022 at the latest.

During the second quarter of 2020, around 140 of our tenants with a monthly rental volume of approx. 2 million Euro requested for deferral of their rent. These were mainly smaller tenants who were directly affected by the restrictions on public life from the end of March. However, the trend is encouraging. While at the beginning of the pandemic, around 10% of our tenants were unable to pay their rent and asked for deferral, the rent collection rate had already improved to 94% by June. By July, we were already able to book 100% of our rental income again. This development is an impressive testimony to the quality of our portfolio and our tenant base. At the end of June, our rent receivables amounted to around 4 million Euro, which will have to be paid in arrears over the next two years. In total, we have voluntarily waived rental income of around 600,000 Euro in favour of small tenants to enable these tenants to survive economically.

The results for the first six months, which we published on August 11, speak for themselves: with rental revenues of 87 million Euro and an operating result of 54 million Euro, we are fully on target. The FFO almost reached the very good level of the previous year and our cost base was unchanged compared to the first half of 2019.

Compared with the end of 2019, the value of our property assets declined slightly. In order to take account of the still difficult situation in the hotel and retail sector, as well as the increased leasing risk in the office sector, the valuation as of June 30, 2020 showed a valuation loss of 88 million Euro, which represents roughly 2% of the portfolio value. Accordingly, equity capital recorded a slight decline of 1% to 3.1 billion Euro.

We were also able to further strengthen our balance sheet during the corona crisis. Our net LTV fell further to 26% and the issuance of a further bond in June this year enabled us to increase our liquidity to 870 million Euro. This gives us the flexibility to manoeuvre the Company safely through the crisis and to seize possible market opportunities.

Despite the impact of the corona pandemic and the expected economic disruption, our Company will develop according to plan. Our guidance for the full year is revenues of 179 million Euro and an FFO of 108 million Euro. Real estate is a long-term business. The fact that our underlying business is not too much susceptible to short term shocks should not come as a surprise. The real impact of the current crisis however will only be felt down the road. Its severity will depend on the length of the current corona situation and the level on economic and behavioural uncertainty it will generate. It is too early to call and it needs to be carefully monitored.

Ladies and gentlemen, as you know, the Annual General Meeting 2020 was initially planned for April 23, 2020. The invitation with the agenda was already available at that time, as was the dividend proposal with the basic dividend of 52 Eurocent and an additional Green Dividend of 1 Eurocent. In the wake of the corona pandemic, we had to postpone our Annual General Meeting. At the same time, faced with a massive uncertainty of the unknown and its short-term consequences on the Company, the reasonable approach was to suspend the dividend until we know better.

While there are still a substantial number of question marks, we now have a better understanding of the situation and the potential consequences it will have to the Company. We know that the work that was done over the last few years will allow us to navigate safely the muddy water ahead.

Against this background, we are now in a position to resume the original dividend proposal and propose a stable basic dividend of 52 Eurocent plus 1 cent Green Dividend. In relation to the current share price, this corresponds to a very attractive dividend yield of more than 4%. I am also very pleased to be able to confirm once again this year that the dividend for our shareholders domiciled in Germany can once again be paid out without deduction of capital gains tax.

alstria has been leading the way for real estate companies when it comes to sustainability. We published our first ESG report back in 2010, almost 10 years ago day for day. We have decreased our CO₂ footprint consistently over the years by 42% compared to the base year 2012. We are one of the few real estate companies which in 2014 signed the RE100 pledge to procure 100% of our electricity from renewable sources, a pledge we fulfilled in 2020. And finally we are one of the nine real estate companies in Europe that has its CO₂ reduction targets approved by the Science Based Target initiative, which is the highest independent recognition of the seriousness and consistency of our approach, and its alignment with the Paris agreement targets.

All the initiatives we have taken to achieve these milestones were consistent with our business approach. We did it all while fulfilling our financial return expectations. Our approach, which aims at retrofitting existing buildings and improving their quality (both from an ESG perspective and from a usability perspective) allowed us to achieve lower environmental impact and higher financial returns.

Can we do more from a climate mitigation perspective? Can we do faster? Which interest should a company put first? What is the time horizon, a management should be looking at? Is it in the next quarter, next year, next ten years, or even next generation? And more importantly: are we best positioned to do more?

While we take pride as a Company of leading the way in ESG, we are aware that climate change mitigation is not about us being better than others, but it is about whether we can achieve a global target together. The best interest of alstria is not that alstria reduces its emissions faster than anybody else. It is that emission is reduced as fast as possible irrespective of who is responsible for these reductions.

Once we decide to overlook the financial returns as a primary driver for our capital allocation decision, it becomes our duty to make sure that this capital is put to work in the most efficient way possible to achieve the targeted goals.

With the Green Dividend we are doing two things. Firstly, we are signalling to our shareholders that we have identified ways to accelerate our impact on climate change, however we would need to sacrifice financial returns to achieve this acceleration. And secondly, we are making the incremental cost of reducing one-ton CO₂ equivalent transparent and as such are allowing our shareholders to benchmark what we are proposing with what they have been offered elsewhere, thereby helping us to determine whether what we are considering is the best way to achieve our goals.

We have identified two assets which underperform equivalent assets from a CO₂ emission perspective. Both assets are rented for more than six years and we have no legal or contractual obligation whatsoever to improve their performance. An investment in these assets will not result in any material increase in income. We have however identified that we could reduce the overall emission of these two assets by an estimated 95 tons of CO₂ per year if we invest 1.7 million Euro in renewable and energy saving measures. This represents a cost of 17,500 Euro per ton of CO₂ equivalent per year.

In practice we are offering 1 Eurocent of additional dividend that we are asking you to vote for separately from the core dividend. If the majority of our shareholders votes to get the additional Eurocent, it will be paid out and we will not implement the project.

We do hope that this additional Eurocent will be used by you into similar, but more efficient projects (both financially and/or from an emission perspective).

If the majority of our shareholders votes against this additional pay-out, we will keep the cash and invest the funds into the two assets. This would lead the Company to take a loss of approximately the same amount over the next few years, as a write-off of the non-yielding investment. We would report back to the AGM about the execution of the works and the actual CO₂ savings, when the first results are available.

Our intention is to make the Green Dividend a permanent feature of our dividend policy going forward as it will help us to foster a constructive dialog with the Company's shareholders around that topic. I am looking forward to the result of this first vote and the discussion that will follow.

Finally, I would like this year even more than any other year to thank our employees for their hard work and dedication that allowed us to achieve the result that we are presenting. The ability of the Company to adjust to the new work environment under the corona restriction, the speed at which we upgraded our processes and our way of working, the flexibility that we have shown, the reactivity vis a vis our tenants requests, but also our ability to continue producing numbers and meeting our reporting obligations, pay our service providers and craftsmen while working off site, was only possible thanks to the responsiveness of each and every one of alstria's team members. Thank you very much for all the work you have done individually and collectively.

With this I would like to conclude my remarks and am pleased to begin in a few moments to answer the questions that have reached us in the run-up to the Annual General Meeting.