



PRESS RELEASE

Luxembourg, 9 September 2024

P3 Group S.à r.l results for the first half-year 2024: Rental Growth and Improved Profitability

Key Messages

- Portfolio value grew 4.4% to €9.4 billion, driven by acquisitions and development projects offsetting a minor revaluation impact.
- Strong operating results with a Net Operating Income (NOI) increase of 16% driven by strong like-for-like NOI growth of 4.1%, acquisitions and completed developments.
- Structural tailwinds for logistics properties remain favourable with continuing retail shift to e-commerce and re-organisation of supply chains.

P3 Group S.à r.l. has today released its condensed consolidated interim financial results for the first half-year 2024, reporting another period of robust operational and financial performance.

The company recorded a 16% increase in NOI to €237 million for the 6-month period (H1 2023: €205 million), attributed to portfolio expansion and increasing rent levels. On a like-for-like basis, NOI rose by 4.1%, driven by lease indexation and re-leasing spreads, with new effective rents averaging 21% higher when compared to prior leases on the same space. The EBITDA margin improved further to 86%, reflecting the company's strategic focus on growth, efficient re-leasing, and operational efficiency.

P3's asset portfolio grew to ~8.9 million m² of Gross Lettable Area (GLA) (Dec 2023: 8.4 million m² GLA), with ~476 thousand m² added through acquisitions and completed developments. Like-for-like occupancy was maintained at 98%, while overall occupancy was a still healthy 95%, reflecting longer void periods in some development projects. The company's portfolio remains weighted towards Western Europe, with approximately 61% of assets based in Western Europe and the remaining 39% in Central and Eastern Europe. In addition, P3 manages a portfolio totalling ~160 thousand m² GLA in the UK.

In the reporting period, P3 closed two acquisitions in Germany and the Czech Republic, adding ~168 thousands m² GLA to its portfolio. Additionally, the acquisition of a large portfolio in Germany totalling ~270 thousands m² across twelve assets was signed, with closing completed during July. P3 shows continued momentum in the development pipeline with the completion of 11 development projects in Germany, France, Italy, and Poland with a total of ~308 thousand m² GLA. A further 19 projects totalling ~790 thousand m² GLA are currently under construction across Europe, of which 59% currently are pre-let.

Frank Pörschke, P3 CEO, commented: "The logistics real estate market continues to benefit from strong structural tailwinds, particularly from nearshoring and e-commerce. While economic uncertainties have softened demand somewhat, resulting in reduced speculative developments and a modest increase in vacancy rates, P3 recorded robust operating and financial performance. Our focused acquisition and development strategy significantly contributed to growing our portfolio value to €9.4 billion, effectively offsetting the minor impact of minor revaluation."



Thilo Kusch, P3 CFO, added: “In the first half of 2024, P3 achieved strong financial performance, with an EBITDA margin improving to 86%, underscoring our strategic emphasis on growth, efficient re-leasing, and operational excellence. The successful issuance of a €600 million Green Bond in February 2024, which saw overwhelming demand from over 150 investors and a five-times oversubscribed order book, highlights our solid access to capital. In total we signed around €1.1 billion of new funding transactions. By the end of June, we maintained an ample liquidity buffer of around €750 million, including available revolving credit facilities, ensuring P3 is well-positioned for ongoing stability and growth.”

H1 2024 Financial Highlights

- Portfolio value increased to €9.4 billion (2023: €9.0 billion) driven by acquisitions and developments offsetting minor revaluation impact.
- 16% increase in net operating income to €237 million (2023: €205 million) driven by like-for-like growth of 4%, acquisitions and completed developments.
- EBITDA margin improved to 86% and EBITDA to €208 million (H1 2023: 84% and €176 million) as a result of portfolio growth and focus on efficient processes.
- Prudent and proactive portfolio management allowed P3 to maintain a healthy occupancy of 95% (2023: 97%).
- Operating portfolio values have seen stabilization with like-for-like re-valuation at -0.6%, due to a combination of mild yield expansion and ERV decline from change in methodology for valuing P3’s big box retail assets.
- Continued momentum in the development pipeline with 19 projects under construction, 59% pre-let, totalling ~790 thousand m² GLA, and a further ~465 thousand m² GLA in the future pipeline.
- Strong liquidity of around €750 million, including RCFs.
- €1.1 billion of new funding transactions signed, including successful €600 million Green Bond issuance priced at a fixed coupon of 4.625% in February 2024.

Further reading

- P3’s Consolidated Financial Statements for the first half-year 2024 can be viewed [here](#)
- An updated Investor Presentation September 2024 can be viewed [here](#)
- P3 CEO, Frank Pörschke, gives a recorded summary of P3’s half-year results [here](#)

For more information, visit <https://www.p3parks.com/investors>

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NOTES TO EDITORS

P3 is a long-term investor, manager, and developer of European warehouse properties with about 8.9m m² of assets under management and land bank of 1.6 m² potential GLA for further development. P3 has commercial activities in 11 countries and has been investing and developing in European markets for more almost two decades. Headquartered in Prague, P3 employs more than 280 people across 11 offices in key European cities, offering integrated development, asset and property management services. For more information about P3, please visit www.p3parks.com

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Glossary

NOI - Net Operating Income

GAV - Gross Asset Value

EBITDA - Earnings Before Income, Tax, Deductions, and Amortisation

GLA - Gross Lettable Area

LTV - Loan to Value