Press Conference 2013

Frankfurt am Main, 27 March 2013

hamborner
REIT

ZUKUNFT BRAUCHT SUBSTANZ

Significant key figures 2012

Key figures	2012	2011	Change
Rental revenues	€ 37.0 million	€ 32.2 million	+ 15 %
Operating result	€ 17.5 million	€ 14.9 million	+ 18 %
Net profit for the year	€ 7.7 million	€ 7.9 million	- 2 %
REIT equity ratio	60.3 %	55.7 %	+ 4.6 %-points
Loan to Value (LTV)	34.2 %	39.1 %	- 4.9 %-points
Funds from Operations	€ 18.9 million	€ 16.0 million	+ 18 %
Funds from Operations (FFO) per share*	€ 0.41	€ 0.47	
Net Asset Value (NAV)	€ 371.8 million	€ 299.3 million	+ 24 %
Net Asset Value (NAV) per share*	€ 8.17	€ 8.77	- 6.8 %
Dividend per share	€ 0.40	€ 0.40	+/- 0 %

* 2012: 45.493.333 shares
2011: 34.120.000 shares

Financial year 2012

- **Positive operational business development**
  - 15 % increase in rents (“like for like”+ 0.7 %)
  - Vacancy rate 1.9 % (including income from rent guarantees 1.7 %)

- **Active asset management**
  - Transfer of ownership of three objects with a volume of approx. € 75 million:

    Objects in Aachen, Tübingen, Karlsruhe
  - Contracts of further € 90 million signed -> transfer of ownership later

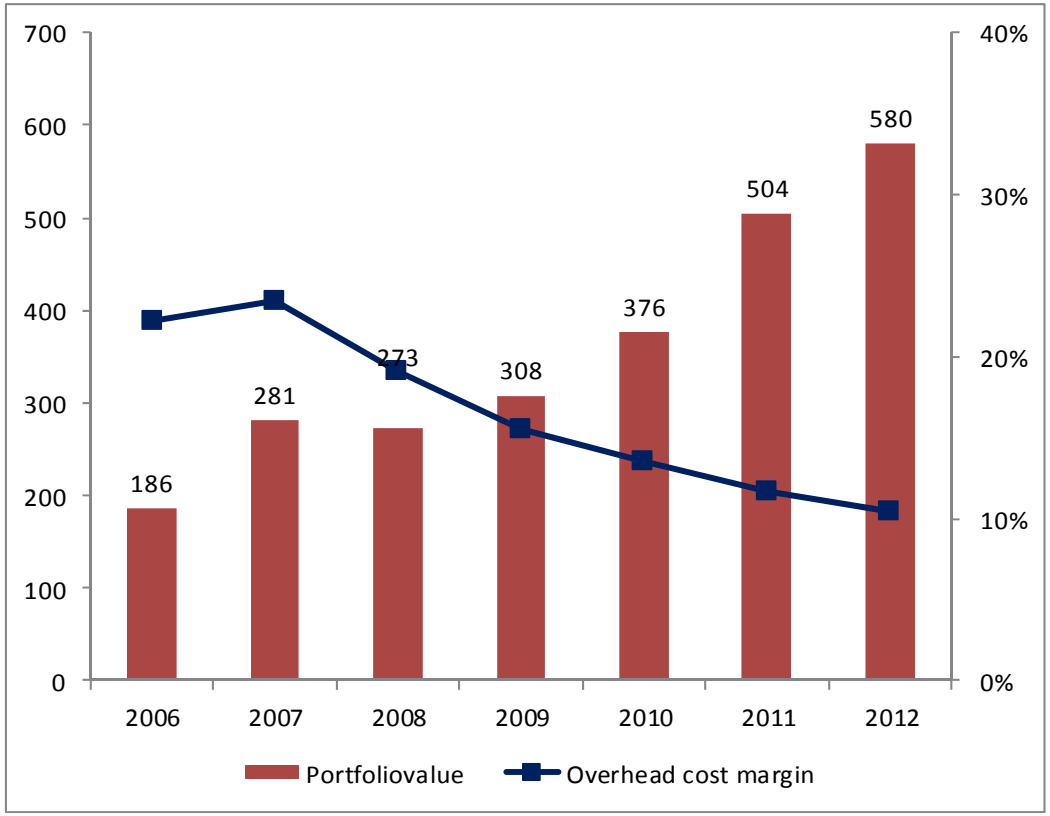
    Objects in München, Berlin, Hamburg
  - Sale of an object in Erfurt € 5.6 million
  - Sale of 0.6 million sqm undeveloped land (book profit around € 0.9 million)

- **External valuation of the property portfolio**
  - Portfolio value of approx. € 580 million
  - Conservative balancing to acquisition and construction costs:
    - Appreciation € 0.3 million
    - No extraordinary depreciation

Profit and loss account according to IFRS

in T €	2012	2011
Net rental income	**33,229**	**28,244**
Administrative expenditure	-993	-919
Personnel costs	-2,868	-2,838
Depreciations	-12,287	-10,523
Other operating income	1,345	1,769
Other operating expenses	-917	-845
Operating results	**17,509**	**14,888**
Result from the sale of investment property	884	2,232
Earnings before income and taxes (EBIT)	**18,393**	**17,120**
Financial result	-10,627	-7,964
Income taxes	-25	-1,291
Net profit for the year	**7,741**	**7,865**

Portfoliovalue and overhead cost margin



TOP 10 Tenants

Creditworthy tenants

Top 10 tenants *(31 December 2012, % of annual rent*)*

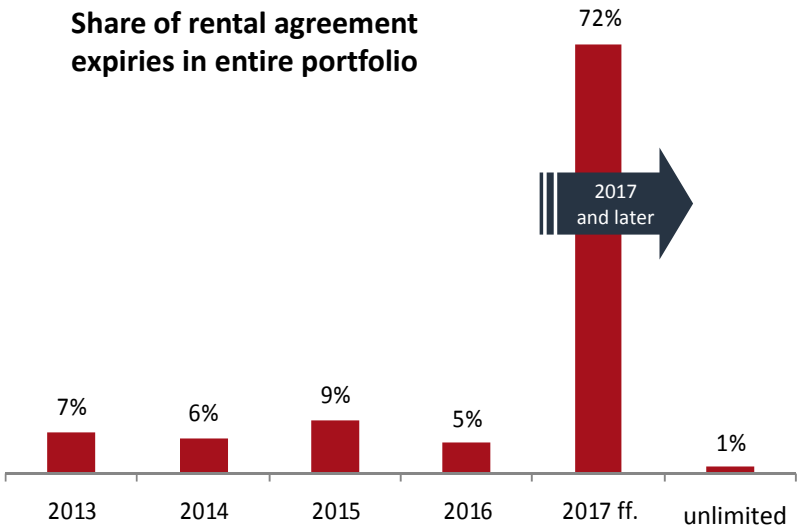
	Tenant	***Sector***	
	EDEKA	Discount food retail	17.4%
	Kaufland Group	Discount food retail	11.6%
	OBI	Retail (DIY)	7.0%
	AREVA	Power & Utilities	2.5%
	SFC Energy	Industrials/Energy	2.3%
	Telefonica O2	Telecommunication	2.0%
	REWE	Food retail	2.0%
	BfA	Government	1.9%
	Kaspersky	Computer Software	1.8%
	Douglas Holding AG	Retail/Trade	1.6%
		Total	**50.1%**

* Including rent guarantees

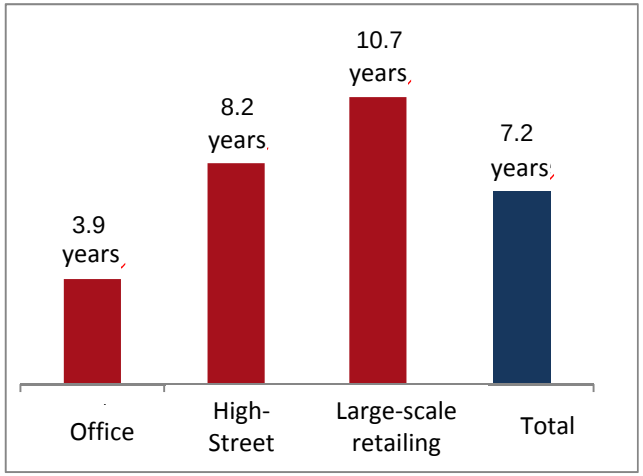
Rental agreements

More than 70% of the contractual rental income first expires in 2017 and later.

Share of rental agreement expiries in entire portfolio

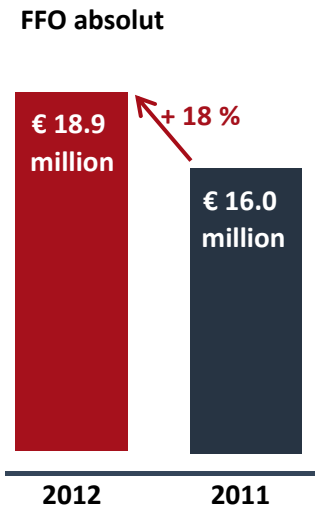


Ø Remaining terms of rental agreements according to type of properties



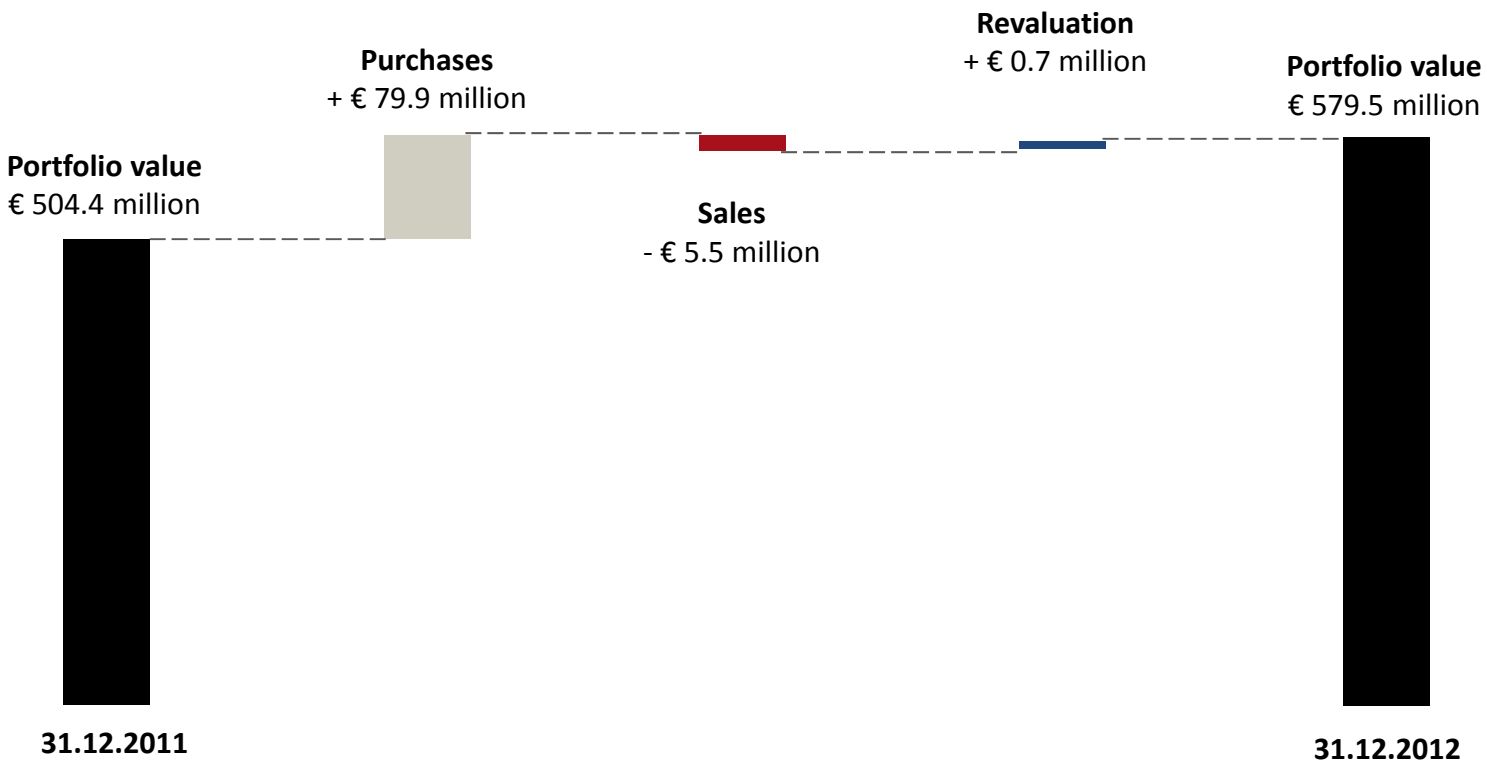
FFO

in € thousand	31.12.2012	31.12.2011
Income from rents and leases	**36,993**	**32,160**
Income from passed-on incidential costs to tenants	3,416	3,247
Real estate operating expenses	-5,076	-4,598
Property and building maintenance	-2,104	-2,565
Net rental income	**33,229**	**28,244**
- Administrative expenses	-993	-919
- Personnel costs	-2,868	-2,838
+ Other operating income	346	351
- Other operating expenses	-676	-845
+ Interest income	347	408
- Interest expenses	-10,508	-8,372
FFO before taxes	**18,877**	**16,029**
- Capitalised expenditure	-1,269	-1,960
AFFO	**17,608**	**14,069**
FFO per share	**0.41**	**0.47**
AFFO per share	**0.39**	**0.41**



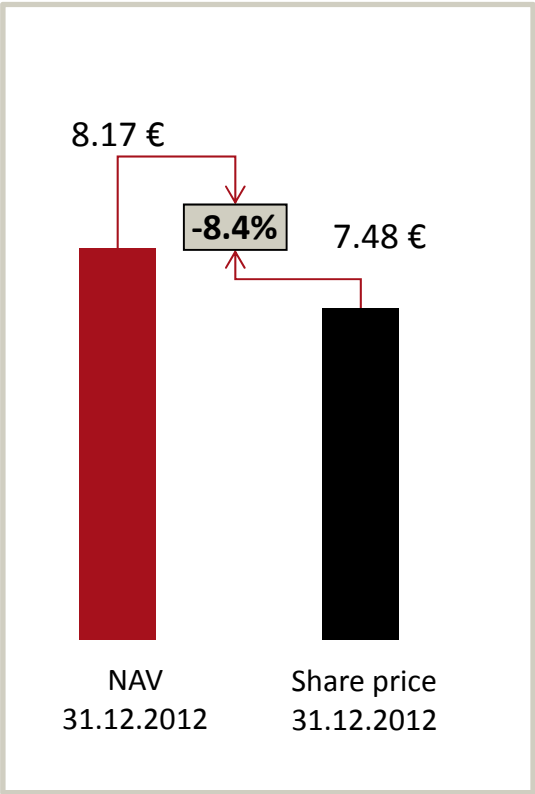
Portfolio development

Fair value of the portfolio



Net asset value (NAV) in accordance with EPRA

Discount of the XETRA-closing price to the NAV = 8.4 % (31.12.2012)



NAV calculation	31.12.2012 in thousand €	31.12.2011 in thousand €
Non-current assets	511	436
+ Current assets	30	26
- Non-current liabilities and provisions	-235	-220
- Current liabilities	-14	-14
Balance sheet NAV	292	228
+ Hidden reserves of non-current assets	80	71
NAV	**372**	299
NAV per share in €	**8.17**	**8.77**

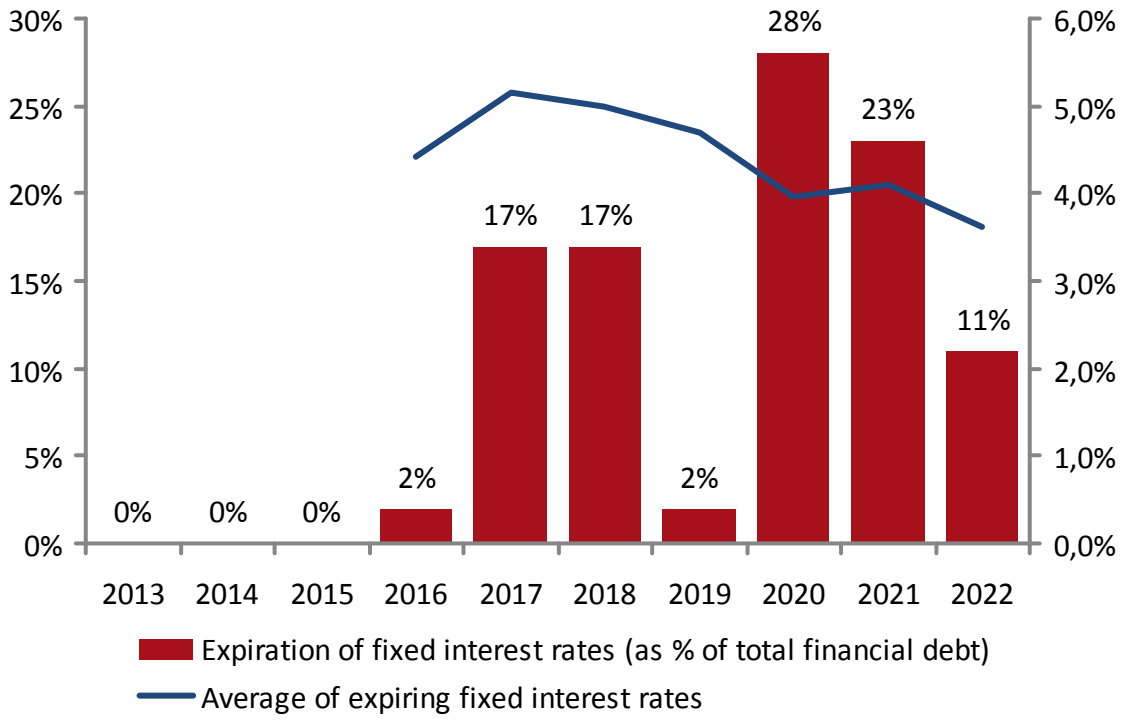
Balance sheet in accordance with IFRS

in € million	31.12.2012	31.12.2011
ASSETS		
Non-current assets	**511.3**	**435.6**
Investment Properties	510.8	435.2
Other	0.5	0.4
Current assets	**30.1**	**26.9**
Trade receivables and other assets	0.8	2.7
Bank deposits and cahs-balances	29.3	18.7
Non-current assets held for sale	0	5.5
Total assets	**541.4**	**462.5**
LIABILITIES		
Equity	276.8	215.1
Financial liabilities and derivative financial instruments	245.9	228.9
Other liabilities and provisions	18.7	18.5
Total equity and liabilities	**541.4**	**462.5**

Equity ratio 51.1%

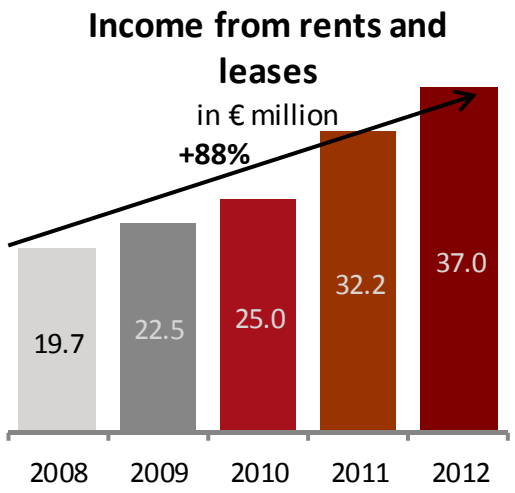
Stable and predictable cost of debt

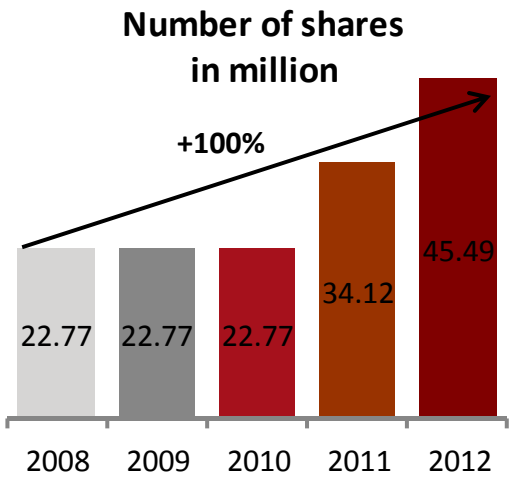
Expiration of fixed interest rates *(per 31 December 2012)*

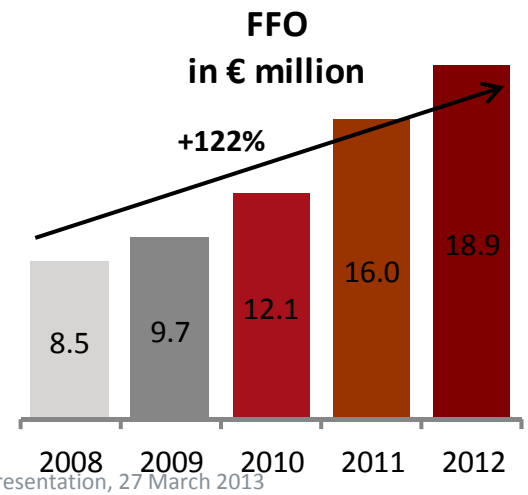


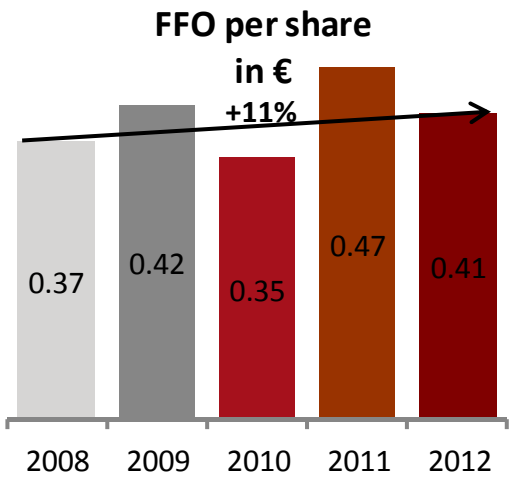
- Financial debt: € 230.7 million
- Liquid funds: € 29.3 million
- Average maturity of fixed interest rates: 7.9 years
- Average cost of debt: 4.4%
- Banks
  - Institutional banks
  - Cooperative banks
  - Saving banks
  - Insurance companies
- LTV: 34.2 %
- REIT equity ratio: 60.3%

FFO per share as key component for controlling









Conclusion and outlook

1. Conclusion

→ Successful business year 2012

→ Positive development of all operational figures

→ Capital increase as base for further growth

→ Portfolio 31.12.2012 value approx. € 580 million

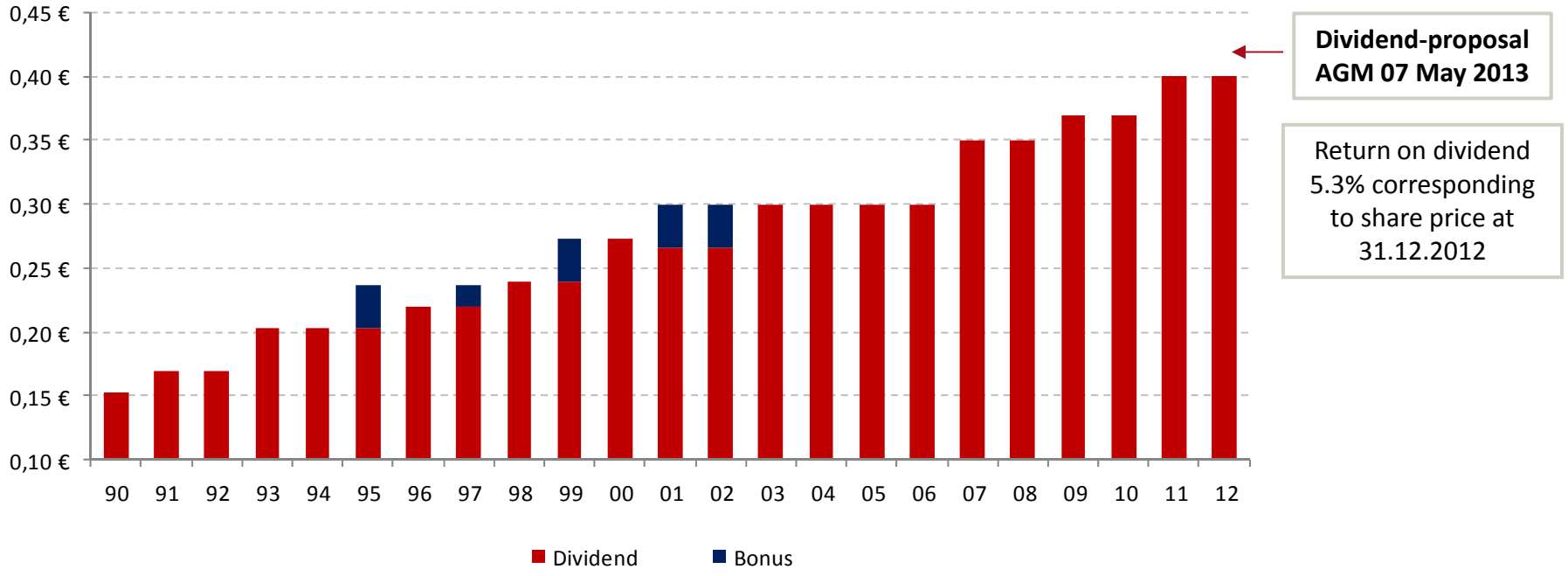
2. Outlook

→ Further increase of rental income in 2013 expected (+ 20 %)

→ Further clearly increase of FFO in 2013 strived (+ 20 %)

Dividend proposal to the AGM

40 Cent dividend per share



Dividend-outlook: Dividend at least 40 Cent per share in the next three years!

Strategy

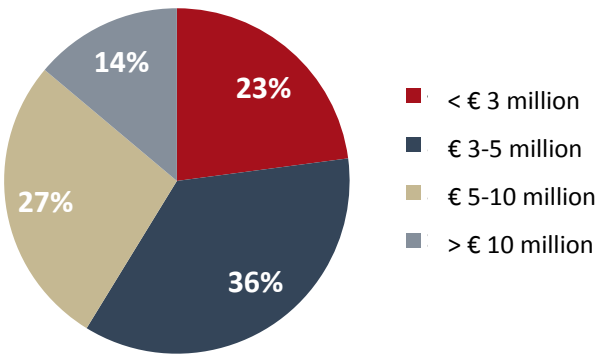
Value-creating growth through continuous expansion of portfolio

Strategic prime objectives:		Measures:
→ Yield-oriented expansion of existing commercial property portfolio	Retention of the investment mix	→ Improving cost-yield structures through buying larger properties and selling smaller properties
→ Regional diversification into German regions with strong growth		→ Continued focus on towns and cities outside the metropolises (in particular South and Southwest Germany)

Development of the portfolio on object level

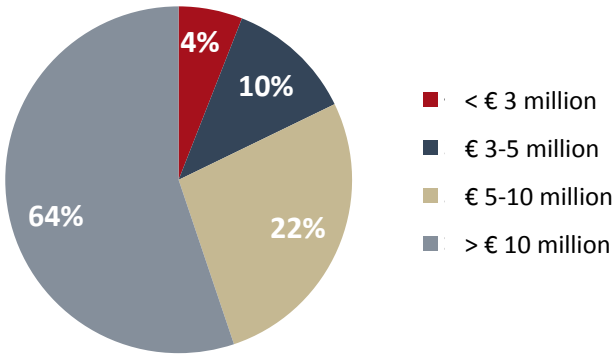
Strategy : Improving cost-yield structures through buying larger properties

Portfolio: object value 2006



Portfolio value 2006: around € 186 million

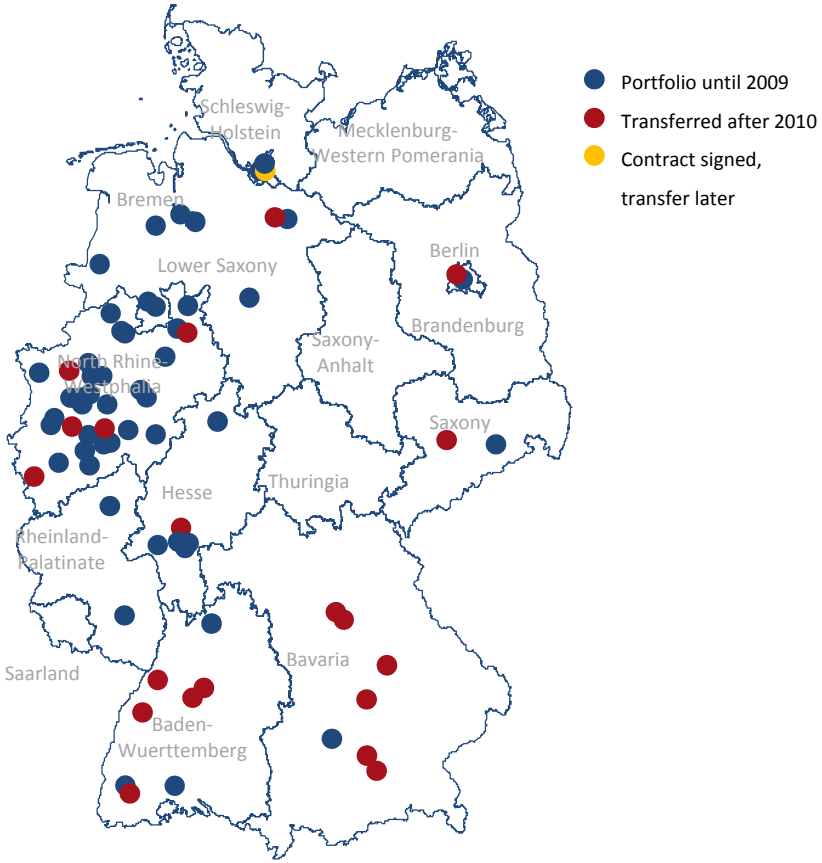
Portfolio: object value 2012



Portfolio value 2012: around € 580 million

Balanced portfolio with 100% German focus

Geographical portfolio spread

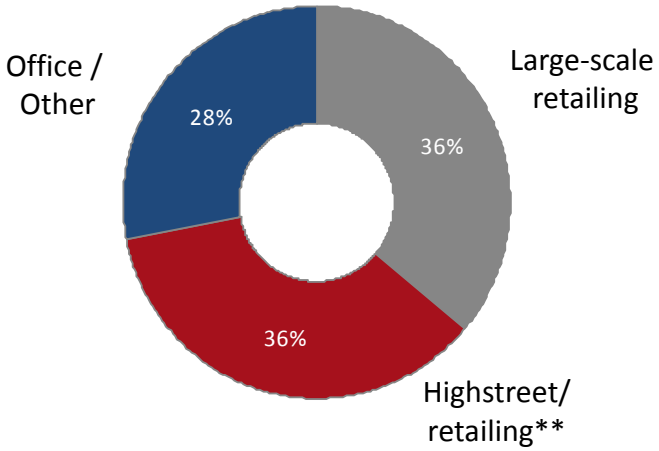


Diversification of asset types *(per 31. Dec 2012)*

→ 69 properties in 53 cities in Germany, focus on West and South

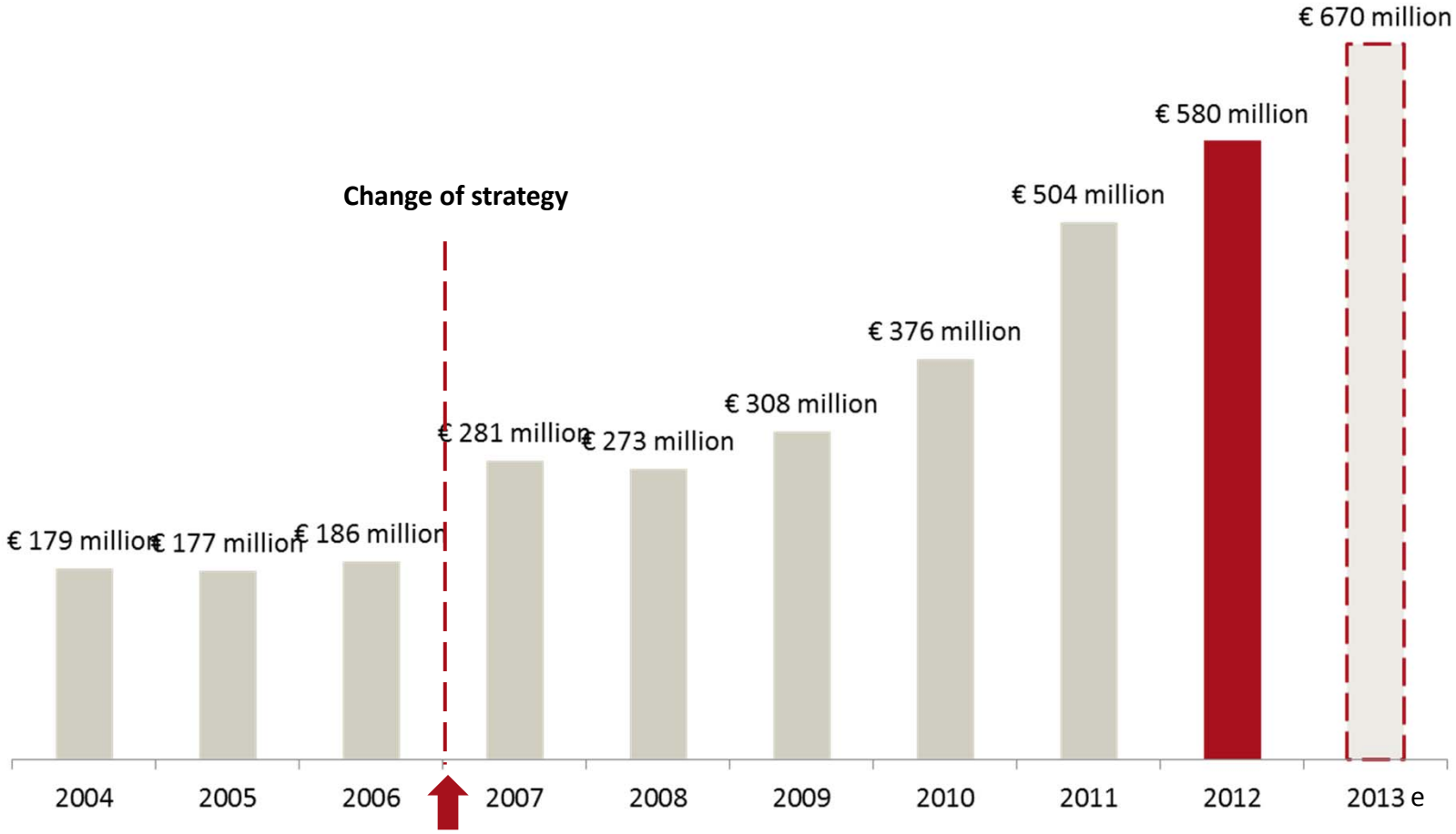
→ Total portfolio value of € 580 million

Annualised rental income *(100% = € 40.3 million)**



* Based on rent roll Dec 2012
** Predominantly retail properties, small proportion of office space and residential units

Development of the HAMBORNER portfolio value



Investments – transfer of possession in 2012

	Aachen, Debyestraße 20	Tübingen, E-Center (rebuilding in 2013)	Karlsruhe, Rüppurrer Straße
Built	2012	1977/89	2002
Main Tenant	OBI	EDEKA (as yet Marktkauf, from 2013 E-Center)	EDEKA, Brandmaker
Leased Area	approx. 11,400 sqm	approx. 13,000 sqm	approx. 15,000 sqm
Annual Rental income	approx. € 1.2 million (Ø rental income)	approx. € 1.5 million / from 2015 € 1.6 million	approx. € 2.4 million
Remaining term	14.25 years	17.0 years	8.3 years
Gross initial yield	7.46 %	6.76 %	6.65 %
Purchase price	€ 15.95 million	€ 22.2 million	€ 37.0 million
Transfer of possession	April 2012	October 2012	November 2012

Investments – transfer of possession 2013

	Munich, NuOffice	Berlin, EUREF – Torgauer Straße	Hamburg, OBI Sander Damm (under construction)
Built	2012	2012/2013	2013
Main Tenant	Esteé Lauder, McLaren, Armani, Milon…	Schneider Electric GmbH, Arcadis,...	OBI
Leased Area	approx. 12,000 sqm	approx. 12,700 sqm	approx. 10,200 sqm
Annual Rental income	approx. € 2.4 million	€ 2.22 million	€ 1.25 million
Remaining term	8.8 years	7,7 years	15 years
Gross initial yield	5.9 %	6.7 %	7.3 %
Purchase price	€ 40.1 million	€ 32.99 million	approx. € 17.2 million
Transfer of possession	January 2013	March 2013	Q4 2013e

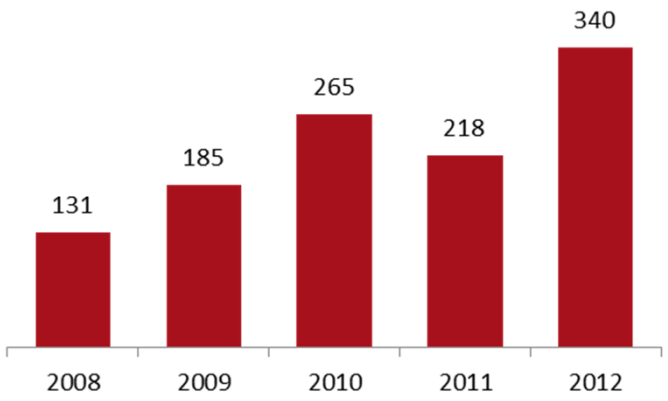
Growing market capitalization and increasing free float…

Overview events

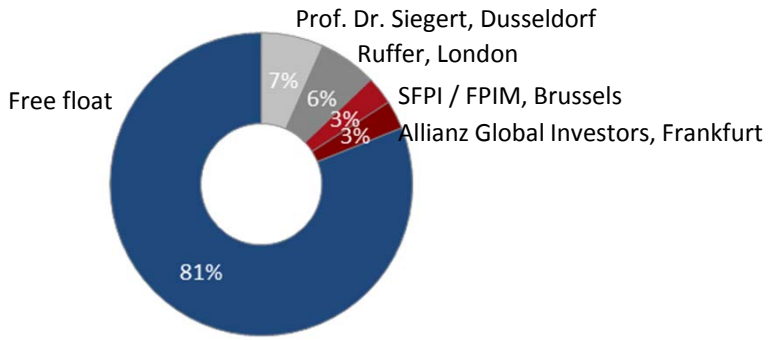
- → **2007:** Start of new strategy
- → **2010:** Achievement of G-REIT status and change of company name to HAMBORNER REIT AG
- → **October 2010:** Successful Capital Increase – net proceeds of approx. € 76 million
- → **February 2011:** Secondary placement of approx. € 89 million HSH stake
- → **March 2011:** SDAX index inclusion
- → **March 2012:** EPRA index inclusion
- → **July 2012:** Successful Capital Increase – 11,373,333 new shares, share price € 6.50, full dividend rights, net proceeds of approx. € 71.4 million

* Company information, 01.03.2013

Historic market cap *(€ million)*

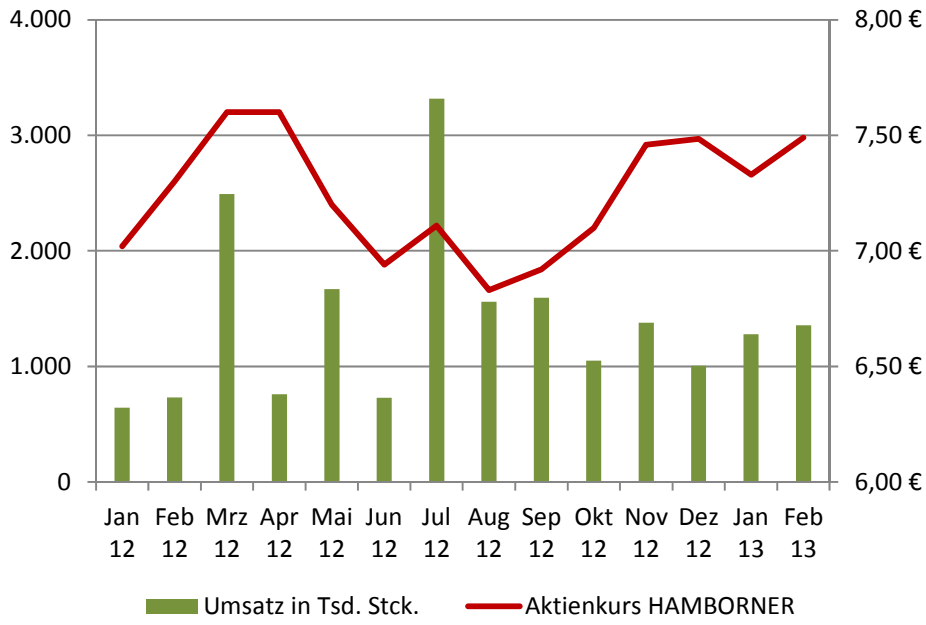


Shareholder structure*

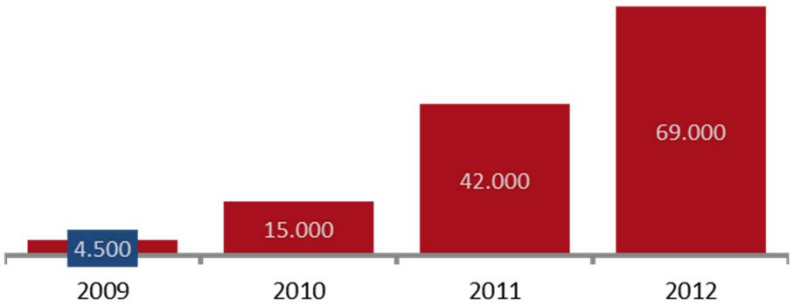


… resulting in increased liquidity

Share price development 2012 until now



Average turnover per day since 2009 *(# shares)*



Remarks

- Share price performance 2012:
  - HAMBORNER: 17%
  - FTSE EPRA Germany: 18%
  - SDAX: 20%

Financial Calendar 2013

HAMBORNER REIT AG	
Annual report for 2012	27 March 2013
Interim report for 1st quarter 2013	6 May 2013
Annual general meeting 2013	7 May 2013
Interim report for 1st half 2013	8 August 2013
Interim report for 3rd quarter 2013	12 November 2013

Many thanks for your attention!

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