



hamborner  
**REIT**



ZUKUNFT BRAUCHT SUBSTANZ

## Conference Call 1st half year 2017

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8 August 2017

## Highlights

### Positive operational business development

- **19.7 % increase in rents**
- **Vacancy rate 1.5 % (1.7 % excl. rent guarantees)**

### Solid financial structure

- **REIT equity ratio 61.1 %**
- **LTV 37.7 %**

### Forecast increase for full year 2017

- **Rents: + 18 - 20 %**
- **FFO: € 44 - 45 million**
- **FFO per share: € 0.55 - 0.56**

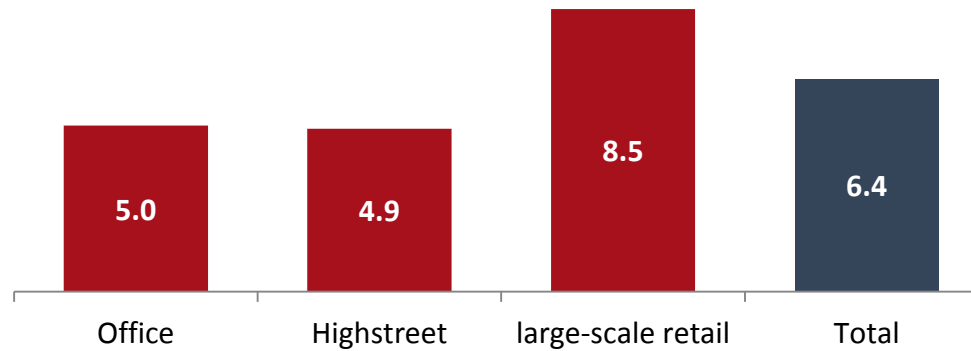
# Significant key figures for the first half year 2017

Key figures	30 June 2017	30 June 2016	Change
Income from rents and leases	€ 35.8 million	€ 29.9 million	+ 19.7 %
Operating result	€ 15.5 million	€ 13.3 million	+ 16.7 %
Profit for the period	€ 10.9 million	€ 8.8 million	+ 23.2 %
Funds from operations	€ 22.1 million	€ 17.2 million	+ 28.1 %
Funds from operations (FFO) per share	€ 0.28	€ 0.28	
Number of shares	79,717,645	62,002,613	
REIT equity ratio	61.1 %	56.9 %	+ 4.2 %-points
Loan to value (LTV)	37.7 %	40.5 %	- 2.8 %-points
Net asset value (NAV) per share	€ 9.42	€ 8.93	+ 5.5 %

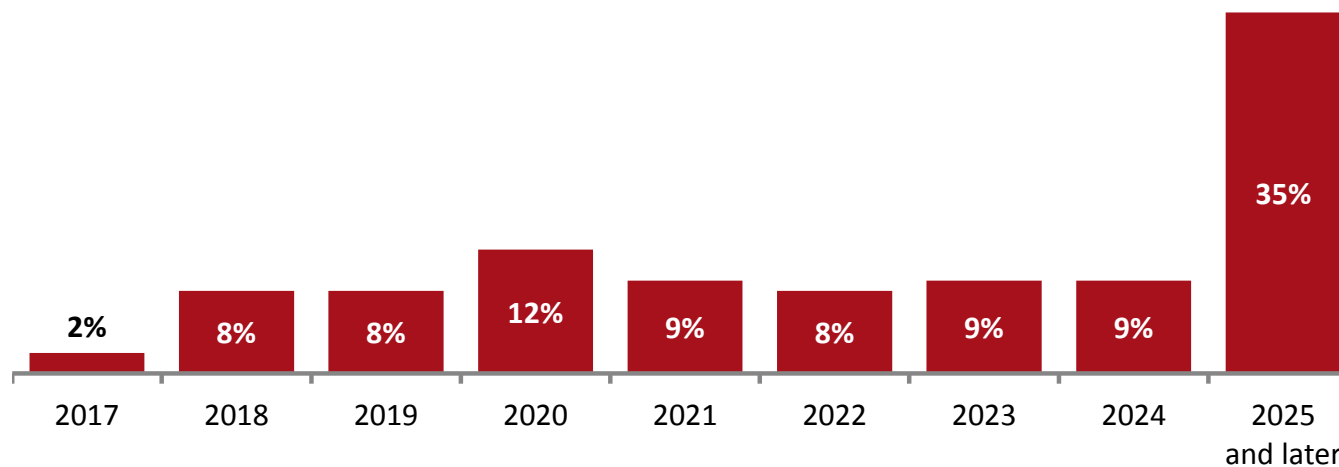
# Long-term leases

## Leasing contracts expire well distributed

### Weighted average lease expiry by type (30 June 2017, in years)



### Split of lease contracts expiring by year (30 June 2017)



# Solid tenants

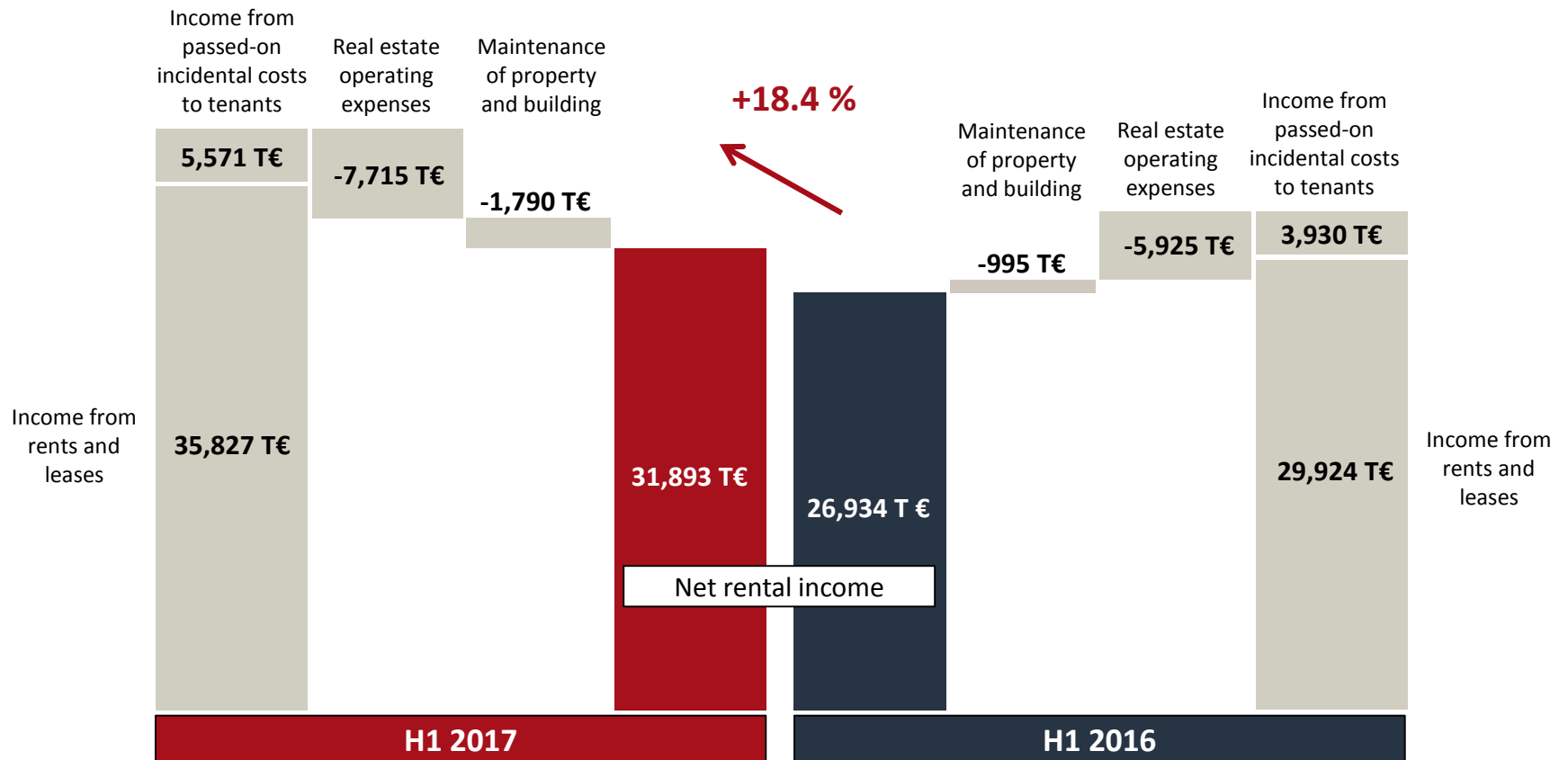
## Top 10 tenants

Top 10 tenants (as of 30 June 2017, % of annual rent)

	<u>Tenant</u>	<u>Sector</u>	<u>% of annual rent*</u>
	EDEKA-Group	Discount food retail	10.8%
	Kaufland Group	Discount food retail	7.8%
	real,-	Discount food retail	6.3%
	OBI	Retail (DIY)	5.9%
	Jobcenter	Government Agency	3.8%
	NetCologne	Telecommunication	2.4%
	H&M	Textile retail	2.4%
	REWE-Group	Discount food retail	2.1%
	C&A	Textile retail	1.9%
	Telefonica O <sup>2</sup>	Telecommunication	1.5%
	<b>Total</b>		<b>44.9%</b>

\* incl. rent guarantees

# Development of net rental income

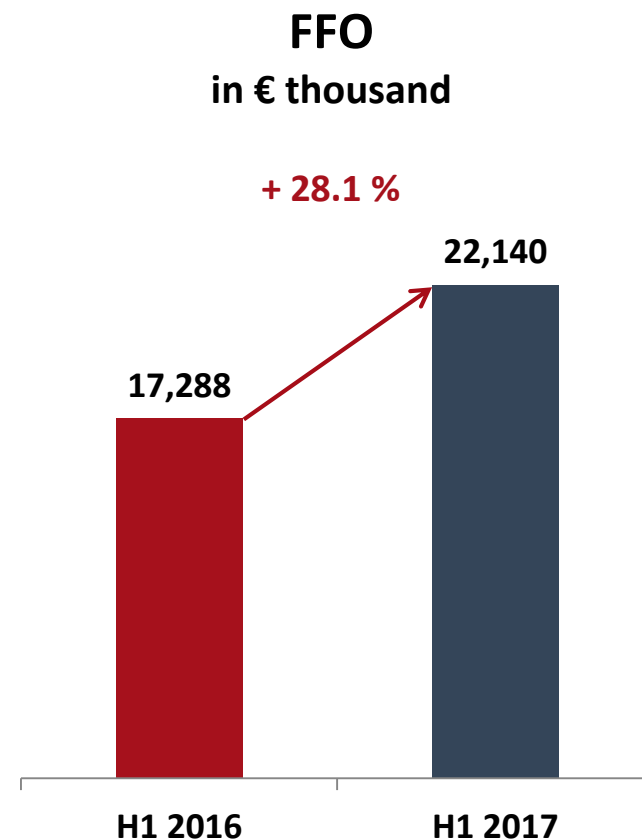


# Profit and loss account according to IFRS

in € thousand	H1 2017	H1 2016
<b>Net rental income</b>	<b>31,893</b>	<b>26,934</b>
Administrative expenses	-707	-670
Personnel expenses	-2,062	-1,925
Depreciations	-13,862	-10,919
Other operating income	862	467
Other operating expenses	-578	-569
<b>Operating result</b>	<b>15,546</b>	<b>13,318</b>
Result from the sale of investment properties	2,604	2,464
<b>Earnings before interest and taxes (EBIT)</b>	<b>18,150</b>	<b>15,782</b>
Financial result	-7,268	-6,949
<b>Net profit for the period</b>	<b>10,882</b>	<b>8,833</b>

# Funds from Operations

in € thousand	H1 2017	H1 2016
<b>Net rental income</b>	<b>31,893</b>	<b>26,934</b>
- Administrative expenses	-707	-670
- Personnel expenses	-2,062	-1,925
+ Other operating income	862	467
- Other operating expenses	-578	-569
+ Interest Income	54	1
- Interest Expenses	-7,322	-6,950
<b>FFO</b>	<b>22,140</b>	<b>17,288</b>
<b>-Capex</b>	<b>-882</b>	<b>-240</b>
<b>AFFO</b>	<b>21,258</b>	<b>17,048</b>
<b>FFO per share in €</b>	<b>0.28</b>	<b>0.28</b>
<b>AFFO per share in €</b>	<b>0.27</b>	<b>0.27</b>







### Cologne „O<sup>3</sup>“

Purchase price: **€ 48.9 million**  
 Gross initial yield: **5.7%**  
 Transfer of possession: **2 January 2017**



### Hallstadt/Bamberg „market Oberfranken“

Purchase price<sup>(1)</sup>: **€ 43.7 million**  
 Gross initial yield: **5.7%**  
 Transfer of possession: **23 March 2017**



### Berlin-Marzahn „Kaufland“

Purchase price: **€ 16.2 million**  
 Gross initial yield: **5.3%**  
 Transfer of possession: **31 March 2017**



### Ratingen

Purchase price: **€ 34.4 million**  
 Gross initial yield: **5.6%**  
 Transfer of possession: **11 July 2017**

## Divestments H1 2017



### Duisburg „Kasslerfelder Kreisel“

Selling price:	€ 9.5 million
Fair value as of 31 Dec 2015:	€ 9.2 million
Book value as of 31 Dec 2016:	€ 7.2 million
Transfer of possession:	1 April 2017

### Undeveloped Land (Forest and agricultural plots)

Plot size:	98,000 m <sup>2</sup>
Selling price:	€ 0.347 million
Book value as of 31 Dec 2016:	€ 0.016 million
Transfer of possession:	3 January 2017

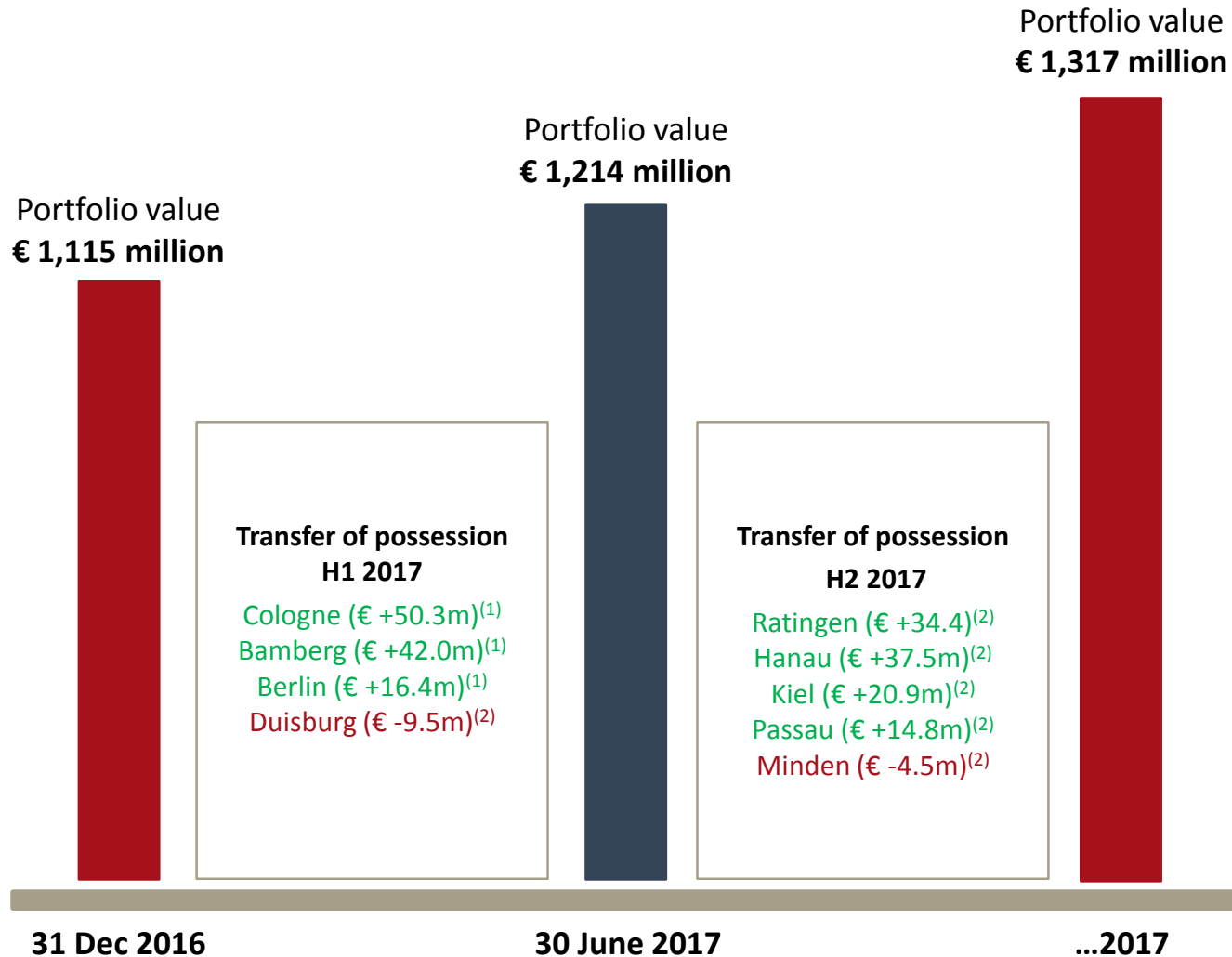
## Recent Divestment



### Minden

Selling price:	€ 4.5 million
Fair value as of 31 Dec 2016:	€ 4.5 million
Book value as of 31 Dec 2016:	€ 3.9 million
Transfer of possession:	Q3 2017e

# Portfolio Development 2017

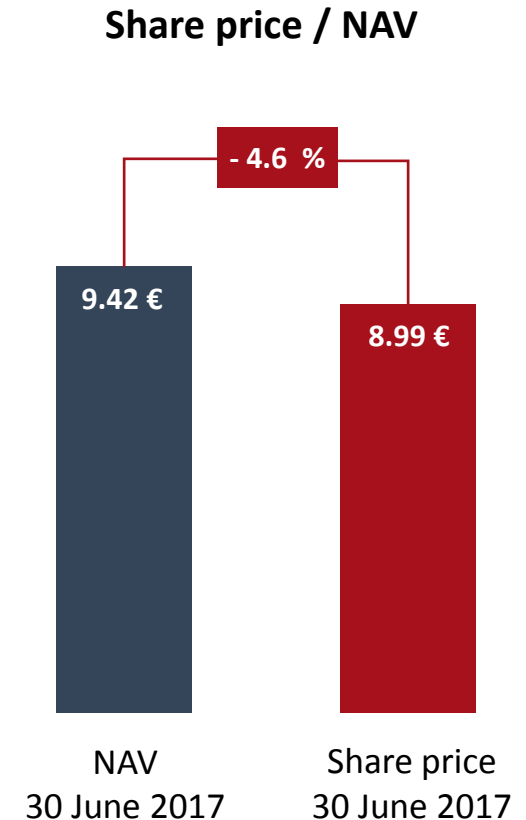


(1) As of 30 June 2017 (2) Contractually agreed purchase/selling price

# Net Asset Value (NAV) in accordance with EPRA

Share price 4.6 % below NAV (30 June 2017)

NAV according to EPRA in € million	30 June 2017	30 June 2016
Balance sheet long-term assets	1,024.9	804.9
+ Balance sheet short-term assets	31.6	33.0
- Non-current liabilities and provisions	-456.4	-412.4
- Current liabilities and provisions	-56.5	-29.1
<b>Balance sheet NAV</b>	<b>543.6</b>	<b>396.4</b>
+ hidden reserves "Investment property"	207.7	155.8
+ hidden reserves "Non-current assets held for sale"	0	1.6
<b>NAV</b>	<b>751.3</b>	<b>553.8</b>
<b>NAV per share in €</b>	<b>9.42</b>	<b>8.93</b>



# Balance Sheet

## IFRS

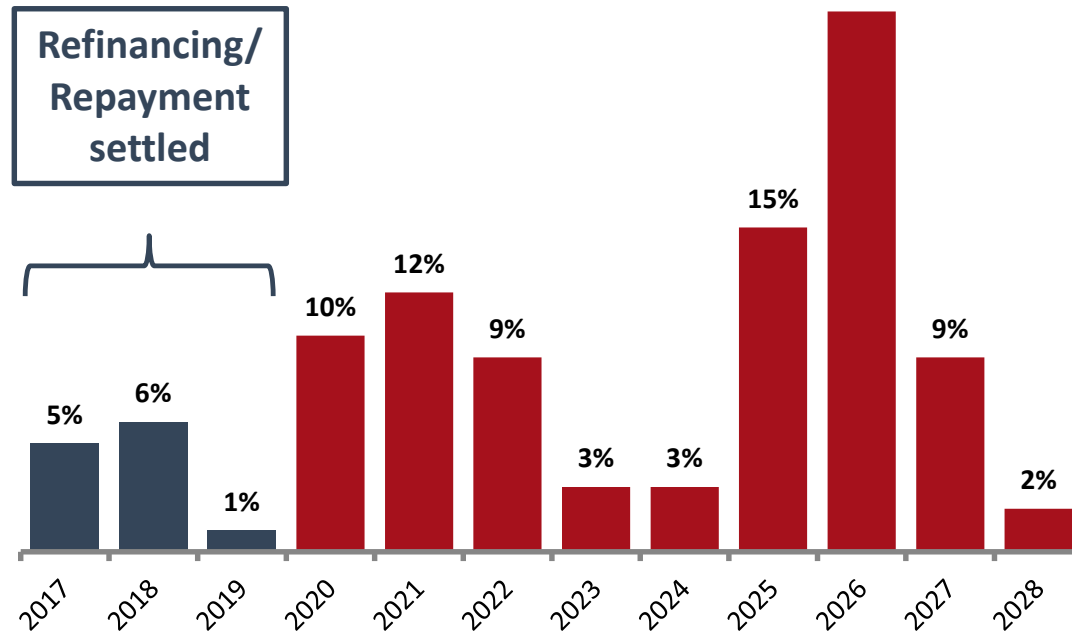
<b>ASSETS</b> in € million	<b>30 June 2017</b>	<b>31 Dec 2016</b>
<b>Non-current assets</b>	<b>1,024.9</b>	<b>922.8</b>
<i>Investment Properties</i>	1,015.0	916.2
<i>Other</i>	9.9	6.6
<b>Current assets</b>	<b>31.6</b>	<b>84.0</b>
<i>Trade receivables and other assets</i>	2.5	1.4
<i>Cash and cash equivalents</i>	29.1	75.4
<i>Non-current assets held for sale</i>	0	7.2
<b>Total assets</b>	<b>1,056.5</b>	<b>1,006.8</b>

<b>Equity and Liabilities</b> in € million	<b>30 June 2017</b>	<b>31 Dec 2016</b>
<b>Equity</b>	<b>539.8</b>	<b>561.3</b>
<b>Financial liabilities and derivative financial instruments</b>	<b>490.1</b>	<b>420.0</b>
<b>Other liabilities and provisions</b>	<b>26.6</b>	<b>25.4</b>
<b>Total equity and liabilities</b>	<b>1,056.5</b>	<b>1,006.8</b>

**Equity ratio**  
**51.1 %**

# Stable and predictable cost of debt

## Expiration of fixed interest rates (30 June 2017; % of total financial debt)



- Financial debt: **€ 486.3 million**
- Liquid funds: **€ 29.1 million**
- REIT equity ratio: **61.1 %**
- LTV: **37.7 %**
- Average maturity of fixed interest rates: **6.4 years**
- Average cost of debt: **2.6 %**
- Financing banks
  - Institutional banks
  - Cooperative banks
  - Saving banks
  - Insurance companies

## Conclusion/Summary

- Successful first half 2017 with positive development of operational business
- Vacancy rate: 1.5%
- Transfer of possession of three assets in Cologne, Hallstadt/Bamberg and Berlin
- Transfer of possession of office building in Ratingen on 11 July 2017
- Portfolio value: > € 1.2 billion

## Forecast 2017

- Rental income: **+ 18 - 20%**
- FFO: **€ 44 – 45 million**
- FFO per share: **€ 0.55 - € 0.56**
- Remaining fire power: **€ 120 - 150 million**

## HAMBORNER REIT AG Financial Calendar

Interim Report for 1st half 2017	8 August 2017
Interim Report for 3rd quarter 2017	9 November 2017
Annual Report 2017	21 March 2018
Interim Report for 1st quarter 2018	25 April 2018
AGM 2018	26 April 2018

**Many thanks for your attention!**



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