



hamborner
REIT



ZUKUNFT BRAUCHT SUBSTANZ

Conference Call 1st quarter 2017

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Highlights

Positive operational business development

- **20.3 % increase in rents**
- **Vacancy rate 1.3 % (1.6 % excl. rent guarantees)**

Solid financial structure

- **REIT equity ratio 62.6 %**
- **LTV 35.1 %**

Positive outlook for full year 2017

- **Rents: + 16-18 %**
- **FFO: € 43 – 44 million**

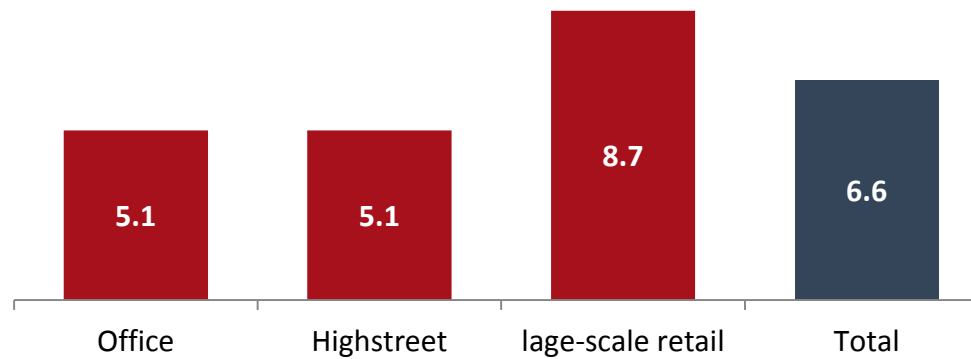
Significant key figures for the first quarter 2017

Key figures	31 Mar 2017	31 Mar 2016	Change
Income from rents and leases	€ 17.6 million	€ 14.7 million	+ 20.3 %
Operating result	€ 7.7 million	€ 7.0 million	+ 8.8 %
Profit for the period	€ 4.4 million	€ 6.1 million	- 28.0 %
Funds from operations	€ 10.8 million	€ 9.0 million	+ 19.9 %
Funds from operations (FFO) per share	€ 0.14	€ 0.15	
Number of shares	79,717,645	62,002,613	
	31 Mar 2017	31 Dec 2016	
REIT equity ratio	62.6 %	67.8 %	- 5.2 %-points
Loan to value (LTV)	35.1 %	30.1 %	+ 5.0 %-points
Net asset value (NAV) per share	€ 9.72	€ 9.64	+ 0.8 %

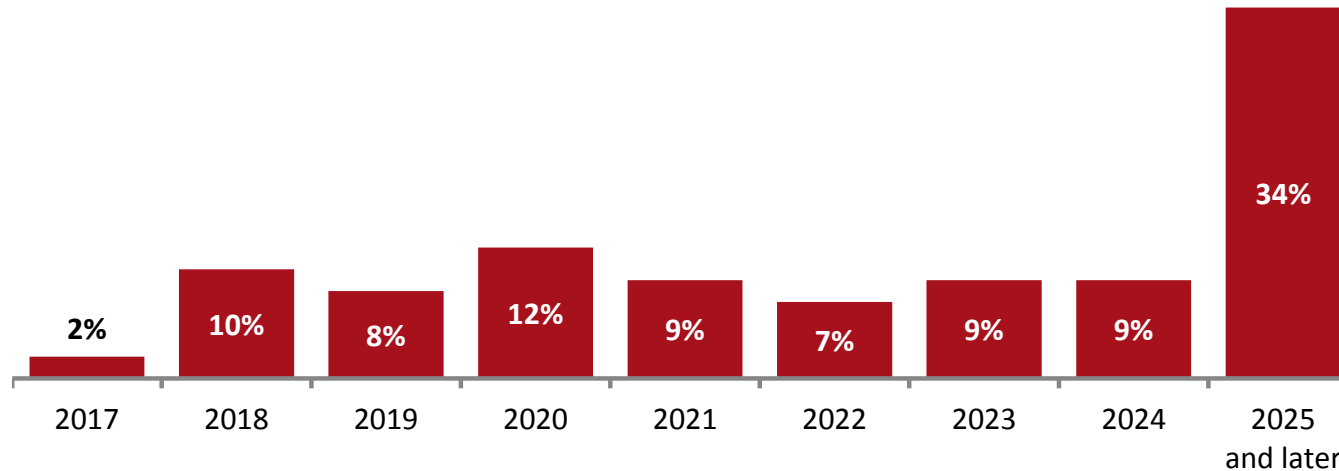
Long-term leases

Leasing contracts expire well distributed

Weighted average lease expiry by type (as of 31 March 2017, in years)





Split of lease contracts expiring by year (as of 31 March 2017)



TOP 10 tenants

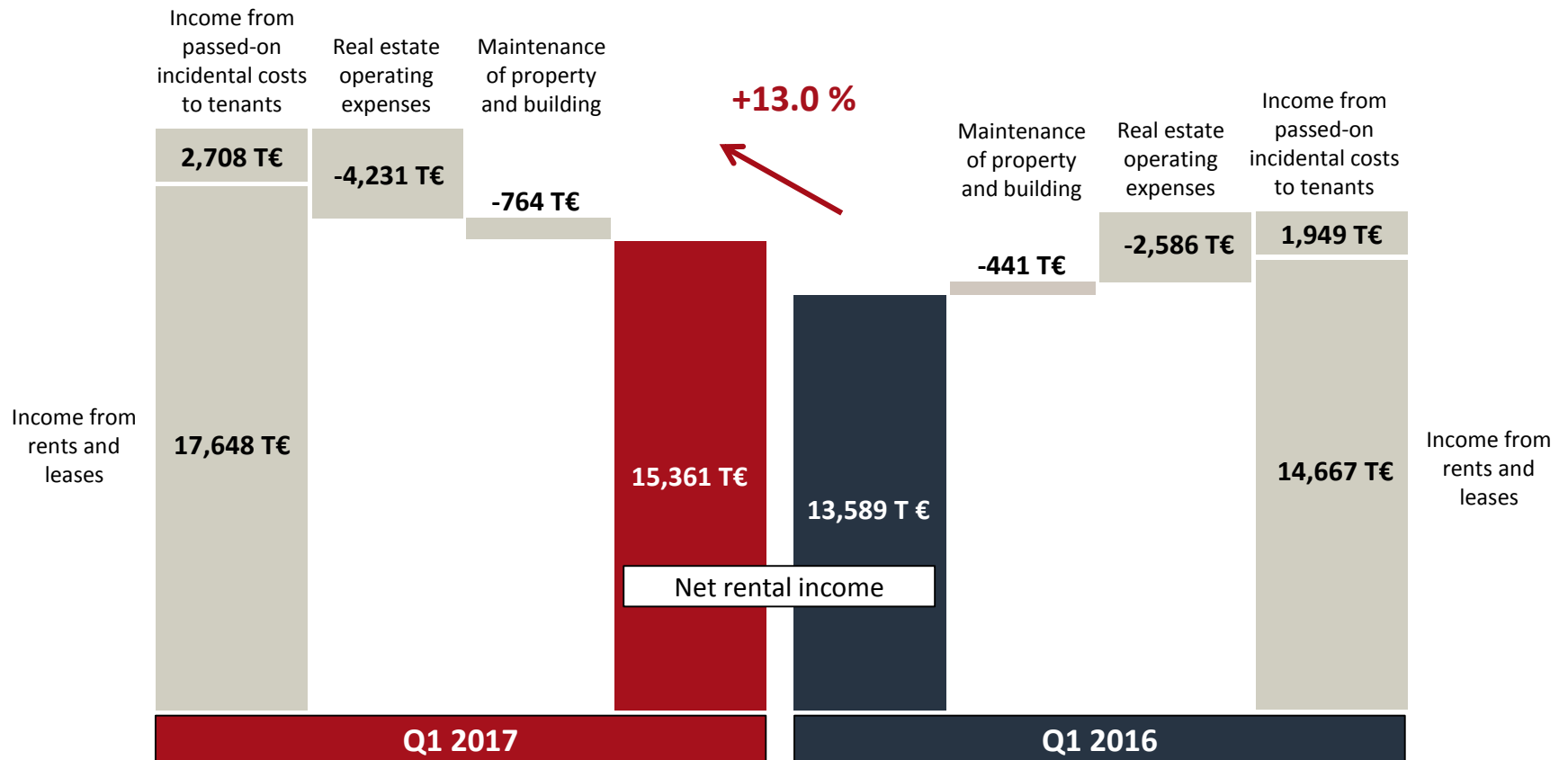
Solid tenants

Top 10 tenants (as of 31 March 2017, % of annual rent)

	<u>Tenant</u>	<u>Sector</u>	<u>% of annual rent*</u>
	EDEKA-Group	Discount food retail	10.7%
	Kaufland Group	Discount food retail	7.8%
	real,-	Discount food retail	6.2%
	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 ²	Telecommunication	1.5%
	Total		44.7%

* incl. rent guarantees

Development of net rental income

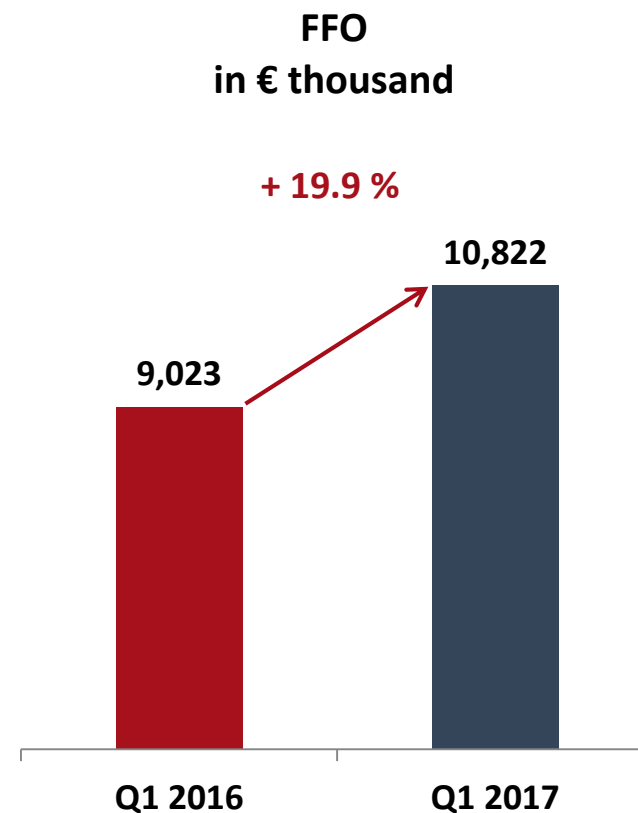


Profit and loss account according to IFRS

in € thousand	31 Mar 2017	31 Mar 2016
Net rental income	15,361	13,589
Administrative expenses	-344	-312
Personnel expenses	-1,054	-901
Depreciations	-6,736	-5,357
Other operating income	783	379
Other operating expenses	-346	-352
Operating result	7,664	7,046
Result from the sale of investment properties	331	2,465
Earnings before interest and taxes (EBIT)	7,995	9,511
Financial result	-3,578	-3,380
Net profit for the period	4,417	6,131

Funds from Operations

in € thousand	31 Mar 2017	31 Mar 2016
Net rental income	15,361	13,589
- Administrative expenses	-344	-312
- Personnel expenses	-1,054	-901
+ Other operating income	783	379
- Other operating expenses	-346	-352
+ Interest Income	20	1
- Interest Expenses	-3,598	-3,381
FFO	10,822	9,023
-Capex	-534	-4
AFFO	10,288	9,019
FFO per share in €	0.14	0.15
AFFO per share in €	0.13	0.15



Investments Q1 2017



Cologne „O³“

Purchase price: **€ 48.9 million**
Gross initial yield: **5.6%**
Transfer of possession: **2 January 2017**



Hallstadt/Bamberg „market Oberfranken“

Purchase price⁽¹⁾: **€ 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**

(1) Including €3.2 million tenant improvements

Divestment in Q1 2017

Undeveloped Land

Forest and agricultural plots

Selling price:	€ 0.347 million
Book value as of 31 Dec 2016:	€ 0.016 million
Transfer of possession:	3 January 2017

Recent divestment

Duisburg

„Kasslerfelder Kreisel“

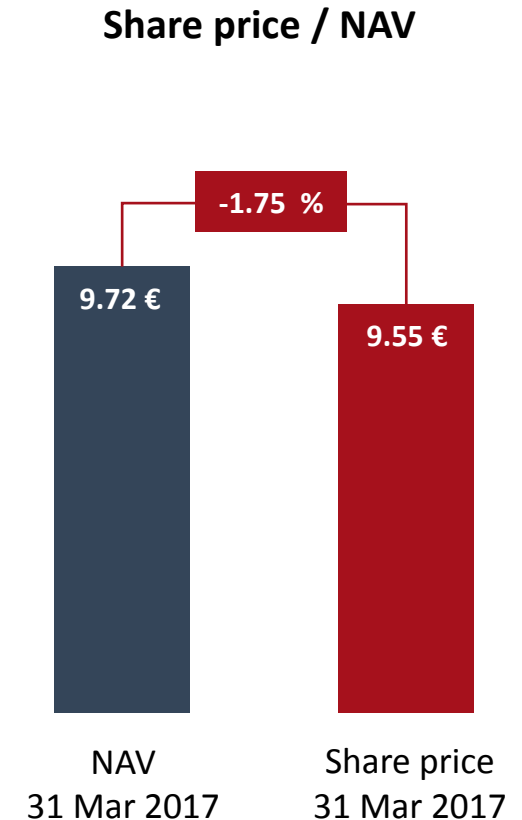
Selling price:	€ 9.5 million
Fair value as of 31 Dec 2015:	€ 9.2 million
Book value as of 31 Dec 2016:	€ 7.2 million
Transfer of possession:	1 April 2017



Net Asset Value (NAV) in accordance with EPRA

Share price 1.75% below NAV (31 March 2017)

NAV according to EPRA in € million	31 Mar 2017	31 Dec 2016
Balance sheet long-term assets	1,025.8	922.8
+ Balance sheet short-term assets	24.8	83.9
- Non-current liabilities and provisions	-433.5	-406.3
- Current liabilities and provisions	-45.9	-33.6
Balance sheet NAV	571.2	566.8
+ hidden reserves "Investment property"	201.4	199.1
+ hidden reserves "Non-current assets held for sale"	2.3	2.6
NAV	774.9	768.5
NAV per share in €	9.72	9.64



Balance Sheet

IFRS

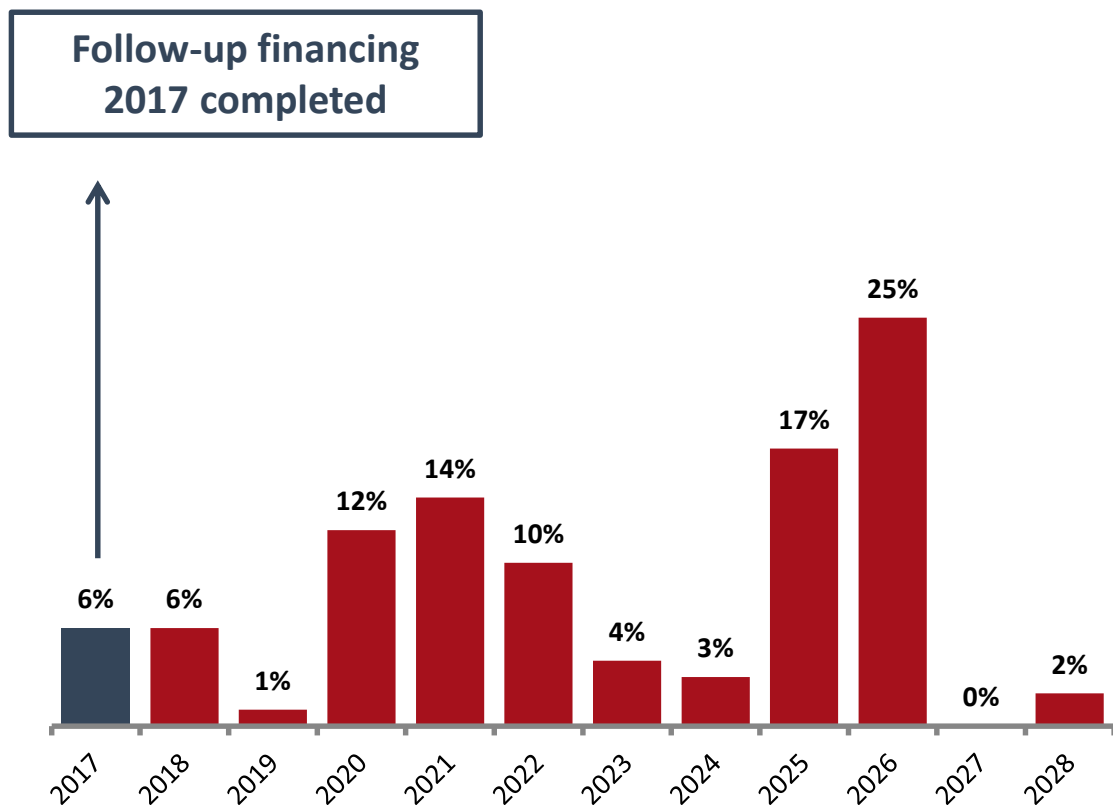
ASSETS in € million	31 Mar 2017	31 Dec 2016
Non-current assets	1,025.8	922.8
<i>Investment Properties</i>	1,019.0	916.2
<i>Other</i>	6.8	6.6
Current assets	24.8	84.0
<i>Trade receivables and other assets</i>	3.0	1.4
<i>Cash and cash equivalents</i>	14.6	75.4
<i>Non-current assets held for sale</i>	7.2	7.2
Total assets	1,050.6	1,006.8

Equity and Liabilities in € million	31 Mar 2017	31 Dec 2016
Equity	566.6	561.3
Financial liabilities and derivative financial instruments	447.2	420.0
Other liabilities and provisions	36.8	25.4
Total equity and liabilities	1,050.6	1,006.8

Equity ratio
53.9 %

Stable and predictable cost of debt

Expiration of fixed interest rates (31 March 2017; % of total financial debt)



- Financial debt: € 442.6 million
- Liquid funds: € 14.6 million
- REIT equity ratio: 62.6 %
- LTV: 35.1 %

- Average maturity of fixed interest rates: 6.3 years
- Average cost of debt: 2.8 %

- Refinancing of loans with fixed interest rates expiring in 2017 completed

- Financing banks
 - Institutional banks
 - Cooperative banks
 - Saving banks
 - Insurance companies

Conclusion/Summary

- Successful first quarter 2017 with positive development of operational business
- Vacancy rate: 1.3%
- Transfer of possession of three assets in Cologne, Hallstadt/Bamberg and Berlin
- Portfolio value: €1.2 billion

Forecast 2017

- Rental income: + **16 - 18%**
- FFO: **€43 – 44 million**
- FFO per share round about **€ 0.54**
- Remaining fire power **€150 - 180 million**

HAMBORNER REIT AG Financial Calendar	
Interim Report for 1st quarter 2017	9 May 2017
AGM 2017	10 May 2017
Dividend payment	15 May 2017
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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