



hamborner
REIT



ZUKUNFT BRAUCHT SUBSTANZ

Conference Call 3rd quarter 2018

Dr. Rüdiger Mrotzek

Hans Richard Schmitz

8 November 2018

First nine month 2018

Highlights

Positive operational business development

- Income from rents and leases: **+ 14.4 %**
- Funds from Operations: **+ 18.8 %**
- Vacancy rate: **1.1 %** (1.6 % excl. rent guarantees)

Solid financial structure

- REIT equity ratio: **55.5 %**
- LTV: **43.7 %**

Forecast 2018

- Rents: **+ 12 %**
- FFO: **+ 13 - 15 %**



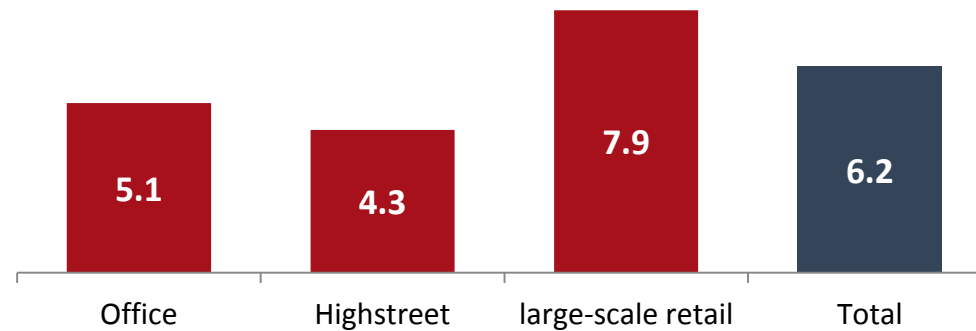
Significant key figures

Key figures	9M 2018	9M 2017	Change
Income from rents and leases	€ 62.5 million	€ 54.6 million	+ 14.4 %
Operating result	€ 26.6 million	€ 23.6 million	+ 12.4 %
Profit for the period	€ 15.1 million	€ 15.7 million	- 3.6 %
<i>thereof as a result from sales</i>	€ 0	€ 3.2 million	
Funds from operations (FFO)	€ 40.2 million	€ 33.9 million	+ 18.8 %
Funds from operations (FFO) per share	€ 0.50	€ 0.42	+ 18.8 %
	30 September 2018	30 September 2017	Change
REIT equity ratio	55.5 %	59.0 %	- 3.5 %-points
Loan to value (LTV)	43.7 %	39.6 %	+ 4.1 %-points
Net asset value (NAV) per share	€ 10.15	€ 9.51	+ 6.7 %

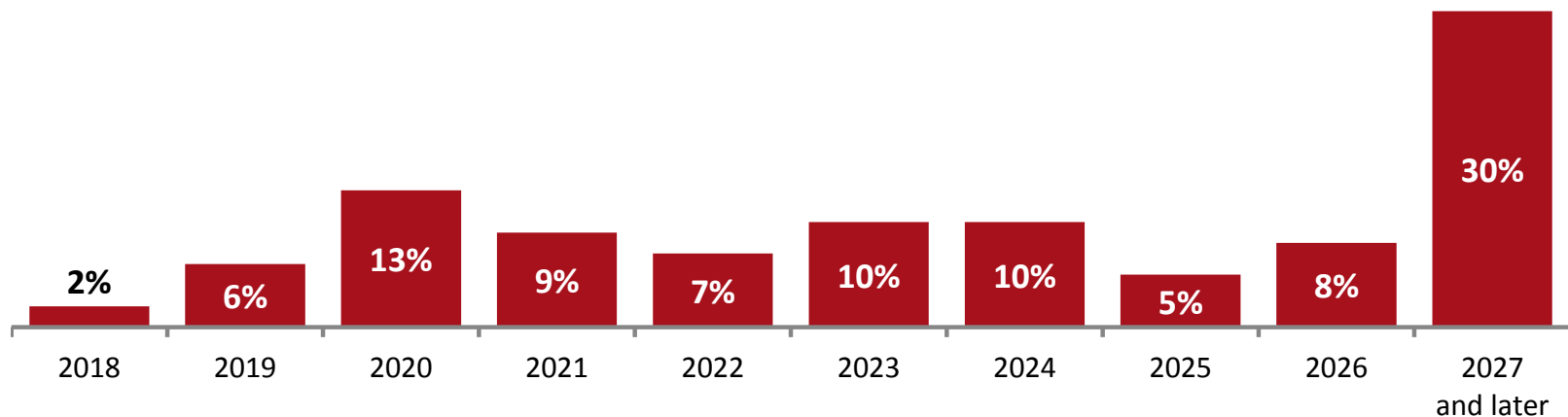
Long-term leases

Leasing contracts expire well distributed











Weighted average lease expiry by type (as of 30 September 2018, in years)



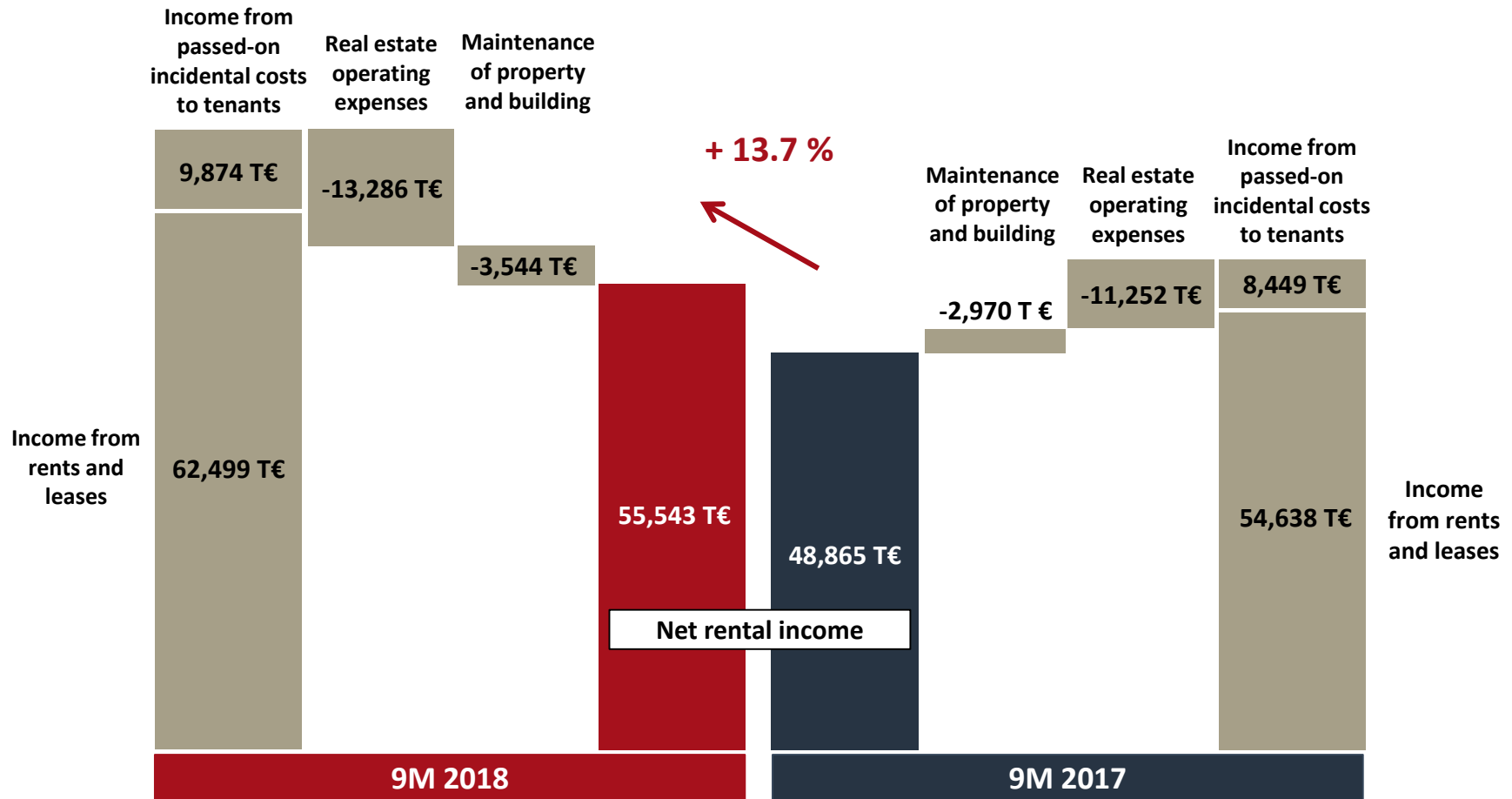
Split of lease contracts expiring by year (as of 30 September 2018)



Top 10 tenants (as of 30 September 2018, % of annual rent)

	Tenant	Sector	% annual rents*
	EDEKA Group	Food retail	11.6%
	Kaufland Group	Food retail	6.8%
	REWE Group	Food retail	5.6%
	real,-	Food retail	5.5%
	OBI	DIY retail	5.1%
	Jobcenter	Agency of unemployment	3.3%
	H&M	Textile retail	2.1%
	NetCologne	Telecommunication	2.1%
	Telefonica O ₂	Telecommunication	1.7%
	C&A	Textile retail	1.7%
		Total	45.5%

Development of net rental income

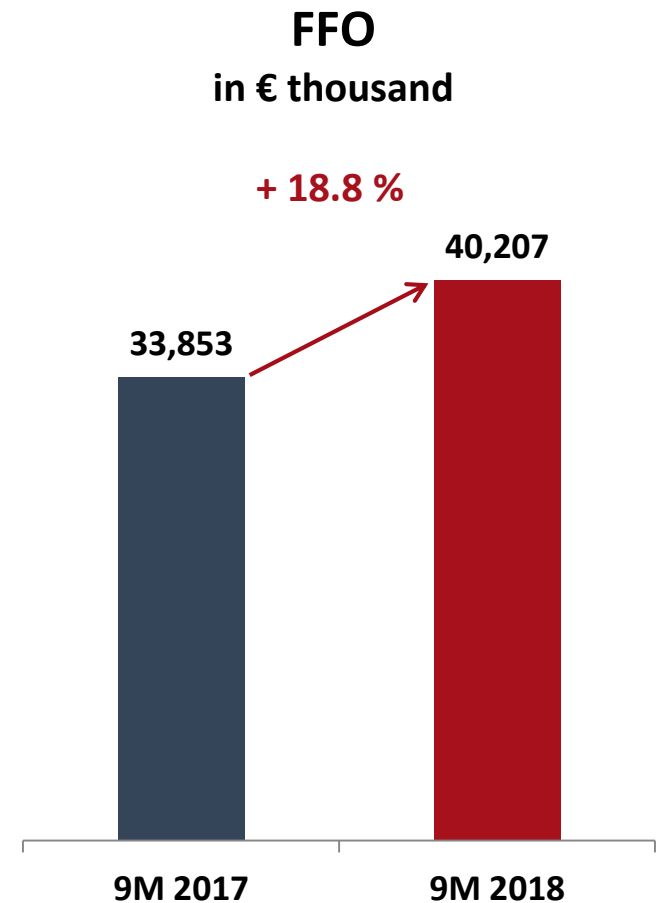


Profit and loss account according to IFRS

in € thousand	9M 2018	9M 2017
Net rental income	55,543	48,865
Administrative expenses	-968	-947
Personnel expenses	-3,191	-3,122
Depreciations	-25,066	-21,327
Other operating income	993	957
Other operating expenses	-761	-811
Operating result	26,550	23,615
Result from the sale of investment properties	0	3,179
Earnings before interest and taxes (EBIT)	26,550	26,794
Financial result	-11,409	-11,089
Net profit for the period	15,141	15,705

Funds from Operations

in € thousand	9M 2018	9M 2017
Net rental income	55,543	48,865
- Administrative expenses	-968	-947
- Personnel expenses	-3,191	-3,122
+ Other operating income	993	957
- Other operating expenses	-761	-811
+ Interest income	0	80
- Interest expenses	-11,409	-11,169
FFO	40,207	33,853
-Capex	-1,545	-1,832
AFFO	38,662	32,021
FFO per share in €	0.50	0.42
AFFO per share in €	0.48	0.40



Investments 2018



Cologne

Purchase price: € 20.2 million

Gross initial yield: 5.1%

Transfer of possession: 2 January 2018



Düsseldorf

Purchase price: € 9.7 million

Gross initial yield: 5.7%

Transfer of possession: 2 January 2018



Bonn

Purchase price: € 13.8 million

Gross initial yield: 5.5%

Transfer of possession: 2 January 2018



Darmstadt

Purchase price: € 42.8 million

Gross initial yield⁽¹⁾: 5.6%

Transfer of possession: 20 April 2018

TOTAL INVESTMENT
VOLUME

€ 86.5m

Investments 2018

Transfer of possession outstanding



Bamberg
Starkenfeldstrasse



Aachen
Gut-Dämme-Strasse/Grüner Weg



Bonn
Krähenhorst/Soenneckenstrasse

Built	2013	2019e (under construction)	2019e (under constuction)
Main tenants	EDEKA, Perbility, Bosch, IG Metall	Barmer, ...	Barmer, ...
Leased area	6,100 m ²	8,200 m ²	6,200 m ²
Annual rental income	€ 0.8 million	€ 1.5 million	€ 1.2 million
WALT	8.5 years ⁽¹⁾	approx. 8 years	approx. 10 years
Gross initial yield	5.5 %	5.2 %	5.3 %
Purchase price	€ 15.0 million	€ 28.3 million	€ 22.8 million
Transfer of possession	July 2019e	Q4 2019/Q1 2020e	Q4 2019/Q1 2020e

(1) As of date of signing

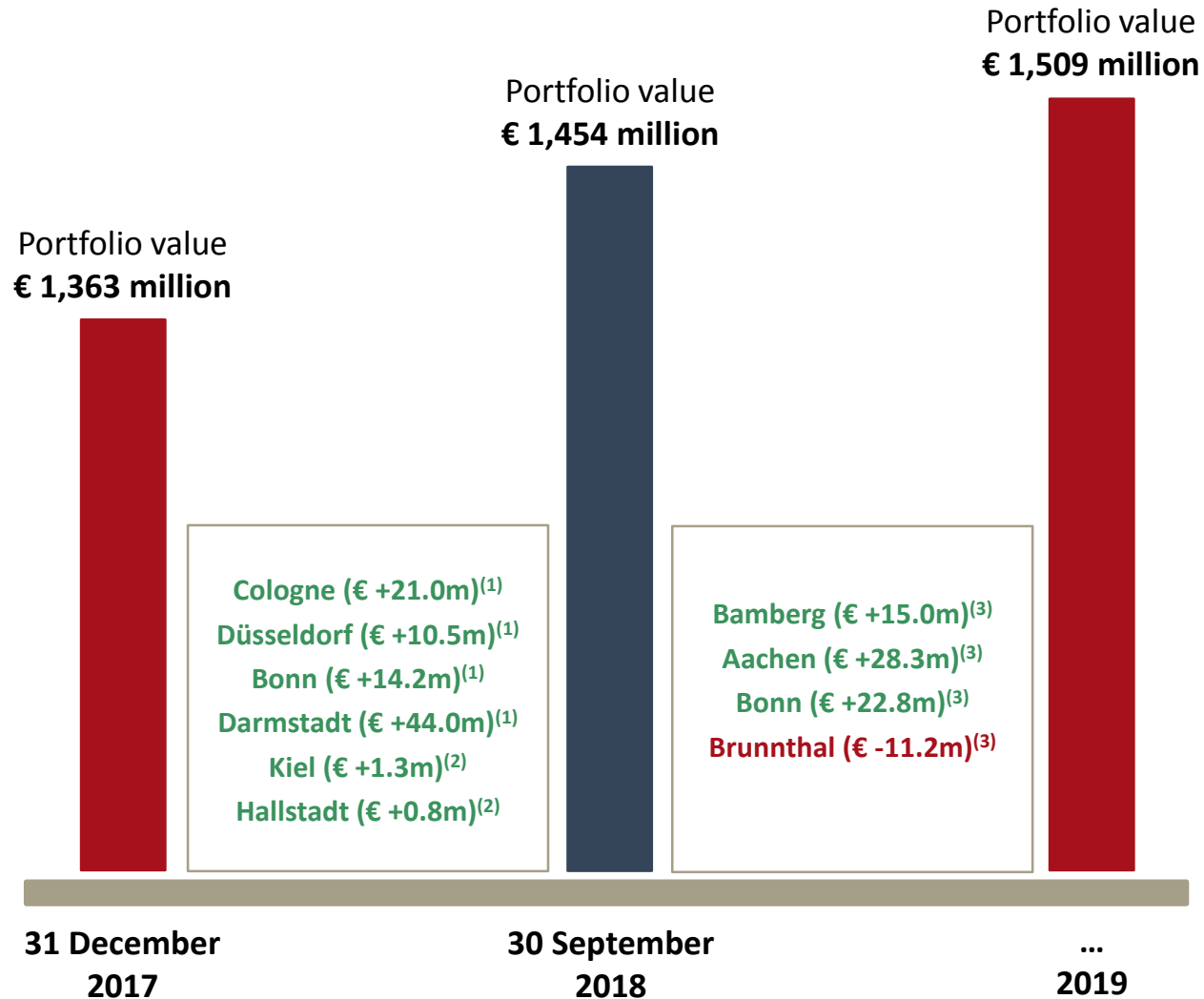


Brunnthal

Selling price:	€ 11.2 million
Fair value as of 31 Dec 2017:	€ 11.1 million
Book value as of 30 Sep 2018:	€ 10.2 million
Book profit	€ 1.0 million
Transfer of possession:	Q4 2018e

Undeveloped Land

Plot size:	200,000 m ²
Selling price:	€ 0.8 million
Book value as of 31 Dec 2017:	€ 0.2 million
Book profit	€ 0.6 million
Transfer of possession:	Q4 2018e



(1) Fair value as of 30 September 2018

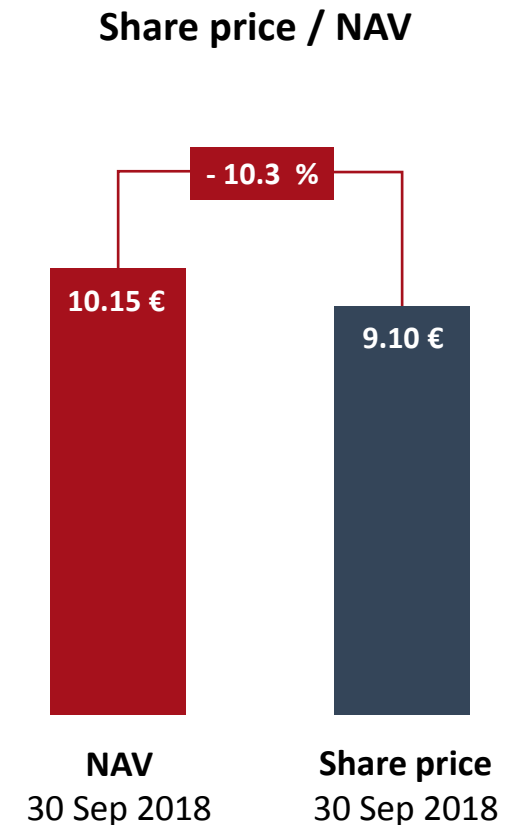
(2) Fair value increase in 2018

(3) Contractually agreed purchase/selling price

Net Asset Value (NAV) in accordance with EPRA

Share price 10.3 % below NAV (as of 30 September 2018)

NAV according to EPRA in € million	30 Sep 2018	30 Sep 2017
Balance sheet long-term assets	1,171.1	1,081.1
+ Balance sheet short-term assets	31.5	44.1
- Non-current liabilities and provisions	-633.7	-525.8
- Current liabilities and provisions	-38.9	-51.0
Balance sheet NAV	530.0	548.4
+ hidden reserves "Investment property"	277.6	210.0
+ hidden reserves "Non-current assets held for sale"	1.6	0.0
NAV	809.2	758.4
NAV per share in €	10.15	9.51



Balance Sheet

IFRS

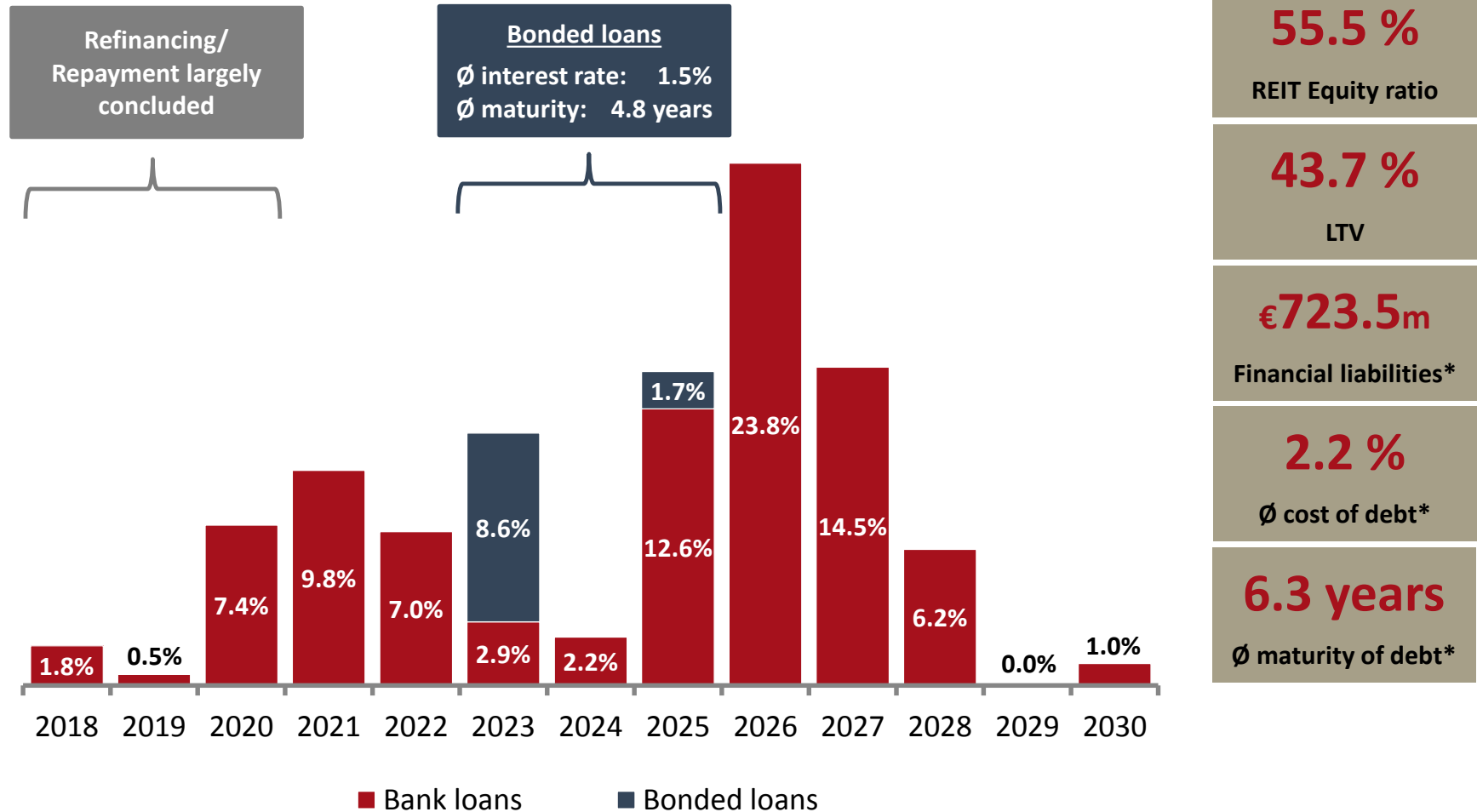
ASSETS in € million	30 Sep 2018	31 Dec 2017
Non-current assets	1,171.1	1,114.0
<i>Investment Properties</i>	<i>1,166.1</i>	<i>1,109.2</i>
<i>Other</i>	<i>5.0</i>	<i>4.8</i>
Current assets	31.5	59.5
<i>Trade receivables and other assets</i>	<i>3.2</i>	<i>1.4</i>
<i>Cash and cash equivalents</i>	<i>17.9</i>	<i>58.1</i>
<i>Non-current assets held for sale</i>	<i>10.4</i>	<i>0</i>
Total assets	1,202.6	1,173.5

Equity and Liabilities in € million	30 Sep 2018	31 Dec 2017
Equity	528.3	548.1
Financial liabilities and derivative financial instruments	651.9	598.2
Other liabilities and provisions	22.4	27.2
Total equity and liabilities	1,202.6	1,173.5

Equity ratio
43.9 %

Stable and predictable cost of debt

Expiration of financial liabilities (as of 30 September 2018)



Conclusion and outlook

Conclusion/Summary

- Strong first three quarters 2018 with positive development of operational business
- Vacancy rate: **1.1%**
- Transfer of possession of four assets in Cologne, Düsseldorf, Bonn and Darmstadt
- Purchase contracts signed for three further assets in Bamberg, Aachen and Bonn
- Portfolio value: **€ 1.45 billion**

Forecast 2018

- Rental income: **+ 12 %**
- FFO: **+ 13 - 15 %**
- FFO per share: **€ 0.63 - € 0.65**
- Remaining fire power: **€ 80 - 100 million**

HAMBORNER REIT AG - Financial Calendar	
Interim Report for 3rd quarter 2018	8 November 2018
Preliminary figures 2018	7 February 2019
Annual report 2018	27 March 2019
Interim Report for 1st quarter 2019	2 May 2019
AGM 2019	7 May 2019
Interim Report for 1st half 2019	1 August 2019
Interim Report for 3rd quarter 2019	7 November 2019

Many thanks for your attention!



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