



hamborner
REIT



ZUKUNFT BRAUCHT SUBSTANZ

Company presentation

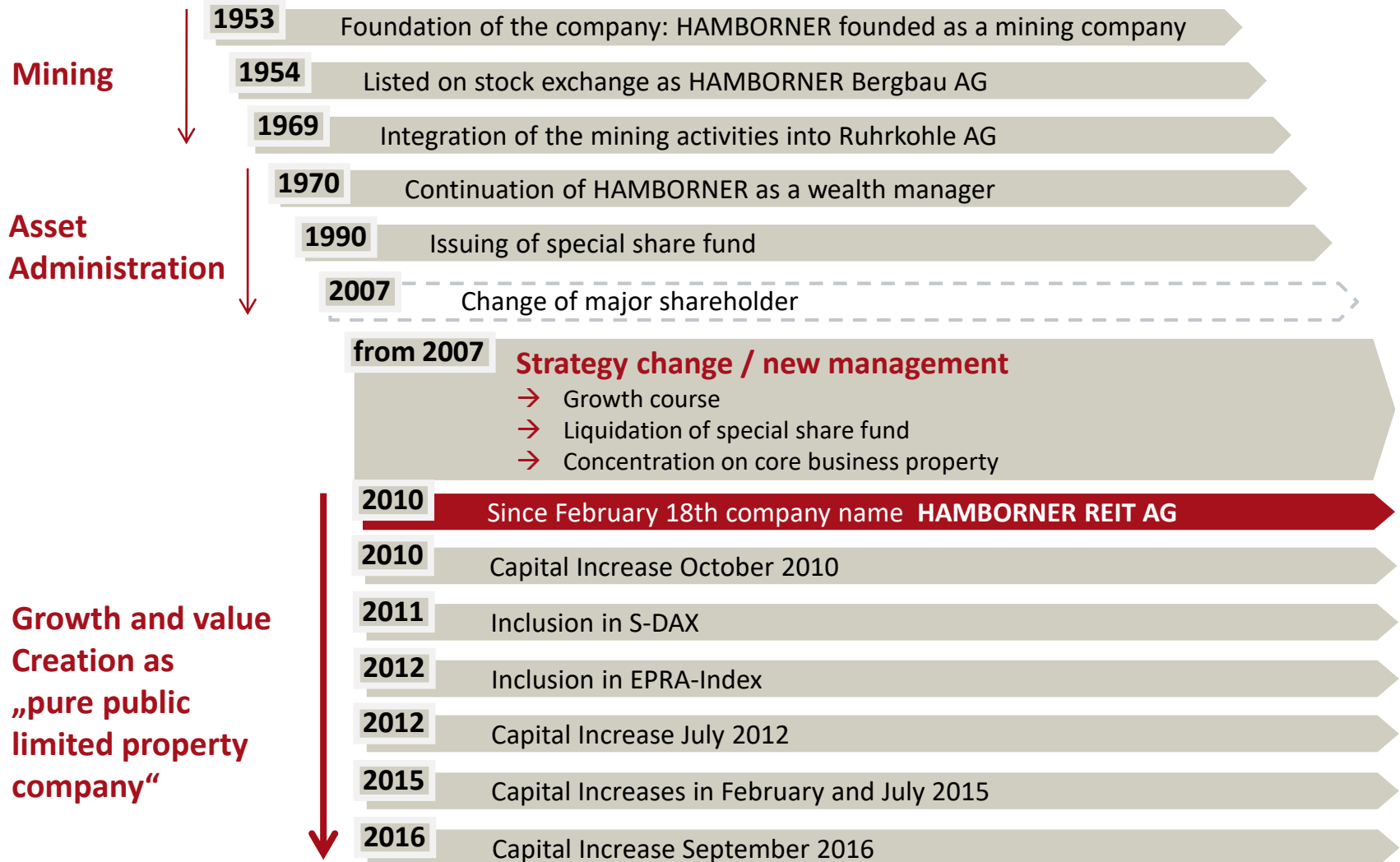
Preliminary figures 2019

February 2020

1	History / Capital markets track record
2	Portfolio-Management
3	Asset-Management
4	Financial Figures / Financial Position

History / Capital markets track record

Historical development of the company



History / Capital markets track record

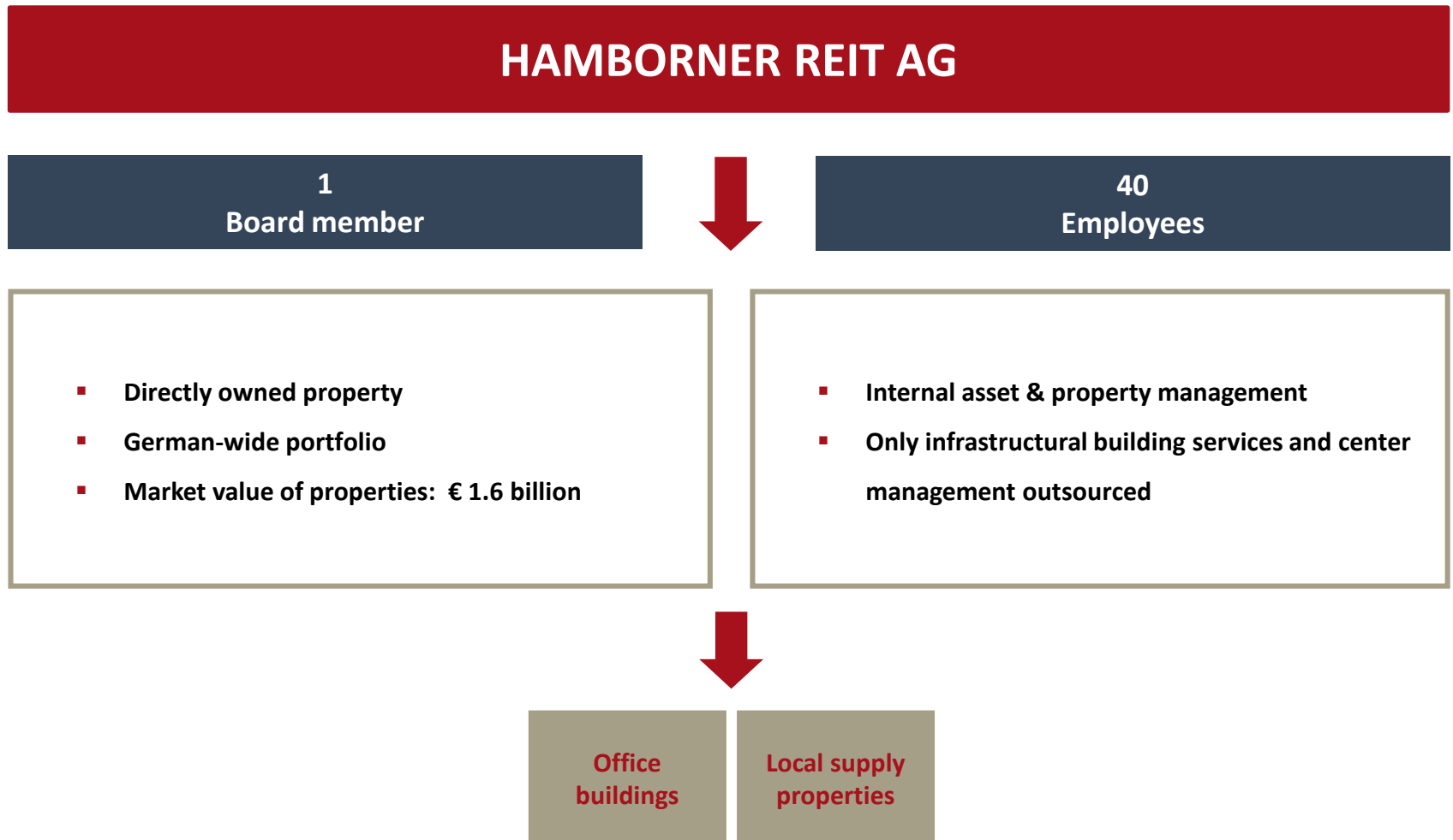
[R]eal [E]state [I]nvestment [T]rust (REIT)

Requirements for G-REITs

- Listing on the regulated market
- at least 45 % equity-ratio
- > 15% free float
- > 75% of assets must be real estate assets
- > 75% of revenues must stem from real estate assets
- > 90% of net income has to be paid as dividends each year
- < 10% direct holding in shares

History / Capital markets track record

Lean corporate structure – no holding/parent companies



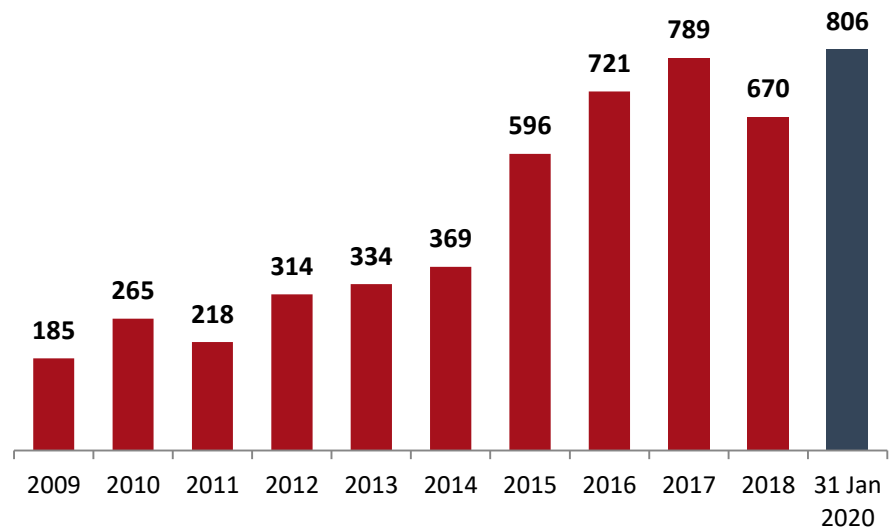
History / Capital markets track record

Growing market capitalization and increasing free float

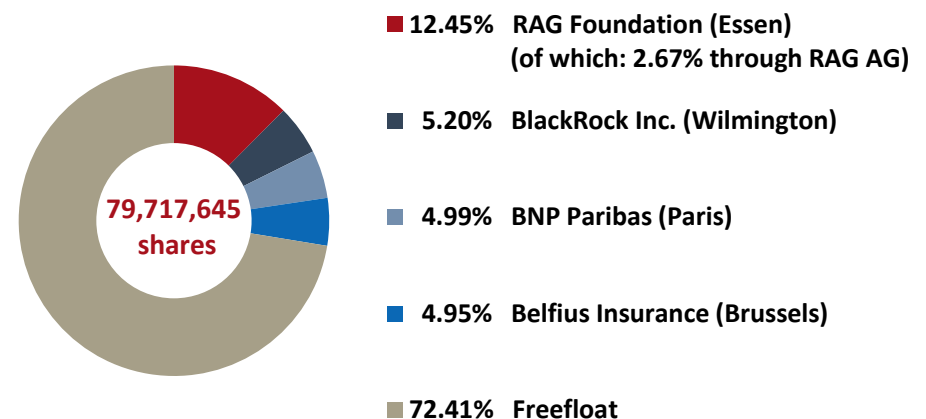
Milestones

- **2007:** Start of new strategy
- **2010:** Achievement of G-REIT status and change of company name to HAMBORNER REIT AG
- **October 2010:** Capital Increase – net proceeds of approx. € 76m
- **February 2011:** Secondary placement of approx. € 89 million HSH stake
- **March 2011:** SDAX index inclusion
- **March 2012:** EPRA index inclusion
- **July 2012:** Capital Increase – 11,373,333 new shares, net proceeds of approx. € 71.4m
- **Feb 2015:** Capital Increase – 4,549,332 new shares, gross proceeds of approx. € 40.9m – RAG Foundation new shareholder
- **July 2015:** Capital Increase – 11,959,948 new shares, net proceeds of approx. € 101.6m
- **September 2016:** Capital Increase – 17,715,032 new shares, net proceeds of approx. €161.5m
- **May 2018:** New Authorisation to issue option and convertible bonds

Market cap (€ million)



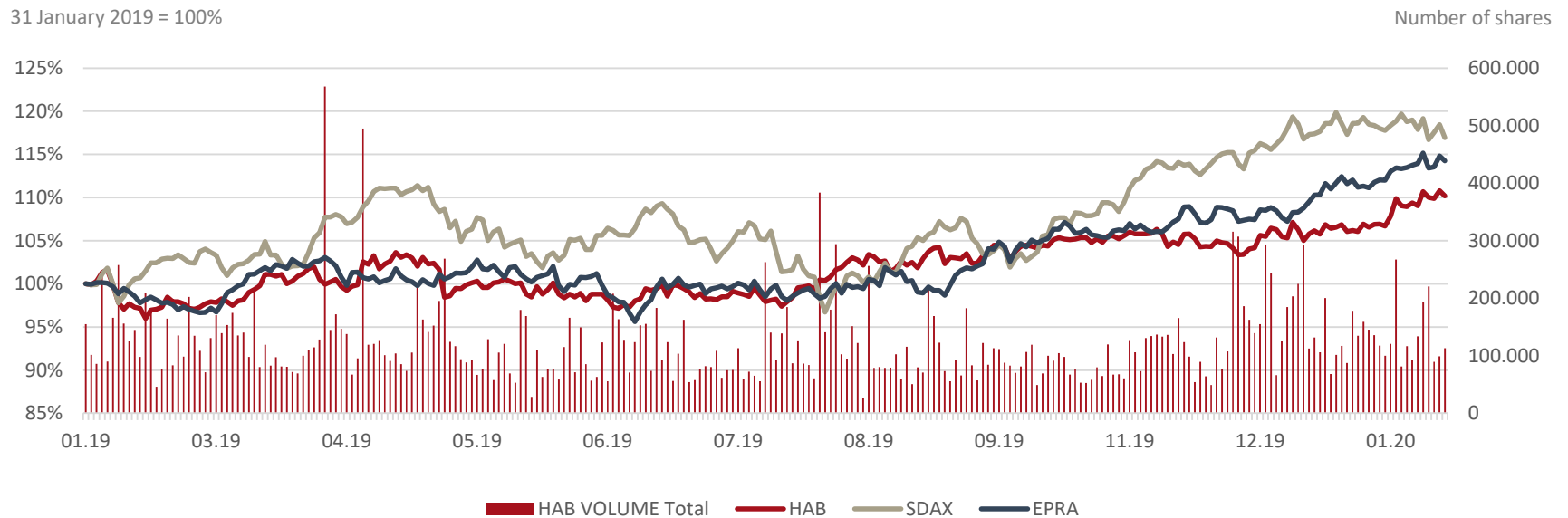
Shareholders



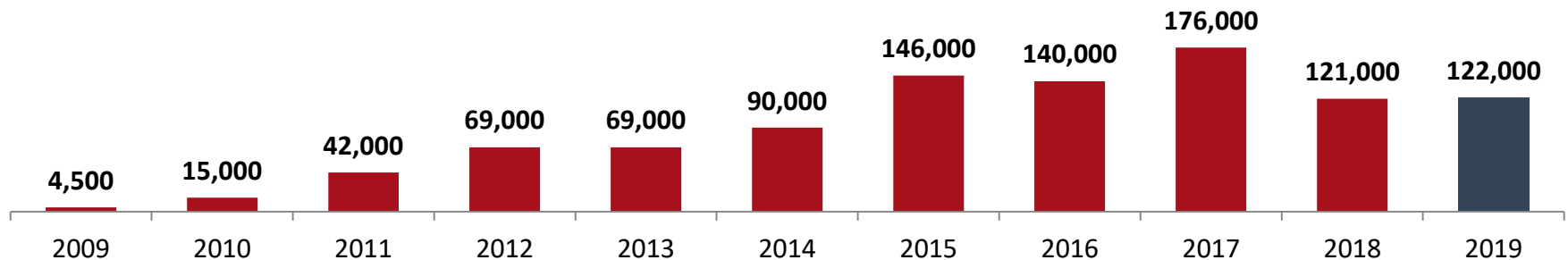
History / Capital markets track record

HAMBORNER REIT AG share

Development of share price and turnover (1 year)



Average turnover per day (# shares)



1	History / Capital markets track record
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Portfolio-Management

Well defined acquisition strategy

Acquisition strategy

- Regional diversification in high-growth regions in West, South and South-West Germany
- Focus on cities with positive demographic development, growing purchasing power, high centrality and positive future opportunities (→ Top 50-cities)
- Acquisitions from €10 million
- Off-market deals preferred

Asset focus

Focus on quality properties, location and property strategy determined by asset type:

Office properties

Modern office buildings built or redeveloped from the year 2010 onwards at established office locations with a catchment area >100,000 inhabitants

Local supply properties

Large-scale retail assets, retail parks, hypermarkets, DIY stores and commercial buildings in city centre locations, district centres and highly frequented edge-of-town sites, nationally in locations with a catchment area >60,000 inhabitants

- **Diversified commercial real estate portfolio structure with clear yield-orientation**
- **Creating value through continuous expansion of portfolio, benefit from scale-effects and active portfolio management**

Portfolio-Management

Acquisition strategy | TOP 50 Cities in Germany



High attractiveness in terms of

- Demographic development
- Purchase power
- Centrality
- Future opportunities

Aachen*
Aschaffenburg
Augsburg*
Bad Homburg*
Bamberg*
Bayreuth*
Berlin*
Böblingen
Bonn*
Braunschweig
Cologne*
Darmstadt*
Dresden*
Düsseldorf*
Erlangen*
Esslingen am Neckar
Frankfurt am Main*
Freiburg im Breisgau*
Friedrichshafen
Fürth*
Göttingen
Hamburg*
Hanover
Heidelberg
Heilbronn
Ingolstadt*
Karlsruhe*
Kempten
Koblenz*
Konstanz
Landshut
Leipzig*
Ludwigsburg
Mainz
Mannheim*
Munich*
Münster*
Nürnberg
Oldenburg*
Passau*
Pforzheim
Regensburg*
Reutlingen
Sindelfingen
Stuttgart*
Tübingen*
Ulm
Wiesbaden*
Wolfsburg
Würzburg

* HAMBORNER location

Portfolio-Management

Balanced portfolio with 100% German focus

Geographical portfolio spread

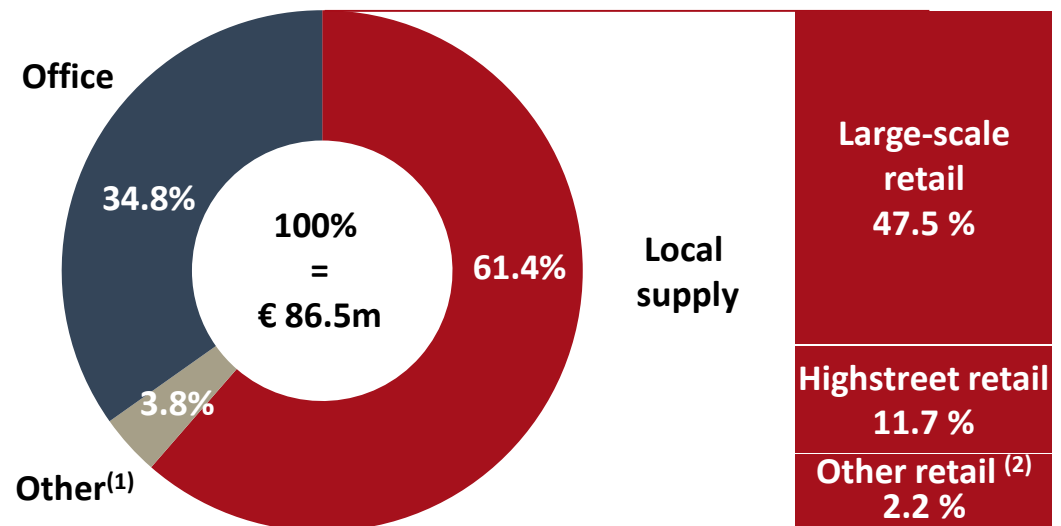


- Acquisitions before 2007
- Acquisitions since 2007
- Purchase contract signed

Diversification of asset types

- 80 properties in 60 cities in Germany
- Focus on West, South and South-West
- € 1.614 billion portfolio value

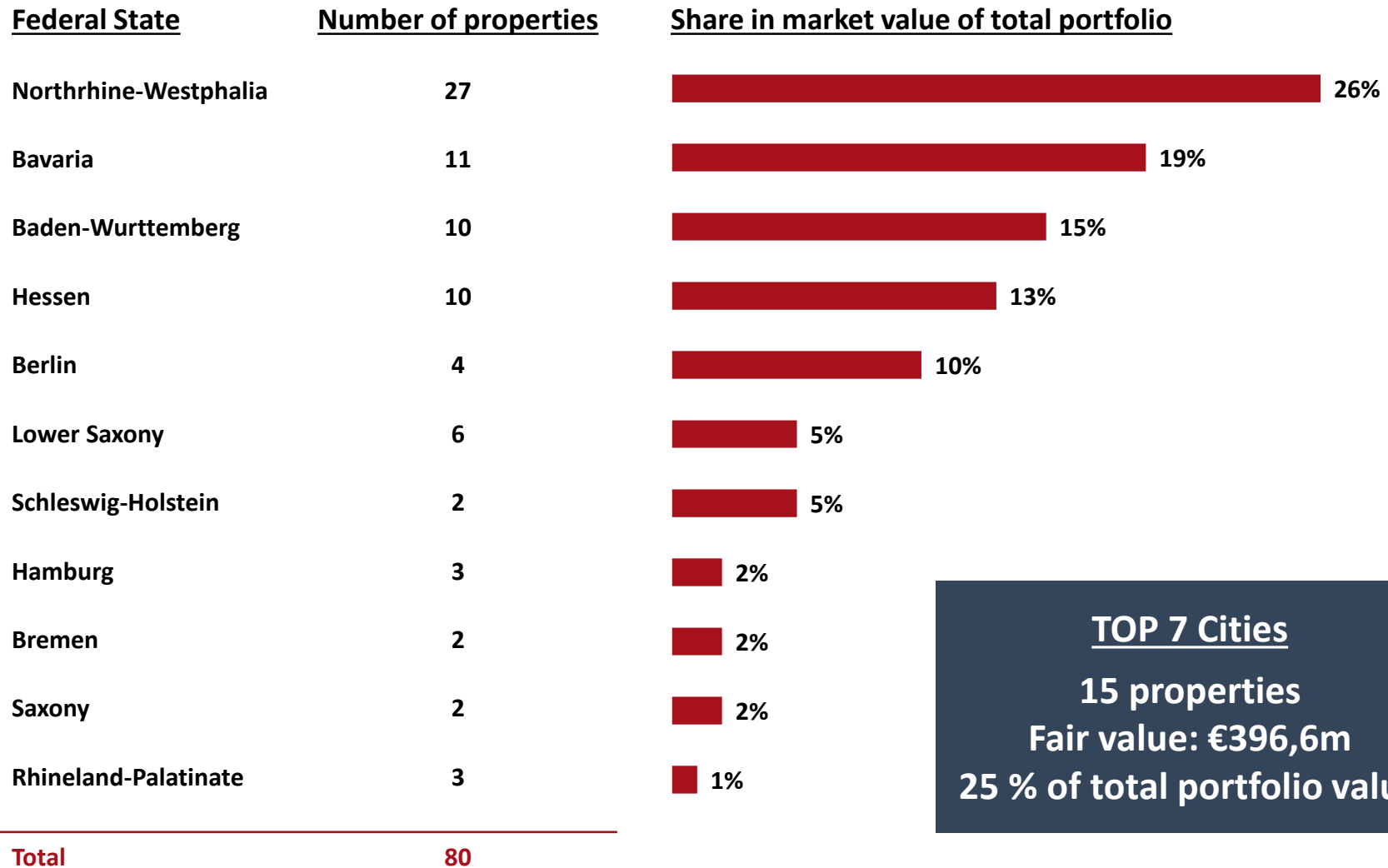
Annualised rental income



- (1) Residential units, restaurants, catering, fitness, storage space, parking spaces, short-term leases
- (2) Smaller retail spaces < 1,200 m² in mixed-used assets

Portfolio-Management

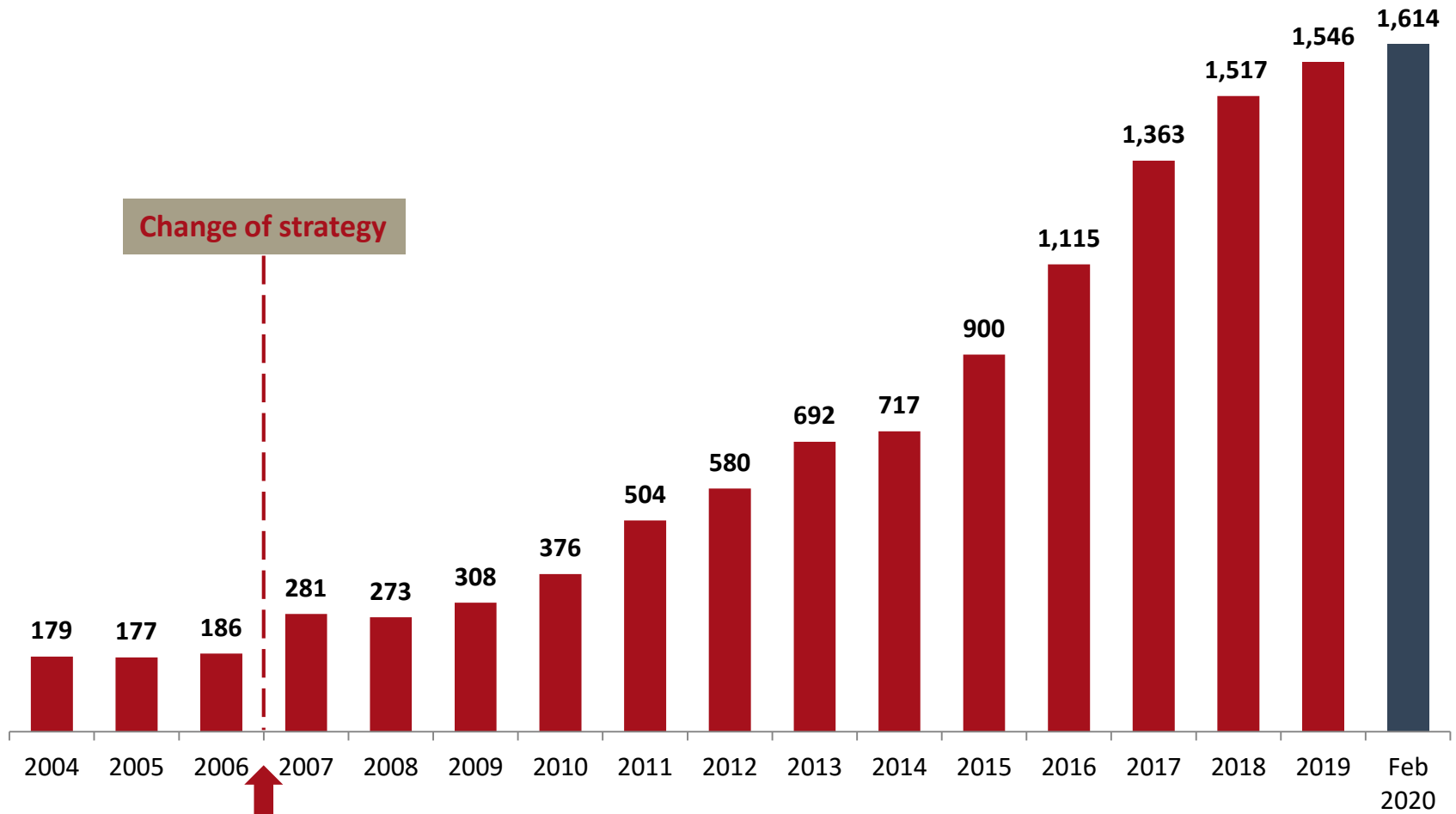
Regional diversification



Portfolio-Management

Portfolio Development

Development of the HAMBORNER portfolio value (in € million)

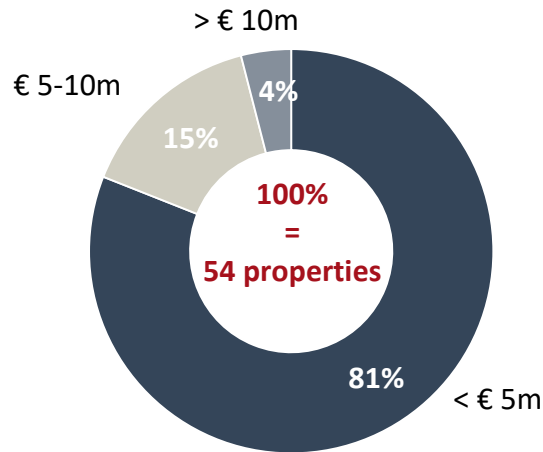


Portfolio-Management

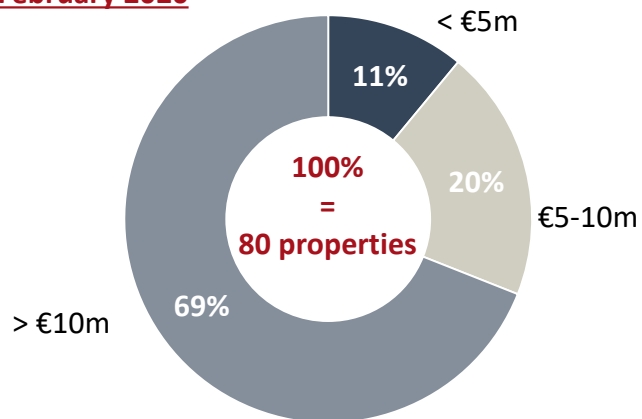
Portfolio structure

Portfolio split by property value

31 December 2006

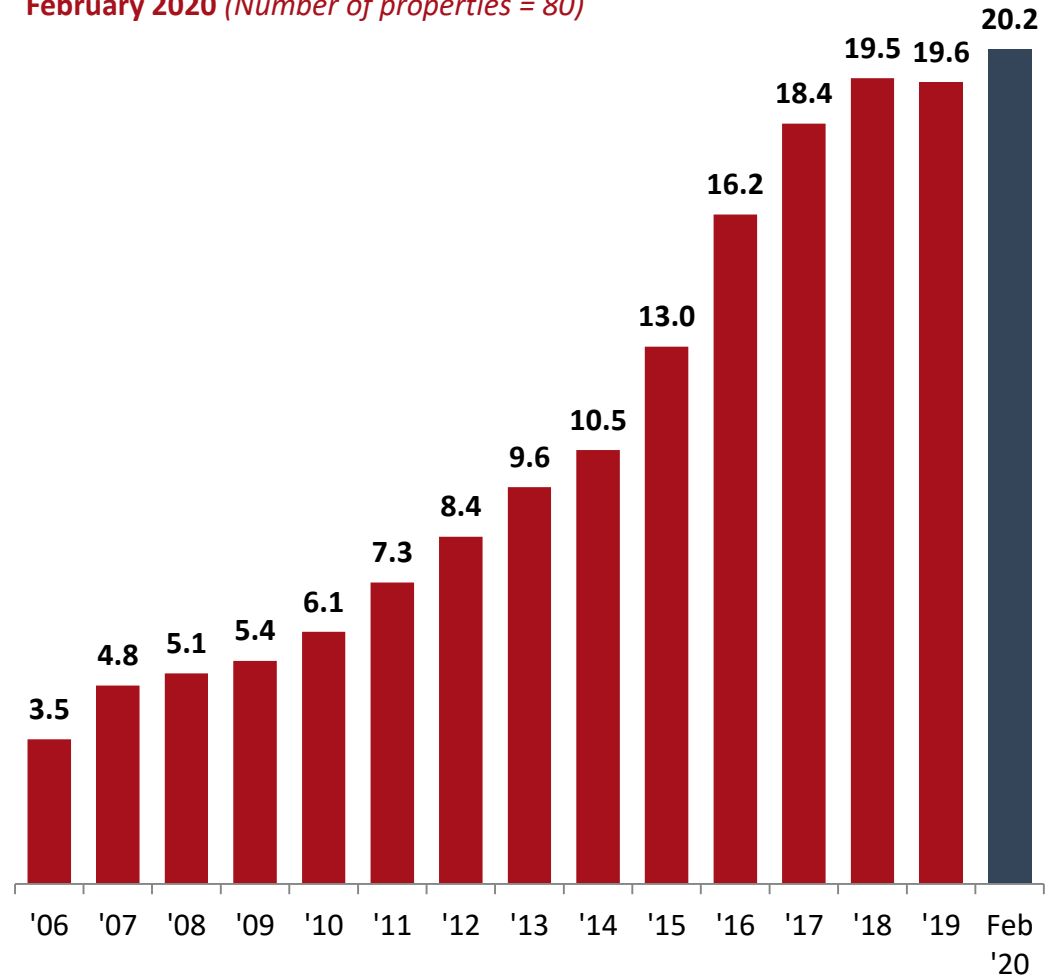


February 2020



Average value per asset (in € million)

February 2020 (Number of properties = 80)



Investments 2019



Bamberg
Starkenfeldstrasse



Lengerich
Alwin-Klein-Strasse

Asset type	Local supply/Large-scale retail & office	Local supply/Large-scale retail
Built	2013	2019
Main tenants	EDEKA, Perbily, Bosch BKK, IG Metall	EDEKA, Deichmann, Takko
Leased area	6,160 m ²	4,600 m ²
Annual rental income	€ 0.84 million	€ 0.73 million
Remaining lease term	8 years ⁽¹⁾	13 years ⁽¹⁾
Gross initial yield	5.6 %	5.2 %
Purchase price	€ 14.9 million	€ 14.2 million
Transfer of possession	1 July 2019	31 October 2019

(1) As of date of signing

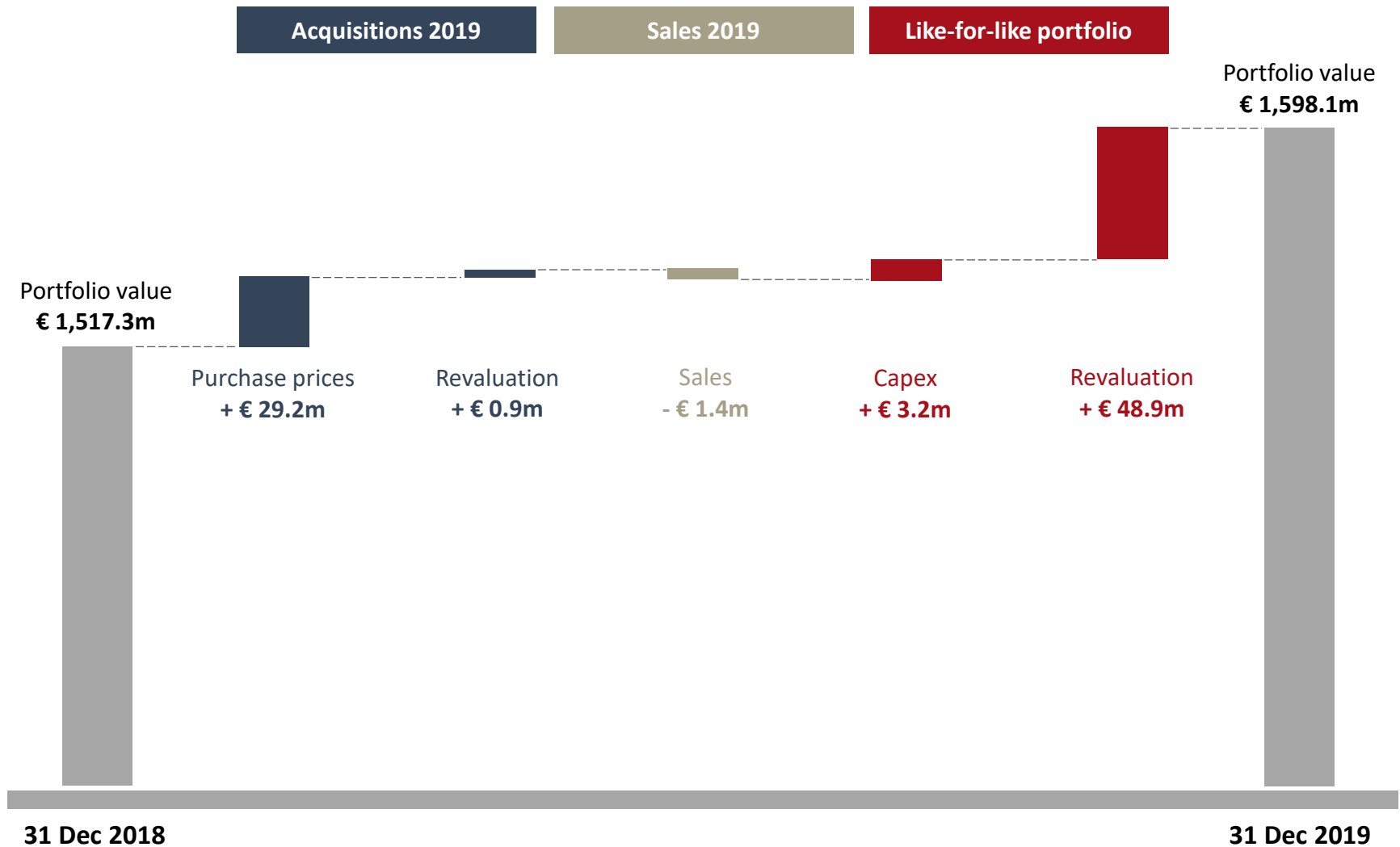
Divestment 2019



Leverkusen

Asset type:	Local supply/High street retail
Selling price:	€ 1.6 million
Fair value as of 31 December 2018:	€ 1.4 million
Contribution to earnings:	€ 0.1 million
Transfer of possession:	3 September 2019

Portfolio development 2019



Portfolio-Management

Investments 2019

Transfer of possession 2020



Neu-Isenburg
Siemensstrasse

Asset type	Office
Built	2019 (under construction)
Main tenants	UBL, ...
Leased area	4,500 m ²
Annual rental income	€ 0.9 million
Remaining lease term	approx. 8 years ⁽¹⁾
Gross initial yield	5.4 %
Purchase price	€ 16.1 million
Transfer of possession	1 January 2020

(1) As of date of signing (subject to minor changes due to additional lease contracts)

Investments 2019

Transfer of possession 2020



Bonn
Krähenhorst/Soenneckenstrasse



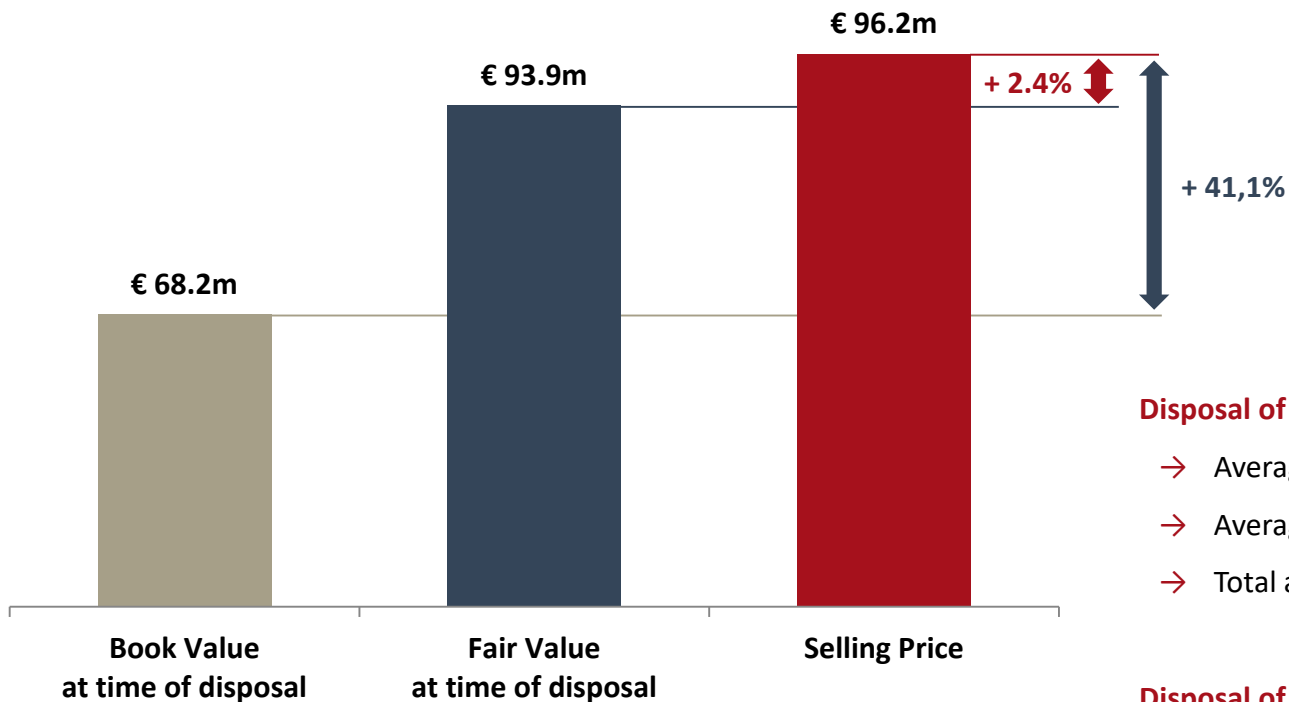
Aachen
Gut-Dämme-Strasse/Grüner Weg

Asset type	Office	Office
Built	2019 (under construction)	2019 (under construction)
Main tenants	Barmer, ...	Barmer, ...
Leased area	6,200 m ²	8,200 m ²
Annual rental income	€ 1.2 million	€ 1.5 million
Remaining lease term	approx. 10 years ⁽¹⁾	approx. 8 years ⁽¹⁾
Gross initial yield	5.3 %	5.2 %
Purchase price	€ 22.8 million	€ 28.3 million
Transfer of possession	Q1 2020e	Q1 2020e

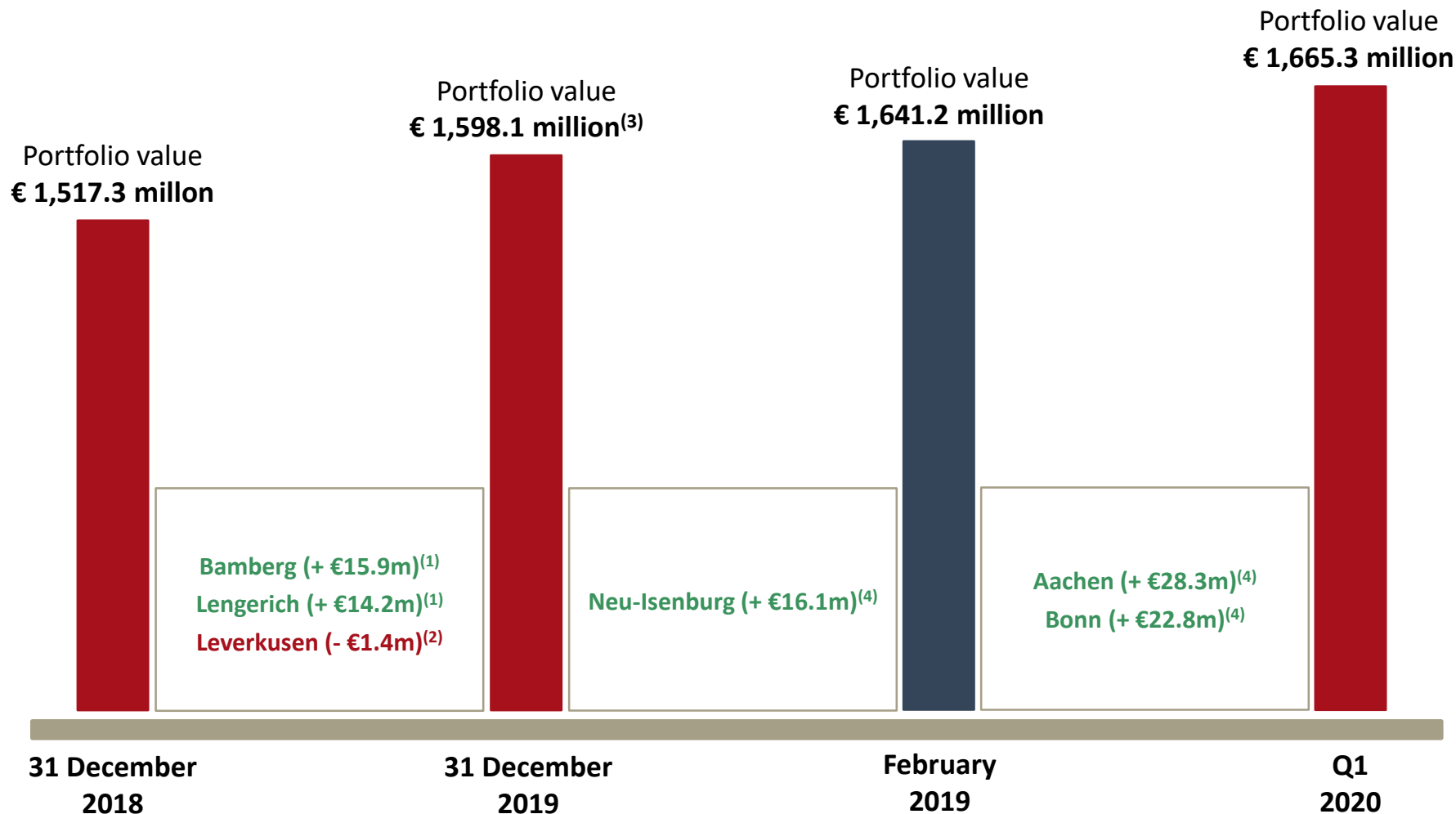
(1) As of date of signing (subject to minor changes due to additional lease contracts)

Portfolio-Management

Divestments since change of strategy in 2007



Portfolio development 2019/2020

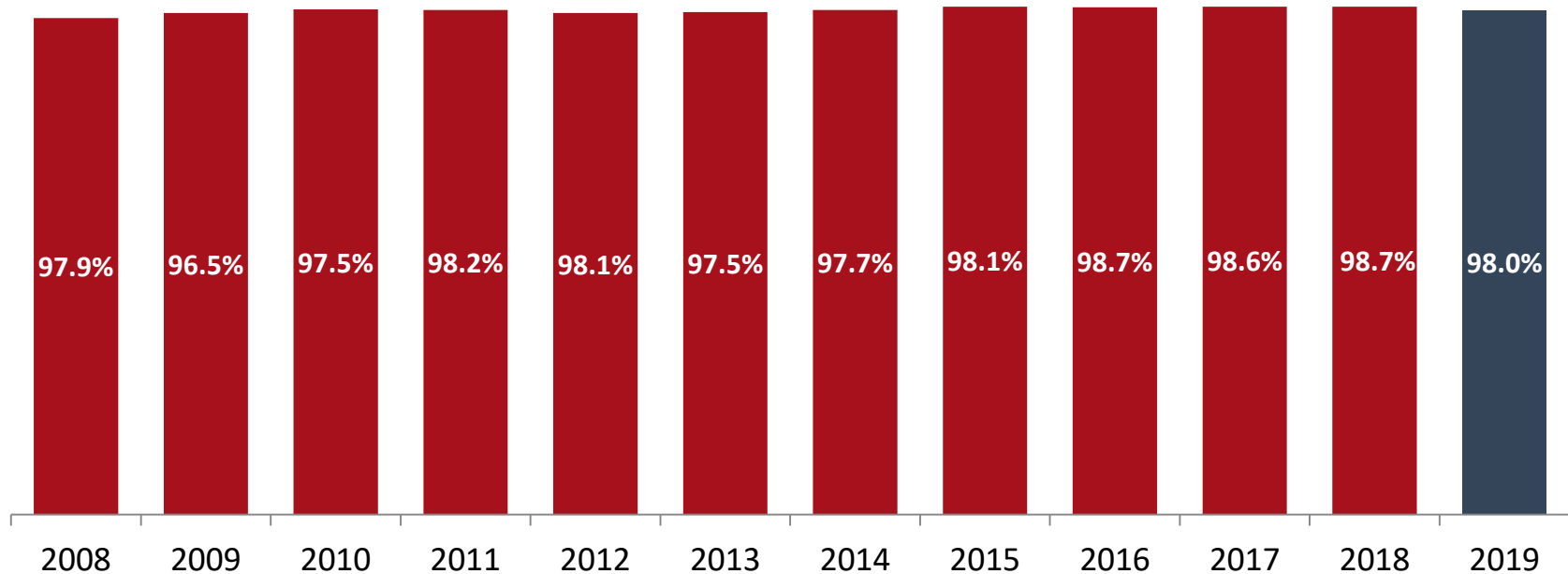


- (1) Fair value as of 31 December 2019
- (2) Fair value as of 31 December 2018
- (3) Incl. revaluation gains as of 31 December 2019
- (4) Contractually agreed purchase price

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High and stable occupancy

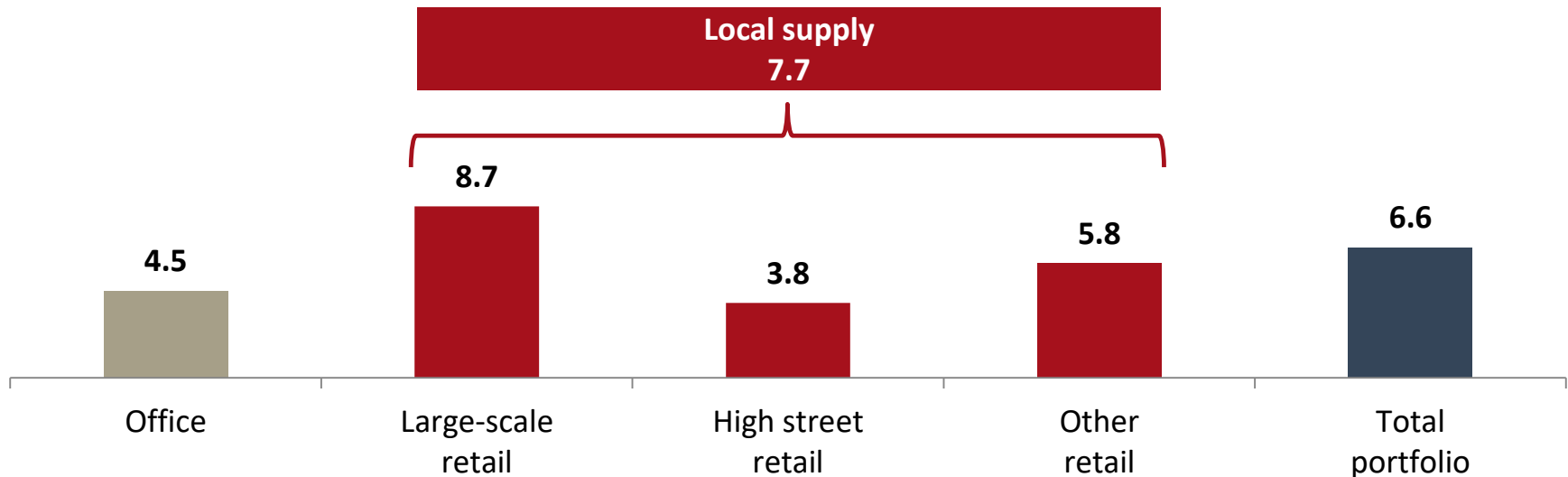
Occupancy rates



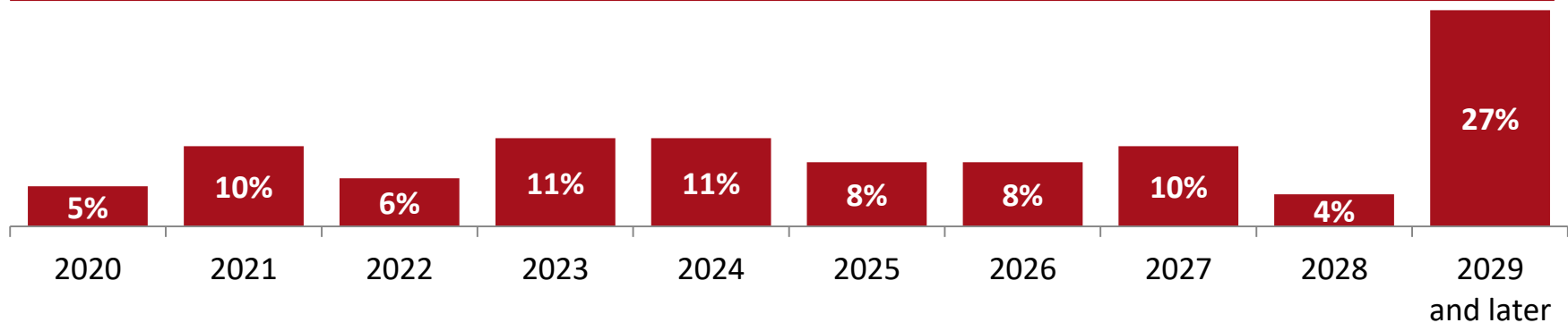
- Vacancy rate as of 31 December 2019 (incl. rent guarantees): 2.0 %
- Vacancy rate as of 31 December 2019 (excl. rent guarantees): 2.1 %

Long-term leases

Weighted average lease expiry by type (in years; 31 December 2019)





Split of lease contracts expiring by year (% of annual rents; as of 31 December 2019)



Solid tenants

Top 10 tenants (as of 31 December 2019)

	Tenant	Sector	% annual rents*
	EDEKA Group	Food retail	12.0%
	Kaufland Group	Food retail	5.9%
	REWE Group	Food retail	5.5%
	real,-	Food retail	5.4%
	OBI	DIY retail	5.0%
	Jobcenter	Agency of unemployment	3.3%
	NetCologne	Telecommunication	2.0%
	Globus DIY stores	DIY retail	2.0%
	C&A	Textile retail	1.6%
	ALDI	Food retail	1.6%
	Total		44.3%

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Financial Figures / Financial Position

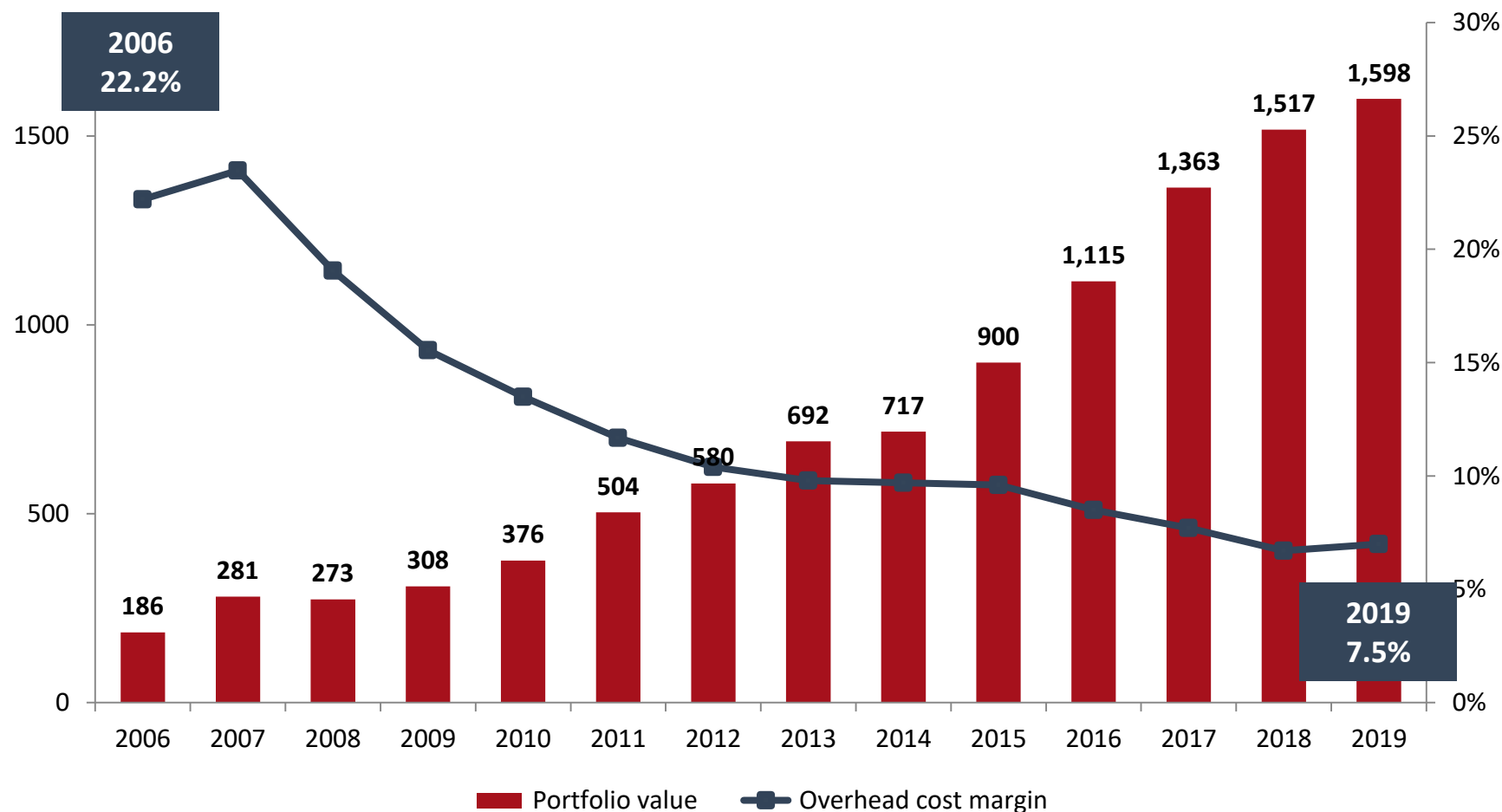
Significant preliminary key figures 2019

	2019	2018	Change
Income from rents and leases	€ 85.2 million	€ 62,5 million	+2.1%
Operating result	€ 33.3 million	€ 26,6 million	+1.5%
Profit for the period	€ 17.9 million	€ 15,1 million	-7.8%
<i>thereof result from sales</i>	€ 0.1 million	€ 1.6 million	
Funds from operations (FFO)	€ 54.3 million	€ 52.7 million	+3.1%
Funds from operations (FFO) per share	€ 0.68	€ 0.66	+3.1%
	31 Dec 2019	31 Dec 2018	Change
REIT equity ratio	57.3%	56.4%	+0.9%-points
Loan to value (LTV)	42.4%	42.5%	-0.1%-points
Net asset value (NAV) per share	€ 11.59	€ 10.79	+7.4%

Financial Figures / Financial Position

Benefitting from economies of scale

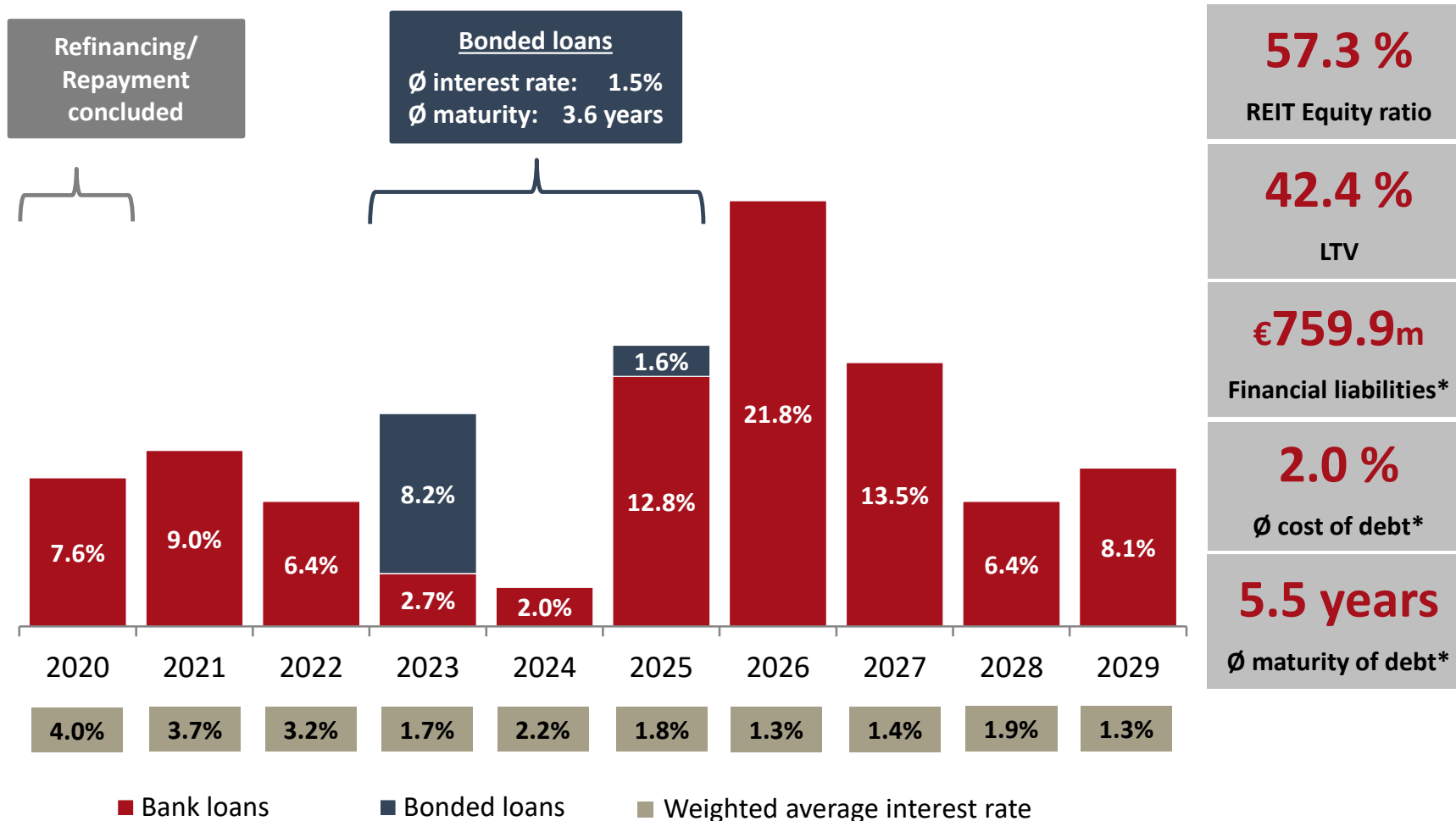
Portfolio value (€ million) and overhead cost margin*



Financial Figures / Financial Position

Financial liabilities

Expiration of financial liabilities (as of 31 December 2019)

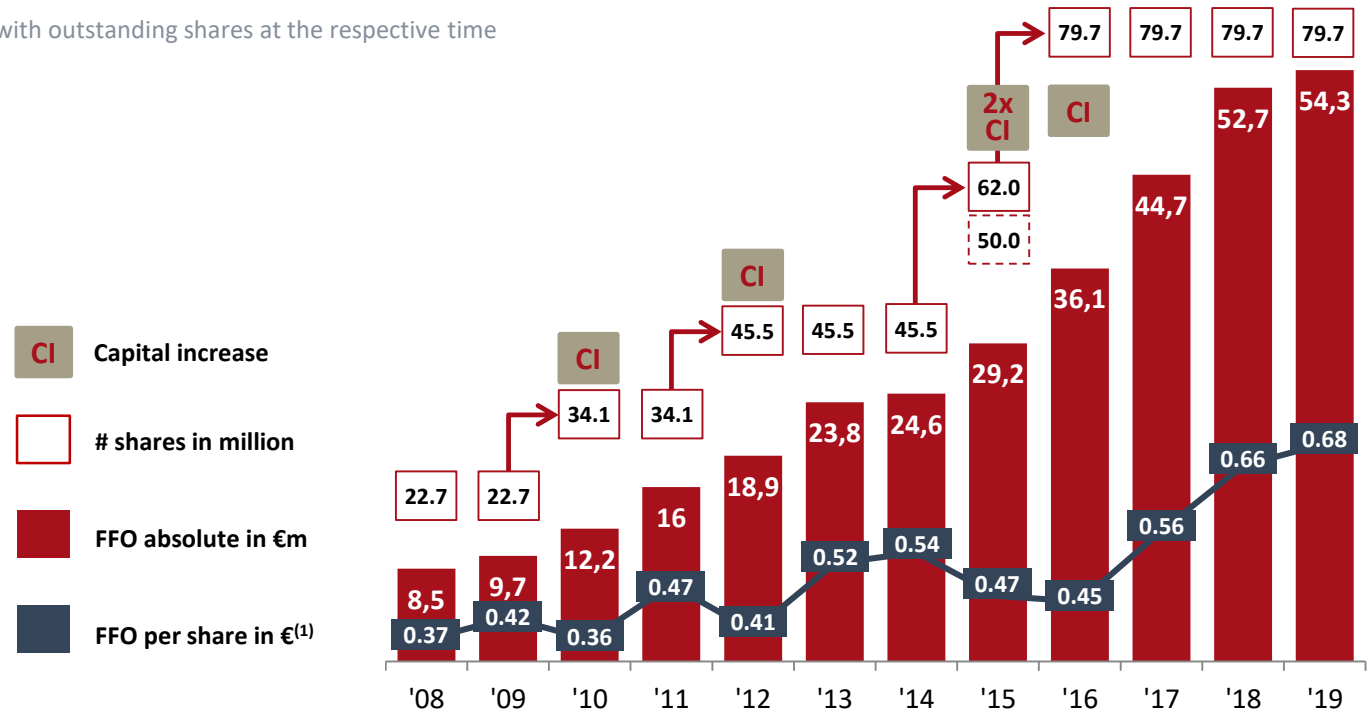


Financial Figures / Financial Position

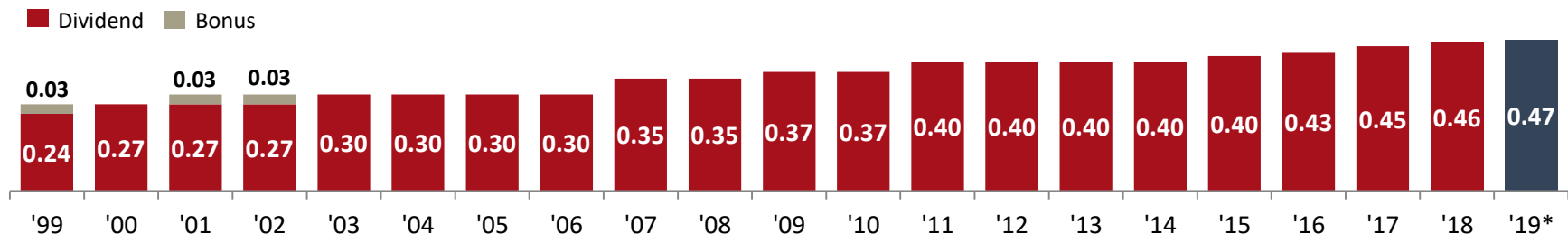
Increasing FFO and dividend per share

Funds From Operations (FFO)

(1) Calculation of FFO per share with outstanding shares at the respective time



Dividend per share (€)



Financial Figures / Financial Position

Outlook

Forecast 2020

- Income from rents and leases: **+ 3%**
- Expected FFO at the **current record level**
- Forecast includes outstanding transfers of offices in Aachen and Bonn, but does not take into account further acquisitions or disposals
- Additional acquisitions in the course of 2020 would have a further positive effect on rental income and operating result
- Remaining fire power: **€ 130-150 million**
- Final figures for 2019 will be published on **26 March 2020**

Dividend outlook

- Continuation of reliable and sustainable dividend policy
- Dividend proposal to AGM 2020: **€ 0.47 (+2.2 %)**

HAMBORNER REIT AG - Financial Calendar	
Annual report 2019	26 March 2020
Quarterly financial report Q1 2020	5 May 2020
AGM 2020	6 May 2020
Dividend payment	11 May 2020
Half-year financial report H1 2020	30 July 2020
Quarterly financial report Q3 2020	11 November 2020

Many thanks for your attention!

TOP 10 Properties (1/2)



Mannheim
Kurpfalz Center



Munich
NuOffice



Berlin
EUREF Campus



Cologne
O³



Lübeck
Haerder Center

	Mannheim Kurpfalz Center	Munich NuOffice	Berlin EUREF Campus	Cologne O³	Lübeck Haerder Center
Asset type	Retail	Office	Office	Office	High Street
Year of acquisition	2016	2013	2013	2017	2016
Purchase price	€ 80.0 million	€ 40.1 million	€ 33.0 million	€ 48.9 million	€49.1 million
Fair value	€ 82.3 million ⁽¹⁾	€ 76.7 million ⁽¹⁾	€ 68.8 million ⁽¹⁾	€ 58.2 million ⁽¹⁾	€ 49.1 million ⁽¹⁾
Annual rental income	€ 4.2 million	€ 2.5 million	€ 2.4 million	€ 2.8 million	€ 2.4 million
Remaining lease term	5.1 years ⁽¹⁾	3.7 years ⁽¹⁾	4.5 years ⁽¹⁾	4.7 years ⁽¹⁾	5.2 years ⁽¹⁾
Main tenants	Real, Toys'R'Us, ALDI, dm, Adler Mode	Estée Lauder, Armani, Zielpuls	Deutsche Bahn, Schneider Electric	NetCologne	REWE, mytoys, KIK

(1) As of 31 December 2019

TOP 10 Properties (2/2)



Hallstadt
Market Oberfranken



Darmstadt



Karlsruhe



Celle



Hanau
Rondo Steinheim

	Hallstadt Market Oberfranken	Darmstadt	Karlsruhe	Celle	Hanau Rondo Steinheim
Asset type	Retail	Retail/office	Retail/Office	Retail	Retail
Year of acquisition	2017	2018	2012	2015	2017
Purchase price	€ 41.4 million	€ 42.8 million	€ 37.0 million	€ 35.2 million	€ 37.5 million
Fair value	€ 47.3 million ⁽¹⁾	€ 46.0 million ⁽²⁾	€ 52.2 million ⁽¹⁾	€ 44.7 million ⁽¹⁾	€ 41.8 million ⁽¹⁾
Annual rental income	€ 2.5 million	€ 2.3 million	€ 2.6 million	€ 2.3 million	€ 2.0 million
Remaining lease term	5.6 years ⁽¹⁾	5.3 years ⁽¹⁾	14.4 years ⁽¹⁾	8.8 years ⁽¹⁾	12.7 years ⁽¹⁾
Main tenants	Müller, tegut, C&A, Expert, ALDI	REWE, Herbalife, Alcan Systems	EDEKA, Brandmaker	Real, ALDI, Rossmann, tedox, Fressnapf	REWE, ALDI, dm, Deichmann

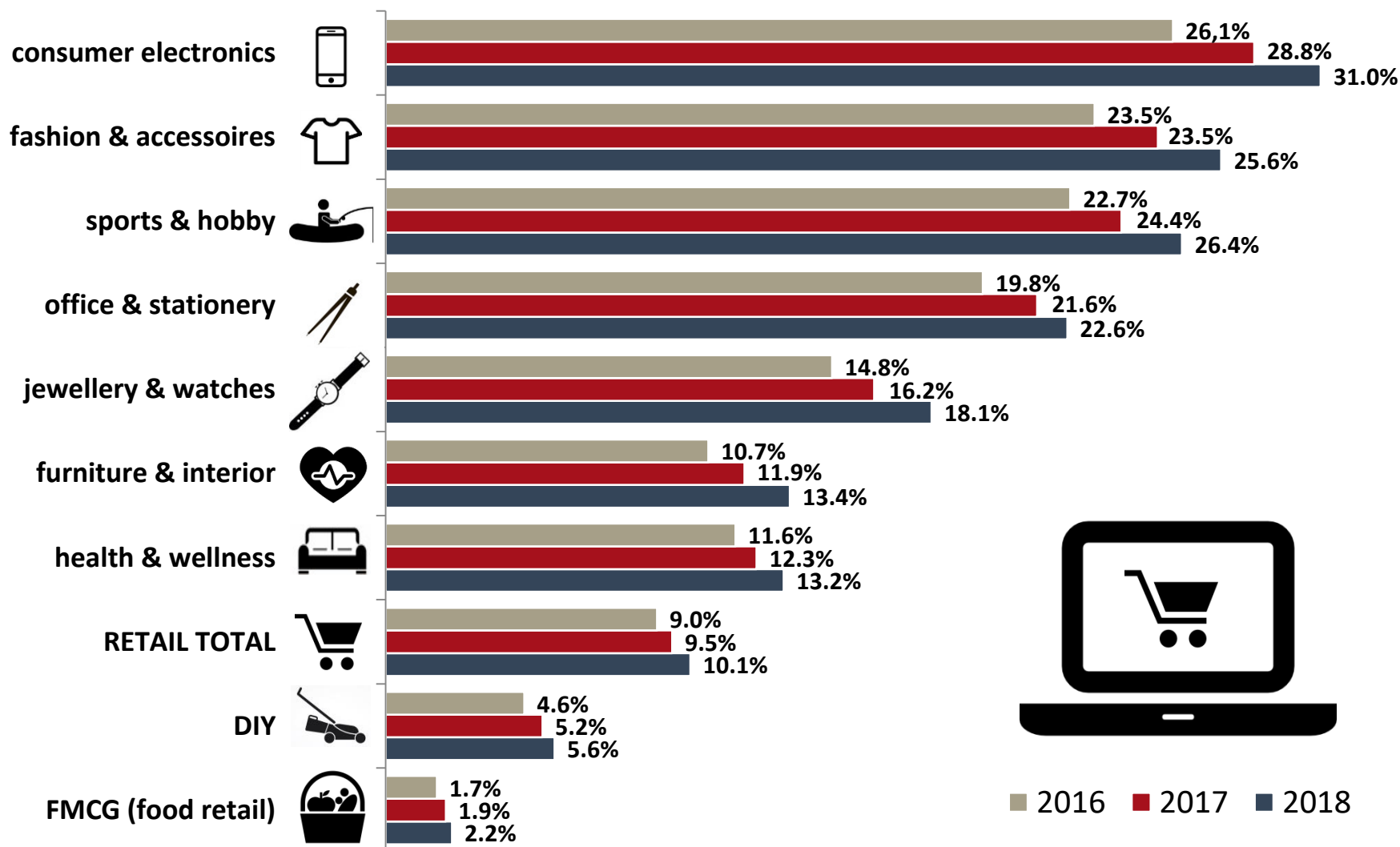
(1) As of 31 December 2019

Development of key figures since change of strategy

	31 Dec 2008		31 Dec 2019*
Rental income	€19.4m	+339 %	€85.2m
Funds from operations (FFO)	€8.5m	+539 %	€54.3m
FFO per share	€0.37	+84 %	€0.68
Dividend per share	€0.35	+34 %	€0.47
Net asset value (NAV) per share	€10.57	+10 %	€11.59
Number of shares	22.7m	+250 %	79.7m
Share price	€ 5.58	+75 %	€ 9.76

Appendix

Consumer purchasing behaviour in Germany Share of eCommerce in retail sales





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