



hamborner  
**REIT**



ZUKUNFT BRAUCHT SUBSTANZ

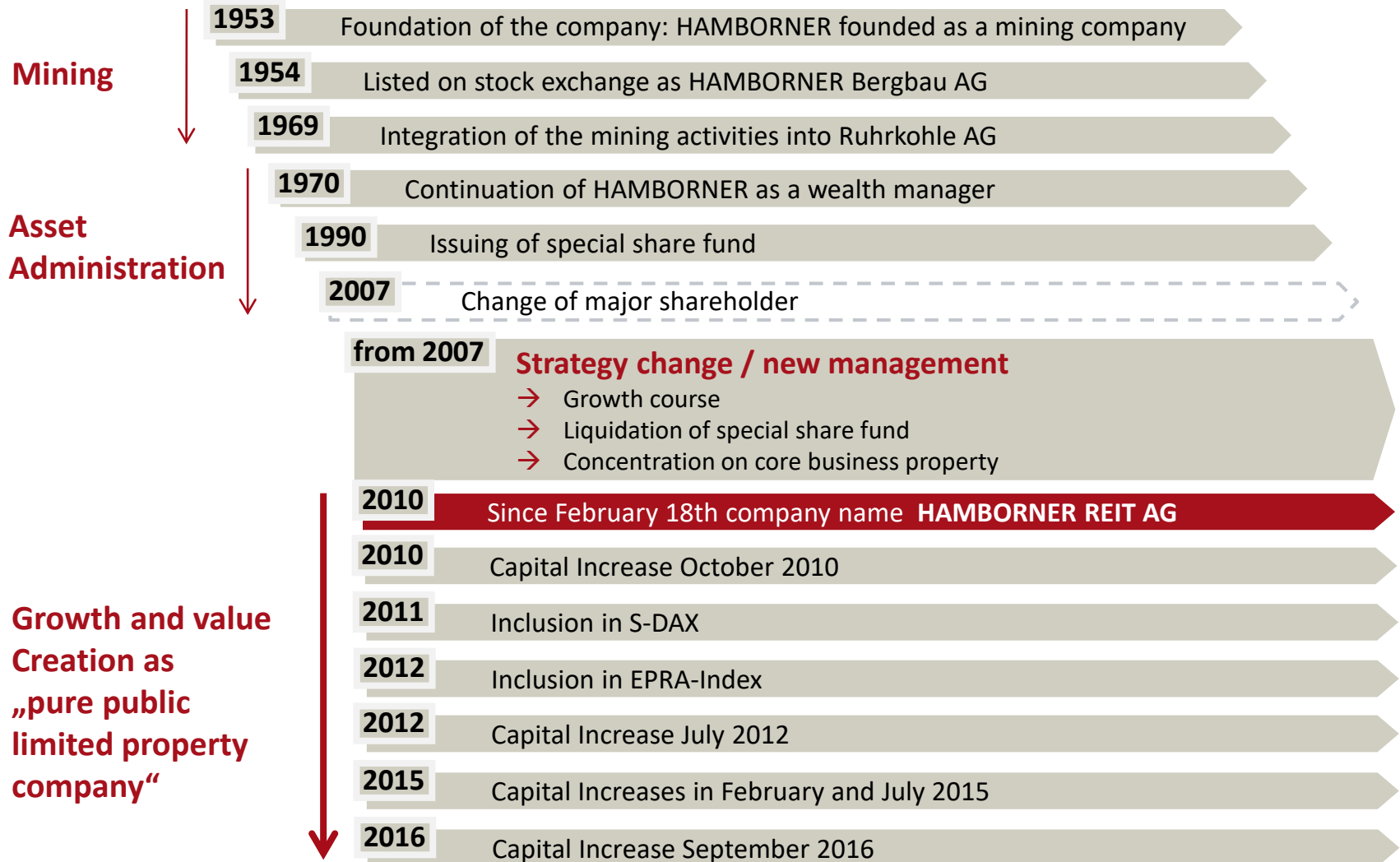
## Company presentation

November 2019

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

# History / Capital markets track record

## Historical development of the company



# History / Capital markets track record

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

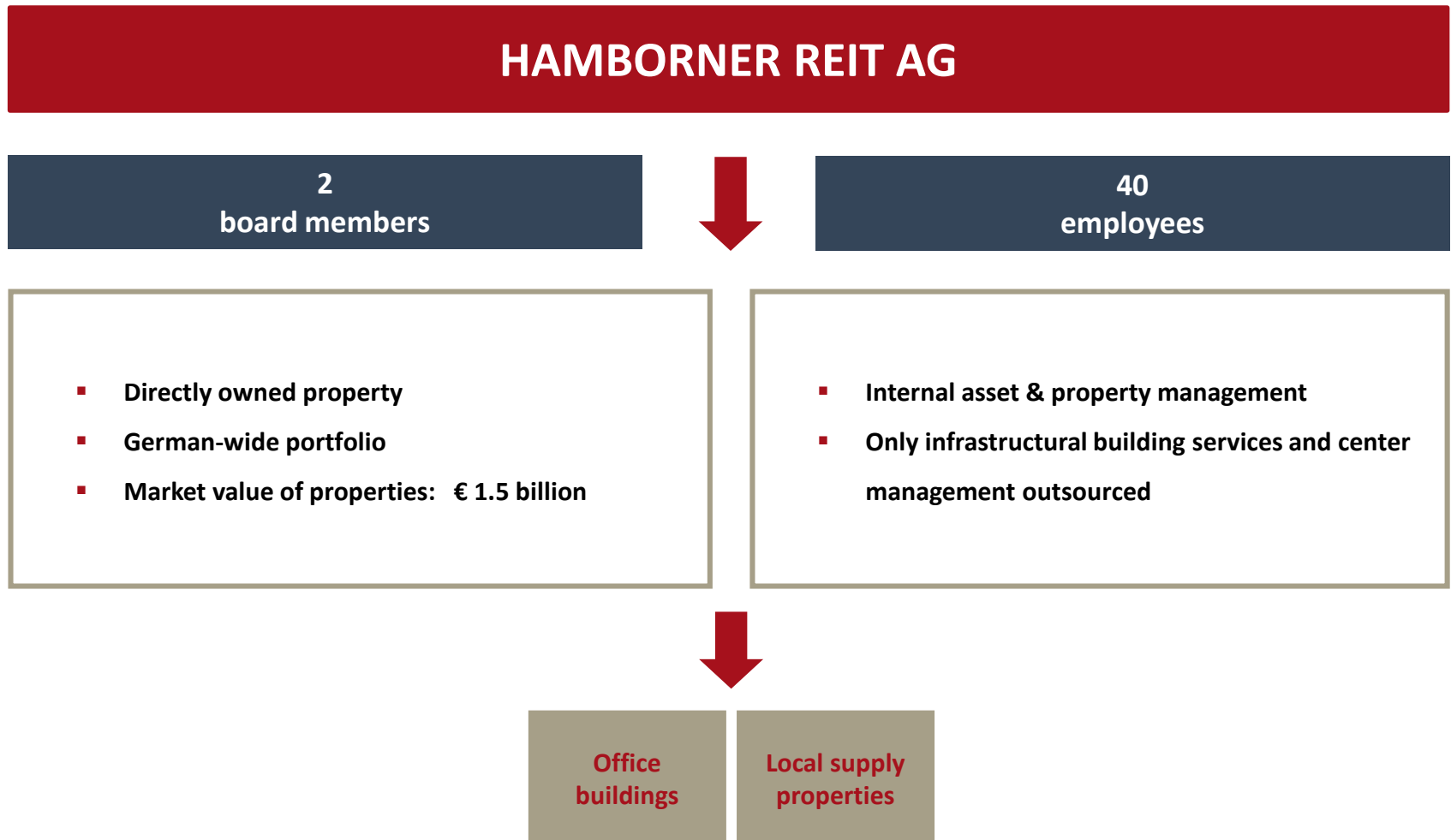
### Requirements for G-REITs

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- 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



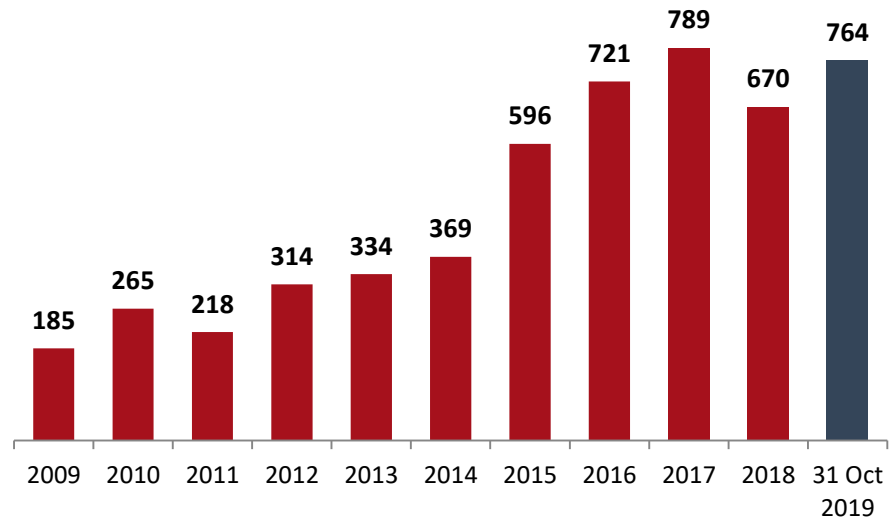
# History / Capital markets track record

## Growing market capitalization and increasing free float

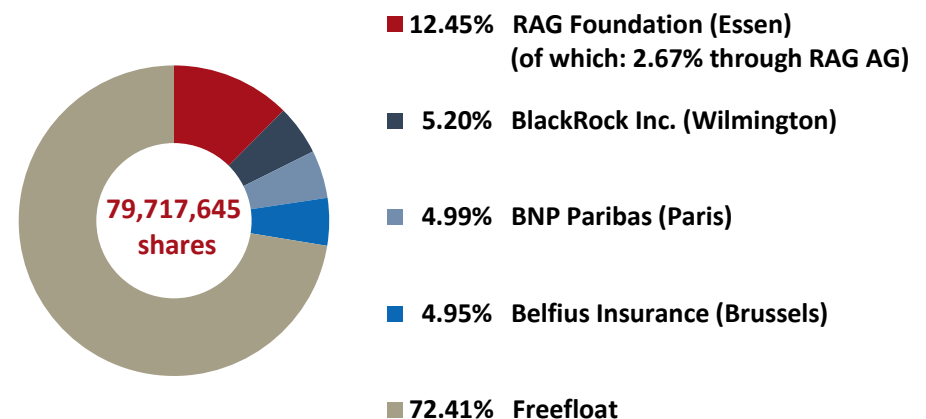
### Milestones

- **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)



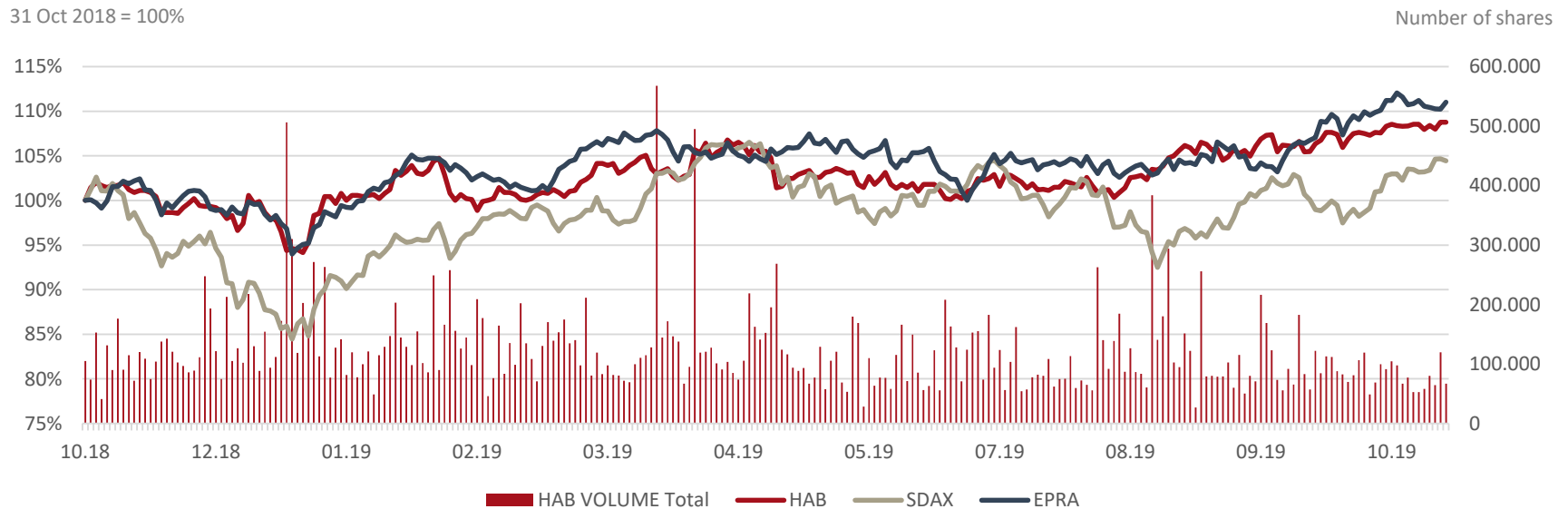
### Shareholders



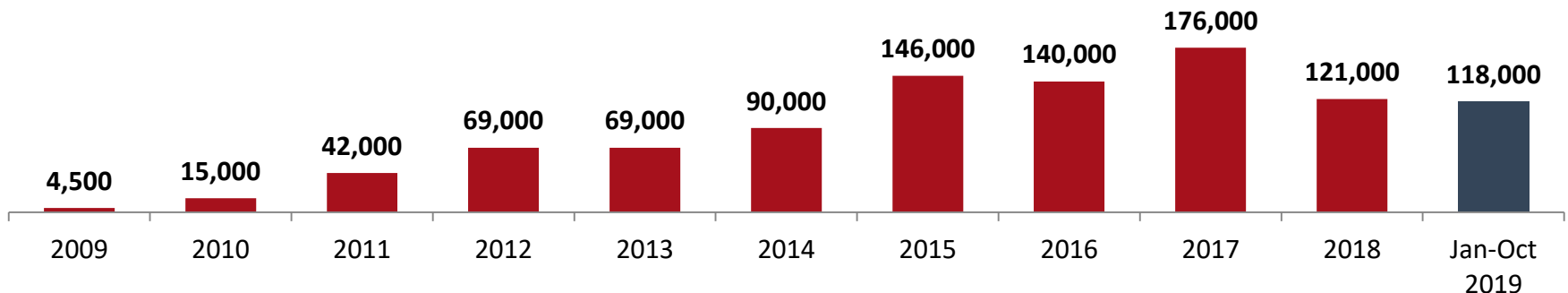
# History / Capital markets track record

## HAMBORNER REIT AG share

### Development of share price and turnover (1 year)



### Average turnover per day (# shares)



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

# 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

## HAMBORNERs 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

# Portfolio-Management

## Balanced portfolio with 100% German focus

### Geographical portfolio spread

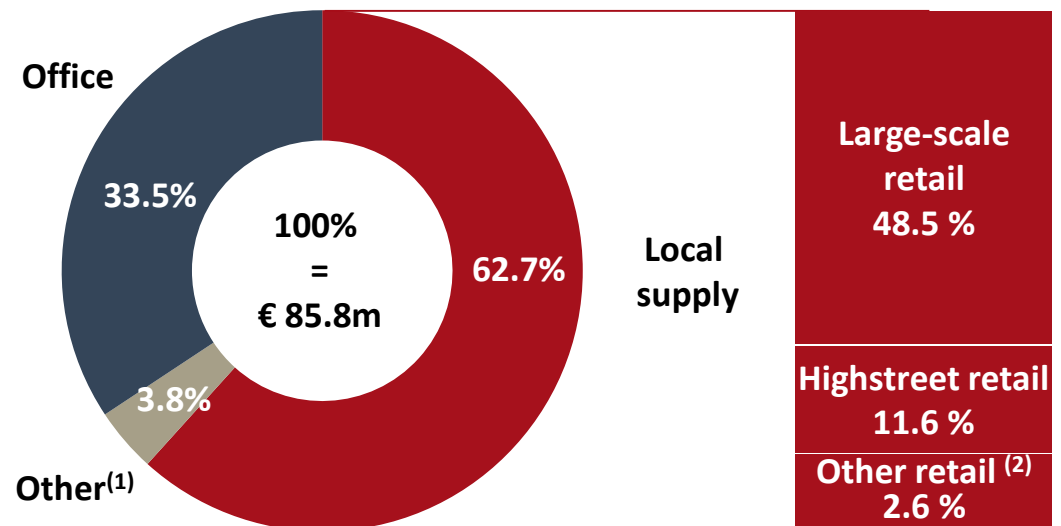


- Acquisitions before 2007
- Acquisitions since 2007
- Purchase contract signed

### Diversification of asset types

- 79 properties in 60 cities in Germany
- Focus on West, South and South-West
- € 1.546 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 m<sup>2</sup> in mixed-used assets

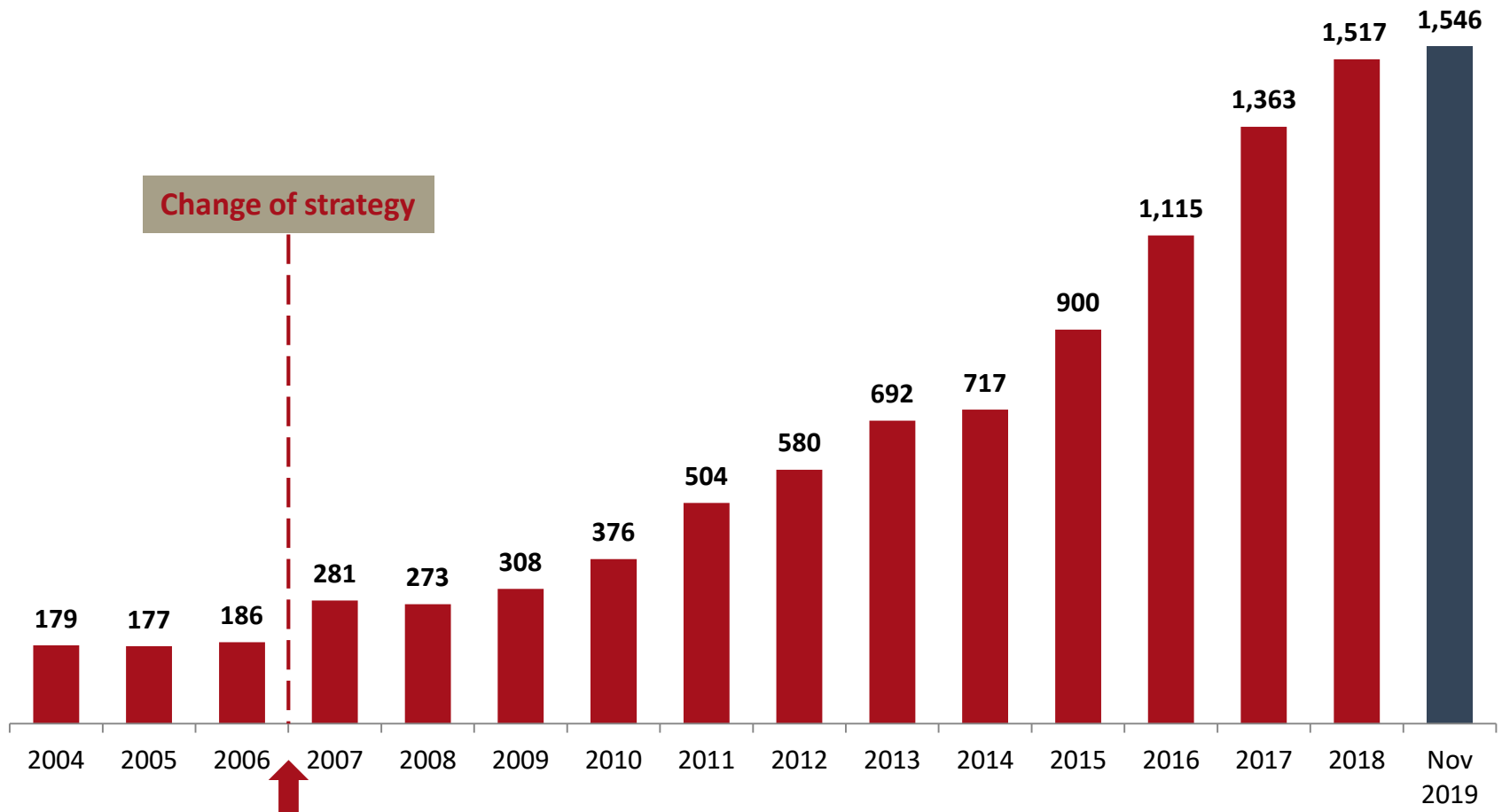
# Portfolio-Management

## Regional diversification

<u>Federal State</u>	<u>Number of properties</u>	<u>Share in market value of total portfolio</u>
Northrhine-Westphalia	27	26%
Bavaria	11	18%
Baden-Wurttemberg	10	16%
Hessen	9	12%
Berlin	4	10%
Lower Saxony	6	6%
Schleswig-Holstein	2	5%
Hamburg	3	2%
Bremen	2	2%
Saxony	2	2%
Rhineland-Palatinate	3	1%
<b>Total</b>	<b>79</b>	

## Portfolio Development

Development of the HAMBORNER portfolio value (in € million)

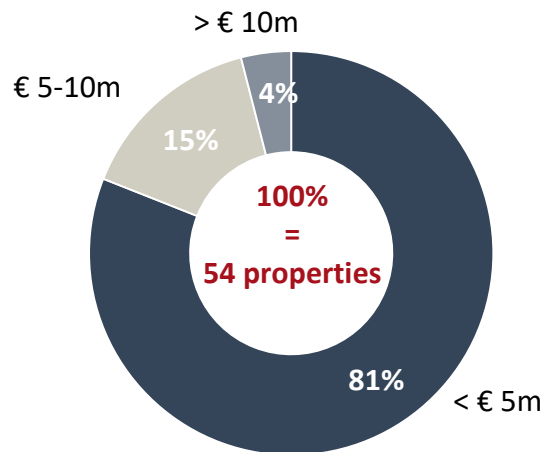


# Portfolio-Management

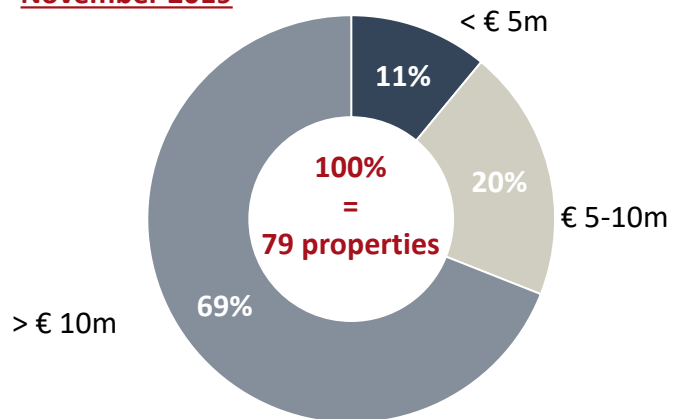
## Portfolio structure

### Portfolio split by property value

**31 December 2006**

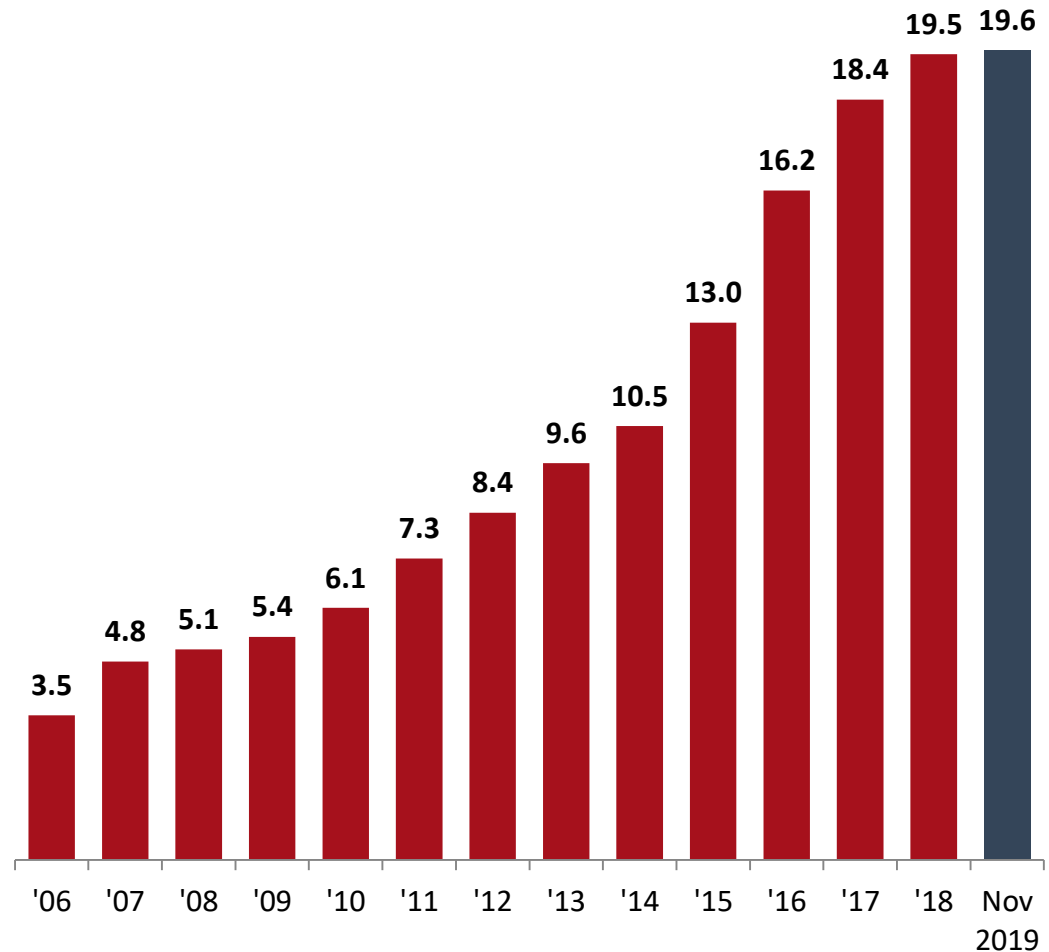


**November 2019**



### Average value per asset (in € million)

**November 2019** (Number of properties = 79)



## Investments 2019

### Transfer of possession 2019



**Bamberg**  
**Starkenfeldstrasse**



**Lengerich**  
**Alwin-Klein-Strasse**

<b>Asset type</b>	Local supply/Large-scale retail & office	Local supply/Large-scale retail
<b>Built</b>	2013	2019
<b>Main tenants</b>	EDEKA, Perbily, Bosch BKK, IG Metall	EDEKA, Deichmann, Takko
<b>Leased area</b>	6,160 m <sup>2</sup>	4,600 m <sup>2</sup>
<b>Annual rental income</b>	€ 0.84 million	€ 0.73 million
<b>Remaining lease term</b>	8.0 years <sup>(1)</sup>	approx. 13 years <sup>(1)</sup>
<b>Gross initial yield</b>	5.6 %	5.2 %
<b>Purchase price</b>	€ 14.9 million	€ 14.2 million
<b>Transfer of possession</b>	1 July 2019	31 October 2019

(1) As of date of signing

## Investments 2019

### Transfer of possession 2020



**Bonn**  
**Krähenhorst/Soenneckenstrasse**



**Aachen**  
**Gut-Dämme-Strasse/Grüner Weg**

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

(1) As of date of signing

# Portfolio-Management

## Investments 2019

### Transfer of possession 2019/2020



**Neu-Isenburg**  
**Siemensstrasse**

<b>Asset type</b>	Office
<b>Built</b>	2019 (under construction)
<b>Main tenants</b>	UBL, ...
<b>Leased area</b>	4,500 m <sup>2</sup>
<b>Annual rental income</b>	€ 0.9 million
<b>Remaining lease term</b>	approx. 8 years <sup>(1)</sup>
<b>Gross initial yield</b>	5.4 %
<b>Purchase price</b>	€ 16.1 million
<b>Transfer of possession</b>	Q4 2019/Q1 2020e

(1) As of date of signing

## Divestment 2019

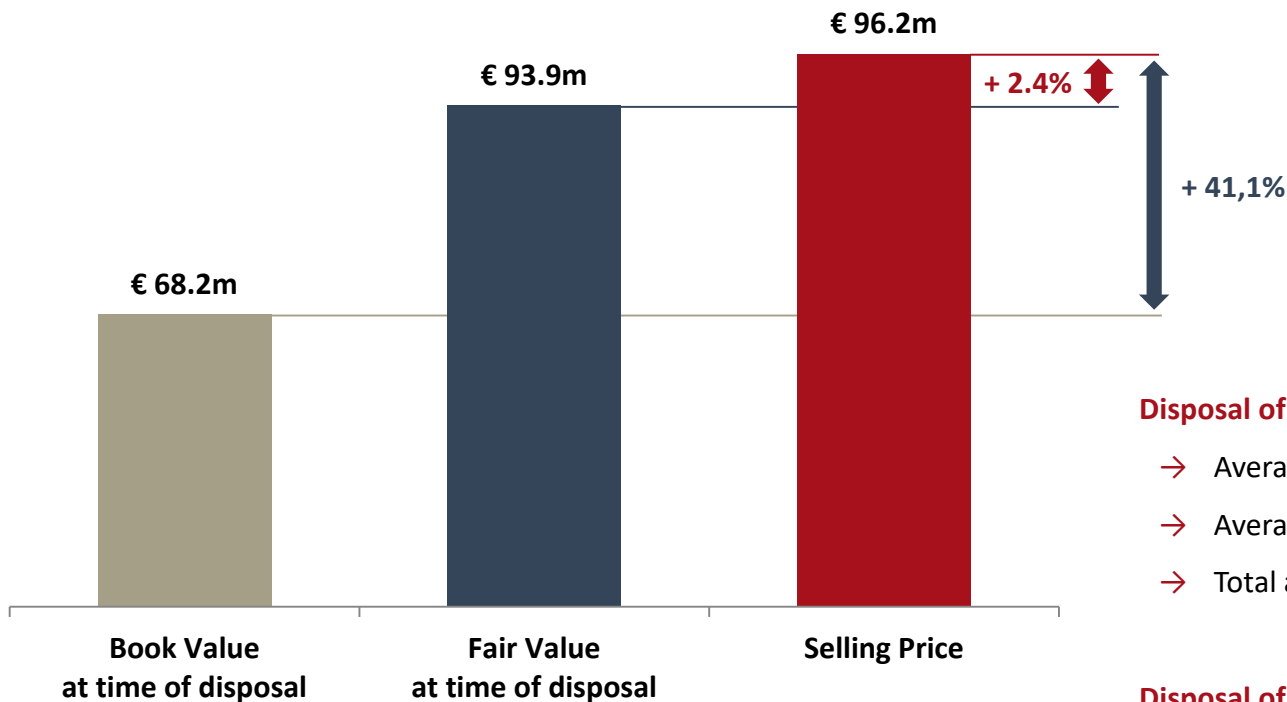


### Leverkusen

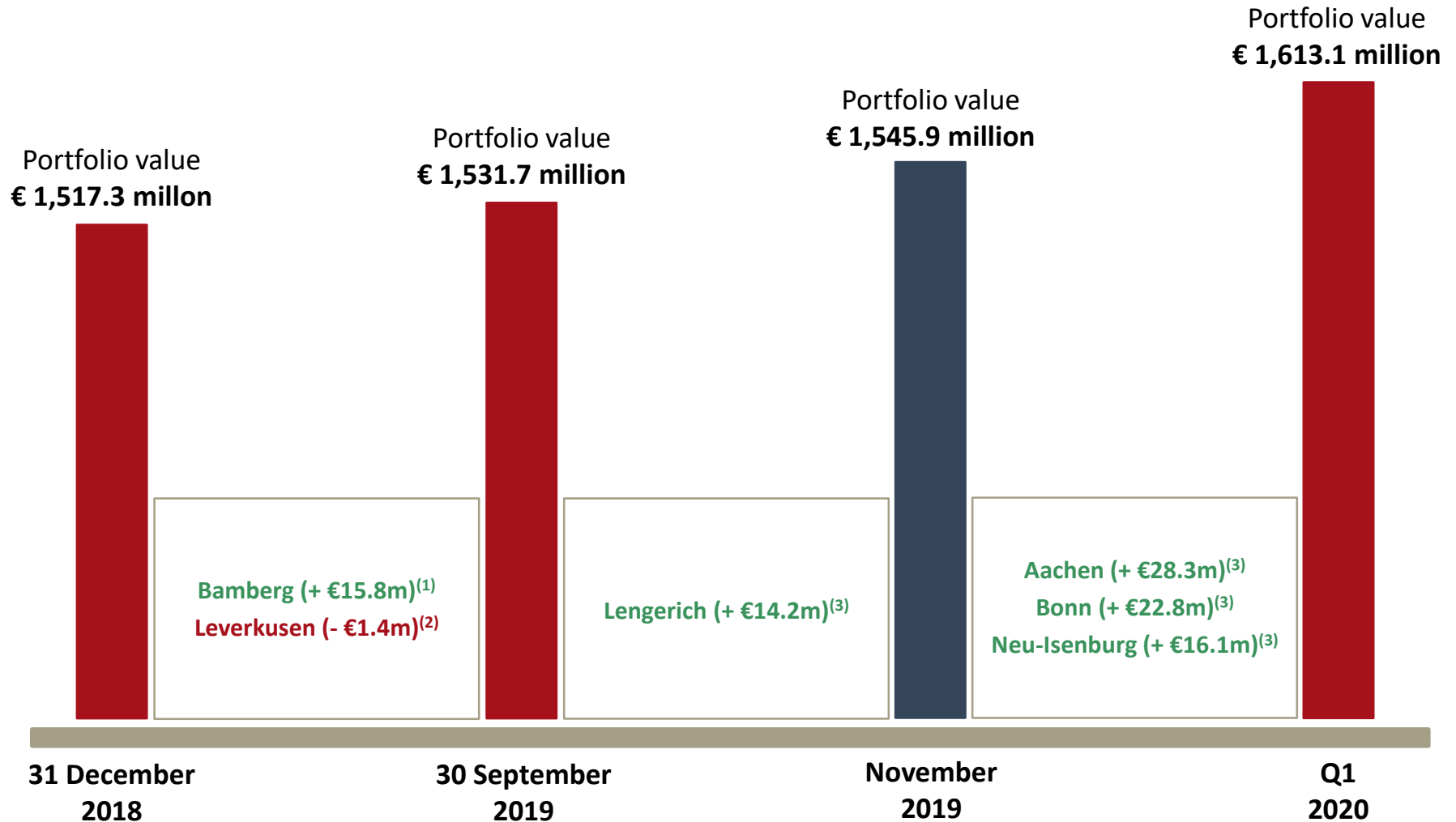
Asset type:	Local supply/High street retail
Selling price:	€ 1.6 million
Fair value as of 31 December 2018:	€ 1.4 million
Contribution to earnings:	€ 0.1 million
Transfer of possession:	3 September 2019

# Portfolio-Management

## Divestments since change of strategy in 2007



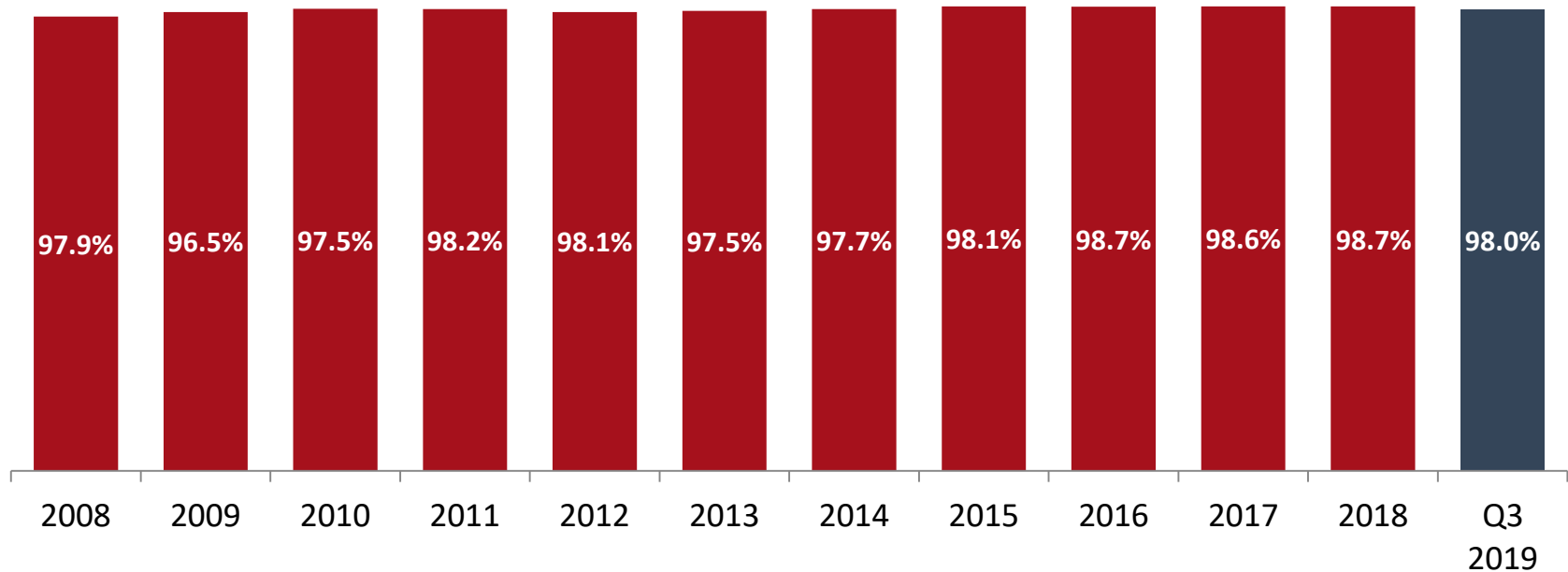
## Portfolio development 2019/2020



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## High and stable occupancy

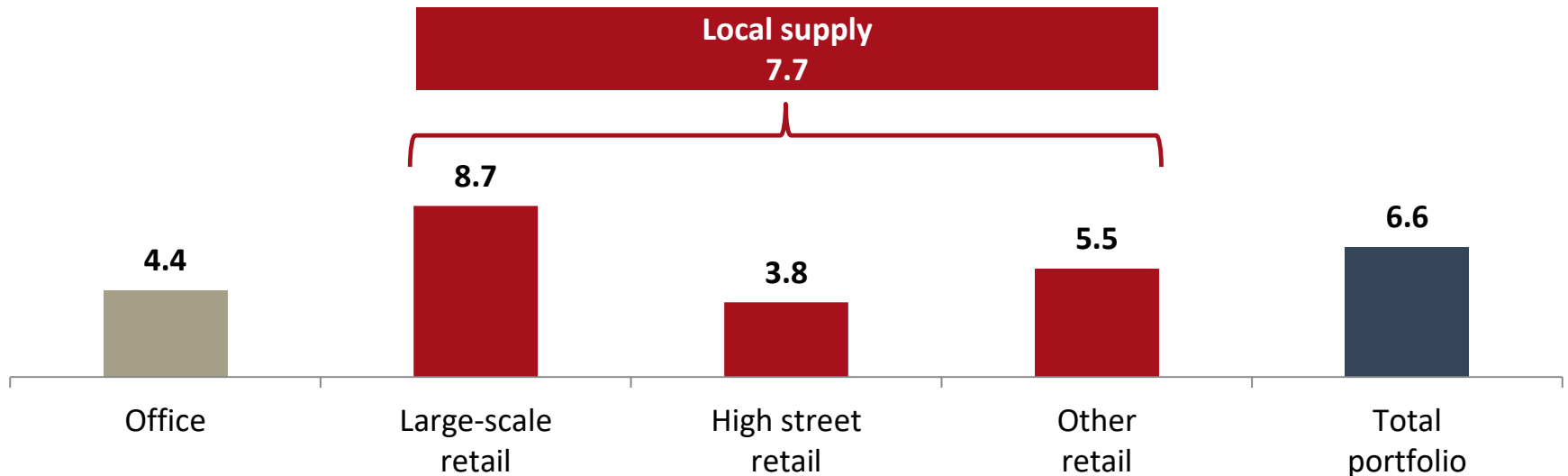
### Occupancy rates



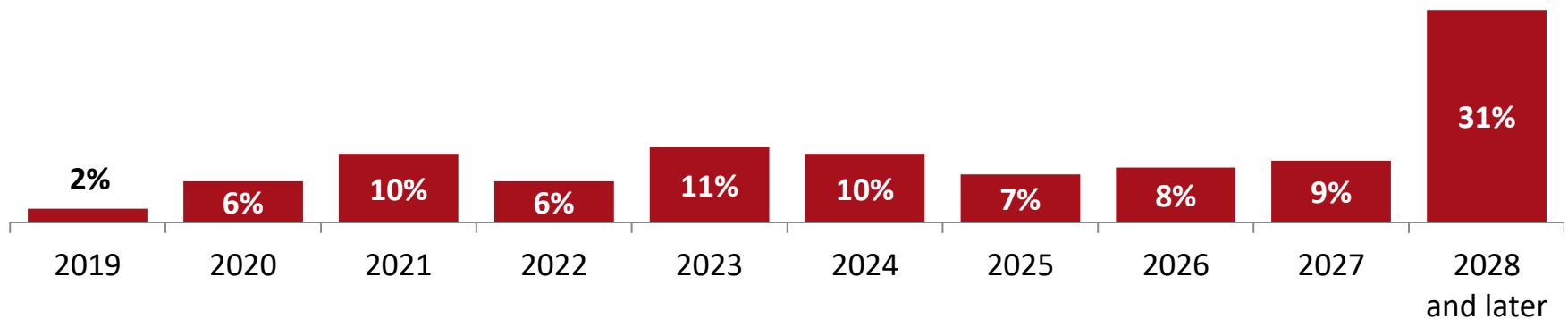
- Vacancy rate as of 30 September 2019 (incl. rent guarantees): 2.0 %
- Vacancy rate as of 30 September 2019 (excl. rent guarantees): 2.1 %

## Long-term leases

Weighted average lease expiry by type (in years; 30 September 2019)













Split of lease contracts expiring by year (% of annual rents; as of 30 September 2019)



## Solid tenants

Top 10 tenants (as of 30 September 2019)

	Tenant	Sector	% annual rents*
	EDEKA Group	Food retail	12.0%
	Kaufland Group	Food retail	6.8%
	REWE Group	Food retail	5.5%
	real,-	Food retail	5.4%
	OBI	DIY retail	5.0%
	Jobcenter	Agency of unemployment	3.2%
	NetCologne	Telecommunication	2.1%
	Globus DIY stores	DIY retail	2.0%
	C&A	Textile retail	1.6%
	Telefonica O <sub>2</sub>	Telecommunication	1.6%
	<b>Total</b>		<b><u>45.2%</u></b>

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# Financial Figures / Financial Position

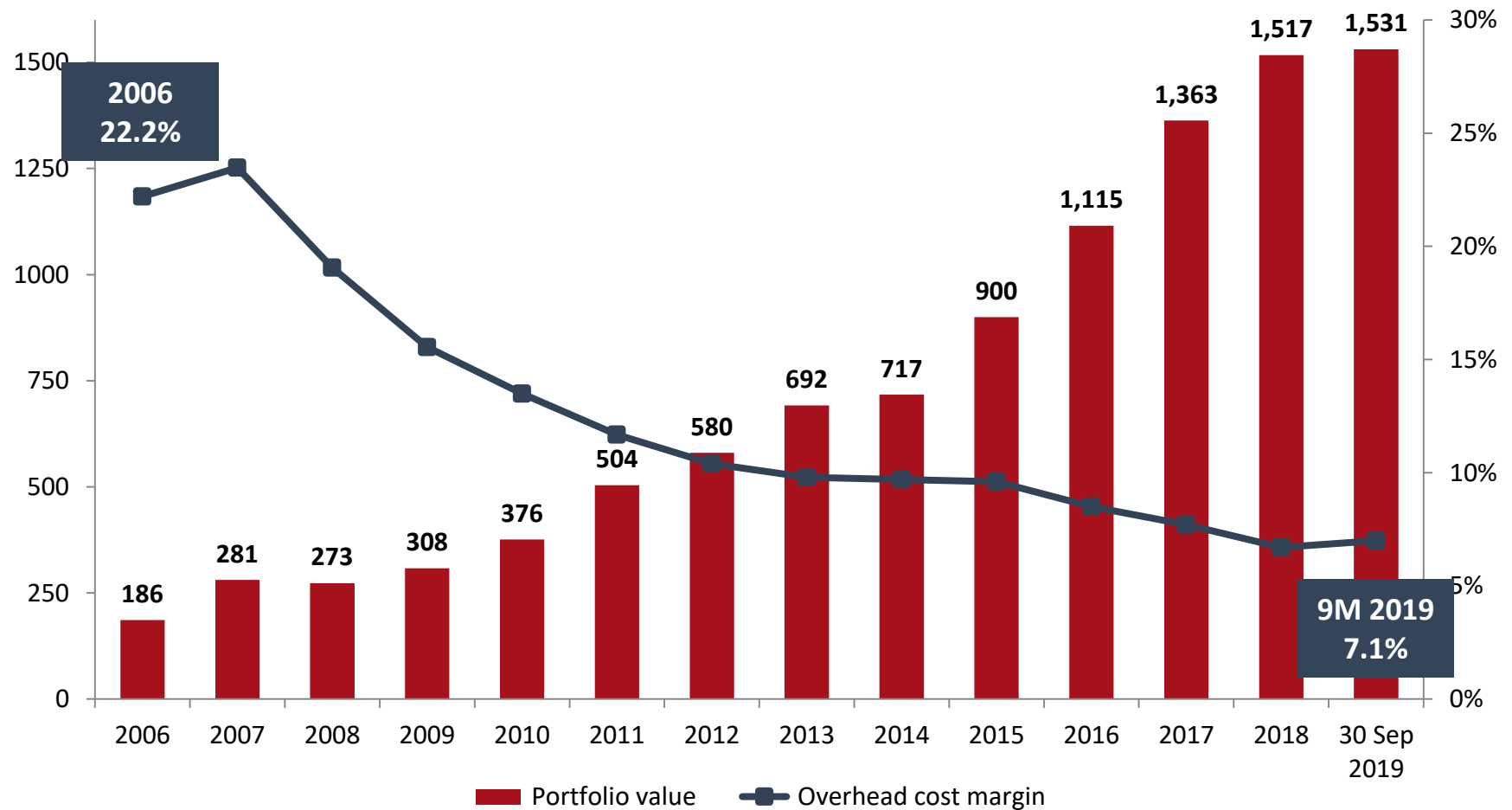
## Significant key figures 9M 2019

	9M 2019	9M 2018	Change
Income from rents and leases	€ 63,7 million	€ 62,5 million	+2.0%
Operating result	€ 26,8 million	€ 26,6 million	+0.8%
Profit for the period	€ 15,3 million	€ 15,1 million	+1.0%
Funds from operations (FFO)	€ 41,3 million	€ 40,2 million	+2.7%
Funds from operations (FFO) per share	€ 0.52	€ 0.50	+2.7%
	30 Sep 2019	30 Sep 2018	Change
REIT equity ratio	55.6 %	55.5 %	+0.1%-points
Loan to value (LTV)	43.1 %	43.7 %	-0.6%-points
Net asset value (NAV) per share	€ 10.80	€ 10.15	+6.4%

# Financial Figures / Financial Position

## Benefitting from economies of scale

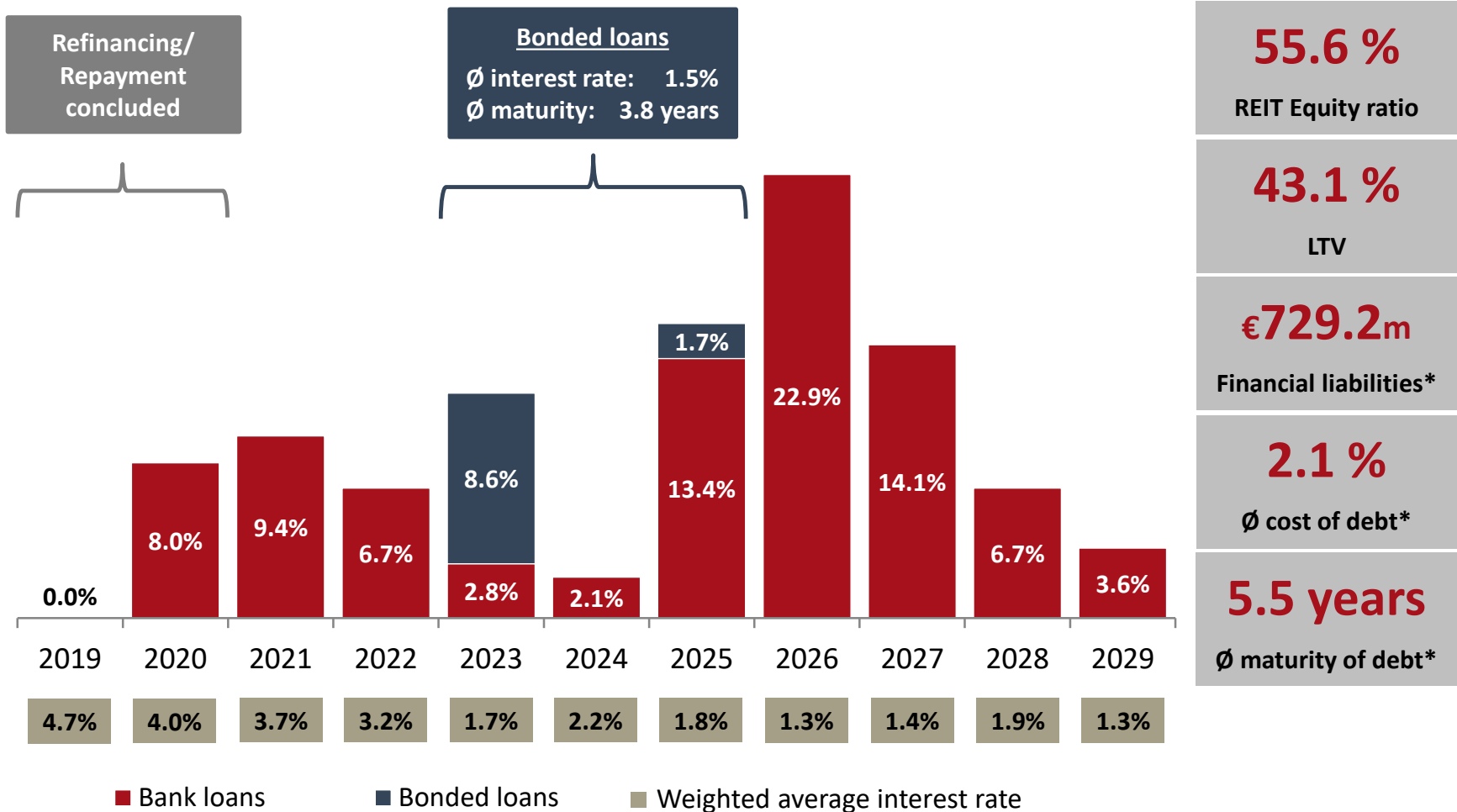
### Portfolio value (€ million) and overhead cost margin\*



# Financial Figures / Financial Position

## Financial liabilities

### Expiration of financial liabilities (as of 30 September 2019)

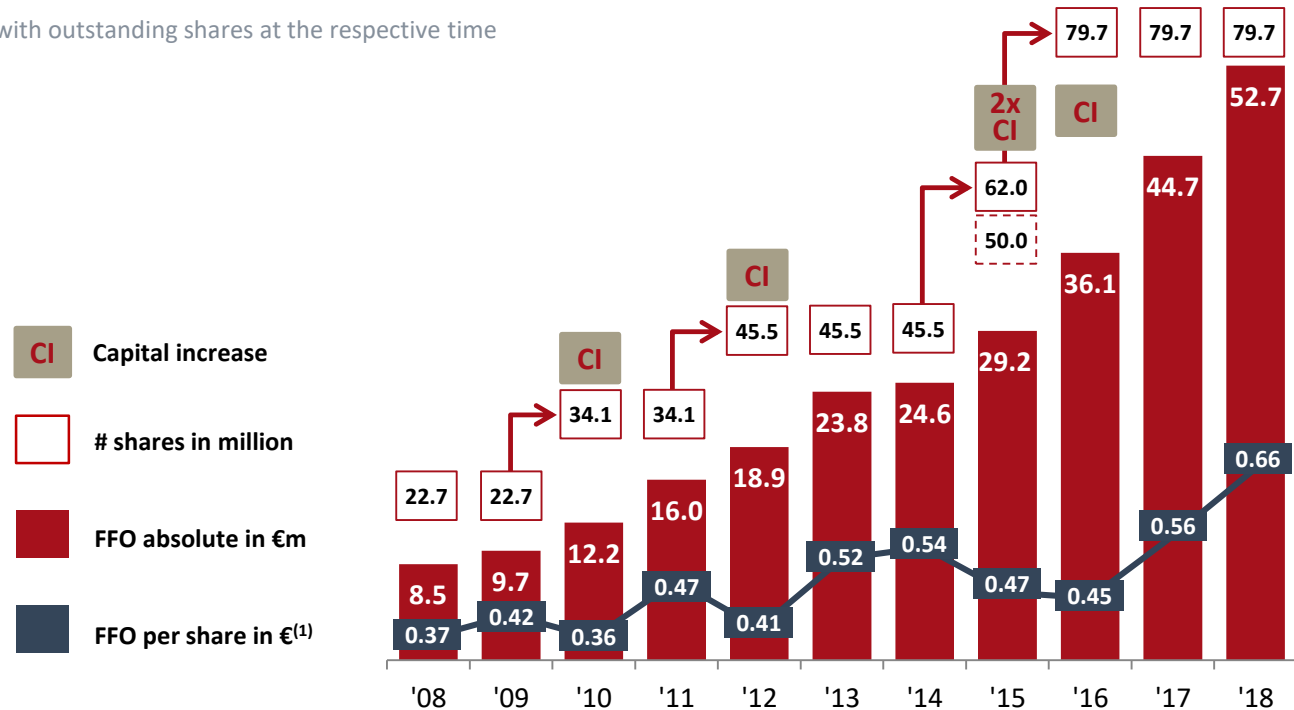


# Financial Figures / Financial Position

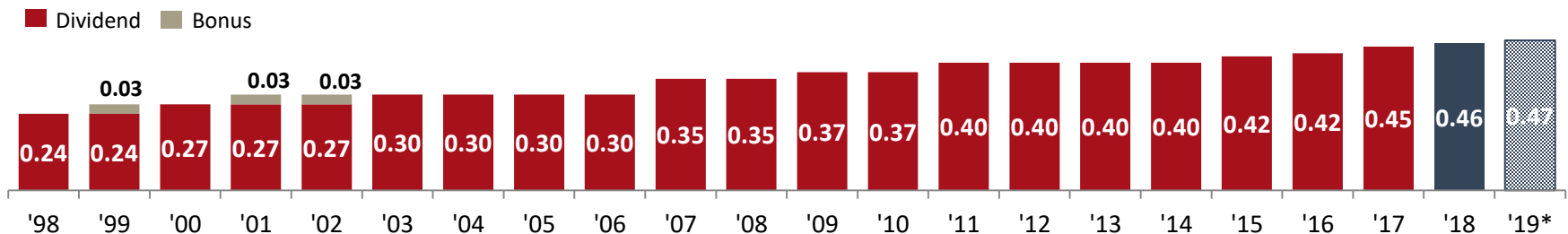
## Increasing FFO and dividend per share

### Funds From Operations (FFO)

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



### Dividend per share (€)



## Forecast

- Rental income 2019: **+ 2 %**
- FFO 2019 expected on **previous year's high level**
- Future growth in rents and FFO secured due to transfer of possession of assets in Aachen, Bonn and Neu-Isenburg
- Remaining fire power: **€ 50 – 60 million**

## Dividend outlook

- Continuation of reliable and sustainable dividend policy
- Further dividend increase of 2.2 % to 47 cents in 2020

HAMBORNER REIT AG - Financial Calendar	
Interim report for 3rd quarter 2019	7 November 2019
Preliminary figures 2019	6 February 2020
Annual report 2019	26 March 2020
Interim report for 1st quarter 2020	5 May 2020
AGM 2020	6 May 2020
Dividend payment	11 May 2020
Half-year financial report 2020	30 July 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
<b>Asset type</b>	Retail	Office	Office	Office	High Street
<b>Year of acquisition</b>	2016	2013	2013	2017	2016
<b>Purchase price</b>	€ 80.0 million	€ 40.1 million	€ 33.0 million	€ 48.9 million	€49.1 million
<b>Fair value</b>	€ 82.9 million <sup>(1)</sup>	€ 63.5 million <sup>(1)</sup>	€ 58.1 million <sup>(1)</sup>	€ 53.4 million <sup>(1)</sup>	€ 53.1 million <sup>(1)</sup>
<b>Annual rental income</b>	€ 4.0 million	€ 2.5 million	€ 2.3 million	€ 2.8 million	€ 2.4 million
<b>Remaining lease term</b>	5.3 years <sup>(1)</sup>	3.9 years <sup>(1)</sup>	4.2 years <sup>(1)</sup>	4.5 years <sup>(1)</sup>	4.8 years <sup>(1)</sup>
<b>Main tenants</b>	Real, Toys'R'Us, ALDI, dm, Adler Mode	Estée Lauder, Armani, Zielpuls	Deutsche Bahn, Schneider Electric	NetCologne	REWE, mytoys, KIK

(1) As of 30 September 2019

## TOP 10 Properties (2/2)



**Hallstadt  
Market Oberfranken**



**Darmstadt**



**Karlsruhe**



**Celle**



**Hanau  
Rondo Steinheim**

	Hallstadt Market Oberfranken	Darmstadt	Karlsruhe	Celle	Hanau Rondo Steinheim
<b>Asset type</b>	Retail	Retail/office	Retail/Office	Retail	Retail
<b>Year of acquisition</b>	2017	2018	2012	2015	2017
<b>Purchase price</b>	€ 41.4 million	€ 42.8 million	€ 37.0 million	€ 35.2 million	€ 37.5 million
<b>Fair value</b>	€ 46.5 million <sup>(1)</sup>	€ 45.6 million <sup>(2)</sup>	€ 45.4 million <sup>(1)</sup>	€ 44.2 million <sup>(1)</sup>	€ 40.5 million <sup>(1)</sup>
<b>Annual rental income</b>	€ 2.5 million	€ 2.5 million	€ 2.5 million	€ 2.3 million	€ 2.0 million
<b>Remaining lease term</b>	5.8 years <sup>(1)</sup>	5.3 years <sup>(1)</sup>	13.9 years <sup>(1)</sup>	8.9 years <sup>(1)</sup>	12.9 years <sup>(1)</sup>
<b>Main tenants</b>	Müller, tegut, C&A, Expert, ALDI	REWE, Herbalife, Alcan Systems	EDEKA, Brandmaker	Real, ALDI, Rossmann, tedox, Fressnapf	REWE, ALDI, dm, Deichmann

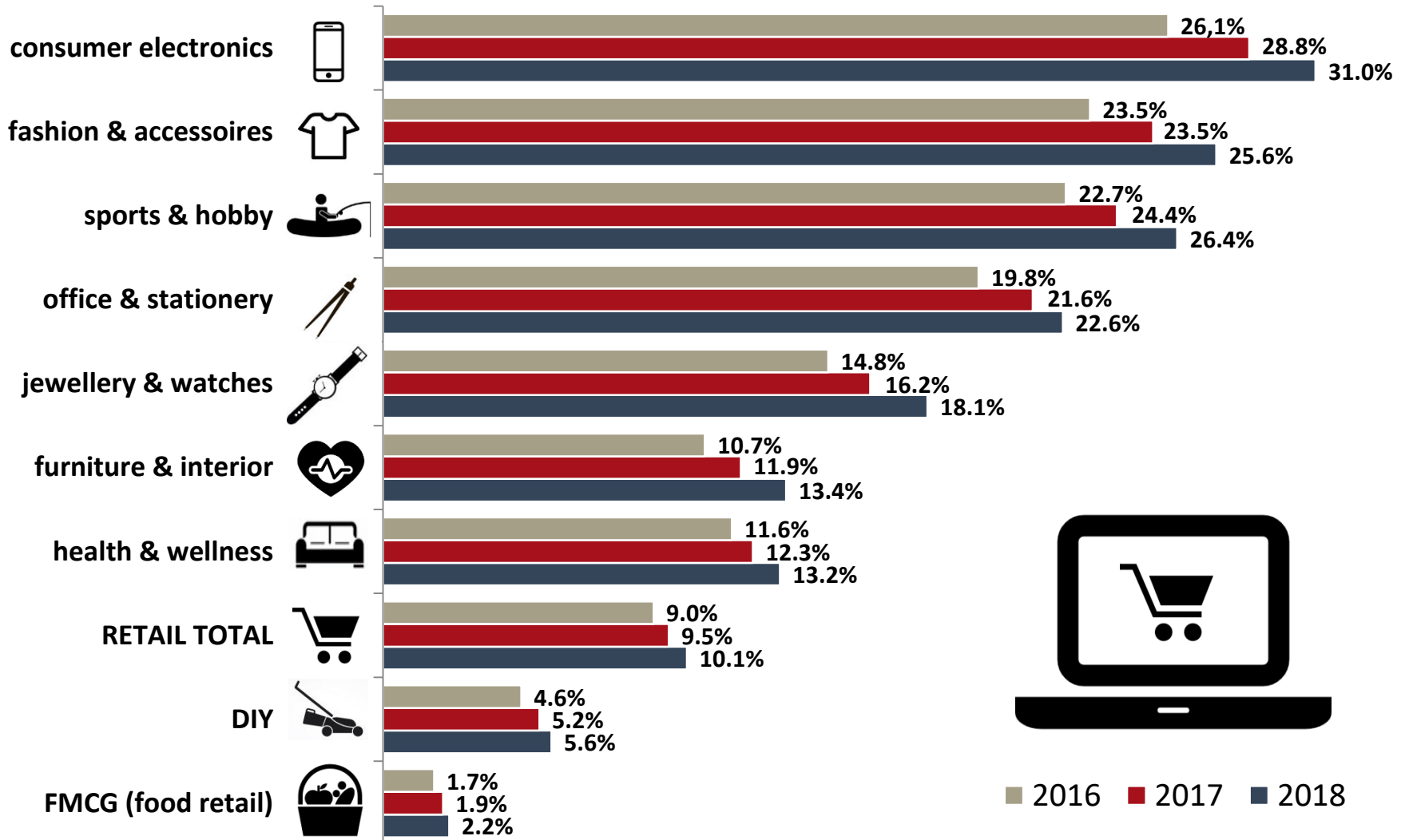
(1) As of 30 September 2019

## Development of key figures since change of strategy

	31 Dec 2008		31 Dec 2018
Rental income	€19.4m	+329 %	€83.4m
Funds from operations (FFO)	€8.5m	+517 %	€52.7m
FFO per share	€0.37	+78 %	€0.66
Dividend per share	€0.35	+31 %	€0.46
Net asset value (NAV) per share	€10.57	+2 %	€10.79
Number of shares	22.7m	+250 %	79.7m
Share price	€ 5.58	+51 %	€ 8.41

## Appendix

### Consumer purchasing behaviour in Germany Share of eCommerce in retail sales





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