Annual Accounts Press Conference of HAMBORNER REIT AG

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- Check against delivery –

Ladies and gentlemen,

Allow me to welcome you to this year's accounts and analysts' press conference as well. My colleague Dr Mrotzek has already provided you with details of our traditionally gratifying figures and portfolio development. I would therefore like to concentrate on our asset and property management activities and our positioning on the capital market.

Chart 17 At the end of 2014 our portfolio had 68 properties at 53 locations in Germany. Since the change in strategy in 2007 we have acquired new properties in the south and southwest of Germany in particular. We are still investing in the three asset classes of large-scale retail, high street and office properties, which contribute roughly equally to our rental income.

We are ruling out acquisitions abroad at this time. For one thing we lack the internal expertise, for another the regions where one would typically invest first – by which I mean Austria and Switzerland – do not have REIT structures, and so our REIT status prevents us from entering these markets.

Chart 18 We generate a third of our rental income with our three top tenants EDEKA, Kaufland and OBI. As a result of our acquisitions in 2014, places 4 and 5 are now held by the fashion labels C&A and H&M. Positions 6 to 10 go to our biggest office tenants, though these contribute only around 9% to our rental income. We therefore have a very healthy structure in terms of risk considerations, which is reflected in a very low level of lost rent. In 2014 lost rent amounted to only €15 thousand.

Chart 19 The long remaining terms of our leases contributed to this as well though. At the end of 2014 this figure was 6.6 years across the entire portfolio. The large-scale retail asset class, which ensures the cash flow for our attractive dividend in particular, still has an average lease term of 9.8 years. High street and office have significantly shorter terms of 5.6 and 4.4 years respectively. This is due in part to the usually shorter term of individual leases compared to large-scale retail. Overall, however, we do not anticipate any major risk clusters in securing new tenants in the years ahead. Until 2022 we have to let only between 5% and 12% of our current rental volume per year.

Chart 20 In the past year, based on our rentable space of 355.9 thousand m², we negotiated new or follow-up leases for around 9%. While contract renewals were agreed with the existing tenants for 27.6 thousand m², new tenants had to be found for only 5.2 thousand m².

In this context I am particularly pleased that we have been able to eliminate the office vacancies at our Linzer Strasse property in Bremen. There are now leases in place for all the areas in the property.

The fact that tenants renewed their contracts for 84% of the space up for rent in 2014 is proof of the stability of our overall portfolio and shows that we are investing in the right asset classes.

Chart 21 We again found the turnover in our shares to be satisfactory in the past year. With 90,000 shares traded each day, we have reached a level that allows institutional investors to invest in our shares. There was a clear surge in turnover in the first months of the new year. By the end of February an average of 177.000 of our shares were traded each day.

We were more satisfied with our share price performance in 2014 than in the previous year of 2013, even though residential property shares performed better in the past year.

Chart 22 One thing has changed significantly since the start of the year. While we reported a market capitalisation of €369 million at the end of 2014, by the end of February this was already €104 million more. At its peak, our market capitalisation rose to around €485 million during March.

This was helped substantially by our capital increase in February 2015, with which we generated around €41 million. In addition to the inflow of liquidity, which gives us more room for additional investments of around €80 million, it was crucially important to us that we were able to secure a long-term, high-capital anchor shareholder in the RAG Foundation. As the capital increase was implemented above current NAV, there was no dilution, which had a positive effect on our share price as we went forward.

Our shareholder structure has changed somewhat as a result of the capital increase. Free float is now around 78%, with around 27 percentage points held by private shareholders. The biggest shareholder with slightly more than 9% is the RAG Foundation. It is followed by Belfius Insurance at 4.8% and Prof Siegert at 4.6%. BNP Paribas became a new reportable shareholder in December 2014 at 3.1%.

Ruffer, Allianz Global Investors and BlackRock are now no longer reportable shareholders.

We will continue to do intensive investor relations work for institutional and private investors in the current year as well. The first roadshows in New York, Boston, Munich, Milan, Lugano and Zurich have already taken place, and we also have a very busy schedule of roadshows and investor conferences in the months ahead.

Chart 23 Our Annual General Meeting will be taking place on 7 May 2015. In addition to resolving a dividend of 40 cents per share, we are seeking new authorised capital on our extended basis of around 50 million shares. Naturally, as in 2013, we will be taking the interests of our institutional shareholders into account in particular by limiting the disapplication of pre-emption rights. The details can be found in the agenda, which was published in the Federal Gazette this afternoon and has been available on our homepage since this morning.

This year it is again time for new Supervisory Board elections. Dr Kottmann and Dr Mbonimana are not standing for re-election. In their place, the Supervisory Board will be proposing the election of Dr Helmut Linssen, member of the Management

Board of the RAG Foundation, and Mr Claus Matthias Böge, Chairman of the Management Board of Deutsche Euroshop AG, at the Annual General Meeting. The current members of the Supervisory Board Dr Eckart John von Freyend, Ms Christel Kaufmann-Hocker, Mr Robert Schmidt and Ms Bärbel Schomberg are standing for re-election. Dr Eckart John von Freyend intends to stand for chairmanship of the Supervisory Board in the event of being re-elected.

Chart 24 Finally, we have one more slide showing the key financial data for 2015. The most important date for shareholders is 8 May 2015. This is the day they will be credited their dividend. Thank you for listening, and we are now hoping to have a scintillating discussion with you.

Many thanks!