

hamborner
REIT



ZUKUNFT BRAUCHT SUBSTANZ

Conference Call 1st half year 2015

Dr. Rüdiger Mrotzek

Hans Richard Schmitz

12 August 2015



First half year 2015 successful

Positive operational business development

- 6.1 % increase of income from rents and leases
- Vacancy rate 2.6 % (2.5 % incl. rent guarantees)

Portfolio Changes (Jan-June 2015)



Capital Increase February 2015

- approx. 4.5 million new shares
- Proceeds 40.912 million €
- RAG-Stiftung new long-term orientated shareholder

Sound financial structure

- REIT equity ratio 52.9 % as at 30/06/2015
- *After Capital Increase in July:*
REIT equity ratio of approx. 66 % as at 31.07.2015

Positive outlook for full year 2015

- FFO 10 % +
- FFO Increase depends on time of transfer of possession of acquisitions

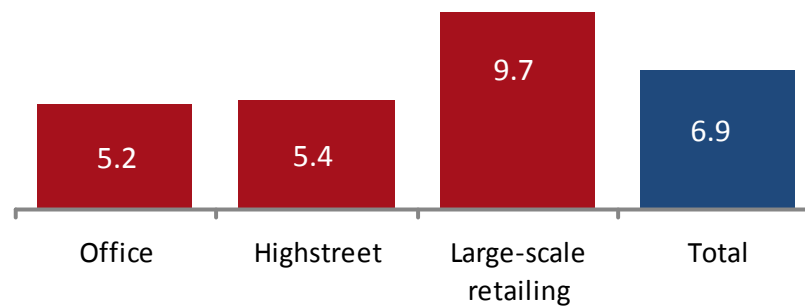
Significant key figures for the first half year 2015

Key figures	H1 2015	H1 2014	Change
Rental revenues	€ 24.7 million	€ 23.3 million	+ 6.1 %
Operating result	€ 11.6 million	€ 10.6 million	+ 9.7 %
Profit for the period	€ 5.0 million	€ 11.8 million	- 57.4 %
Funds from operations	€ 14.0 million	€ 12.7 million	+ 10.3 %
Funds from operations (FFO) per share	€ 0.28	€ 0.28	
Net asset value (NAV) per share	€ 8.47	€ 8.09	+ 4.7 %
	30.06.2015	31.12.2014	
REIT equity ratio	52.9 %	53.1 %	- 0.2 %-points
Loan to value (LTV)	43.9 %	43.3 %	+ 0.6 %-points

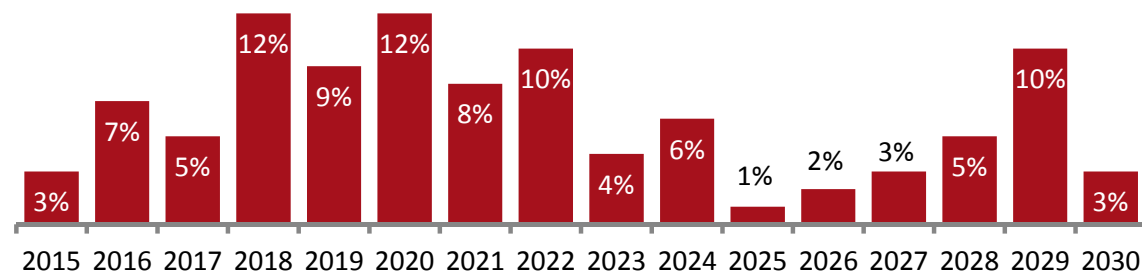
Long-term leases

Leasing contracts expire well distributed

Weighted average lease expiry by type (30/06/2015, in years)













Split of lease contracts expiring by year (30/06/2015)



TOP 10 tenants

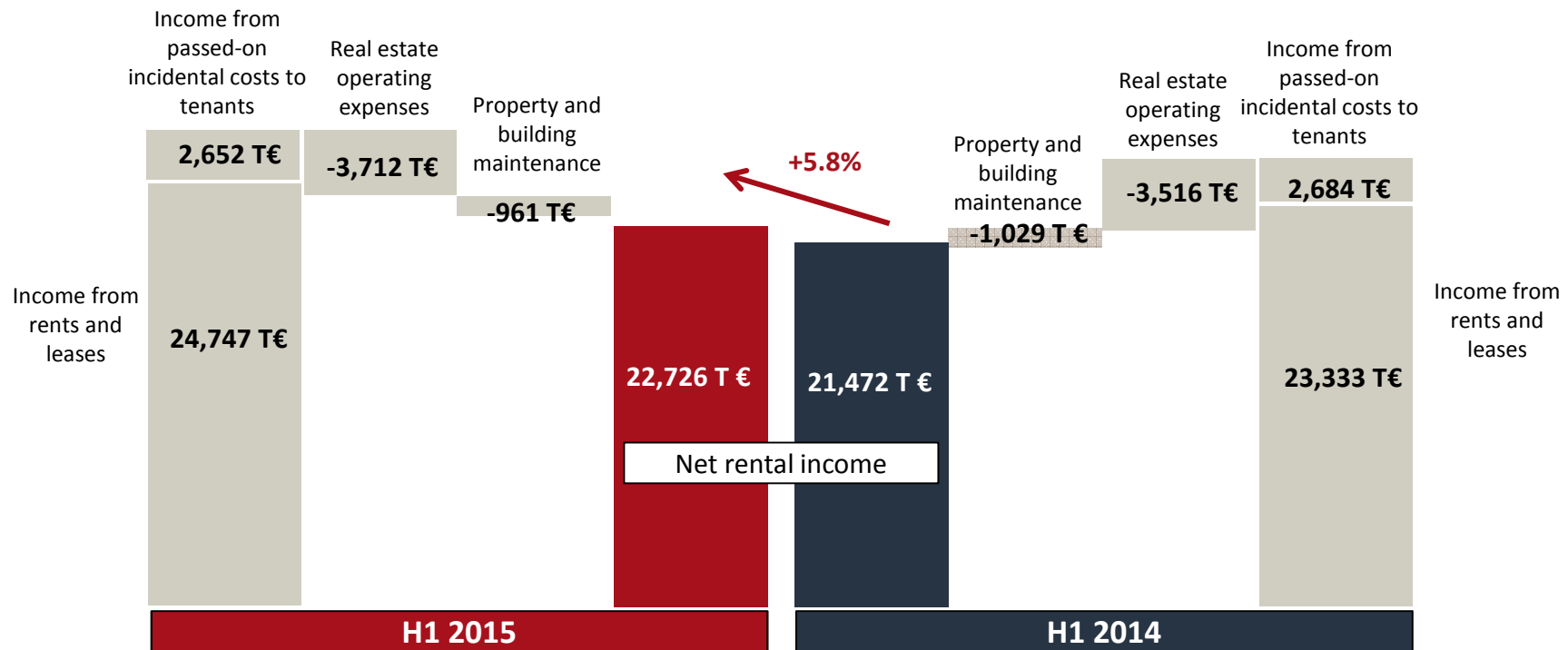
Solid tenants

Top 10 tenants (30/06/2015, % of annual rent *)

	<u>Tenant</u>	<u>Sector</u>	
	EDEKA	Discount food retail	13.9%
	Kaufland Gruppe	Discount food retail	10.1%
	OBI	Retail (DIY)	8.0%
	Jobcenter	Agency of Unemployment	5.2%
	real,-	Discount food retail	3.2%
	C&A	Textile retail	2.3%
	H&M	Textile retail	2.1%
	AREVA	Power & Utilities	1.9%
	SFC Energy	Industrials/Energy	1.9%
	Estée Lauder	Luxury consumer goods	1.8%
	Total		50.2%

* incl. rent guarantees

Development of net rental income

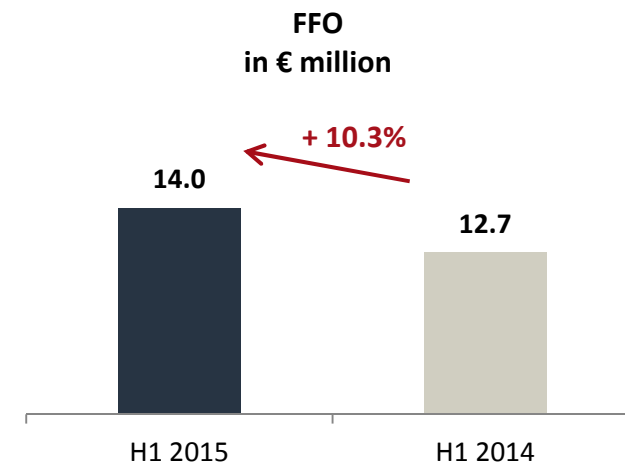


Profit and loss account according to IFRS

in thousand €	H1 2015	H1 2014
Net rental income	22,726	21,472
Administrative expenses	-623	-517
Personnel costs	-1,786	-1,633
Depreciations	-8,915	-8,686
Other operating income	576	345
Other operating expenses	-391	-414
Operating results	11,587	10,567
Result from the sale of investment properties	0	7,875
Earnings before interest and taxes (EBIT)	11,587	18,442
Financial result	-6,548	-6,602
Net profit for the period	5,039	11,840

Funds from Operations

in € thousand	30/06/2015	30/06/2014
Income from rents and leases	24,747	23,333
Income from passed-on incidental costs to tenants	2,652	2,684
Real estate operating expenses	-3,712	-3,516
Property and building maintenance	-961	-1,029
Net rental income	22,726	21,472
- Administrative expenses	-623	-517
- Personnel costs	-1,786	-1,633
+ Other operating income	576	345
- Other operating expenses	-391	-414
+ Interest Income	6	52
- Interest Expenses	-6,554	-6,654
FFO	13,954	12,651
FFO per share in Euro	0.28	0.28



Investments 2015



**Aachen,
Krefelder Straße 216**



**Celle,
An der Hasenbahn 3**



**Berlin,
Tempelhofer Damm**

Built	2014	1975, modernized 2014	<i>(under construction)</i>
Main tenant	Jobcenter Aachen	real,-, Fressnapf, Aldi	Kaisers, Aldi, Rossmann
Leased area	approx. 10,000 m ²	approx. 24,500 m ²	approx. 5,900 m ²
Annual rental income	€ 1.7 million	approx. € 2.32 million	€ 1.22 million
Remaining term	14.5 years	12.0 years	12 years
Gross initial yield	6.4 %	6.6 %	6.3 %
Purchase price	€ 26.8 million	€ 35.2 million	€ 19.4 million expected
Transfer of possession	March 2015	May 2015	2015e

Investments 2015

Purchase contracts signed after Capital Increase in July 2015



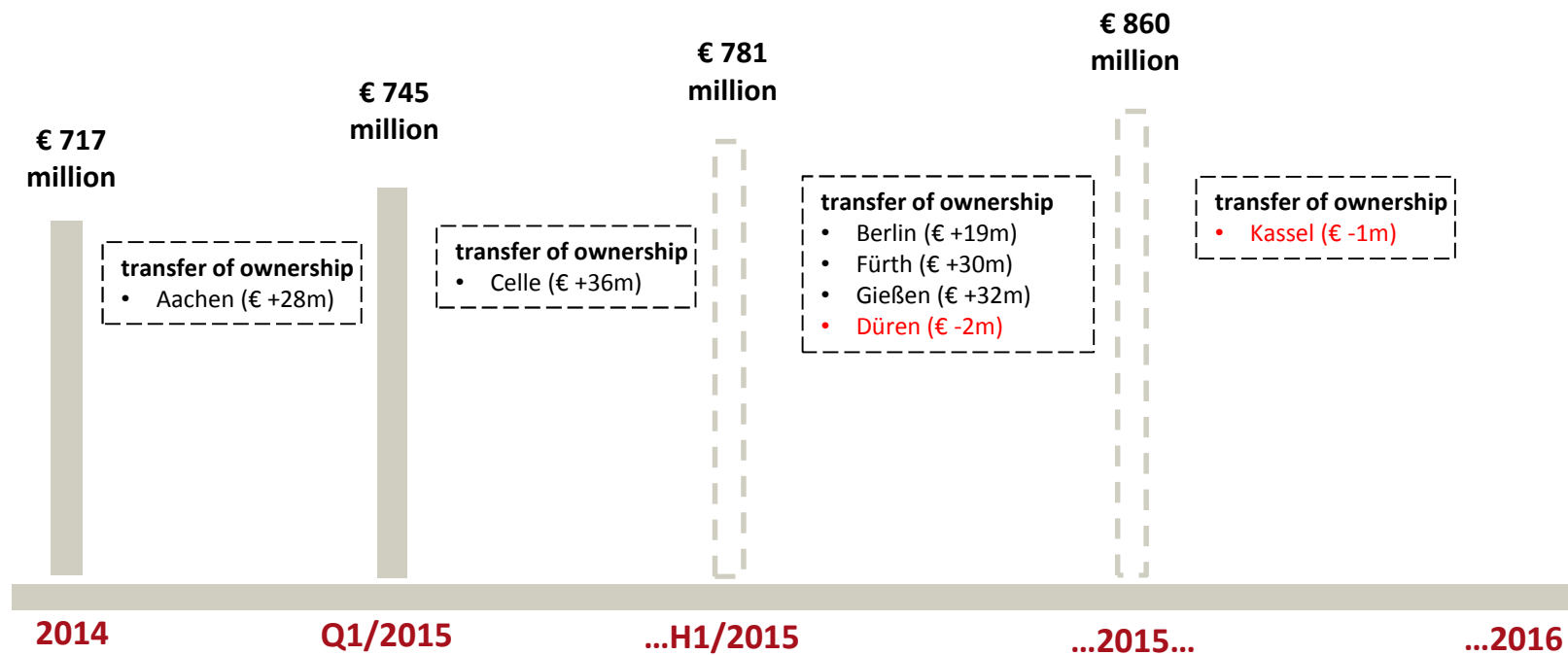
**Fürth, (Hornschuch-Center)
Gabelsberger-Str. 1**



**Gießen, (Westoria Gießen)
Gottlieb Daimler Str. 27**

Built	Build 1990 / modernized 2014/15	Build 1983 / modernized 2008
Main tenant	EDEKA, Schuh Mücke, Rossmann...	Real-, Saturn, McDonalds
Leased area	approx. 11,500 m ²	approx. 18,000 m ²
Annual rental income	€ 1.8 million	approx. € 2.3 million
Remaining term	12.5 years	6.9 years
Gross initial yield	6.1 %	7.3 %
Purchase price	approx.€ 30 million	approx. € 31 million
Transfer of possession	2015e	2015e

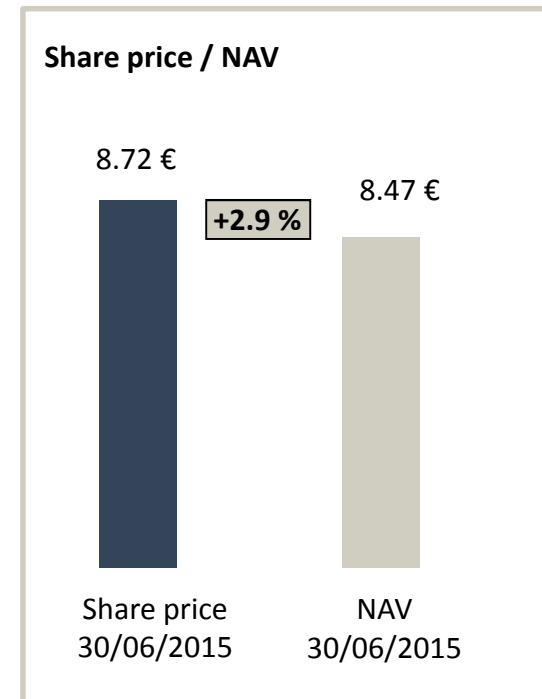
Development of HAMBORNERs portfolio value



Net Asset Value (NAV) in accordance with EPRA

Share price 2.9 % over NAV (30/06/2015)

NAV according to EPRA	30/06/2015 in € million	31/12/2014 in € million
Balance sheet long-term assets	665	608
+ Balance sheet short-term assets	12	13
- Non-current liabilities and provisions	-350	-324
- Current liabilities and provisions	-21	-16
Balance sheet NAV	306	281
+ hidden reserves "Investment property"	118	114
NAV	424	395
NAV per share in €	8.47	8.67



Balance Sheet

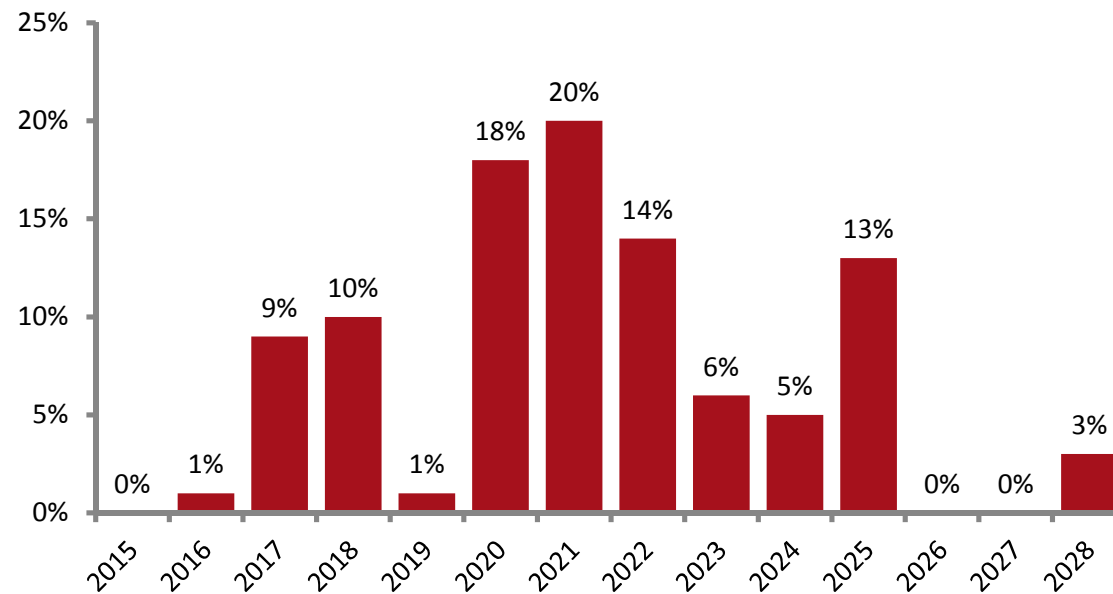
IFRS

in € million	30/06/2015	31/12/2014
ASSETS		
Non-current assets	665.0	607.8
Investment Properties	663.4	606.8
Other	1.6	1.0
Current assets	11.7	13.5
Trade receivables and other assets	1.8	1.3
Cash and cash equivalents	7.4	10.4
Non-current assets held for sale	2.5	1.8
Total assets	676.7	621.3
EQUITY AND LIABILITIES		
Equity	296.5	270.2
Financial liabilities and derivative financial instruments	359.5	333.2
Other liabilities and provisions	20.7	17.9
Total equity and liabilities	676.7	621.3

Equity ratio
43.8 %

Stable and predictable cost of debt

Expiration of fixed interest rates (30/06/2015)



- Financial debt: € 350.2 million
- Liquid funds: € 7.4 million
- LTV: 43.9 %
- REIT equity ratio: 52.9 %

- Average maturity of fixed interest rates: 6.3 years
- Average cost of debt: 3.5%

- Banks
 - Institutional banks
 - Cooperative banks
 - Saving banks
 - Insurance companies

Conclusion and outlook

1. Conclusion

- Successful first half year 2015
- Positive development of operational business
- Capital increase in February 2015
- Transfer of ownership of Jobcenter Aachen 31/03/2015
- Purchase contract and transfer of possession of the property in Celle
- Capital increase in July 2015: 11,959,948 new shares / gross proceeds amount to approximately EUR 101.7 million
- Purchase contracts signed after capital increase in July for assets in Fürth and Gießen

2. Outlook

- After the first capital increase and the acquisition of Celle in February 2015, we expected the FFO to increase between 8% and 10%, so that the FFO per share would have been on par with previous year (54 Cent).
- After the capital increase in July and with approx. 12 million new shares FFO will amount - without further acquisitions - to approx. 44 Cent per share. After the completion of acquisitions of two properties in Fürth and Gießen, the FFO increase will be at least 10%, depending on the exact time of transfer of possession.

Financial Calendar

HAMBORNER REIT AG	
Interim Report for 1 half 2015	12 August 2015
Interim Report for 3rd quarter 2015	10 November 2015
Annual report 2015	22 March 2016
Annual General Meeting 2016	28 April 2016

Many thanks for your attention!

Disclaimer

This presentation was exclusively prepared for the addresses specified on the title page and/or the participants at the mentioned event. The information in this presentation is based on both public information and documents as well as information which was made available to HAMBORNER REIT AG by the respectively mentioned companies and third parties.

All statements, opinions and assessments contained in this presentation correspond to the current estimates and/or opinions of HAMBORNER REIT AG and may therefore not be construed as constant, immutable statements. HAMBORNER gives no guarantee with regard to the correctness or completeness of the information contained herein. HAMBORNER and its organs, boards, employees or other parties acting on behalf of HAMBORNER accept no liability whatsoever for the statements made in this presentation.