



hamborner  
**REIT**



ZUKUNFT BRAUCHT SUBSTANZ

## Conference Call 1st quarter 2018

Dr. Rüdiger Mrotzek  
Hans Richard Schmitz

25 April 2018

## Highlights

### Positive operational business development

- **15.4 % increase in rents**
- **Vacancy rate 1.0 % (1.5 % excl. rent guarantees)**

### Solid financial structure

- **REIT equity ratio 57.8 %**
- **LTV 40.9 %**

### Positive outlook for full year 2018

- **Increase in rents at the upper end of the forecast range of + 8 - 10 %**
- **FFO increase in a similar range**

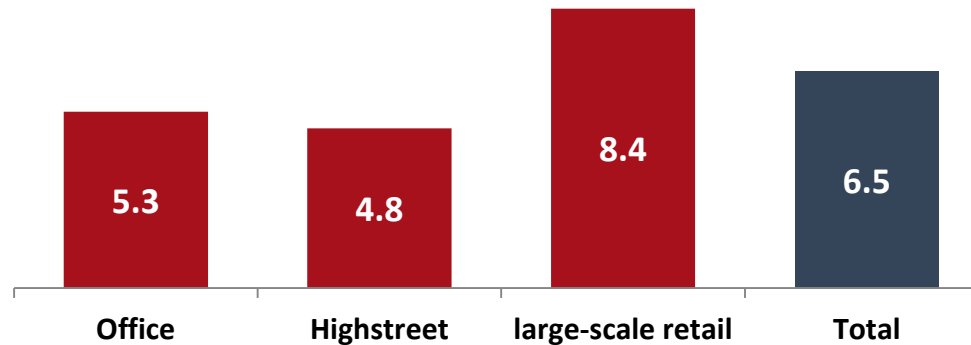
# Significant key figures for the first quarter 2018

Key figures	31 Mar 2018	31 Mar 2017	Change
Income from rents and leases	€ 20.4 million	€ 17.6 million	+15.4%
Operating result	€ 7.2 million	€ 7.7 million	-5.9%
Profit for the period	€ 3.5 million	€ 4.4 million	-21.7%
Funds from operations	€ 11.6 million	€ 10.8 million	+7.6%
Funds from operations per share	€ 0.15	€ 0.14	+7.6%
	<b>31 Mar 2018</b>	<b>31 Dec 2017</b>	
REIT equity ratio	57.8 %	59.0 %	-1.2%-points
Loan to value (LTV)	40.9 %	39.6 %	+1.3%-points
Net asset value (NAV) per share	€ 10.27	€ 10.15	+1.2%

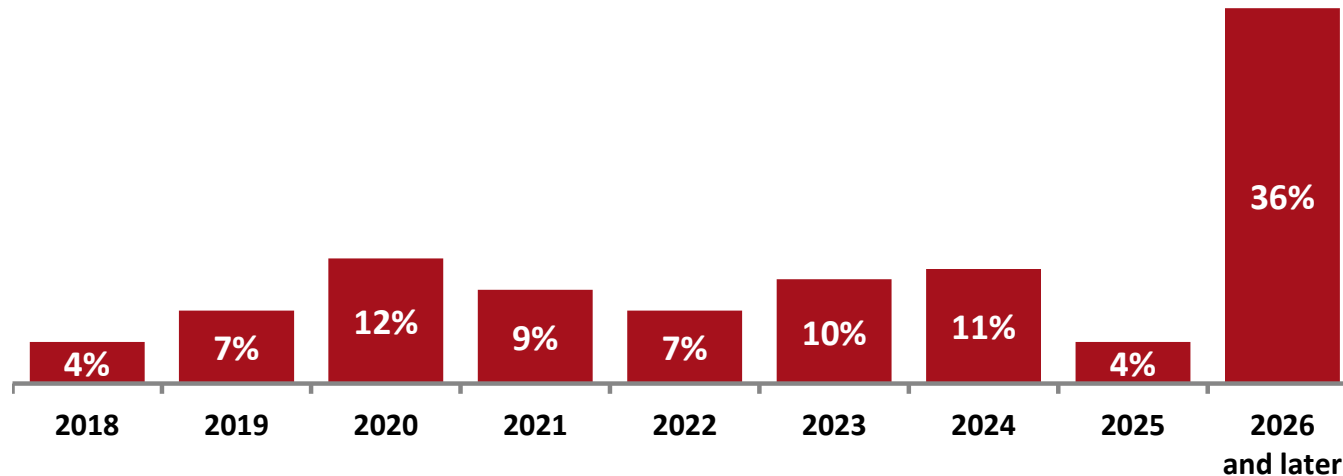
# Long-term leases

## Leasing contracts expire well distributed

Weighted average lease expiry by type (as of 31 March 2018, in years)



Split of lease contracts expiring by year (as of 31 March 2018)



# TOP 10 tenants

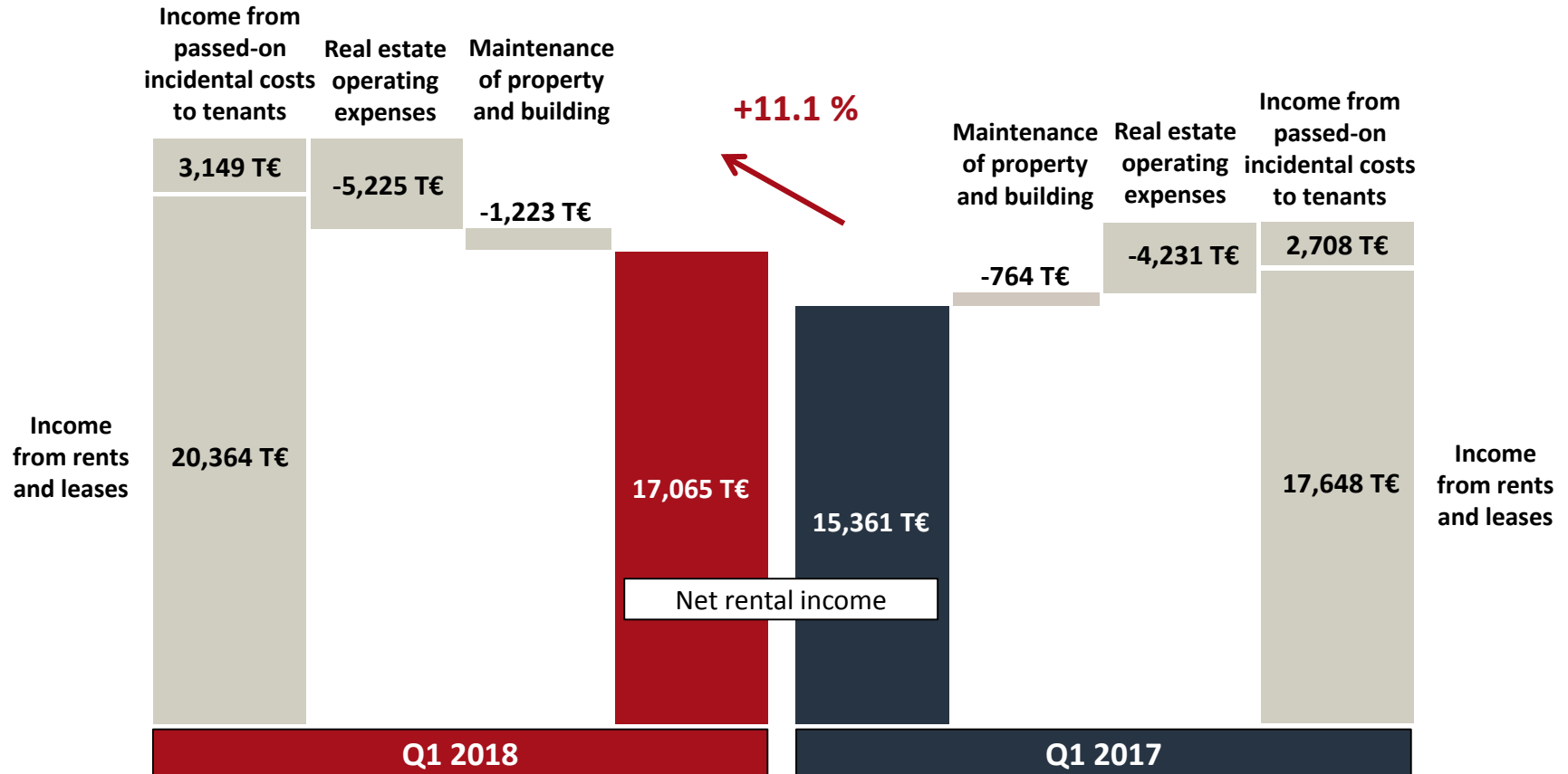
## Solid tenants

Top 10 tenants (as of 31 March 2018, % of annual rent)

	Tenant	Sector	% of annual rent
	EDEKA-Group	Food retail	12.0%
	Kaufland-Group	Food retail	7.0%
	real,-	Food retail	5.7%
	OBI	DIY retail	5.3%
	REWE-Group	Food retail	3.6%
	Jobcenter	Agency of unemployment	3.4%
	H&M	Textile retail	2.2%
	NetCologne	Telekommunikation	2.2%
	Telefonica O <sub>2</sub>	Telekommunikation	1.7%
	C&A	Textile retail	1.7%
		<b><u>Total</u></b>	<b><u>44.8%</u></b>

\* incl. rent guarantees

# Development of net rental income

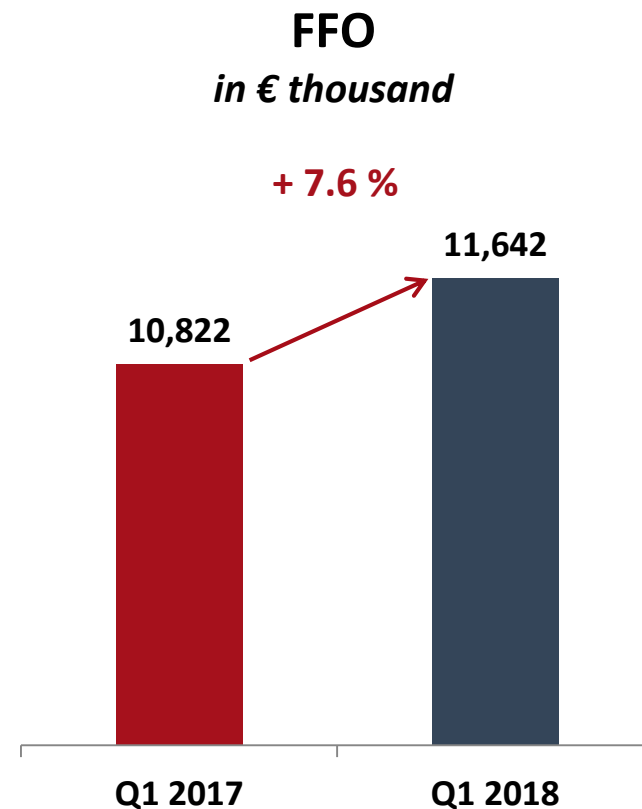


# Profit and loss account according to IFRS

in € thousand	31 Mar 2018	31 Mar 2017
<b>Net rental income</b>	<b>17,065</b>	<b>15,361</b>
Administrative expenses	-357	-344
Personnel expenses	-1,008	-1,054
Depreciations	-8,181	-6,736
Other operating income	107	783
Other operating expenses	-417	-346
<b>Operating result</b>	<b>7,209</b>	<b>7,664</b>
Result from the sale of investment properties	-2	331
<b>Earnings before interest and taxes (EBIT)</b>	<b>7,207</b>	<b>7,995</b>
Financial result	-3,748	-3,578
<b>Net profit for the period</b>	<b>3,459</b>	<b>4,417</b>

# Funds from Operations

in € thousand	Q1 2018	Q1 2017
<b>Net rental income</b>	<b>17,065</b>	<b>15,361</b>
- Administrative expenses	-357	-344
- Personnel expenses	-1,008	-1,054
+ Other operating income	107	783
- Other operating expenses	-417	-346
+ Interest Income	0	20
- Interest Expenses	-3,748	-3,598
<b>FFO</b>	<b>11,642</b>	<b>10,822</b>
<b>-Capex</b>	<b>-930</b>	<b>-534</b>
<b>AFFO</b>	<b>10,712</b>	<b>10,288</b>
<b>FFO per share in €</b>	<b>0.15</b>	<b>0.14</b>
<b>AFFO per share in €</b>	<b>0.13</b>	<b>0.13</b>





## Investments Q1 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

## Latest Acquisition



### Darmstadt

Asset type: Large-scale retail & Office

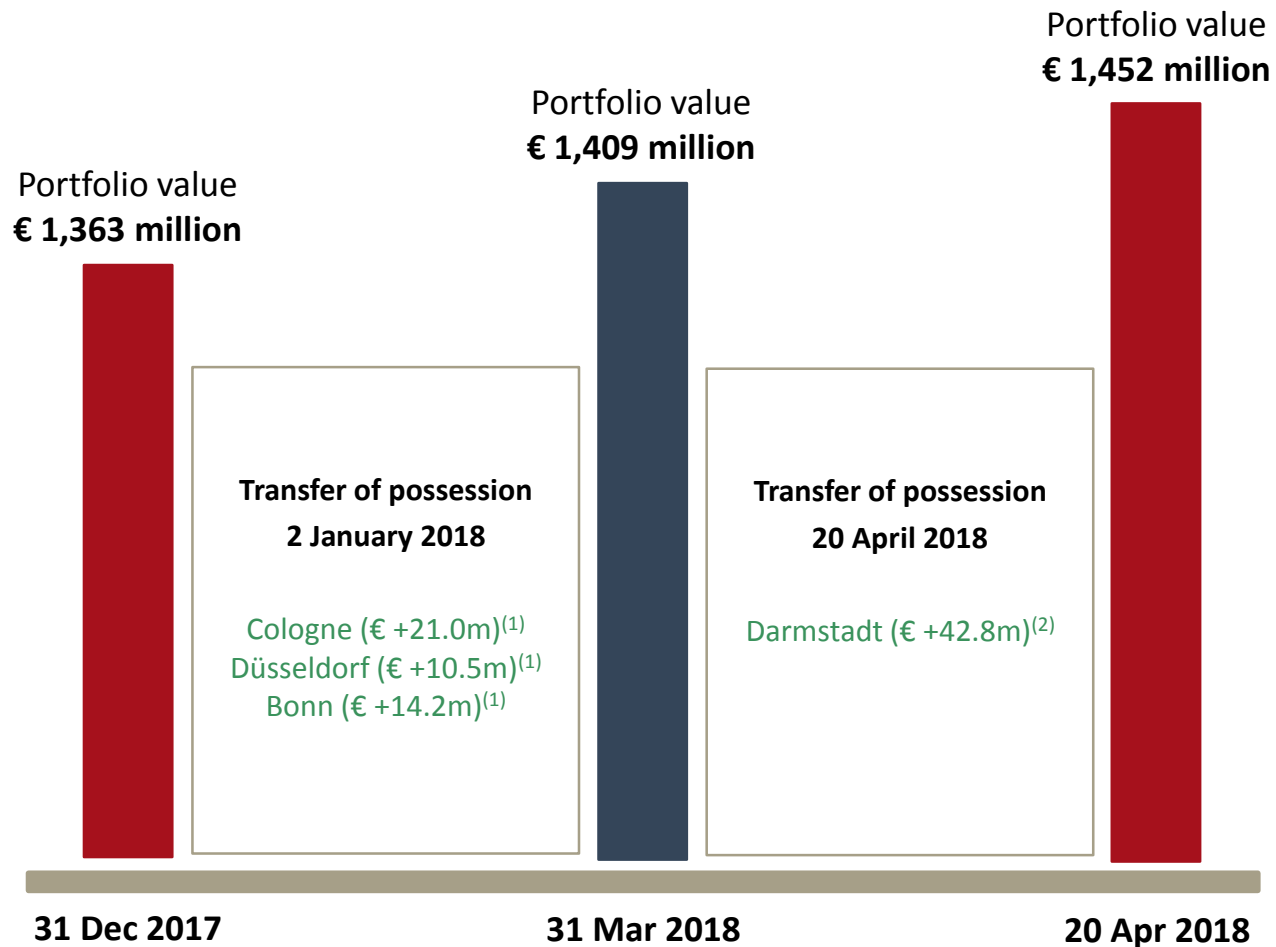
Purchase price: € 42.8 million

Maintenance expenses: € 1.6 million

Gross initial yield: 5.6%

Transfer of possession: 20 April 2018

# Development of HAMBORNERs portfolio value



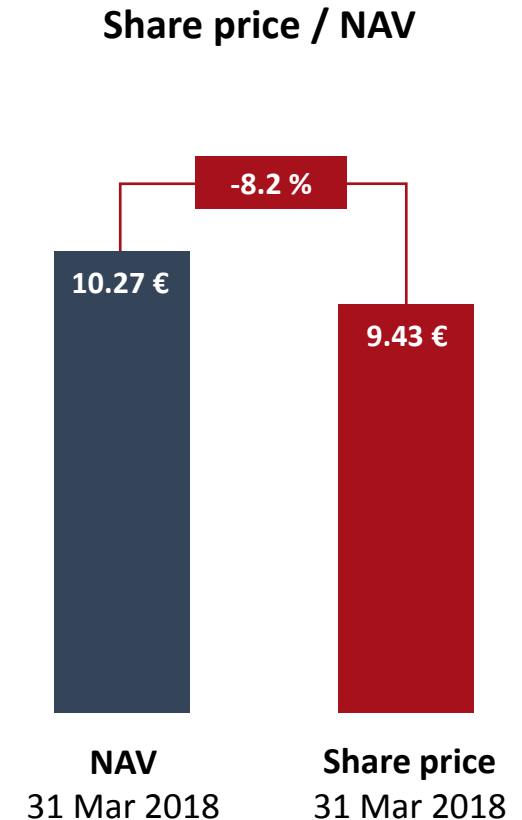
(1) Fair value as of 31 March 2018

(2) Contractually agreed purchase price

# Net Asset Value (NAV) in accordance with EPRA

Share price 8.2% below NAV (31 March 2018)

NAV according to EPRA in € million	31 Mar 2018	31 Dec 2017
Balance sheet long-term assets	1,153.8	1,114.0
+ Balance sheet short-term assets	94.6	59.5
- Non-current liabilities and provisions	-633.6	-563.6
- Current liabilities and provisions	-60.5	-59.2
<b>Balance sheet NAV</b>	<b>554.3</b>	<b>550.7</b>
+ hidden reserves "Investment property"	264.4	258.2
+ hidden reserves "Non-current assets held for sale"	0.0	0.0
<b>NAV</b>	<b>818.7</b>	<b>808.9</b>
<b>NAV per share in €</b>	<b>10.27</b>	<b>10.15</b>



# Balance Sheet

## IFRS

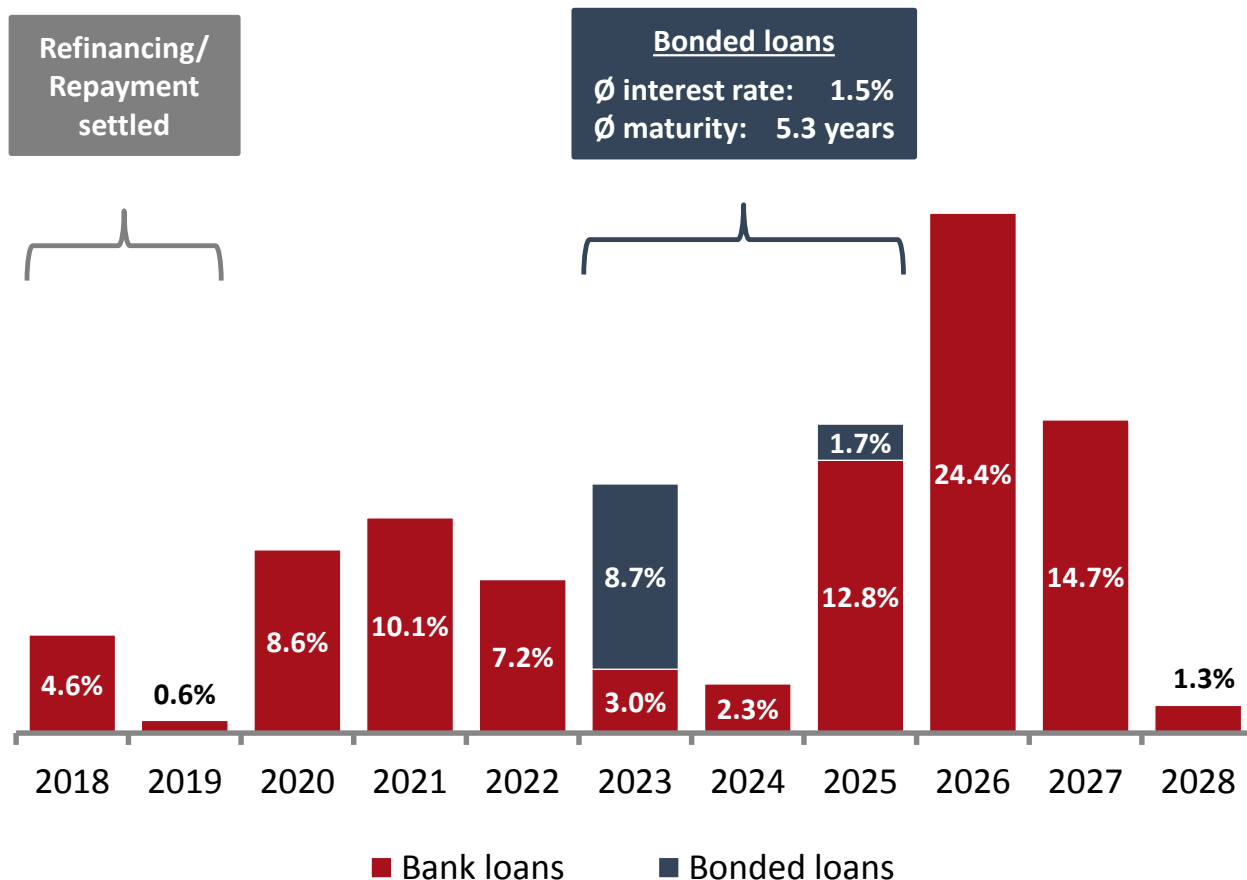
<b>ASSETS</b> in € million	31 Mar 2018	31 Dec 2017
<b>Non-current assets</b>	<b>1,153.8</b>	<b>1,114.0</b>
<i>Investment Properties</i>	1,148.9	1,109.2
<i>Other</i>	4.9	4.8
<b>Current assets</b>	<b>94.6</b>	<b>59.5</b>
<i>Trade receivables and other assets</i>	3.1	1.4
<i>Cash and cash equivalents</i>	91.5	58.1
<b>Total assets</b>	<b>1,248.4</b>	<b>1,173.5</b>

<b>Equity and Liabilities</b> in € million	31 Mar 2018	31 Dec 2017
<b>Equity</b>	<b>552.2</b>	<b>548.1</b>
<b>Financial liabilities and derivative financial instruments</b>	<b>667.6</b>	<b>598.2</b>
<b>Other liabilities and provisions</b>	<b>28.6</b>	<b>27.2</b>
<b>Total equity and liabilities</b>	<b>1,248.4</b>	<b>1,173.5</b>

**Equity ratio**  
**44.2 %**

# Stable and predictable cost of debt

## Expiration of financial liabilities (31 March 2018; % of total financial debt)



- 57.8 %**  
REIT Equity ratio
- 40.9 %**  
LTV
- €716.1m**  
Financial liabilities\*
- 2.3 %**  
Ø cost of debt\*
- 6.3 years**  
Ø maturity of debt\*

## Conclusion/Summary

- Successful first quarter 2018 with positive development of operational business
- Vacancy rate: 1.0%
- Transfer of possession of three assets in Cologne, Düsseldorf and Bonn
- Portfolio value: €1.4 billion

## Forecast 2018

- Increase in rents at the **upper end** of the forecast range of **+ 8 - 10 %**
- FFO increase in a similar range
- FFO per share: > **€0.60**
- Remaining fire power **€120 million**

<b>HAMBORNER REIT AG - Financial Calendar</b>	
<b>Interim Report for 1st quarter 2018</b>	<b>25 April 2018</b>
<b>AGM 2018</b>	<b>26 April 2018</b>
<b>Dividend payment</b>	<b>2 May 2018</b>
<b>Interim report for first half 2018</b>	<b>9 August 2018</b>
<b>Interim Report for 3rd quarter 2018</b>	<b>8 November 2018</b>
<b>Preliminary figures 2018</b>	<b>7 February 2019</b>
<b>Annual report 2018</b>	<b>27 March 2019</b>
<b>Interim Report for 1st quarter 2019</b>	<b>2 May 2019</b>
<b>AGM 2019</b>	<b>7 May 2019</b>

**Many thanks for your attention!**

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.