



hamborner  
**REIT**

ZUKUNFT BRAUCHT SUBSTANZ



## Press Conference 2014

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Frankfurt am Main

26 March 2014

# Key figures 2013

	2013	2012	Change
Income from rents and leases	€ 45.2 million	€ 37.0 million	+ 22 %
Operating result	€ 20.4 million	€ 17.5 million	+ 17 %
Profit for the period	€ 8.5 million	€ 7.7 million	+ 10 %
REIT equity ratio	52.5 %	60.3 %	- 7.8 %-points
Loan to Value (LTV)	43.7 %	34.2 %	+ 9.5 %-points
Funds from Operations	€ 23.8 million	€ 18.9 million	+ 26 %
Funds from Operations (FFO) per share	€ 0.52	€ 0.41	+ 26 %
Net Asset Value (NAV)	€ 375.3 million	€ 371.8 million	+ 1 %
Net Asset Value (NAV) per share Aktie	€ 8.25	€ 8.17	+ 1 %
Dividende per share	(*) € 0.40	€ 0.40	+/- 0 %

\* Proposal to AGM

# Financial year 2013 – key business issues

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## **Positive operative business development**

- Increasing Income from rents and leases approx. 22 % („like for like“ – 1.5 %)
- Vacancy rate 2.5 % (without rent guarantees 3.4 %)

## **Active Portfolio-Management**

- Transfer of possession of four properties
- Sale of an non strategic object in Oberhausen
  - Proceeds € 0.9 million / transfer of possession November 2013
- Sale of undeveloped land: proceeds approx. € 0.4 million

## **External evaluation of the property portfolio**

- Portfolio value approx. € 692 million
- NAV € 8.25 per share
- Sold property in Oberhausen: impairment losses of € 0.5 million

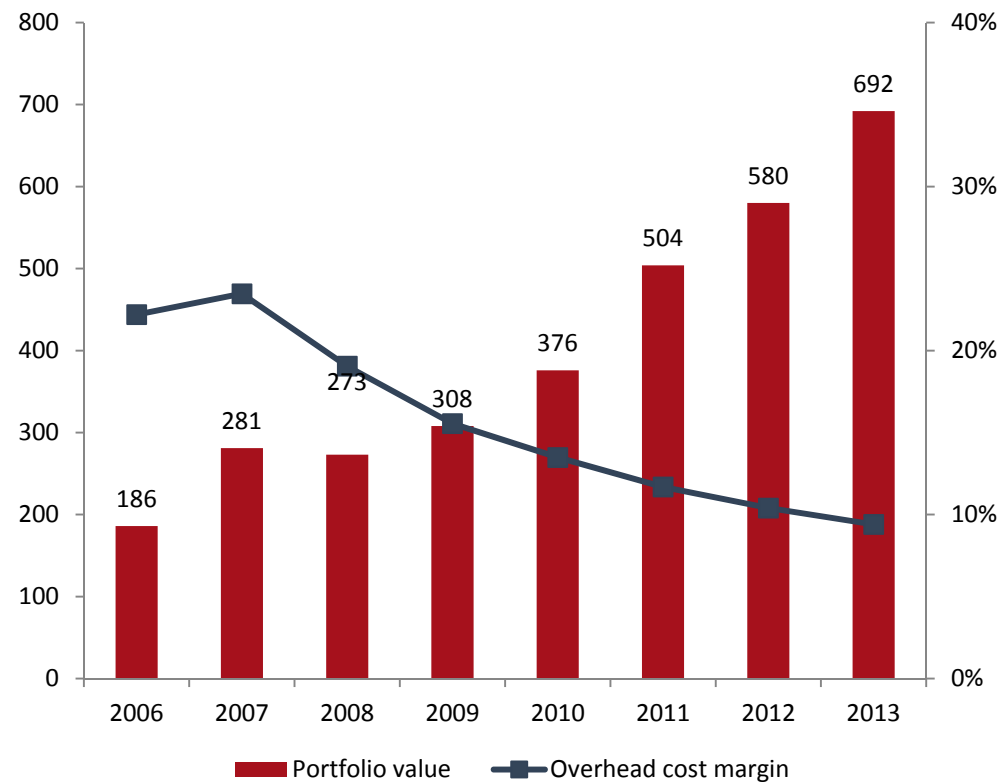
# Profit and loss account

## IFRS

in € thousand	2013	2012
<b>Net rental income</b>	<b>40,933</b>	<b>33,229</b>
Administrative expenses	-1,131	-993
Personnel costs	-3,311	-2,868
Depreciations	-16,379	-12,287
Other operating income	1,334	1,345
Other operating expenses	-1,030	-917
<b>Operating result</b>	<b>20,416</b>	<b>17,509</b>
Result from the sale of investment properties	354	884
<b>Earnings before interest and taxes (EBIT)</b>	<b>20,770</b>	<b>18,393</b>
Financial result	-12,249	-10,627
Taxes	0	-25
<b>Net profit for the period</b>	<b>8,521</b>	<b>7,741</b>

# Benefitting from economies of scale

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













\* Personnel and administrative costs divided by income from rents and leases. Personnel costs are adjusted downward for one-off costs

# TOP 10 tenants

## Solid tenants

Top 10 tenants (31/12/2013, % of annual rent \*)

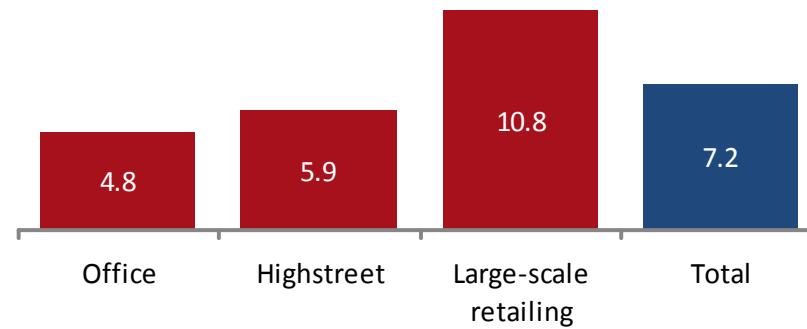
	<u>Tenant</u>	<u>Sector</u>	
	EDEKA	Discount food retail	14.4%
	Kaufland Gruppe	Discount food retail	10.4%
	OBI	Retail (DIY)	8.4%
	AREVA	Power & Utilities	2.0%
	SFC Energy	Industrials/Energy	2.0%
	Estée Lauder	Luxury consumer goods	1.9%
	Schneider Electric	Energy Management	1.8%
	Telefonica O2	Telecommunication	1.7%
	REWE	Food retail	1.6%
	Kaspersky	Software	1.5%
	<b>Total</b>		<b>45.7%</b>

\* incl. rent guarantees

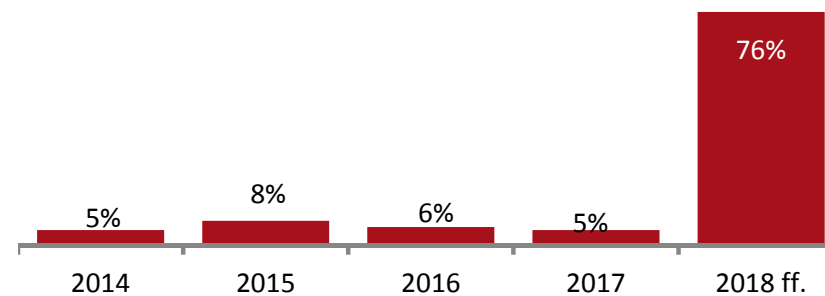
## Long-term leases

76 % of the leasing contracts expires not before 2018.

Weighted average lease expiry by type (31/12/2013, in years)



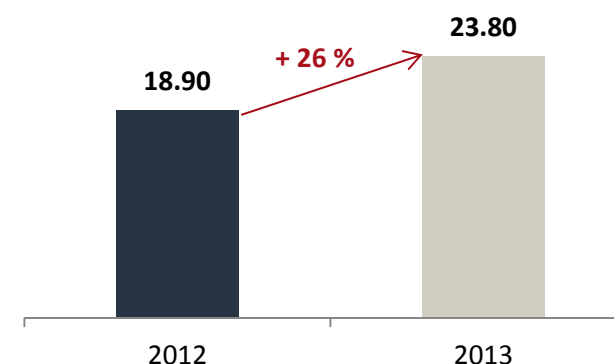
Split of lease contracts expiring by year (31/12/2013)



# Funds from Operations

in € thousand	31/12/2013	31/12/2012
<b>Income from rents and leases</b>	<b>45,227</b>	<b>36,993</b>
Income from passed-on incidental costs to tenants	5,027	3,416
Real estate operating expenses	-7,158	-5,076
Property and building maintenance	-2,163	-2,104
<b>Net rental income</b>	<b>40,933</b>	<b>33,229</b>
- Administrative expenses	-1,131	-993
- Personnel costs	-3,311	-2,868
+ Other operating income	334**	346*
- Other operating expenses	-790*	-676*
+ Interest Income	42	347
- Interest Expenses	-12,291	-10,508*
<b>FFO before taxes</b>	<b>23,786</b>	<b>18,877</b>
- Capitalised expenditure	-1,029	-1,269
<b>AFFO</b>	<b>22,757</b>	<b>17,608</b>
<b>FFO per share</b>	<b>0.52</b>	<b>0.41</b>
<b>AFFO per share</b>	<b>0.50</b>	<b>0.39</b>

FFO total  
in € million

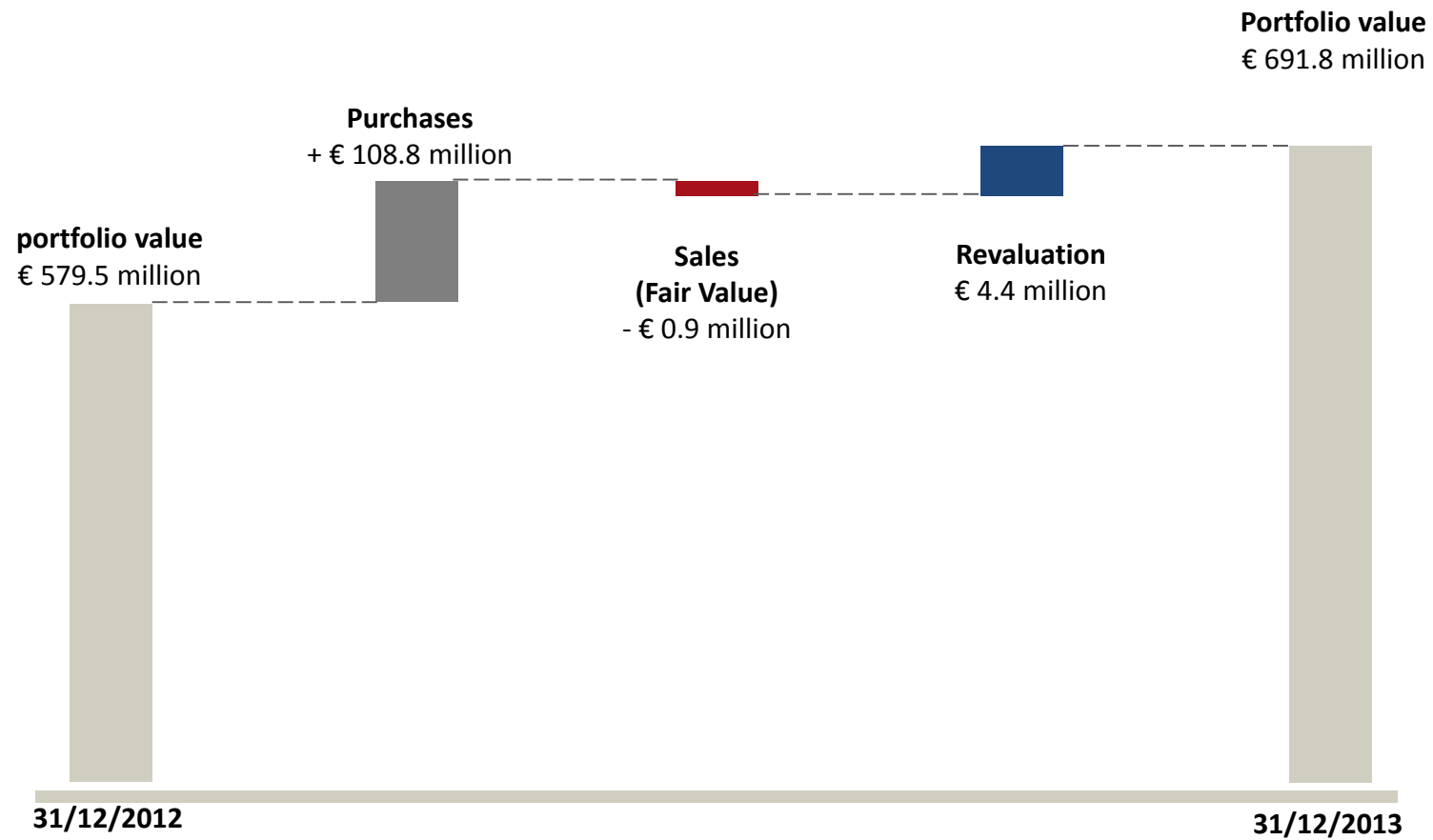


\* Adjusted for reversals of impairment losses and non-recurring effects from the remeasurement of provisions for mining damage

\*\* Adjusted for extraordinary effect of early contract termination by a tenant



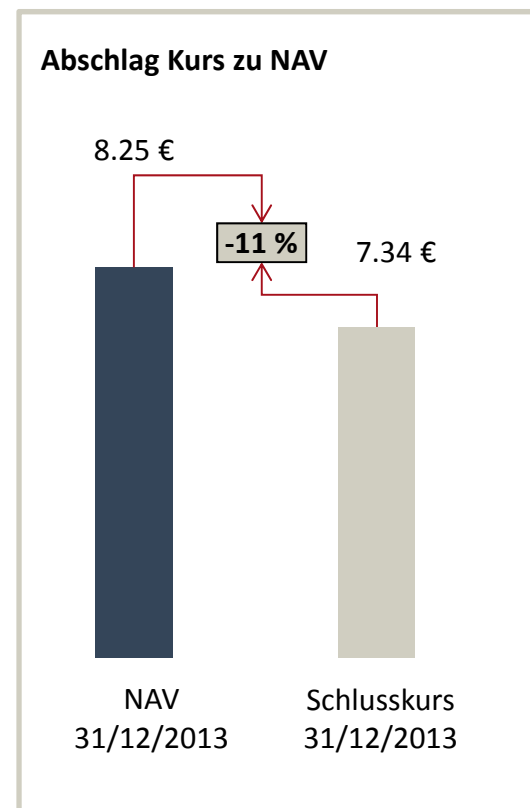
# Portfolio development 2013



# Net Asset Value (NAV) in accordance with EPRA

Discount of XETRA-closing price to NAV = 11 % (31/12/2013)

NAV according to EPRA	31/12/2013 in € million	31/12/2012 in € million
Balance sheet long-term assets	596	511
+ Balance sheet short-term assets	36	30
- Non-current liabilities and provisions	-336	-235
- Current liabilities and provisions	-13	-14
<b>Balance sheet NAV</b>	<b>283</b>	<b>292</b>
+ hidden reserves "Investment property"	88	80
+ hidden reserves "Non-current assets held for sale"	4	0
<b>NAV</b>	<b>375</b>	<b>372</b>
<b>NAV per share in €</b>	<b>8,25</b>	<b>8,17</b>
- Derivative financial instruments	-11	-15
- Hidden reserves on financial liabilities	-10	-15
<b>NNNAV</b>	<b>354</b>	<b>342</b>
<b>NNNAV per share</b>	<b>7.78</b>	<b>7.51</b>



# Balance Sheet

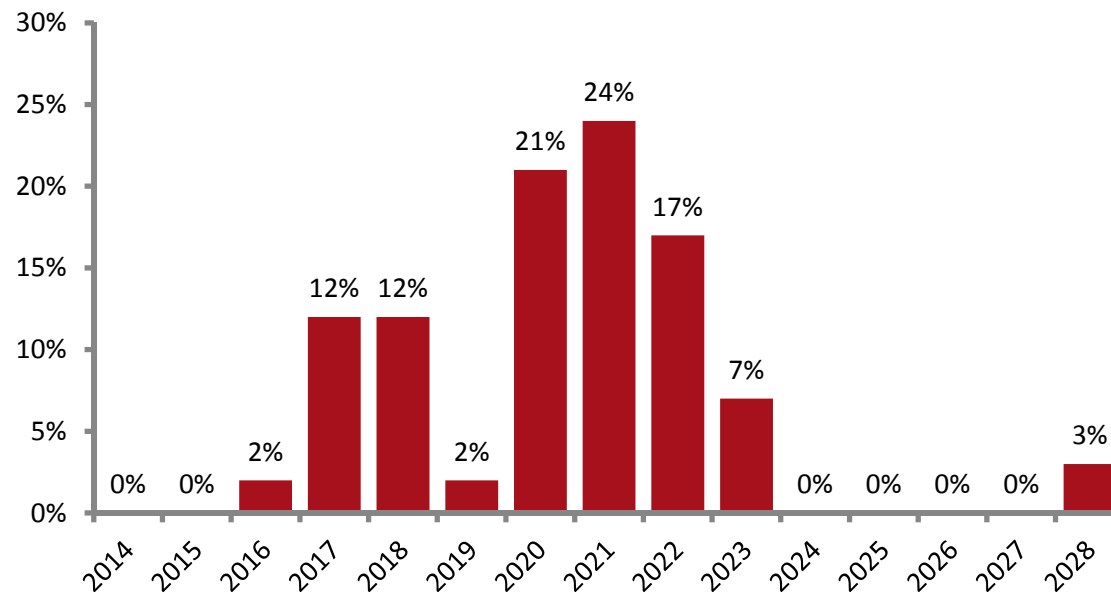
## IFRS

in € million	31/12/2013	31/12/2012
<b>ASSETS</b>		
<b>Non-current assets</b>	<b>596.3</b>	<b>511.5</b>
Investment Properties	595.4	510.8
Other	0.9	0.7
<b>Current assets</b>	<b>35.4</b>	<b>29.9</b>
Trade receivables and other assets	0.8	0.8
Cash and cash equivalents	28.2	29.1
Non-current assets held for sale	6.4	0
<b>Total assets</b>	<b>631.7</b>	<b>541.4</b>
<b>EQUITY AND LIABILITIES</b>		
Equity	271.7	276.8
Financial liabilities and derivative financial instruments	342.4	245.9
Other liabilities and provisions	17.6	18.7
<b>Total equity and liabilities</b>	<b>631.7</b>	<b>541.4</b>

Equity ratio  
43.0 %

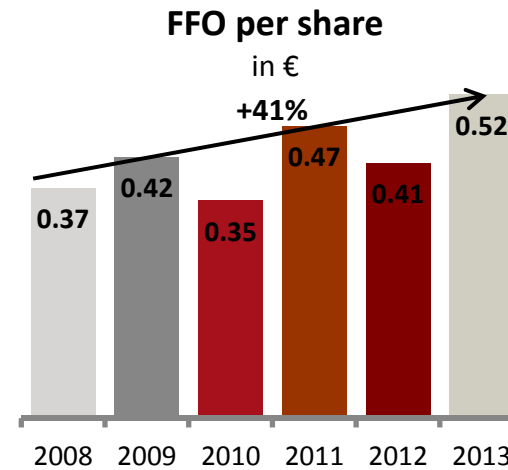
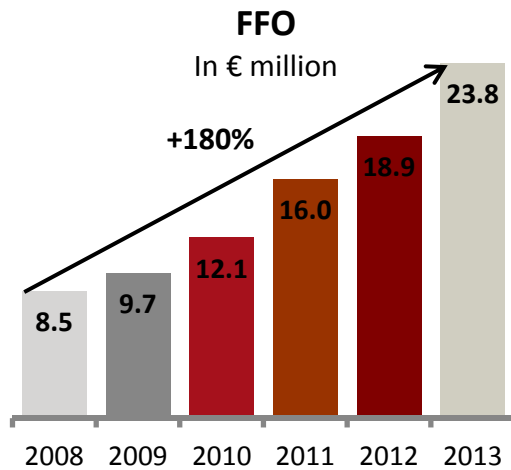
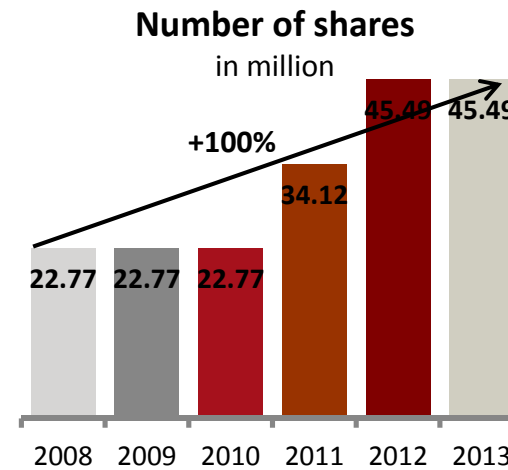
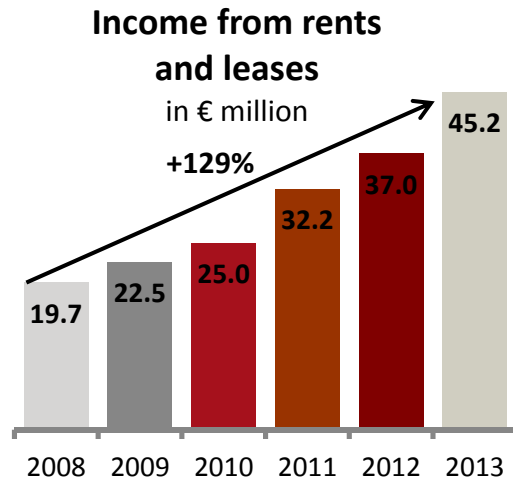
# Stable and predictable cost of debt

## Expiration of fixed interest rates (31/12/2013)



- Financial debt: € 331.5 million
- Liquid funds: € 28.2 million
- LTV: 43.7 %
- REIT equity ratio: 52.5 %
- Average maturity of fixed interest rates: 7.3 years
- Average cost of debt: 3.9%
- Banken
  - Institutional banks
  - Cooperative banks
  - Saving banks
  - Insurance companies

## FFO per share as a key component for controlling



# Conclusion and outlook

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## 1. Conclusion

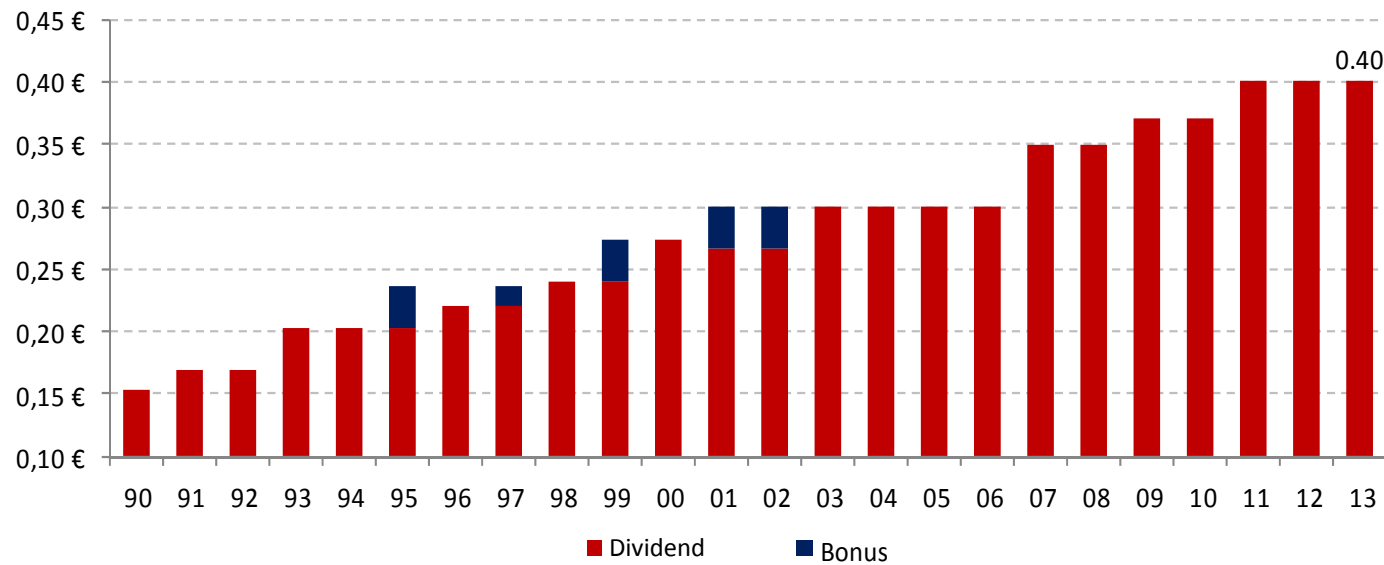
- Successful business year 2013 / targets achieved
- Positive development of all operational business figures / forecasts exceeded
- Portfolio increased and progress with the sale of smaller properties with high administrative requirements
- Portfolio value as at 31/12/2013 approx. € 692 million

## 2. Outlook

- € 4.4 million book profit in January/February; € 3.6 million additional book profit in Q2 expected
- Further increase of rental income in 2014 expected (+ approx. 4-5 %)
- Similar increase of FFO in 2014 strived

# Dividend proposal to AGM

Dividend per share 40 cents



**Dividend proposal to  
AGM on 06 May 2014**

Dividend yield 5.4%  
based on year-end-  
share price 2013

# Active Portfolio-Management

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## **Purchases**

- Portfolio increase with 4 properties in Munich, Berlin, Bayreuth und Hamburg (market value approx. € 115 million in 2013)
- Purchase contract for an object in Bad Homburg signed
  - Investmentvolume approx. € 8 million / transfer of possession was January 2014

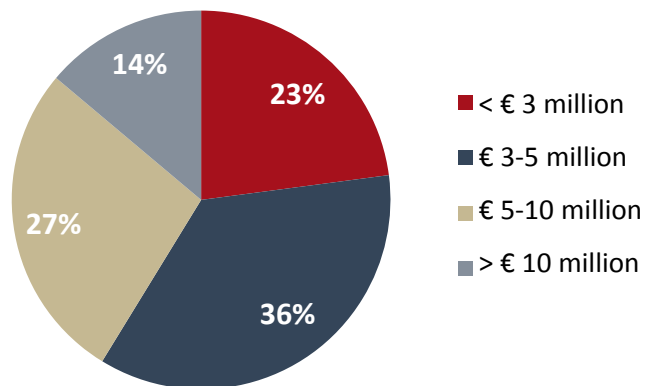
## **Sales / portfolio streamlining**

- Sale of an smaller non strategic property in Oberhausen (proceeds € 0.9 million / transfer of possession was November 2013)
- Sale of undeveloped land: proceeds approx. € 0.4 million
- Further property sales out of the old portfolio in 2013 with transfer of possession in 2014: properties in Moers, Wuppertal, Hannover
  - Proceeds approx. € 10.9 million (book profit € 4.4 million) / Transfer of possession was in January (Moers, Wuppertal) or February 2014 (Hannover)



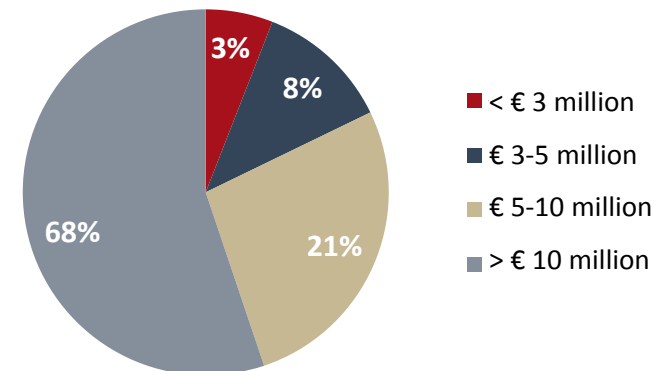
# Portfolio by size of properties

Portfolio by size of properties 2006



Portfolio value end of 2006: approx. € 186 million

Portfolio by size of properties 2013



Portfolio value end of 2013: approx. € 692 million

# Balanced Portfolio

## 100% German focus

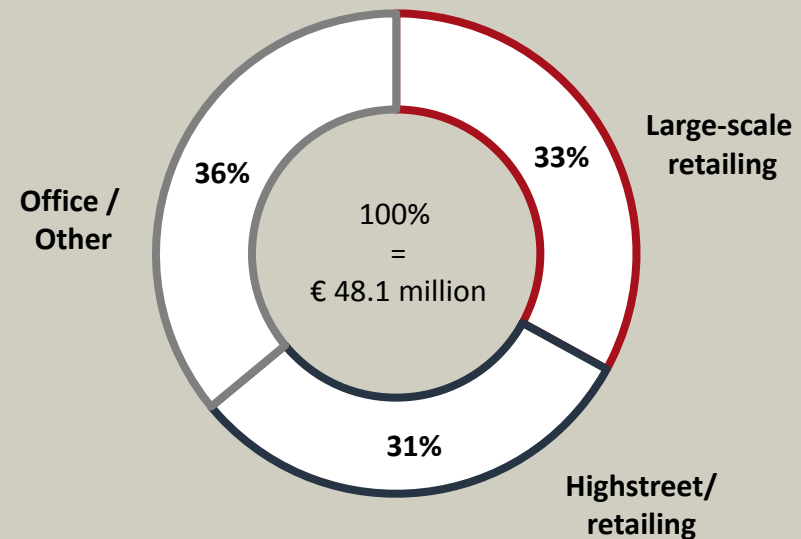
### Geographical portfolio spread (01/03/2014)



### Diversification of asset types (31/12/2013)

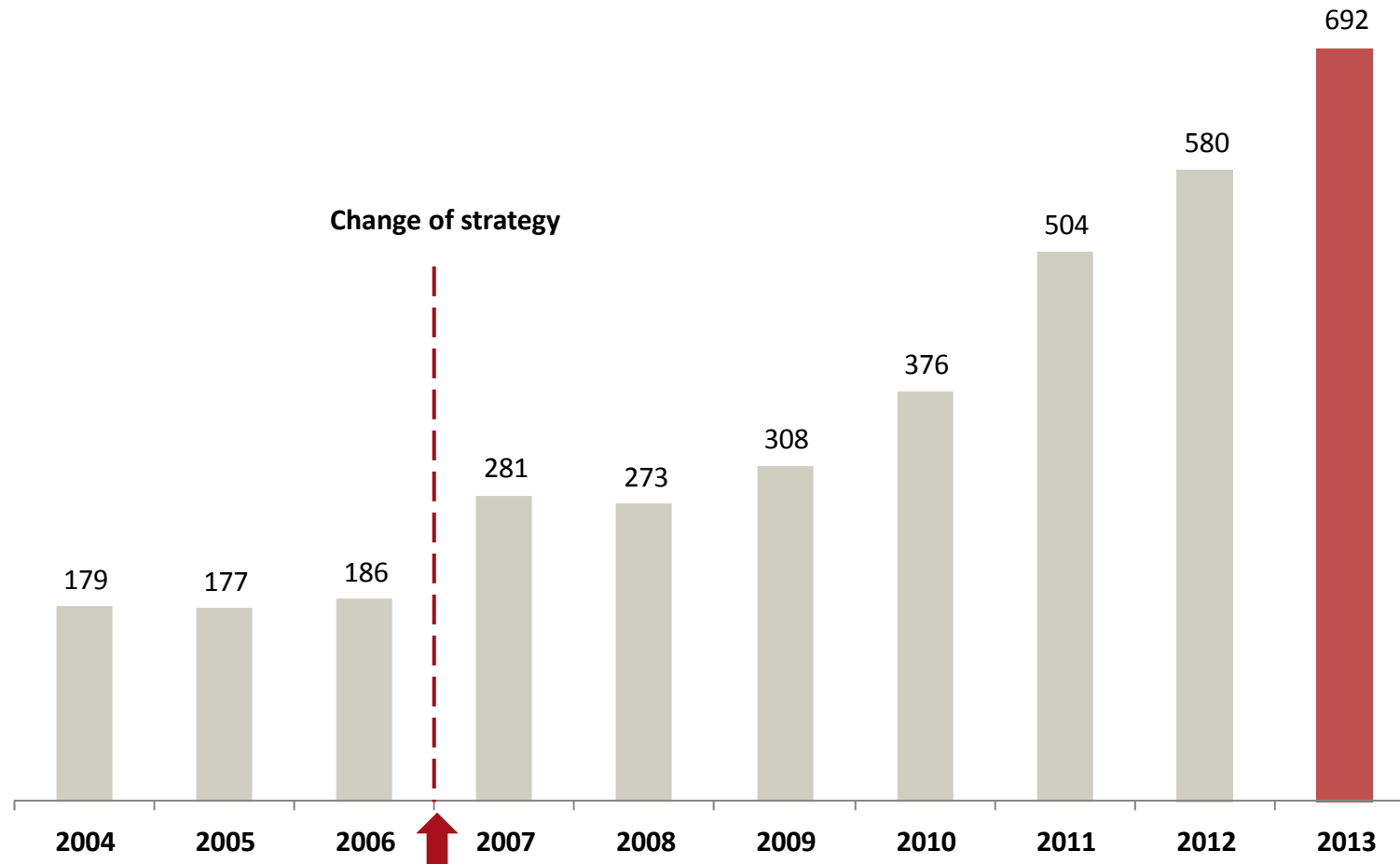
- 72 properties in 55 cities in Germany, Focus on West- und South
- approx. € 691.8 million portfolio value

#### Asset classes splitted by annualised rental income



## Development of the HAMBORNER portfolio value

in € million



## Portfolio changes (1/2)

### Investments 2013



**München**

+ € 40 million ✓  
Transf. of possess. 01/2013



**Berlin**

+ € 33 million ✓  
Transf. of possess. 03/2013



**Bayreuth**

+ € 18,5 million ✓  
Transf. of possess. 05/2013



**Hamburg**

+ € 17 million ✓  
Transf. of possess. 12/2013

### Investments 2014



**Bad Homburg**

+ € 8 million ✓  
Transf. of possess. 01/2014

## Portfolio changes (2/2)

### Desinvestments 2013



Sale of undeveloped  
land: book profit  
€ 354 thousand



Selling price: € 0.9 million ✓  
Transf. of possess. 11/2013

### Desinvestments 2014



Selling-price: € 2.4 million ✓  
Transf. of possess. 01/2014



Selling-price: € 2.8 million ✓  
Transf. of possess. 01/2014

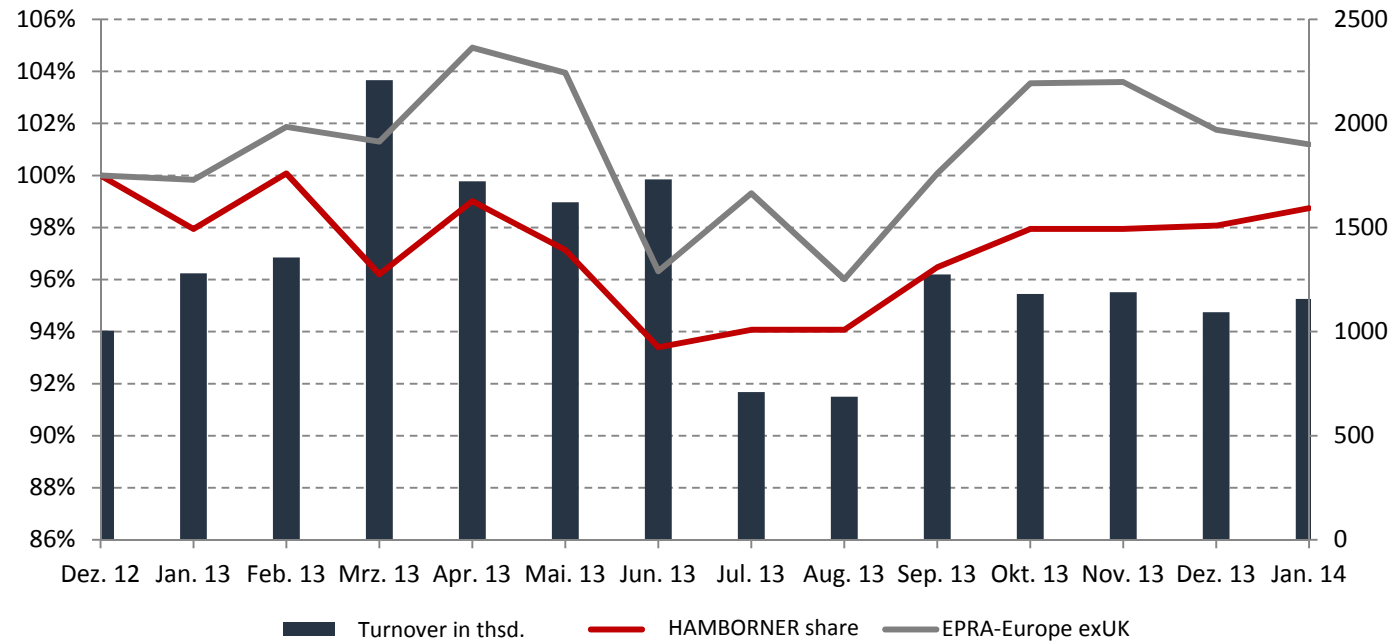


Selling-price: € 5.7 million ✓  
Transf. of possess. 02/2014

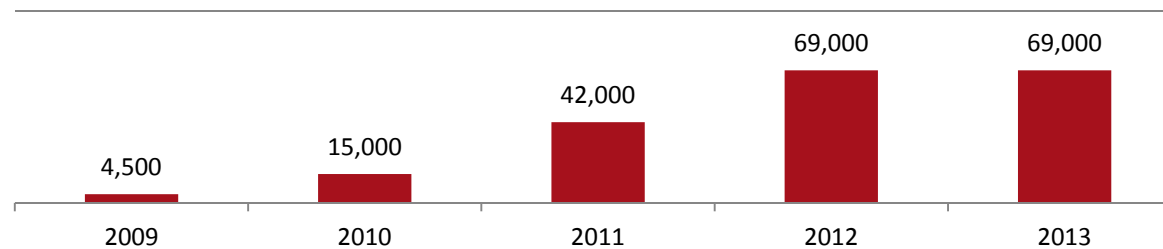


Selling-price: € 5.3 million  
Transf. of possess. 04/2014e

# HAMBORNER REIT AG share



Average turnover per day since 2009 (# shares)



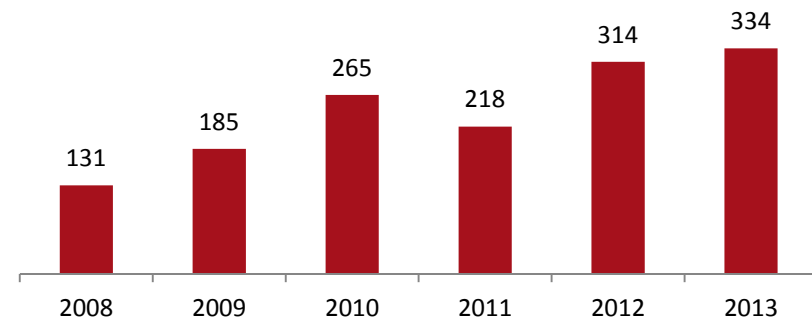
# HAMBORNER REIT AG – capital market situation

## Growing market capitalization and increasing free float

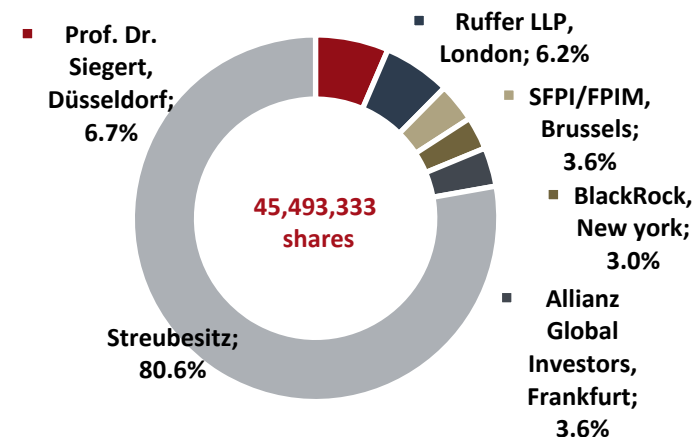
### Overview events

- **2007:** Start of new strategy
- **2010:** Achievement of G-REIT status and change of company name to HAMBORNER REIT AG
- **October 2010:** Successful Capital Increase – net proceeds of approx. € 76 million
- **February 2011:** Secondary placement of approx. € 89 million HSH stake
- **March 2011:** SDAX index inclusion
- **March 2012:** EPRA index inclusion
- **July 2012:** Successful Capital Increase – 11,373,333 new shares, share price € 6.50, full dividend rights, net proceeds of approx. € 71.4 million
- **May 2013:** Creation of new Authorised Capital and Authorisation to issue option and convertible bonds

### Historic market cap (€ million)



### Shareholders



# Financial Calendar

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<b>HAMBORNER REIT AG</b>	
Annual report 2013	26 March 2014
Interim report for 1st quarter 2014	5 May 2014
Annual general meeting 2014	6 May 2014
Interim report for 1st half year 2014	12 August 2014
Interim report for 3rd quarter year 2014	11 November 2014

Many thanks for your attention!



# Disclaimer

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