hamborner REIT

ZUKUNFT BRAUCHT SUBSTANZ

Interim Report

for the Third Quarter of 2011

Key Figures at a Glance (IFRS)

€ thousand		
From the statement of comprehensive income	**30/09/2011**	**30/09/2010 ***
Income from rents and leases	23,415	18,293
Net rental income	20,944	16,727
Operating profit	10,315	9,290
Net finance costs	-5,577	-4,470
EBITDA	18,643	14,621
EBDA	13,066	7,373
EBIT	11,068	9,842
Funds from operations (FFO)	12,312	9,599
Comprehensive income for the period	5,491	2,595

From the statement of financial position	30/09/2011	31/12/2010 *
Total assets	437,522	406,143
Non-current assets	430,389	322,067
Equity	213,386	223,467
Equity ratio in %	48.8	55.0
REIT equity ratio in %	56.1	74.4
Loan-to-value (LTV) in %	38.2	19.3

On HAMBORNER shares	30/09/2011	30/09/2010 *
Earnings per share in €	0.16	0.11
Funds from operations (FFO) per share in €	0.36	0.42
Stock price per share in € (XETRA)	6.39	7.50
Market capitalisation	218,027	170,775

Other data	30/09/2011	31/12/2010 *
Fair value of the property portfolio	487,270	376,150
Net asset value (NAV)	293,375	298,144
Net asset value per share in €	8.60	8.74
Number of employees including Managing Board	24	24

* Figures for the previous year have been restated (see notes)

Contents

The financial reporting of HAMBORNER REIT AG is in accordance with IFRS (International Financial Reporting Standards) as applicable in the European Union.

This interim report was published on 9 November 2011.

Letter from the Managing Board

Dear Shareholders,

Although the uncertainty and the turbulence on the capital markets never seems to end and there are always new reports making waves, HAMBORNER REIT AG is still in a comfortable situation. This is because this quarterly report, the third in this year, again contains only good news from an operational perspective.

In addition to the property acquisitions in Brunnthal near Munich, Bad Homburg v.d.H., Langenfeld, Leipzig and Regensburg already described in the half-year report, two more properties – an office building in Erlangen and a retail property in Offenburg – were also transferred to us in August. Thus, we have rapidly worked through the pipeline of investment opportunities we presented at the end of last year and have successfully invested the money entrusted to us in the capital increase. The volume of the properties acquired to date this year amounts to around €112 million, the current value of the portfolio as a whole is therefore €487 million.

Furthermore, a purchase agreement was signed for an office building in Munich in the third quarter. This is the first of a total of three green buildings being built in Parkstadt Schwabing, known as the "Gateway to Munich". In cooperation with the Fraunhofer Institute, it is intended to achieve LEED platinum certification for this project, a classification that for 15 years has set global standards for the development and planning of buildings that satisfy extreme ecological requirements. As the issue of sustainability will play a significant role in office property in future and therefore also guides us in all our investment decisions, we are proud of this – our biggest acquisition to date – for which we have already secured renowned tenants such as Esteé Lauder, McLaren, Armani and Milon.

The positive developments are also continuing on the financial and operational side. With its REIT equity ratio of around 56.1% and LTV of 38.2%, the company has a solid financial framework, extremely low vacancies and a balanced tenant structure as well. HAMBORNER can look to the future with confidence on these foundations.

In spite of the tense general economic conditions, we are therefore assuming that the 2011 financial year will be a successful one and that we will achieve our goals.

Duisburg, November 2011

Dr Rüdiger Mrotzek

Hans Richard Schmitz

Interim Management Report

General Economic Conditions

Following the initially highly positive indications at the start of the calendar year, the upswing on the German economy and the optimistic business prospects enjoyed by companies were dampened considerably by the ongoing European and US financial crisis in the second and third quarter of 2011.

The stock markets were rattled and at times the DAX lost more than two thousand points from 30 June 2011 over the course of the third quarter of 2011, coming close to the 5,000 point marker in the middle of September.

The leading economic research institutes scaled back their growth forecasts significantly in their autumn reports. A declining growth trend has now been predicted again for the first time since the start of the year. Nonetheless, the rise in gross domestic product (GDP) is expected to amount to 2.9% by the end of the year. At the same time, a flatter increase in the rate of inflation and a further decrease in the number of job seekers are also anticipated.

There is no end in sight to the European debt crisis at this time. On the contrary, it must be expected that the looming bankruptcy of Greece and the non-compliance with EU stability criteria by member states could exacerbate the negative effects on economic developments in Germany by the end of the year.

Report on the Result of Operations, Financial Position and Net Asset Situation

Largely unaffected by the general deterioration in economic prospects and as anticipated, the result of operations, financial position and net assets situation of HAMBORNER REIT AG developed well in the first nine months of 2011.

Result of Operations

Management income from our properties amounted to €23,415 thousand by the end of September 2011 (previous year: €18,293 thousand). The increase as against the same period of the previous year was therefore €5,122 thousand or 28.0%. Rental income from property additions in the final quarter of 2010 and 2011 accounted for a total of €5,246 thousand of this amount (28.7%). By contrast, sales of rented properties reduced income by €61 thousand (0.3%). The rental income from properties that were in our portfolio in both the same period of 2010 and the first nine months of this year (like-for-like) decreased by €63 thousand (0.4%). Income from charging incidental costs to tenants amounted to €2,439 thousand, an increase of €490 thousand or 25.1% on the figure for the same period of the previous year (€1,949 thousand).

The vacancy rate in the first nine months of the reporting year was 1.8% (previous year: 2.3%). Adjusted for income from rent guarantees, there was an economic vacancy rate for the reporting period of 1.3% (previous year: 1.2%).

Expenses of €3,112 thousand were incurred for the management of our properties by the end of September 2011 (previous year: €2,706 thousand). The increase of €406 thousand (15.0%) as against the same period of the previous year was mainly due to the larger portfolio.

The expenses for the maintenance of the land and property portfolio amounted to €1,798 thousand as at the end of the reporting period, up €989 thousand as against the figure for the same period of the previous year (€809 thousand). The increase was primarily due to the renovation of a store roof in Freiburg and the extension and renovation work to our store in Cologne.

The net rental income derived from the above items amounted to €20,944 thousand as at the end of September 2011 and therefore grew by €4,217 thousand year-on-year (25.2%).

Administrative and staff costs totalled €2,689 thousand in the reporting period, a rise of €173 thousand or 6.9% as against the previous year's figure of €2,516 thousand. While administrative expenses were virtually unchanged, staff costs rose by €173 thousand. The growth in staff costs was essentially due to the reversal of a provision in the same period of the previous year for the unpaid bonuses for 2009.

As a result of the increased assessment base due to the growth in the property portfolio, depreciation and amortisation expense climbed to €7,575 thousand in the period up to and including September 2011 after €5,947 thousand in the same period of the previous year.

Other operating income declined from €1,494 thousand in the previous year to €314 thousand in the reporting period. This item had included income from the reversal of write-downs in the previous year of €1,169 thousand but no such income had been generated as at the reporting date in 2011.

Other operating expenses rose by €211 thousand and amounted to €679 thousand as at 30 September 2011. The increase was essentially due to a rise in borrowing costs, public relations activities and expert fees.

The company's operating result as at the end of September 2011 was €10,315 thousand, up €1,025 thousand on the figure for the same period of the previous year (€9,290 thousand).

Net income from the sale of properties improved by €200 thousand to €753 thousand in the reporting period (previous year: €553 thousand). The proceeds in the reporting period resulted from the sale of an office property in Krefeld and disposals of undeveloped land as part of a reallocation process performed by the city of Dinslaken.

Net finance costs amounted to €5,577 thousand, down €1,107 thousand as against the previous year's figure (€4,470 thousand). The reduction is primarily due to the further increase in the funds borrowed to finance the company's growth and the associated interest expenses (€5,944 thousand as at 30 September 2011 after €4,557 thousand in the same period of the previous year). As a result of the surge in cash and cash equivalents due to the capital increase, interest income in the first nine months of the reporting year increased by €280 thousand to €367 thousand.

The income tax reported in the previous year related mainly to the exit tax triggered by the company obtaining REIT status. Having achieved REIT status means that the company has been exempt from trade and corporation tax since 1 January 2010, but was still required to identify the hidden reserves at the transition date and subject them to an exit tax. Net deferred taxes of €16.6 million were reversed against the tax liability of €13.8 million recognised for this purpose in the first quarter of 2010, resulting in a reduction of earnings of around €2.8 million. A tax audit is currently being performed for the years 2007 to 2009, which will also determine the final amount of exit taxation.

The company's comprehensive income as at 30 September 2011 amounted to €5,491 thousand after €2,595 thousand in the same period of the previous year. Thus, with a total of 34,120,000 shares outstanding in the reporting period, earnings per share amounted to €0.16 after €0.11 in the same period of the previous year (22,770,000 shares).

The FFO (not including income from disposals) amounted to €12,312 thousand as at 30 September 2011 (previous year: €9,599 thousand) and therefore rose by 28.3%.

Financial Position and Net Assets Situation

In addition to the property acquisitions in Brunnthal near Munich, Bad Homburg v.d.H., Langenfeld/Rhld., Leipzig and Regensburg already described in the half-year report, two more properties were also transferred to our portfolio in the third quarter. The first is the Campus Röthelheimpark retail and office centre in the east of Erlangen that was acquired at the end of 2010 and features usable space of around 11,500 m². The second is an approximately 5,000 m² retail property situated in a prime location in the pedestrian zone of Offenburg. The property was extensively renovated in 2008/2009 and has been let to a well-known drugstore chain operator. Both properties were added to our portfolio as at 1 August 2011. Furthermore, a purchase agreement was signed for an office building in Munich in the third quarter. The property is the first of a total of three green buildings being built in Parkstadt Schwabing, known as the "Gateway to Munich". In cooperation with the Fraunhofer Institute, it is intended to achieve LEED platinum certification for this project, a classification that sets global standards for the development and planning of buildings that satisfy extreme ecological requirements. Construction has already begun on the first building that we have acquired. The payment of the purchase price with transfer of ownership is expected at the beginning of 2012. Esteé Lauder, McLaren, Armani and Milon have been secured as main tenants for the future rental space of around 12,000 m².

The total cost of the additions in the first three quarters of 2011 has amounted to €116.4 million. This figure includes acquisition and incidental costs of €3.5 million for properties not yet added to our portfolio and €0.6 million in subsequent investments in the portfolio. The fair value of our property portfolio as at 30 September 2011 was €487.3 million.

At the end of August, we sold a smaller office building in Krefeld that no longer fit with the company's strategic concept for a price of €900 thousand.

The increase in trade receivables and other assets is mainly the result of an outstanding purchase price receivable, interest paid in advance and advances on property charges.

On 30 September 2011, the company had cash and cash equivalents of €5.9 million. The decline of €77.7 million as against 31 December 2010 (€83.6 million) is essentially due to the equity used to acquire properties and for the dividend distribution for 2010.

On the equity and liabilities side, current and non-current financial liabilities rose by a net figure of €37.4 million to €192.5 million on 30 September 2011 as a result of the utilisation of further property loans less scheduled repayments and the transformation of a current loan into a non-current loan. This amount includes €2.0 million from the utilisation of a line of credit open to the company of €10 million.

Further funds of €33.8 million were available under contractually agreed loans.

The market value of derivative financial instruments as at the end of September 2011 was €-12.0 million. Thus, subsequent measurement as at 30 September 2011 resulted in a €3.0 million drop in fair value as against the amount recognised at 31 December 2010.

In the first nine months of the reporting year, we generated a cash flow from operating activities of €17.6 million after €-4.4 million in the same period of the previous year, a figure that was essentially influenced by tax payments – particularly for exit taxation – of €16.9 million.

The reported equity ratio as at 30 September 2011 was 48.8% after 55.0% as at 31 December 2010. The REIT equity ratio declined from 74.4% as at 31 December 2010 to 56.1% as at the end of the reporting period.

Risk Report

As a property company with a portfolio spread across the whole of Germany, HAMBORNER REIT AG is exposed to a number of risks that could affect its result of operations, financial position and net assets situation. We are not currently anticipating any significant changes in the assessment of risks to the business development of the company as against 31 December 2010. The comments made in the risk report of the 2010 management report therefore still apply.

No risks to the continuation of the company as a going concern are currently discernible.

Forecast Report

As an asset manager for commercial properties, HAMBORNER REIT AG held a portfolio of 68 properties as at 30 September 2011. In future, the company's strategy will be geared towards value-adding growth in the fields of retail and office properties. In our investments, we focus on properties used for retail in prime locations in German regional centres and medium-sized cities, retail parks and office buildings at established locations.

Since its transformation into a REIT at the start of 2010, the company has been subject to the stipulations of the German REIT Act regarding the purpose of the company and its compliance with company law and capital requirements. The latter include the minimum equity ratio of 45% under the regulations of the REIT Act, to be determined on the basis of the fair value of the property assets.

The Managing Board is standing by its basic opinions and forecasts regarding future business prospects as published in the 2010 annual report. It does not feel there are any grounds to adjust these statements on account of current developments at this time. Thanks mainly to the company's continuing investment activities, we are anticipating a further significant rise in rental income in 2011 as a whole, namely of at least 25% as against the previous year according to current information. The vacancy rate is expected to remain at a low level. Overall, we are predicting a stable trend in operating business and satisfactory results in 2011. A sustainable increase in FFO is still a high priority. We are currently assuming that this figure will rise by at least 30 % year-on-year in 2011.

Supplementary Report

The EDEKA store in Freiburg with rental space of around 4,000 m² was transferred to us on 2 November 2011.

Interim Financial Statements of HAMBORNER REIT AG as at 30 September 2011

Statement of Comprehensive Income

€ thousand	01/01 – 30/09/2011	01/01 – 30/09/2010	01/07 – 30/09/2011	01/07 – 30/09/2010
Income from rents and leases	23,415	18,293	8,450	6,452
Income from passing on incidental costs to tenants	2,439	1,949	895	603
Current operating expenses	-3,112	-2,706	-1,049	-887
Land and building maintenance	-1,798	-809	-728	-357
Net rental income	**20,944**	**16,727**	**7,568**	**5,811**
Administration costs	-680	-680	-160	-253
Staff costs	-2,009	-1,836	-675	-612
Amortisation and depreciation expense for intangible assets, property, plant and equipment and investment property	-7,575	-5,947	-2,798	-2,340
Other operating income	314	1,494	36	1,187
Other operating expenses	-679	-468	-234	-132
	-10,629	-7,437	-3,831	-2,150
Operating profit	**10,315**	**9,290**	**3,737**	**3,661**
Net income from the sale of properties	753	553	753	489
Earnings before financing activities and taxes (EBIT)	**11,068**	**9,843**	**4,490**	**4,150**
Interest income	367	87	37	10
Interest expenses	-5,944	-4,557	-2,261	-1,704
Net finance costs	**-5,577**	**-4,470**	**-2,224**	**-1,694**
Earnings before taxes (EBT)	**5,491**	**5,373**	**2,266**	**2,456**
Income tax expense	0	-2,778	0	3
Comprehensive income for the period	**5,491**	**2,595**	**2,266**	**2,459**
Earnings per share (€)	0.16	0.11	0.07	0.11

Statement of Other Comprehensive Income

€ thousand	01/01 – 30/09/2011	01/01 – 30/09/2010	01/07 – 30/09/2011	01/07 – 30/09/2010
Net profit for the period as per the statement of comprehensive income	**5,491**	**2,595**	**2,266**	**2,459**
Unrealised gains/losses (-) on the revaluation of derivative financial instruments	-2,965	-4,043	-1,239	-741
Reversal of deferred taxes on actuarial losses	0	-446	0	0
Reversal of deferred taxes on derivative financial instruments	0	-1,240	0	0
Income/expense (-) recognised in other comprehensive income	-2,965	-5,729	-1,239	-741
Other comprehensive income for the period	**2,526**	**-3,134**	**1,027**	**1,718**

The expenses recognised in other comprehensive income relate to changes in the fair value of interest rate swaps used to hedge the risks of interest rate fluctuations. Corresponding changes in fair value are recognised in the revaluation surplus if risks are hedged with sufficient efficiency and this is documented. In the reporting period of the previous year, the deferred taxes on derivative financial instruments and the under IAS 8 amended actuarial losses were reversed on attainment of tax exemption and also recognised in the revaluation surplus.

Statement of Financial Position – Assets

€ thousand	30/09/2011	31/12/2010
Non-current assets		
Intangible assets	27	37
Property, plant and equipment	133	130
Investment property	429,848	321,505
Financial assets	22	28
Other assets	359	367
	430,389	**322,067**
Current assets		
Trade receivables and other assets	1,178	435
Income tax receivables	12	12
Bank balances and cash in hand	5,943	83,629
	7,133	**84,076**
Total assets	**437,522**	**406,143**

Statement of Financial Position – Equity and Liabilities

€ thousand	**30/09/2011**	**31/12/2010**
Equity		
Issued capital	34,120	34,120
Capital reserves	64,285	64,267
Retained earnings		
Other retained earnings	106,853	106,853
Revaluation surplus	-14,427	-11,462
	92,426	95,391
Unappropriated surplus		
Profit carryforward	17,064	24,020
Comprehensive income for the period	5,491	5,669
	22,555	29,689
	213,386	**223,467**
Non-current liabilities and provisions		
Financial liabilities	184,584	139,694
Derivative financial instruments	11,989	9,023
Trade payables and other liabilities	3,091	3,150
Pension provisions	7,315	7,571
Other provisions	852	825
	207,831	**160,263**
Current liabilities and provisions		
Financial liabilities	7,900	15,376
Trade payables and other liabilities	6,591	4,726
Other provisions	1,814	2,311
	16,305	**22,413**
Total equity, liabilities and provisions	**437,522**	**406,143**

Statement of Cash Flows

€ thousand	01/01 – 30/09/2011	01/01 – 30/09/2010
Cash flow from operating activities		
Earnings before taxes (EBT)	5,491	5,373
Net finance costs	5,577	4,470
Write-downs (+)/reversals of write-downs (-)	7,575	4,779
Change in provisions	-950	-672
Gains (-)/losses (+) (net) on the disposal of property, plant and equipment and investment property	-753	-541
Other non-cash expenses (+)/income (-)	-24	8
Change in receivables and other assets	-674	-469
Change in liabilities	885	-562
Interest received	459	107
Tax payments	0	-16,936
	17,586	**-4,443**
Cash flow from investing activities		
Investments in intangible assets, property, plant and equipment and investment property	-115,527	-60,993
Proceeds from disposals of property, plant and equipment and investment property	1,292	1,616
Proceeds from disposals of financial assets	6	8
	-114,229	**-59,369**
Cash flow from financing activities		
Dividends paid	-12,625	-8,425
Cash inflow from the borrowing of financial liabilities	52,275	52,605
Cash outflow from the repayment of financial liabilities	-14,614	-2,797
Payments for the costs of the capital increase	18	-274
Interest payments	-6,097	-4,691
	18,957	**36,418**
Changes in cash and cash equivalents	**-77,686**	**-27,394**
Cash and cash equivalents on 1 January	**83,629**	**37,942**
Bank balances and cash in hand	83,629	37,942
Cash and cash equivalents on 30 September	**5,943**	**10,548**
Bank balances and cash in hand	5,943	10,548

Statement of Changes in Equity

€ thousand	Issued capital	Capital reserves	Retained earnings			Unappropriated surplus		Total equity
			Legal reserve	Other retained earnings	Revaluation surplus	Carry forward	Net profit for the period	
Balance at 1 January 2010	**22,770**	**0**	**2,277**	**104,576**	**-6,594**	**27,196**	**5,073**	**155,298**
Adjustment under IAS 8					-1,110	176	0	-934
Balance at 1 January 2010 restated	22,770	0	2,277	104,576	-7,704	27,372	5,073	154,364
Carryforward to new account						5,073	-5,073	0
Profit distribution for 2009						-8,425		-8,425
Income/expense (-) recognised in other comprehensive income					-5,729			-5,729
Comprehensive income for the period 01/01 – 30/09/2010							2,595	2,595
Other comprehensive income for the period 01/01 – 30/09/2010					**-5,729**		**2,595**	**-3,134**
Balance at 30 September 2010	**22,770**	**0**	**2,277**	**104,576**	**-13,433**	**24,020**	**2,595**	**142,805**
Transfer of legal reserve			-2,277	2,277				0
Capital increase	11,350	68,100						79,450
Costs of capital increase		-3,833						-3,833
Income/expense (-) recognised in other comprehensive income					1,971			1,971
Comprehensive income for the period 01/01 – 31/12/2010							3,074	3,074
Other comprehensive income for the period 01/01 – 31/12/2010					**1,971**		**3,074**	**5,045**
Balance at 31 December 2010	**34,120**	**64,267**	**0**	**106,853**	**-11,462**	**24,020**	**5,669**	**223,467**
Carryforward to new account						5,669	-5,669	0
Profit distribution for 2010						-12,625		-12,625
Costs of capital increase		18						18
Income/expense (-) recognised in other comprehensive income					-2,965			-2,965
Comprehensive income for the period 01/01 30/09/2011							5,491	5,491
Other comprehensive income for the period 01/01 – 30/09/2011					**-2,965**		**5,491**	**2,526**
Balance at 30 September 2011	**34,120**	**64,285**	**0**	**106,853**	**-14,427**	**17,064**	**5,491**	**213,386**

Notes on the Interim Financial Statements

Information on HAMBORNER

HAMBORNER REIT AG is a listed corporation (SCN 601300) headquartered in Duisburg, Germany. This interim report of HAMBORNER REIT AG for the third quarter of 2011 was published on 9 November 2011. The interim financial statements have been prepared in euro (€), whereby all amounts – unless stated otherwise – are reported in thousands of euro (€ thousand). Minor rounding differences may occur in totals and percentages.

Principles of reporting

This interim report of HAMBORNER REIT AG as at 30 September 2011 is in accordance with IFRS (International Financial Reporting Standards) as applicable in the European Union. In particular, it was prepared in line with the regulations of International Accounting Standard 34 on interim reporting and the requirements of the German Accounting Standard No. 16 of DRSC (German Accounting Standards Committee) on interim reporting and in accordance with the requirements of section 37w and 37x of Wertpapierhandelsgesetz (WpHG – German Securities Trading Act)). The scope of its reporting has been condensed compared to the separate financial statements.

Since 1 January 2011, to allow a transparent presentation of our pension obligations in the statement of financial position, we have exercised the option provided under IAS 19 (93A) to recognise actuarial gains and losses outside profit or loss in the year in which they arise, waiving the previously used corridor method of IAS 19 (92). Full recognition of pension obligations as at the end of (interim) reporting periods allows for more reliable and more relevant information. The prior-year figures reported in this report have been restated retroactively in accordance with the regulations of IAS 8 as follows and, if they affect earlier periods, the opening statement of financial position for 2010 has been amended.

As at 1 January 2010, there was an actuarial loss not yet realised under the corridor method of €1,379 thousand, which was retroactively recognised in the revaluation surplus of the opening statement of financial position for 2010. In addition, the revaluation surplus rose by €446 thousand on account of the deferred taxes on this amount recognised outside profit and loss before 1 January 2010. Furthermore, the actuarial losses of €176 thousand recognised in staff costs as at 1 January in prior periods were reclassified from profit carried forward to the revaluation surplus.

An actuarial loss of €884 thousand was calculated for the 2010 financial year, which led to a further reduction of the revaluation surplus. Applying the corridor method, actuarial losses offset against profit or loss amounted to around €45 thousand in the quarters of the 2010 financial year, totalling €179 thousand for the year as a whole, and cancelled under IAS 8. This retrospectively reduced staff costs and increased the net income for the period/year. In total, pension provisions were increased by €2,084 thousand* as at 31 December 2010 and amount to €7,571 thousand adjusted to the amended accounting method.

In this interim report, the statement of changes in equity, the statement of cash flows, the quarterly figures, the figures in the statement of financial position as at 31 December 2010 and the affected ratios were adjusted for the retrospective changes.

Retaining the corridor method would have increased staff costs by €344 thousand in the reporting period.

Otherwise, the interim financial statements as at 30 September 2011 are based on the same accounting policies as the separate IFRS financial statements as at 31 December 2010. The accounting standards endorsed by the EU, revised and applicable from 1 January 2011 were complied with, though they had no material impact on the presentation of the interim financial statements.

In the process of preparing these interim financial statements, we reviewed the fair values of our properties as calculated by expert opinion as at 31 December 2010. The review did not identify any factors affecting their value that would have led to a significantly different valuation. It therefore currently appears justified to retain the values as calculated by expert opinion as at 31 December 2010 in these interim financial statements.

In the opinion of the Managing Board, the interim report contains all significant information needed to understand the changes in the result of operations, financial position and net assets situation of HAMBORNER REIT AG since the end of the last reporting period. The significant changes and transactions in the reporting period are presented in the interim management report of this document.

* Actuarial loss as at 1 January 2010 of €1,379 thousand plus amount from recalculation of €884 thousand less €179 thousand from offsetting in profit or loss in 2010.

This interim report underwent neither an audit in accordance with section 317 of the Handelsgesetzbuch (HGB – German Commercial Code) or a review.

Significant related party transactions

There were no reportable transactions or related parties in the reporting period.

Responsibility Statement

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the company, and the interim management report of the company includes a fair review of the development and performance of the business and the position of the company, together with a description of the principal opportunities and risks associated with the expected development of the company for the remaining months of the financial year.

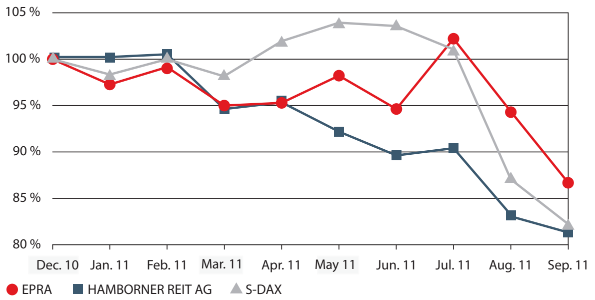
Duisburg, 9 November 2011

The Managing Board

Dr Rüdiger Mrotzek   Hans Richard Schmitz

Supplementary Information

HAMBORNER REIT AG Shares



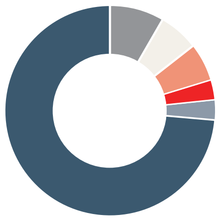
The stock markets were dominated by deep scepticism and risk aversion in the third quarter. The fear of a renewed recession and a widening debt crisis greatly unsettled investors, resulting in massive slumps in prices. The DAX posted its biggest quarterly losses in nine years and plummeted 25% in the past three months. The S-DAX lost around 20%.

HAMBORNER shares also fell by around 9%, closing at €6.39 as at 30 September 2011. The discount on net asset value was therefore around 26%.

Name/code	HAMBORNER REIT AG/HAB
SCN/ISIN	601300/DE0006013006
Number of shares	34,120,000
Share capital	€34,120,000
Index	S-DAX
Designated sponsors	HSBC Trinkaus and West LB
Free float	73.44%
Market capitalisation	€218.03 million

We are still actively pursuing our capital market communications activities in the current weeks and months in order to spread the word of our good operating performance and the company's solid financial footing. We regularly take part in conferences and in October, for example, will again be represented at the Real Estate Share Initiative. In November we will be presenting for the third year at the Equity Forum in Frankfurt/Main. We are also continuing to organise roadshows. In addition, the Managing Board and Investor Relations are available for one-on-one talks at any time in order to present the healthy business performance of HAMBORNER in a transparent manner and to generate corresponding impetus for its share price performance.

Shareholder Structure as at 30 September 2011



73,44%	Free float
8,37%	Prof. Dr Siegert, Düsseldorf
6,16%	Ruffer LLP, London
5,82%	Asset Value Investors Limited, London
3,07%	The Sumitomo Trust & Banking Co., Ltd., Tokyo
3,14%	Dexia S.A., Brussels

Financial Calendar 2011/2012

9 November 2011	Interim report for 3rd quarter 2011
29 March 2012	Annual report 2011
10 May 2012	Interim report for 1st quarter 2012
15 May 2012	Annual General Meeting 2012

Forward-looking Statements

This report contains forward-looking statements, e.g. on general economic developments in Germany and our own probable business development. These statements are based on current assumptions and estimates by the Managing Board, which were made diligently on the basis of all information available at the respective time. If the assumptions on which statements and forecasts are based are not accurate, the actual results may differ from those currently anticipated.

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The Managing Board of HAMBORNER REIT AG, Duisburg

As at

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