

Q3 2015

INTERIM REPORT

FOR THE THIRD QUARTER OF 2015
AND THE FIRST NINE MONTHS OF 2015

KEY FIGURES AT A GLANCE (IFRS)

€ thousand		
FROM THE INCOME STATEMENT	30 September 2015	30 September 2014
Income from rents and leases	38,199	34,940
Net rental income	35,103	31,977
Operating result	18,069	15,788
Financial result	-9,895	-9,897
EBITDA	32,300	38,938
EBDA	22,405	29,041
EBIT	18,527	26,111
Funds from operations (FFO)	21,947	18,718
Net profit for the period	8,632	16,214
FROM THE STATEMENT OF FINANCIAL POSITION	30 September 2015	31 December 2014
Total assets	781,022	621,303
Non-current assets	724,300	607,779
Equity	400,459	270,195
Equity ratio in %	51.3	43.5
REIT equity ratio in %	61.4	53.1
Loan-to-value (LTV) in %	35.2	43.3
ON HAMBORNER SHARES	30 September 2015	30 September 2014
Number of shares outstanding	62,002,613	45,493,333
Basic = diluted earnings per share in €	0.16	0.36
Funds from operations (FFO) per share in €	0.35	0.41
Stock price per share in € (Xetra)	8.65	8.12
Market capitalisation	536,323	369,406
OTHER DATA	30 September 2015	31 December 2014
Fair value of property portfolio	843,410	717,490
Net asset value (NAV)	528,983	394,548
Net asset value per share in €	8.53	8.67
Number of employees including Managing Board	32	31



CONTENTS

4	LETTER FROM THE MANAGING BOARD
5	INTERIM MANAGEMENT REPORT
5	General Economic Conditions
5	Report on Result of Operations, Net Asset Situation and Financial Position
7	Risk Report
7	Forecast Report
8	Supplementary Report
9	INTERIM CONDENSED FINANCIAL STATEMENTS OF HAMBORNER REIT AG
	AS AT 30 SEPTEMBER 2015
9	Interim Condensed Income Statement
10	Interim Condensed Statement of Comprehensive Income
11	Interim Condensed Statement of Financial Position
13	Interim Condensed Statement of Cash Flows
14	Interim Condensed Statement of Changes in Equity
15	Notes on the Interim Condensed Financial Statements
17	RESPONSIBILITY STATEMENT
18	ADDITIONAL INFORMATION

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 10 November 2015.



LETTER FROM THE MANAGING BOARD

DEAR SHAREHOLDERS,
LADIES AND GENTLEMEN,

With the first nine months of the year now over, and looking ahead to the not-too-distant end of the year, we are delighted to present to you the report on the first successful nine months of 2015. In February, we increased our share capital by 10% to enhance our equity base and to serve as a foundation for further growth, and in doing so secured a new, long-term shareholder in the RAG Foundation. Next, in July 2015, we carried out a further, larger capital increase and generated gross issue proceeds of €101.7 million. Overall, we boosted our funds for investment in further growth by around €280 million, taking into account pro rata debt financing, as a result of the two capital increases.

So far this year, HAMBORNER REIT AG has acquired or signed contracts for six properties in Aachen, Celle, Fürth, Gießen, Ditzingen and Neu-Isenburg with a total value of €149 million. As part of ongoing portfolio optimisation, we sold three smaller properties no longer consistent with strategy with a volume of around €5.8 million in the third quarter. We also signed sales agreements for around 0.3 million m² of undeveloped land for a price of €0.7 million.

Positive business performance is also reflected in our key performance indicators. Income from rents and leases increased by 9.3% year-on-year in the first nine months of 2015. FFO, our key control parameter, rose by 17.3% as at the end of the third quarter of 2015 to €21.9 million.

In 2013 we published a sustainability report for the first time. A few weeks ago we also published the second follow-up report in the sustainability section of our website www.hamborner.de. We hope that this has made HAMBORNER REIT AG a little bit more transparent for you.

Thank you for the confidence you have shown in us, and we look forward to a continuing constructive discourse with you.

Duisburg, November 2015



Dr Rüdiger Mrotzek



Hans Richard Schmitz

INTERIM MANAGEMENT REPORT

General Economic Conditions

Despite the ailing global economy, the leading economic research institutions are forecasting a robust economy for Germany in their autumn reports. Experts are anticipating growth of 1.8% for both 2015 as a whole and the coming year. The spring growth forecast for 2015 of 2.1% has therefore been lowered slightly. Thanks to record employment, the largest stimulus is coming from within Germany. Increases in private consumer spending of approximately 2% are forecast for this year and next.

The labour market has been robust to date. Employment has risen further. The number of people out of work was 2.7 million at the end of September of this year, with an unemployment rate of 6.2%. Owing to the influx of refugees, institutes are forecasting that unemployment will rise to approximately 2.9 million in 2016. Consumer prices are expected to increase only slightly by 0.3% in 2015 and 1.1% in 2016.

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

As expected, the result of operations, net asset situation and financial position of HAMBORNER REIT AG were good in the first nine months of 2015.

Result of Operations

Income from rents and leases amounted to €38,199 thousand by the end of September 2015 (previous year: €34,940 thousand). The increase as against the same period of the previous year was therefore €3,259 thousand or 9.3%. €3,472 thousand (9.9%) of this growth resulted from the property acquisitions of 2014 and the first nine months of the current financial year. The rental income from properties that were in our portfolio in both the first nine months of this year and the same period of 2014 (like-for-like) also increased to €289 thousand (0.8%). Sales of properties reduced rental income by a total of €502 thousand (1.4%).

The economic vacancy rate including agreed rent guarantees was 2.2% in the first nine months of the reporting year (previous year: 2.4%). Not including rent guarantees the vacancy rate was 2.3% (previous year: 2.5%).

The company generated income from passed-on incidental costs to tenants of €4,174 thousand, up €172 thousand (4.3%) on the figure for the same period of the previous year (€4,002 thousand). At the same time, expenses for the management of our properties increased by €411 thousand (7.6%) to €5,795 thousand (previous year: €5,384 thousand) by the end of September 2015.

For the first nine months of 2015, the expenses for the maintenance of our land and property portfolio amounted to €1,475 thousand and were €106 thousand lower than in the previous year (€1,581 thousand). The costs relate predominantly to various minor planned measures and ongoing maintenance. Furthermore, in 2015 there were conversions for tenants in the property in Bremen, Linzer Str., for the areas newly let as at 1 July 2015. The costs of €1.4 million entailed were capitalised.

At €35,103 thousand, the net rental income derived from the above items is €3,126 thousand or 9.8% higher than the value for the same period of the previous year (€31,977 thousand).

Administrative and personnel expenses together totalled €3,521 thousand in the reporting period, up €291 thousand or 9.0% on the previous year's level (€3,230 thousand). Administrative expense increased by €120 thousand (15.9%) year-on-year. At the same time, personnel expense climbed by €171 thousand or 6.9%. The operating cost ratio, i.e. administrative and personnel expenses to income from rents and leases, was therefore 9.2% (previous year: 9.2%).

In the reporting period, depreciation and amortisation expense climbed by €946 thousand to €13,773 thousand after €12,827 thousand in the previous year on account of the additions to the property portfolio. While there were no impairment losses in 2015, there were impairment losses of €387 thousand in the same period of the previous year.

Other operating expenses amounted to €553 thousand in the first nine months of 2015 (previous year: €571 thousand). Among other things, this item included public relations work of €124 thousand (previous year: €134 thousand) and membership fees of €111 thousand (previous year: €95 thousand). Furthermore, input tax adjustments due to the conclusion of VAT-exempt leases (section 15a of the Umsatzsteuergesetz (UStG – German VAT Act)) accounted for €196 thousand (previous year: €233 thousand), all of which (previous year: €188 thousand) was passed on to the tenants in question (reported under other operating income). In addition to these expenses passed on, other operating income for the reporting period of €354 thousand related in particular to contractually agreed payments in connection with the acquisition of the property in Aachen as at the end of the first quarter. This property was transferred in line with the purchase agreement at the start of the year. Accordingly, this item increased by €374 thousand year-on-year to €813 thousand (previous year: €439 thousand).

Thus, as at 30 September 2015, the company generated an operating result of €18,069 thousand after €15,788 thousand in the same period of the previous year.

The sale of undeveloped land generated a result of €458 thousand by the end of the reporting period. There were no disposals of developed land in the first nine months of the year under review. The corresponding contribution to earnings from the sale of six portfolio properties in the first nine months of the previous year was €10,323 thousand.

The financial result was €-9,895 thousand and therefore on par with the previous year's level (€-9,897 thousand). Interest expenses, which essentially relate to the financing of properties, amounted to €-9,907 thousand (previous year: €-9,961 thousand), also down slightly on account of scheduled repayments of existing debt capital despite the borrowing of new loans in the year under review.

The first nine months of the current year closed with a net profit for the period of €8,632 thousand after €16,214 thousand in the same period of the previous year. The net profit for the period in the previous year was influenced largely by the result from the sale of investment property (€10,323 thousand).

FFO (funds from operations), i.e. the operating result before depreciation and amortisation expense and not including proceeds from disposals, increased by 17.3% and amounted to €21,947 thousand in the reporting period (previous year: €18,718 thousand). With 16,509,280 more shares outstanding than in the same period of the previous year, this corresponds to FFO per share of 35 cents (previous year: 41 cents).

Net Asset Situation and Financial Position

In addition to the property additions in Aachen and Celle reported in the first half of the year under review, two retail parks were transferred in August and September of this year – in Gießen (purchase price: €31.3 million) and Fürth (purchase price: €30.1 million). Thus, investments not including incidental costs of acquisition amounted to €123.5 million in total in the reporting period.

Moreover, the purchase agreements for an office and retail property in Neu-Isenburg and a DIY store in Ditzingen were concluded in the third quarter. Both properties are still currently under construction. The property in Neu-Isenburg (purchase price: around €12.8 million; annual rental income: €0.8 million) is expected to be transferred as at the end of the year under review. The property in Ditzingen (purchase price: around €12.7 million; annual rental income: €0.9 million) is set to be transferred to the company in the second quarter of the coming year. Furthermore, the T-Damm Center in Berlin is expected to be transferred as at the end of the year.

The agreements for the sale of three smaller properties no longer consistent with strategy in Duisburg, Krefeld and St. Augustin were notarised on 28 September 2015. The total sale price amounts to around €5.8 million and is therefore around €2.9 million higher than the residual carrying amount. The properties are expected to be transferred in the fourth quarter of 2015.

Furthermore, the company sold undeveloped land totalling around 0.3 million m² to various buyers in the third quarter. The disposal prices amounted to around €0.7 million in total on residual carrying amounts of €0.1 million. Around 0.2 million m² of this land had already been transferred to the buyer as at the end of the reporting period. The company generated a book profit of around €0.5 million on this as at 30 September 2015.

The carrying amounts of the sold properties referred to above and the undeveloped land, for which the rights and liabilities had not yet been transferred to the buyers as at 30 September 2015, were reclassified to "Non-current assets held for sale". Moreover, the item includes the residual carrying amounts of the properties in Düren and Kassel, for which corresponding purchase agreements were already concluded in previous quarters. This item amounted to €5.4 million in total as at the end of the reporting period. The residual carrying amounts are offset by contractually agreed sales proceeds of €8.5 million.

The updated fair value of the developed property portfolio taking into account the above changes was €843.4 million as at the end of the quarter under review (31 December 2014: €717.5 million).

The company had cash and cash equivalents of €49.6 million on 30 September 2015 (31 December 2014: €10.4 million). In particular, the rise in cash and cash equivalents results from the net issue proceeds of the capital increases of €139.5 million and cash inflows from operating activities (€31.4 million; previous year: €25.8 million). These inflows are offset by outflows for investments in property assets (€128.1 million), interest and principal repayments for loans (€17.0 million) and dividend payments (€20.0 million). Furthermore, there are other financing commitments of €56.1 million.

As a result of the capital increases in February and July of this year in particular, equity rose to €400.5 million as at 30 September 2015 after €270.2 million as at 31 December 2014. The reported equity ratio as at the end of the reporting period was 51.3% after 43.5% as at 31 December 2014. The REIT equity ratio increased from 53.1% (31 December 2014) to 61.4%.

As a result of the utilisation of loans to finance our property acquisitions less scheduled repayments in particular, current and non-current financial liabilities rose by a net amount of €25.4 million to €347.6 million as at the end of the reporting period after €322.2 million as at 31 December 2014.

The fair value of derivative financial instruments rose by €2.2 million on the amount reported on 31 December 2014 to €-8.8 million as at 30 September 2015.

The net asset value (NAV) of the company was €529.0 million thousand as at 30 September 2015 (30 September 2014: €373.7 million). This corresponds to NAV per share of €8.53 (30 September 2014: €8.22).

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, net asset situation and financial position. We are not currently anticipating any significant changes in the assessment of risks to the business development of the company as against 31 December 2014. The comments made in the risk report of the 2014 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 72 properties as at 30 September 2015. In future, the company's strategy will be geared towards value-adding growth in the fields of retail, high street commercial properties and office properties.

The forecasts for rental and leasing income and operating earnings (FFO) published in the 2014 annual report have since been raised. Without further investments from capital increases, we assumed an increase in income from rents and leases of 4% to 5% as at 31 December 2014, combined with a slight increase in operating earnings (FFO). Following the investments in the first half of the year and the prompt transfer of the properties in Fürth and Gießen after the second capital increase performed this year in July, we are now forecasting an increase in income from rents and leases of around 11% and FFO per share of around 46 cents for 2015 as a whole. This would correspond to a strong rise in absolute FFO relative to the rise in rental income of around 16%. The healthy and consistently positive development in FFO means additional scope for dividend distributions. Subject to the final figures in the annual financial statements, the company therefore intends to propose to the Annual General Meeting for the 2015 financial year to increase the dividend from 40 cents to 42 cents.

Supplementary Report

There were no reportable transactions materially affecting the result of operations, financial position and net asset situation after the end of the reporting period.

INTERIM FINANCIAL STATEMENTS OF HAMBORNER REIT AG AS AT AND FOR THE NINE MONTHS
ENDED 30 SEPTEMBER 2015

INTERIM CONDENSED INCOME STATEMENT

€ thousand	1 January – 30 September 2015	1 January – 30 September 2014	1 July – 30 September 2015	1 July – 30 September 2014
Income from rents and leases	38,199	34,940	13,451	11,607
Income from passed-on incidental costs to tenants	4,174	4,002	1,523	1,319
Real estate operating expenses	-5,795	-5,384	-2,083	-1,868
Property and building maintenance	-1,475	-1,581	-514	-553
Net rental income	35,103	31,977	12,377	10,505
Administrative expenses	-873	-753	-250	-235
Personnel expenses	-2,648	-2,477	-861	-844
Amortisation of intangible assets, depreciation of property, plant and equipment and investment property	-13,773	-12,827	-4,858	-4,141
Other operating income	813	439	237	94
Other operating expenses	-553	-571	-162	-157
	-17,034	-16,189	-5,894	-5,283
Operating result	18,069	15,788	6,483	5,222
Result from the sale of investment property	458	10,323	458	2,447
Earnings before interest and taxes (EBIT)	18,527	26,111	6,941	7,669
Interest income	12	64	6	12
Interest expenses	-9,907	-9,961	-3,353	-3,307
Financial result	-9,895	-9,897	-3,347	-3,295
Net profit for the period	8,632	16,214	3,594	4,374
Basic = diluted earnings per share in €	0.16	0.36	0.07	0.10

INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME

€ thousand	1 January – 30 September 2015	1 January – 30 September 2014	1 July – 30 September 2015	1 July – 30 September 2014
Net profit for the period as per the income statement	8,632	11,840	3,594	5,508
Items reclassified to profit or loss in future if certain conditions are met:				
Unrealised gains/losses (-) on the revaluation of derivative financial instruments	2,159	-699	404	-329
Items not subsequently reclassified to profit or loss:				
Actuarial gains/losses (-) on defined benefit obligations	0	-566	0	-566
Other comprehensive income for the period	2,159	-1,265	404	-895
Total comprehensive income for the period	10,791	10,575	3,998	4,613

Other comprehensive income for the period relates to actuarial losses on defined benefit obligations and changes in the fair value of interest rate swaps used to manage the risk of interest rate fluctuations. Corresponding changes in market value are recognised in equity if they are sufficiently effective and this is documented.

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION – ASSETS

€ thousand	30 September 2015	31 December 2014
NON-CURRENT ASSETS		
Intangible assets	41	10
Property, plant and equipment	1,388	150
Investment property	722,093	606,849
Financial assets	519	495
Other assets	259	275
	724,300	607,779
CURRENT ASSETS		
Trade receivables and other assets	1,676	1,320
Cash and cash equivalents	49,620	10,374
Non-current assets held for sale	5,426	1,830
	56,722	13,524
Total assets	781,022	621,303

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION – EQUITY AND LIABILITIES

€ thousand	30 September 2015	31 December 2014
EQUITY		
Issued capital	62,003	45,493
Capital reserves	247,259	124,279
Retained earnings	66,679	64,520
Net retained profits	24,518	35,903
	400,459	270,195
NON-CURRENT LIABILITIES AND PROVISIONS		
Financial liabilities	335,035	311,469
Derivative financial instruments	8,838	10,997
Trade payables and other liabilities	4,007	1,956
Pension provisions	7,184	7,452
Other provisions	3,003	3,059
	358,067	334,933
CURRENT LIABILITIES AND PROVISIONS		
Financial liabilities	12,595	10,760
Trade payables and other liabilities	8,839	4,557
Other provisions	1,062	858
	22,496	16,175
Total equity and liabilities	781,022	621,303

INTERIM CONDENSED STATEMENT OF CASH FLOWS

€ thousand	1 January – 30 September 2015	1 January – 30 September 2014
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit for the period	8,632	16,214
Financial result	9,895	9,897
Depreciation, amortisation and impairment (+)/write-ups (-)	13,773	12,827
Change in provisions	-243	-579
Gains (-)/losses (+) (net) on the disposal of property, plant and equipment and investment property	-467	-10,488
Change in receivables and other assets not attributable to investing or financing activities	-543	-402
Change in liabilities not attributable to investing or financing activities	384	-1,690
Interest received	8	64
Tax payments	0	-19
	31,439	25,824
CASH FLOW FROM INVESTING ACTIVITIES		
Investments in intangible assets, property, plant and equipment and investment property	-128,142	-14,069
Proceeds from disposals of property, plant and equipment and investment property	586	23,186
Proceeds from disposals of financial assets	3	3
	-127,553	9,120
CASH FLOW FROM FINANCING ACTIVITIES		
Dividends paid	-20,017	-18,197
Proceeds from borrowings of financial liabilities	32,900	0
Repayments of borrowings	-7,468	-6,879
Proceeds from capital increases	142,572	0
Payments for costs of capital increases	-3,047	0
Interest payments	-9,580	-9,947
	135,360	-35,023
Changes in cash and cash equivalents	39,246	-79
Cash and cash equivalents on 1 January	10,374	28,154
Cash and cash equivalents on 30 September	49,620	28,075

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY

€ thousand	Issued capital	Capital reserves	Retained earnings		Net retained profits			Total equity
			Other retained earnings	Revaluation surplus	Profit carry-forward	Net profit for the period	Withdrawal from other retained earnings	
As at 1 January 2014	45,493	124,279	81,565	-14,227	16,330	8,521	9,783	271,744
Carryforward to new account					18,304	-8,521	-9,783	0
Distribution of profit for 2013 (€0.40 per share)					-18,197			-18,197
Other comprehensive income for the period								
1 January – 30 September 2014				-1,195				-1,195
Net profit for the period								
1 January – 30 September 2014						16,214		16,214
Total comprehensive income for the period 1 January – 30 September 2014				-1,195		16,214		15,019
As at 30 September 2014	45,493	124,279	81,565	-15,422	16,437	16,214	0	268,566
Other comprehensive income for the period								
1 October – 31 December 2014				734				734
Withdrawal from other retained earnings			-2,357				2,357	0
Net profit for the period								
1 October – 31 December 2014						895		895
Total comprehensive income for the period 1 October – 31 December 2014				734		895		1,629
As at 31 December 2014	45,493	124,279	79,208	-14,688	16,437	17,109	2,357	270,195
Carryforward to new account					19,466	-17,109	-2,357	0
Distribution of profit for 2014 (€0.40 per share)					-20,017			-20,017
Capital increases	16,510	126,062						142,572
Costs of capital increases		-3,082						-3,082
Other comprehensive income for the period								
1 January – 30 September 2015				2,159				2,159
Net profit for the period								
1 January – 30 September 2015						8,632		8,632
Total comprehensive income for the period 1 January – 30 September 2015				2,159		8,632		10,791
As at 30 September 2015	62,003	247,259	79,208	-12,529	15,886	8,632	0	400,459

NOTES ON THE INTERIM CONDENSED 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 2015 was published on 10 November 2015. 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

These IAS 34 Interim Condensed Financial Statements of HAMBORNER REIT AG as at and for the nine months ended 30 September 2015 were prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted in the European Union for interim financial reporting (IAS 34) 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 sections 37w and 37x of the Wertpapierhandelsgesetz (WpHG – German Securities Trading Act). The scope of its reporting has been condensed compared to the separate financial statements as at 31 December 2014.

The interim financial statements as at 30 September 2015 are based on the same accounting policies as the separate IFRS financial statements as at 31 December 2014. The accounting standards applicable from 1 January 2015 that have been endorsed by the EU and revised were complied with. However, they had no significant effect on the presentation of the interim financial statements.

This interim report was neither audited by an auditor in accordance with section 317 HGB nor reviewed by an auditor

In the opinion of the Managing Board, the interim report contains all the significant information needed to understand the changes in the result of operations, net asset situation and financial position 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.

Material Transactions in the First Nine Months of 2015

The properties in Aachen (31 March 2015), Celle (16 April 2015), Gießen (19 August 2015) and Fürth (11 September 2015) were transferred in the first nine months of the year

under review. The purchase prices not including incidental costs of acquisition together amounted to €123.5 million.

On the basis of the authorisation of the Annual General Meeting on 7 May 2013, the Managing Board, with the approval of the Supervisory Board, increased share capital from Authorised Capital II by issuing 4,549,332 new shares against cash contributions with existing shareholders' pre-emption rights disapplied. The capital increase was entered in the commercial register on 20 February 2015.

On entry in the commercial register on 9 July 2015 of the resolution of the Managing Board of 24 June 2015, approved by the Supervisory Board on the same date, there was a further increase in share capital against cash contributions by way of the issue of 11,959,948 new shares. The shares were available to shareholders for subscription at a ratio of three to one.

The share capital was therefore increased from €45,493,333 to €62,002,613 in total in the first nine months of the year under review. The company generated gross issue proceeds of €142.6 million from the two capital increases. The costs incurred in connection with the capital increases of €3.1 million were deducted directly from equity as a reduction of capital reserves in accordance with IAS 32.35.

Other Selected Notes

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 2014. The fair value of the properties in Duisburg, Krefeld and St. Augustin reported under "Non-current assets held for sale" was reduced by a total of €0.4 million in line with the disposal prices. The total write-downs for modernisation work of €0.5 million assessed by the surveyor for the properties in Bremen, Linzer Str., and Freiburg, Robert-Bunsen-Str., as at 31 December 2014 were reversed as the corresponding work was completed by the end of the reporting period. The review did not identify any further factors affecting their value that would have led to a significantly different valuation. It therefore currently appears justified to retain the values for these properties as calculated by expert opinion as at 31 December 2014 in these interim financial statements. Property additions after 31 December 2014 were also valued by an expert and included in reporting accordingly.

With the exception of derivatives recognised at fair value, all assets and liabilities are measured at amortised cost.

Under assets and liabilities recognised at amortised cost, except for the financial liabilities, the carrying amounts of the financial assets and liabilities in the statement of financial position are a good approximation of their fair value.

The fair values of financial liabilities are equal to the present values of the payments associated with the liabilities, taking into account the current interest rate parameters (level 2 under IFRS 13) as at the end of the reporting period, and amount to €373,600 thousand as at 30 September of this year (31 December 2014: €349,650 thousand).

The derivative financial instruments reported in the statement of financial position are measured at fair value. These are exclusively interest hedges. The market values calculated by banks result from discounting the expected future cash flows over the residual term of the contracts on the basis of observable market interest rates or yield curves (level 2 under IFRS 13).

Significant Related Party Transactions

There were no reportable transactions with related parties in the 2014 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 net asset situation, financial position and result of operations 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, 10 November 2015

The Managing Board



Dr Rüdiger Mrotzek



Hans Richard Schmitz

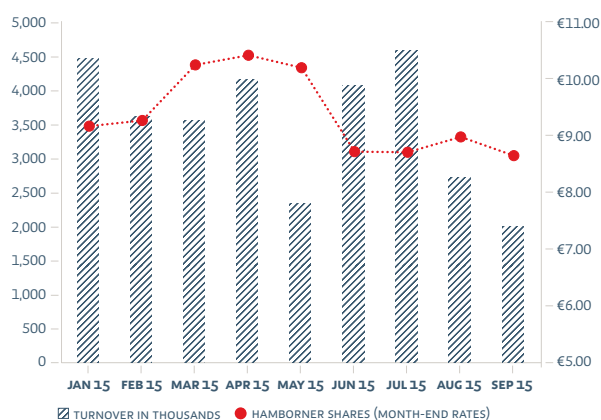
ADDITIONAL INFORMATION

General Development on the Capital Market

Stock markets around the world experienced major price declines in the third quarter of 2015. While the Dow Jones and the DAX recovered from the Greek crisis in July, weak Chinese growth figures in particular triggered the subsequent negative price performance and rising volatility. Moreover, this trend was exacerbated by the uncertainty over the forthcoming interest rate hike by the US Fed.

The performance of the DAX was correspondingly disappointing in the third quarter. While the German benchmark index held its ground above the 11,500-point line at the beginning of the quarter, investors got a nasty shock from the weak economic situation in China in August, causing the DAX to slide to a level of 9,648 points on 24 August. While the DAX has since recovered from this low, it was still at only 9,660 points as at the end of the third quarter, due in part to the turbulence caused by Volkswagen.

HAMBORNER REIT AG Shares



HAMBORNER's shares performed well in the opening months of the year and reached their highest point for the current year of €11.28 in the middle of April 2015. The shares were therefore quoted well above NAV in the first half of the year, which was at €8.81 as at the end of the first quarter. Since the capital increase at €8.50 per new share at the start of July 2015, the price has fluctuated between €8.27 and €9.38. Volatility has essentially been consistent with general stock market circumstances. The shares closed at a price of €8.65 as at 30 September 2015. This corresponds to an increase of 6.5% as against the end of 2014 and is 1.4% above

NAV per share as at 30 September 2015 (€8.53). Market capitalisation at the end of September was around €536 million. An average of around 167,000 shares were traded per day in the first nine months of the year.

Name/code	HAMBORNER REIT AG/ HAB
SCN/ISIN	601300/ DE0006013006
Number of shares	62,002,613
Share capital	€62,002,613
Index	SDAX/EPRA index
Designated sponsor	HSBC
Free float	75.55%
Market capitalisation	€536.3 million

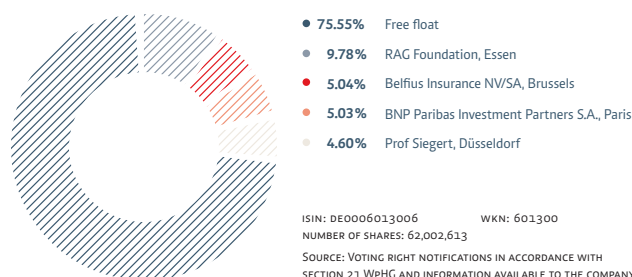
Sustainability Report

After presenting our first sustainability report in 2013, we are delighted that the second follow-up report has been available in the sustainability section of our website www.hamborner.de for several weeks. In our sustainability reporting, we would like to share with you our understanding of the interconnectedness of the economic, ecological and social dimensions of sustainable corporate governance, and to further enhance our claim to transparent reporting.

Capital increases in February and July 2015

On 18 February 2015 the Managing Board and the Supervisory Board resolved a capital increase from authorised capital of 10% of the share capital. The 4,549,332 new shares were subscribed to at a subscription price of €8.99 per share by a fund of the RAG Foundation, Essen, which is therefore currently the company's single largest shareholder. The gross issue proceeds from the subscription to new shares amounted to €40,912 thousand. The Managing Board and the Supervisory Board next resolved a capital increase against cash contributions with shareholders' pre-emption rights in effect on 24 June 2015. Share capital was to be increased with the partial utilisation of authorised capital and the issue of up to 16,680,888 new shares. In line with the subscription ratio of three to one, shareholders had the opportunity to subscribe to one new share at a subscription price of €8.50 for every three shares already held. The subscription period ended on 8 July 2015. Shareholders of HAMBORNER REIT AG subscribed to 11,959,948 shares, 71.7% of those on offer. The company generated gross issue proceeds of €101.7 million from the capital increase. On entry of the new shares in the commercial register on 9 July 2015, the share capital of the company therefore increased by a further €11,959,948 to currently €62,002,613.

Shareholder Structure as at 30 September 2015



General Information

Transparency and reporting are highly important to our investor relations activities. Information on the resolutions of the Annual General Meeting, general presentation documents and all corporate disclosures can therefore be accessed at any time on our homepage www.hamborner.de under investor relations.

Here you can also join our mailing list to receive a newsletter containing all the key information on our company directly by e-mail.



FINANCIAL CALENDAR 2015/2016

10 November 2015	Interim report for Q3 2015
22 March 2016	Annual report 2015
27 April 2016	Interim report for Q1 2016
28 April 2016	Annual General Meeting 2016

Forward-looking Statements

This report contains forward-looking statements, e.g. on general economic developments in Germany and the company's own probable business performance. 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.



IMPRINT

Published by:

The Managing Board of HAMBORNER REIT AG, Duisburg

As at:

November 2015

HAMBORNER REIT AG

GOETHESTRASSE 45
47166 DUISBURG

TEL.: +49 (0) 203 54405-0
FAX: +49 (0) 203 54405-49

INFO@HAMBORNER.DE
WWW.HAMBORNER.DE

