

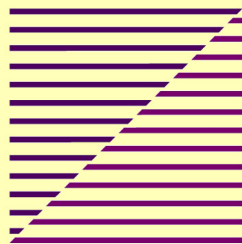


Independent Research

Unabhängige Finanzmarktanalyse GmbH

Investment Research

Fair Value REIT-AG



fair value
REIT

Figures Q2 2009

08/19/2009

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Fair Value confirms outlook for 2009**Figures Q2 2009**

- ⇒ In Q2 2009, Fair Value recorded sales of EUR2.8m (3.4; our forecast: 2.8) and rental income of EUR2.6m (3.2; our forecast: 2.6). This decline primarily resulted from the premature termination of a general rental agreement in Q4 2008.
- ⇒ In Q2, the net rental result decreased to EUR2.1m (2.6; our forecast: 2.1). Operating income rose to EUR1.4m (-0.4; our forecast: 1.4). The previous year's income was influenced by a negative valuation result (EUR-2.2m; Q2 2009; EUR-84k).
- ⇒ In our opinion, the quarterly figures were not surprising. Thus, we leave our estimates unchanged. Regardless of the solid financial structure, 2009 will be a year of consolidation for Fair Value. We do not expect any important real estate transactions. In 2009, the group is to focus on optimising the rental level.
- ⇒ For 2009, Fair Value expects an IFRS group profit (after overrents amounting to EUR1.5m) of between EUR2.7m and EUR3.0m. However, the valuation loss has not been taken into account. According to Fair Value, within the past few months the top yields have been stable. Hence, the valuation loss is to be considerably lower in 2009 than in 2008.
- ⇒ Our updated valuation models lead to a new price target of EUR4.70 (before: 4.50). Since our last research note (May 20), the share has gained about 17%. In our view, the positive price performance is to continue due to the expected solid profit development. Currently, the share is about 60% below its NAV (June 30: EUR8.28). In our opinion, this discount is not justified. We maintain our Buy recommendation.

Fair Value REIT-AG 4)**Recommendation: Buy****before:**

as of

Price target (in EUR) (6 months)	4.70
Share price (Xetra) (in EUR)	3.50
08/17/09 10:12 AM	
Share price potential	34.29%

Company data

Country	GE
Sector	Finacial Services / REIT
Market segment	Prime Standard
ISIN	DE000A0MW975
Reuters	FVIG.DE
Bloomberg	FVI
Internet	www.fvreit.de

Share data

Shares (m)	9.407
Free float	42.28%
Market cap. (EURm)	32.9
Ø Trading volume	1,810
52W High 08/26/08	EUR5.40
52W Low 05/19/09	EUR2.84
Beta	1.15
Volatility (60 days)	70.80

Multiples

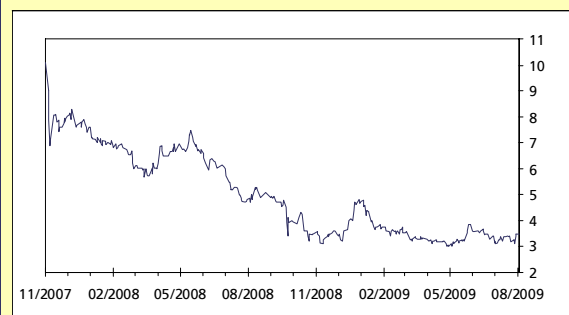
	EV/Sales	EV/EBIT	P/E ratio	Dividend yield
2006	-	-	-	-
2007	24.7	neg.	10.7	0.0%
2008E	7.5	neg.	neg.	0.0%
2009E	9.1	134.7	neg.	0.0%
2010E	8.9	28.3	18.7	2.0%

Performance (in %)

	1m	3m	6m	12m
Absolut	12.9	16.7	-6.9	-27.4
Relative to:				
DAX	8.1	6.3	-24.5	-10.0
Pr. Fin. Services	18.3	23.4	-44.9	-3.7

Index weighting

Prime Fin. Services	0.103%
RX REIT Index	7.830%

**Author: Zafer Rüzgar (analyst)**

AP	FY	Sales	EBIT	EBT	EAT	EPS
IFRS	2006	0	-21	-20	-56	-
IFRS	2007	4,326	-1,810	1,744	1,744	0.74
IFRS	2008E	12,392	-1,754	-13,301	-13,301	-1.41
IFRS	2009E	10,264	694	-1,353	-1,353	-0.14
IFRS	2010E	10,469	3,310	1,764	1,764	0.19
CAGR 2006 - 2010E		34.3%	-	0.4%	0.4%	

Figures in EUR'000 except EPS (in EUR), hist. PERs based on average share prices

1)2)3)4) Please notice the advice regarding possible conflicts of interests as well as the disclaimer at the end of this document

Company profile

Two-pronged strategy

Fair Value REIT-AG at a glance

Munich-based Fair Value REIT-AG is a real estate investment trust (REIT) specialising in the acquisition, property management and sale of commercial properties. The company's investment activity focuses on office, logistics and retail properties in certain regional locations in Germany. Fair Value is following a two-pronged strategy. It acquires interests in selected closed-end real estate funds on the one hand and makes direct investments in the German real estate market on the other. Fair Value currently holds interests in 13 closed-end real estate funds, whose properties had an occupancy rate of 95.0% of the potential rent as at June 30, 2009.

Fair Value REIT-AG emerged in 2007 from "IC Grundbesitz Gesellschaft mbH & Co. Beteiligungs-KG", which changed its corporate form to "Fair Value Immobilien-Aktiengesellschaft". Since November 16, 2007, the company is listed in the Prime Standard of the Frankfurt Stock Exchange.

Fair Value REIT-AG: Shareholder structure

	in %
IC Immobilien Holding AG	9.39
H.F.S. Zweitmarkt Invest 2 GmbH & Co. KG	8.13
H.F.S. Zweitmarkt Invest 3 GmbH & Co. KG	7.44
H.F.S. Zweitmarkt Invest 4 GmbH & Co. KG	7.44
H.F.S. Zweitmarkt Invest 5 GmbH & Co. KG	7.44
IC Immobilien Service GmbH	6.34
IFB Beteiligungs-AG	5.44
Bayerische Beamten Lebensversicherung a.G.	3.76
IC Fonds GmbH	2.34
Free float	42.28

* 30.46% of the of voting rights of H.F.S. Zweitmarkt is controlled by UniCredit

Source: Fair Value REIT-AG

as of 06/30/09

REITs do not have to pay corporate and business taxes

Fair Value as a real estate investment trust

Put simply, a REIT is a trust that owns and manages real estate properties. In order to be classified as a REIT, a real estate company is required to distribute at least 90% of its distributable profit (German Commercial Code) to its shareholders through dividends. Up to 50 per cent of capital gains may be allocated to a reserve for the purposes of acquiring immovable assets for a period of up to 2 years. In return, it does not have to pay corporate and business taxes. The company's profit is first taxable with the shareholders, who will have to pay individual income tax. Furthermore, a REIT must have a capital ratio of at least 45% measured by its real estate assets. The high minimum capital ratio creates stability, while the high payout ratio is an attractive regular source of income for REIT investors.

Business development Q2 2009

*Decrease in rental income
as expected*

Sales development without surprises

As expected, Fair Value reported a sales decline of 16.3% to EUR2.8m (3.4; our forecast: 2.8) in Q2 2009. Rental income decreased by 19.2% to EUR2.6m (3.2; our forecast: 2.6). This decline resulted primarily from the premature termination of a general rental agreement in Q4 2008. After six months, the total rental income amounted to EUR5.1m (6.1; our forecast: 5.1). In Q2, the net rental result fell to EUR2.1m (2.6; our forecast: 2.1) and was also in line with our expectations. The decrease in the net rental result is due to the lower rental income and less than proportionally lower (-12.6%) real estate related operating expenses.

Fair Value REIT-AG						
Selected key data of the consolidated income statement						
Unit : Fiscal year : Accounting standards :	EURm Dec 31 IFRS	Q2 2008	Q2 2009	Q2 2009 (our forecast)	H1 2008	H1 2009 (our forecast)
Sales		3.4	2.8	2.8	6.7	5.7
Net rental result as percentage of sales		2.6 75.5%	2.1 75.2%	2.1 75.0%	5.3 79.2%	4.0 69.7%
Operating income as percentage of sales		-0.4 neg.	1.4 48.7%	1.4 50.0%	1.5 21.8%	2.6 46.4%
Financial result as percentage of sales		-0.3 neg.	-1.3 neg.	-1.5 neg.	-2.2 neg.	-2.6 neg.
Net income as percentage of sales		0.4 13.0%	1.3 44.8%	0.5 17.9%	0.8 11.7%	0.9 29.6%

Source: Independent Research; Fair Value REIT-AG

*Financial result better than
expected*

Group net income surpasses our expectations

Operating income increased to EUR1.4m (-0.4; our forecast: 1.4). However, operating income was burdened by the negative valuation result of EUR-2.2m in Q2 2008. As a result of the expected overrents, the valuation result amounted to EUR-84k in the past quarter. In H1, operating income amounted to EUR2.6m (1.5; our forecast: 2.6).

Below the line, Fair Value recorded a group net income of EUR1.3m (0.4; our forecast: 0.5). The positive development of income from participations (EUR1.2m (1.1; our forecast: 0.5)) was responsible for the better than expected group net income. According to Fair Value, "at equity" income slightly surpassed expectations. Moreover, the financial result amounting to EUR-1.3m (-0.3; our forecast: -1.5) was better than we had expected. In H1 2009, group net income increased to EUR1.7m (0.8; our forecast: 0.9).

*Equity ratio rises to 40.9%
(December 31, 2008:
38.7%)*

Unchanged solid financial structure

Regarding the group's balance sheet, as of June 30, 2009, equity increased slightly to EUR77.9m (as of December 31, 2008: 76.8) as a result of the positive group net income. The equity ratio increased to 40.9% (as of December 31, 2008: 38.7%). Taking into account the minority interests according to the REIT law however, the equity ratio was 52.9% (as of December 31, 2008: 52.1%) and hence above the required minimum of 45%. Thus, Fair Value's REIT status remains safe. At the end of H1, the group had financial liabilities to the amount of EUR89.5m (as of December 31, 2008: 94.3). Of this total 94.2 % are long-term and 5.8 % or EUR5.2m are due within one year. The cash flow from operating activities amounting to EUR-1.5m (as of December 31, 2008: +4.0) was mostly due to a VAT payment to the amount of EUR3.6m. This payment was a result of the compensation payment received in 2008. In addition, repayments of bank loans amounting to EUR4.8m were responsible for the decrease in liquidity by EUR6.3m to EUR7.7m.

Outlook and forecasts

*Lower valuation loss
expected in 2009*

2009E forecast reaffirmed

For 2009 Fair Value expects an IFRS group profit (after considering overrents amounting to EUR1.5m) of between EUR2.7m and EUR3.0m. However, the valuation loss has not been taken into account beyond the overrents as such. From today's point of view forecasting a valuation result (2008: EUR-9.7m) is very difficult. In 2008, primarily market-related increases in the discount and capitalisation interest rates were responsible for the valuation loss. According to Fair Value, the top yields remained stable within the last few months. Hence, the valuation loss is to be considerably lower in 2009 than in 2008. Moreover, Fair Value is to perform better than the market average in the portfolio valuation pending at the end of the year as its portfolio is well diversified in terms of regions and industrial sectors.

Our forecasts remain unchanged

In our opinion, the quarterly figures were not surprising. Thus, we leave our forecasts unchanged. Regardless of the solid financial structure, 2009 will be a year of consolidation for Fair Value. We do not expect any important real estate transactions. In 2009, the group is to focus on optimising the rental level. We welcome that the group increasingly mentions a dividend payment. If there are no unexpected postponements or losses in the portfolio, a dividend payment can be expected for the fiscal year 2010.

Forecasts Q3 2009

For the current Q3 we expect sales of EUR2.8m (3.7) and a net rental income of EUR2.1m (2.7). We expect an operating income of EUR1.4m (2.0). Our forecast for net income is EURO.5m (0.6).

Valuation

In order to value Fair Value REIT-AG, we used the NAV calculation, which is the common method for real estate companies, but also the dividend discount model (DDM) and a peer group valuation. As Fair Value classifies as a REIT, it will distribute most of its profit in the future. Even though the company will pay no dividend for 2008 and 2009 contrary to expectations, we feel that it makes sense to include the DDM with regard to long-term valuation of the share. In view of the dividend omission, we weight the DDM at 25% for the time being. For the peer group valuation we used real estate companies with a similar business model due to the lack of REITs in Germany. These include companies which manage office and commercial properties. The fair value per share results from the weighted average of the three valuation methods.

NAV calculation 2007-2010E				
	2007	2008E	2009E	2010E
Fair market value of investment properties	150,070	130,740	125,740	123,240
Equity-accounted participations	58,909	48,443	50,867	53,001
Other assets less other liabilities	10,924	-5,673	-3,054	-3,579
Financial liabilities	112,134	94,257	91,895	87,753
Cash and cash equivalents	5,381	14,039	11,680	10,916
Minority interests	18,487	16,505	17,905	19,285
NAV	94,663	76,787	75,434	76,540
Number of shares (in m)	9,407	9,407	9,407	9,407
NAV per share	10.06	8.16	8.02	8.14
			8.08	

Figures in EURm except for NAV per share (in EUR)
Source: Independent Research; Fair Value REIT-AG

NAV per share: Unchanged at EUR8.08; fair value (DDM): EUR1.38 (before: 1.33)

We based our valuation of the Fair Value share on the average NAV for the fiscal years 2009 and 2010. As the balance sheet ratios remain unchanged the average NAV per share remains at EUR8.08.

The DDM yields a new fair value of EUR1.38 (before: 1.33) per share due to the update of our model.

Dividend discount model (DDM)										
in EUR	2009E	2010E	2011E	2012E	2013E	2014E	2015E	2016E	2017E	2018E
DPS	0.00	0.07	0.08	0.09	0.10	0.11	0.12	0.14	0.15	0.17
Present values	0.00	0.06	0.07	0.07	0.07	0.08	0.08	0.08	0.09	0.09
Sum of present values	0.69									
Terminal value	0.69	in % of total value : 50%								
Fair value per share	1.38	Model parameters DDM: Risk-free rate of return : 4.00% Beta : 0.7 Risk premium equity : 4.0% Cost of equity: 6.8% Date : 08/17/09								

Source: Independent Research

Peer group comparison				
Company	P/E		EV/Sales	
	2009E	2010E	2009E	2010E
ALSTRIA OFFICE REIT-AG	11.5	12.2	13.4	13.7
DIC Asset AG	12.0	17.3	13.2	13.3
Deutsche Euroshop	15.1	13.5	15.7	13.5
IFM Immobilien AG	6.7	6.5	8.7	8.1
POLIS IMMOBILIEN AG	-	8.2	10.8	14.9
Average	11.3	11.5	12.4	12.7

Source: Independent Research; Bloomberg

Share prices as of 08/17/2009

	EPS		Sales	
	2009E	2010E	2009E	2010E
in EUR'000, EPS in EUR				
Fair Value REIT-AG	-0.14	0.19	10,264	10,469
Enterprise Value			126,781	132,960
Cash and cash equivalents			7,700	
Debt			-89,518	
Fair market capitalisation			44,963	51,142
Number of shares (in '000)			9,407	
Fair value	neg.	2.16	4.78	5.44
Average	2.16		5.11	
Weighting	1/2		1/2	
Fair value per share	3.64			

Source: Independent Research

Peer group valuation: Fair value of EUR3.64 (before: 3.17) per share

The peer group valuation produced a fair value of EUR3.64 (before: 3.17) per share. The higher valuation at unchanged forecasts results from the peer group's increased valuation ratios within the last few weeks. As EPS of Fair Value is negative, the P/E ratio for 2009 is not included in the valuation.

Combining the individual valuation models now results in a fair value per share of EUR4.74 (before: 4.55). Hence, we slightly raise our price target to EUR4.70 (before: 4.50).

Valuation summary			
	NAV	DDM	Peer group
Fair value per share (EUR)	8.08	1.38	3.64
Weighting	1/3	1/3	1/3
Final fair value per share (EUR)	4.74		

Source: Independent Research

1)2)3)4) Please notice the advice regarding possible conflicts of interests as well as the disclaimer at the end of this document

Fair Value REIT-AG**Selected key data**

Unit : EUR'000 Fiscal year : Dec 31 Accounting standards : IFRS	2006	2007	2008	2009E	2010E
Key data income statement					
Sales (EUR'000)	-	4,326	12,392	10,264	10,469
EBITDA margin	-	-25.0%	64.5%	55.6%	55.6%
EBIT margin	-	neg.	neg.	6.8%	31.6%
Net yield	-	40.3%	-107.3%	-13.2%	16.8%
Value adjustment rate	-	16.8%	78.6%	48.7%	23.9%
Interest coverage ratio	-	1.2	0.4	-0.2	-0.8
Profitability ratios					
ROE	-	1.8%	neg.	neg.	2.3%
ROI	-	0.8%	neg.	neg.	0.9%
Accounting ratios					
Equity ratio	-	41.1%	38.7%	39.0%	39.8%
Ratio of equity to non-current assets	-	44.1%	42.3%	42.2%	42.9%
Ratio of non-current assets to total assets	-	93.2%	91.6%	92.5%	92.8%
Trade accounts receivables / sales	-	20.1%	12.1%	15.4%	15.8%
Key data per share (EUR)					
EPS	-	0.74	-1.41	-0.14	0.19
Free cash flow per share	-	-25.42	2.66	0.00	0.43
Dividend per share	-	0.00	0.00	0.00	0.07
Cash and cash equivalents per share	-	2.28	1.49	1.24	1.16
Book value per share	-	40.11	8.16	8.02	8.14
Valuation ratios					
EV / Sales	-	24.7	7.5	9.1	8.9
EV / EBITDA	-	neg.	neg.	133.0	28.2
EV / EBIT	-	neg.	neg.	134.7	28.3
PER	-	10.7	neg.	neg.	18.7
Price to book value ratio	-	0.2	0.7	0.4	0.4
Price to cash flow ratio	-	-0.3	neg.	neg.	neg.
Price to sales ratio	-	0.0	1.1	3.2	3.1
Dividend yield	-	0.0%	0.0%	0.0%	2.0%

Source: Independent Research; Fair Value REIT-AG

Fair Value REIT-AG**Consolidated income statement**

Unit : EUR'000 Fiscal year : Dec 31 Accounting standards : IFRS	2006	2007	2008	2009E	2010E
Rental income	0	4,326	12,392	10,264	10,469
year-on-year growth	-	-	186.5%	-17.2%	2.0%
Income from operating and incidental costs	0	264	1,303	821	838
Expenses for investment properties	0	2,038	2,912	2,574	2,631
Net rental result	0	2,552	10,783	8,511	8,675
year-on-year growth	-	-	322.5%	-21.1%	1.9%
General administrative expenses	21	3,502	3,797	2,517	2,566
as percentage of rental income	-	81.0%	30.6%	24.5%	24.5%
Other operating income and expense (balance)	0	-135	-351	-300	-300
as percentage of rental income	-	-3.1%	-26.9%	-36.5%	-35.8%
Valuation result	0	-725	-9,734	-5,000	-2,500
as percentage of rental income	-	-16.8%	-78.6%	-48.7%	-23.9%
Operating income	-21	-1,810	-1,754	694	3,310
as percentage of rental income	-	-	-	6.8%	31.6%
Income from equity-accounted participations	0	7,225	-7,075	3,808	3,884
Other investment result	0	413	0	0	0
Income from participations	0	7,638	-7,075	3,808	3,884
as percentage of rental income	-	176.6%	-57.1%	37.1%	37.1%
Minority interests	0	-768	435	-1,400	-1,380
Expenses for going public	0	1,825	0	0	0
Net interest expenses	1	-1,491	-4,907	-4,455	-4,050
as percentage of rental income	-	-34.5%	-39.6%	-43.4%	-38.7%
Financial result	1	-4,084	-4,472	-5,855	-5,430
as percentage of rental income	-	-94.4%	-36.1%	-57.0%	-51.9%
Profit before taxes	-20	1,744	-13,301	-1,353	1,764
as percentage of rental income	-	40.3%	-107.3%	-13.2%	16.8%
Income taxes	-36	0	0	0	0
Consolidated profit (deficit)	-56	1,744	-13,301	-1,353	1,764
as percentage of rental income	-	40.3%	-107.3%	-13.2%	16.8%
Number of shares ('000)	0	2,360	9,407	9,407	9,407
EPS (EUR)	-	0.74	-1.41	-0.14	0.19
DPS (EUR)	0.00	0.00	0.00	0.00	0.07

Source: Independent Research; Fair Value REIT-AG



Fair Value REIT-AG					
Consolidated balance sheet					
Unit :	EUR'000				
Fiscal year :	Dec 31	2006	2007	2008	2009E
Accounting standards :	IFRS				2010E
Assets					
Intangible assets		0	2	2	1
Property, plant, and equipment		0	31	22	16
Investment properties		0	150,070	130,740	125,740
Properties under construction		0	566	0	0
Equity-accounted investments		0	58,909	48,443	50,867
Financial assets (non-current)		10	5,005	2,319	2,319
Total non-current assets		10	214,583	181,526	178,943
Non-current assets available for sale		0	5,700	0	0
Trade receivables		0	869	1,502	1,577
Other receivables and assets		0	3,826	1,176	1,235
Cash and cash equivalents		13	5,381	14,039	11,680
Total current assets		13	15,776	16,717	14,492
Total assets		23	230,359	198,243	193,435
Equity and liabilities					
Subscribed capital		0	47,034	47,034	47,034
Share premium		0	46,167	46,167	46,167
Profit reserve		0	1,462	-11,839	-13,192
Net assets of shareholders		-93	0	-4,575	-4,575
Total equity		-93	94,663	76,787	75,434
Minority interests		0	18,487	16,505	17,905
Financial liabilities		0	57,116	78,352	76,785
Other liabilities		0	494	4,496	1,563
Total non-current liabilities		0	76,097	99,353	96,253
Provisions		5	255	334	277
Financial liabilities		0	55,018	15,905	15,110
Trade payables		111	2,617	1,359	1,767
Other current liabilities		0	1,709	4,505	4,595
Total current liabilities		116	59,599	22,103	21,748
Total equity and liabilities		23	230,359	198,243	193,435

Source: Independent Research; Fair Value REIT-AG

Fair Value REIT-AG					
Consolidated cash flow statement					
Unit : EUR'000	2006	2007	2008	2009E	2010E
Fiscal year : Dec 31					
Accounting standards : IFRS					
Consolidated profit (deficit)	-56	1,744	-13,301	-1,353	1,764
Income tax expense	38	0	0	0	0
Amortisation/depreciation on intangible assets and property, plant, and equipment	0	3	11	9	9
Profits from the disposal of investment properties	0	0	-1,345	0	0
Valuation result	0	725	9,734	5,000	2,500
Income from equity-accounted investments	0	-7,225	7,075	-3,808	-3,884
Withdrawals from equity-accounted investments	0	1,418	2,519	1,384	1,750
Losses from the sale of subsidiaries	0	3,080	0	0	0
Income from the disposal of participating interests	0	-180	0	0	0
Income from beneficial acquisition of participation	0	-3,155	0	0	0
Income from restructuring a financial liability	0	0	-1,469	0	0
Loss/profit for minority interests	0	768	-435	1,400	1,380
Disbursement to minority interests	0	-1,371	-1,256	0	0
Result from the valuation of derivative financial instruments	0	-16	88	0	0
Expenses connected to compensation payment received	0	0	1,880	0	0
FFO (funds from operations) subtotal	-18	-4,209	3,501	2,632	3,519
Compensation payment received	0	0	15,438	0	0
Expenses connected to compensation payment received	0	0	-1,880	0	0
(Increase)/ decrease in trade receivables	0	-612	-633	-75	-79
(Increase)/ decrease in other liabilities	0	-1,944	3,524	-59	-62
(Decrease)/ increase in provisions	0	188	79	-57	6
(Decrease)/ increase in trade payables	9	2,504	-1,258	408	530
(Decrease)/ increase in other liabilities	-2	-51	2,725	-2,843	123
Cash flow from operating activities	-11	-4,124	21,496	6	4,037
Cash and cash equivalents from acquired subsidiaries	0	12,614	0	0	0
Payments for the purchase of interests in associated companies	0	-10,948	-9	0	0
Proceeds from the sale of subsidiaries	0	0	4,705	0	0
Cash and cash equivalent reduction from sold subsidiaries	0	-1,037	0	0	0
Cash and cash equivalent reduction from participating interests no longer fully consolidated but equity-accounted	0	-4,318	0	0	0
Income from the disposal of investment properties	0	0	15,068	0	0
Investments in investment property / property under construction	0	-52,331	-13,892	0	0
Payment for the acquisition of non-current assets	0	0	-2,300	0	0
Investm. in property, plant and equipment and intangible assets	0	-36	-2	-2	-2
Income from the sale of property ownership certificates	0	190	0	0	0
Cash flow from investment activities	0	-55,866	3,570	-2	-2
Dividend distribution	0	0	0	0	-658
Capital contribution	0	16,835	0	0	0
Payments for capital procurement	0	-1,117	0	0	0
Receipts from financial liabilities	0	51,398	46,959	-2,362	-4,141
Repayment from financial liabilities	0	-1,758	-63,367	0	0
Cash flow from financing activities	0	65,358	-16,408	-2,362	-4,800
Change in cash and cash equivalents	-11	5,368	8,658	-2,359	-765
Cash and cash equivalents - start of period	25	13	5,381	14,039	11,680
Cash and cash equivalents - end of period	14	5,381	14,039	11,680	10,916

Source: Independent Research; Fair Value REIT-AG

1)2)3)4) Please notice the advice regarding possible conflicts of interests as well as the disclaimer at the end of this document

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Buy:	According to our assessment, the stock should register an absolute profit of at least 15% within a 6-month period.
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Summary of the evaluation principles used:

Analyses of shares:

In valuing companies standard and accepted valuation methods (amongst others the Discounted Cash Flow Method (DCF Method), Peer Group Analysis) are applied. Under the DCF Method the capitalised value of the issuers is calculated which shows the sum of the discounted company results, i.e. the current value of the issuer's future net distributions. The capitalised value is therefore determined with reference to the anticipated future company results and the capitalisation yield applied. Under the Peer Group Analysis Method issuers quoted on the Stock Exchange are valued with reference to the comparison of ratio indices (e.g. price earnings ratio, price to book ratio, enterprise value / sales, enterprise value / EBITDA, enterprise value / EBIT). The comparability of the ratio indices is determined above all by business activity and commercial prospects.

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