

Fair Value REIT-AG records a substantial rise in consolidated net income in first half of 2015

- IFRS Group net profit of EUR 6.3 million in H1 2015 (previous year: EUR 2.1 million)
- EPRA Net asset value per share after dividend pay-out of EUR 0.25 per share in May 2015 amounted to EUR 8.34 as of 30 June 2015 (31 December 2014: EUR 8.49)
- REIT equity ratio increased to 59.4% (31 December 2014: 49.2%)
- FFO at EUR 2.1 million in H1 2015 (previous year: EUR 2.5 million)
- Increase of the FFO 2015 outlook to EUR 6.9 million – EUR 7.2 million, which corresponds to EUR 0.56 – EUR 0.58 per share (so far EUR 4.7 million – EUR 5.1 million)
- Target dividend 2015 of EUR 0.25 per share, which corresponds to 50% of FFO
- FFO 2016 forecast of EUR 10.0 million – EUR 11.5 million, which corresponds to EUR 0.71 – EUR 0.82 per share
- Target dividend 2016 in a range of EUR 0.36 - EUR 0.41 per share

Munich, 13 August 2015 - Fair Value REIT-AG (WKN A0MW97) has successfully concluded the first half of 2015 and has substantially increased IFRS consolidated net income compared to the corresponding period of the previous year.

The Fair Value Group achieved an IFRS Group net profit of EUR 6.3 million in the first half of 2015, which is EUR 4.2 million higher than in the previous year, coming along with an operating business in line with expectations.

Of the additional profit EUR 4.1 million resulted from acquisitions of further interests in six subsidiaries, from the acquisition of a majority interest in an additional closed real estate fund and from the direct acquisition of properties which were previously owned by subsidiaries.

In this regard, the net asset value according to EPRA (EPRA NAV) per share amounted to EUR 8.34 as of 30 June 2015 following EUR 8.49 as of 31 December 2014. For this reason, the capital costs and dilution effects of the capital increase in May 2015 have been more than equalized by considering the EUR 0.25 dividend pay-out per share in May 2015.

REIT equity ratio increased to 59.4% of the immovable assets as of 30 June 2015 compared to 49.2% as of 31 December 2014.

Consolidated net income adjusted for revaluations and other extraordinary effects (EPRA-Earnings or FFO) amounted to EUR 2.1 million compared to EUR 2.5 million last year. The decline mainly resulted from the disposal of non-strategic properties. The Group FFO is expected to rise significantly in the second half of 2015 since the before mentioned acquisitions will only fully contribute to the second half result.

For the total year 2015 the management board expects FFO before non-controlling interests to rise to EUR 9.8 million – EUR 10.2 million. The Fair Value shareholders' FFO after non-controlling interests will result in a range of EUR 6.9 million – EUR 7.2 million. With regards to the weighted number of outstanding shares in 2015 (12.38 million shares) this corresponds to FFO per share in a range of EUR 0.56 – EUR 0.58.

The management board aims for a dividend for 2015 of EUR 0.25 per every share entitled to a dividend (14.03 million shares). The corresponding pay-out payment amounts to about EUR 3.5 million, which is in line with the strategic target of 50% of the FFO.

For 2016 the management board expects an adjusted consolidated net income (FFO) before non-controlling interests in a range of EUR 11 million – EUR 11.5 million. After non-controlling interests the company expects an adjusted consolidated net income (FFO) for the Fair Value shareholders in a range of EUR 10.0 million – EUR 11.5 million. This corresponds to a basic result of EUR 0.71 – EUR 0.82 per share. Accordingly the dividend target for 2016 is EUR 0.36 – EUR 0.41 per share.

Frank Schaich, CEO of Fair Value REIT-AG, commented on the business development in the first half year: "We are on a very good track to rapidly implement our growth strategy. With regards to the NAV increasing acquisitions in the first half of 2015, we can already proof the success of our strategic approach. We expect the dividend for 2015 to reach the level of the previous year of EUR 0.25 per share, which corresponds to a nominal increase of the payment compared to the previous dividend by 50%. Further we expect a dividend rise for 2016 to EUR 0.36 – EUR 0.45 per share.

The interim report for the first half of 2015 is available for download from the financial reports section of www.fvreit.de from today.

Selected financial key figures for Fair Value REIT-AG

EUR thousand	1/1/2015 – 30/6/2015	1/1/2014 – 30/6/2014
Rental income	11,055	12,076
Net rental income	8,313	9,351
Operating result (EBIT)	10,491	7,646
IFRS-Net profit	6,271	2,111
IFRS-Result per share (undiluted/diluted ¹⁾)	0.59 EUR / 0.56 EUR	0.23 EUR / 0.23 EUR
EPRA-Earnings / FFO	2,106	2,453
FFO per share ¹⁾	0.20 EUR / 0.20 EUR	0.26 EUR / 0.26 EUR
EUR	30/6/2015	31/12/2014
Net asset value per share ²⁾	8.34 EUR	8.39 EUR
EPRA-NAV per share ²⁾	8.34 EUR	8.49 EUR
Equity ratio within the meaning of § 15 REIT-G	59.4%	49.2%

1) 01 January – 30 June 2015: outstanding shares (10,703,823 undiluted / 11,575,308 diluted)
01 January – 20 June 2014: outstanding shares (9,325,572 undiluted and diluted)

2) 30 June 2015: outstanding shares (14,029,013) / 31 December 2014: outstanding shares (9,325,572)

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Company profile

Fair Value REIT-AG, based in Munich, focuses on the acquisition, leasing, property management and sale of commercial properties in Germany. At the core of its investment activities are retail and office properties in German secondary locations as well as property participations with a unique focus on closed end funds.

As of 30 June 2015, Fair Value's total portfolio of 44 properties amounted to around EUR 306 million. This portfolio had an occupancy rate of 91.8% of potential rent on full occupancy of EUR 27.6 million per year. As of 30 June 2015 the weighted remaining term of the leases was 4.7 years. Around 57% of the potential rent relates to retail space, 33% to office space and 10% to other types of use.