

THIRD QUARTER 2008

INTERIM REPORT

HAMBURG, NOVEMBER 19th, 2008



alstria
First German REIT

Cautionary Note Regarding Forward-Looking Statements

The statements contained herein may include statements of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Actual results, performance or events may differ materially from those in such statements due to, without limitation, general economic conditions, including in particular economic conditions in the alstria's core business and core markets, general competitive factors, the impact of acquisitions, including related integration issues, and reorganization measures. Furthermore, the development of financial markets, interest rate levels, currency exchange rates, as well as national and international changes in laws and regulations, in particular regarding tax matters, can have a corresponding impact. Many of these factors may be more likely to occur, or more pronounced, as a result of terrorist activities and their consequences.

No duty to update

The company assumes no obligation to update any information contained herein.

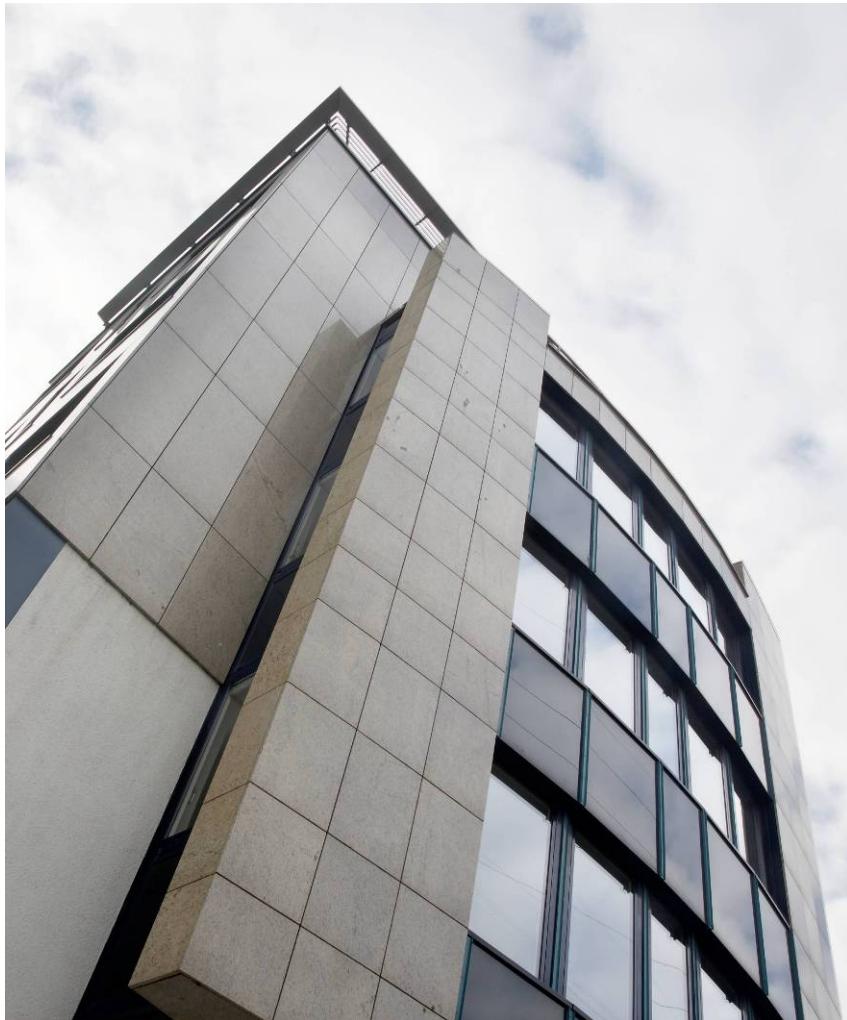
9 months highlights

- Strong operating performance
- Signing new 13,000 sqm lease agreement with Hamburger Hochbahn
- Closing of EUR 95 m non recourse loan
- Guidance 2008 confirmed
- Dividend policy reviewed



■ Operating performance - market performance

- Financials
- Financing strategy
- Disposals
- Outlook



ALSTRIA PORTFOLIO

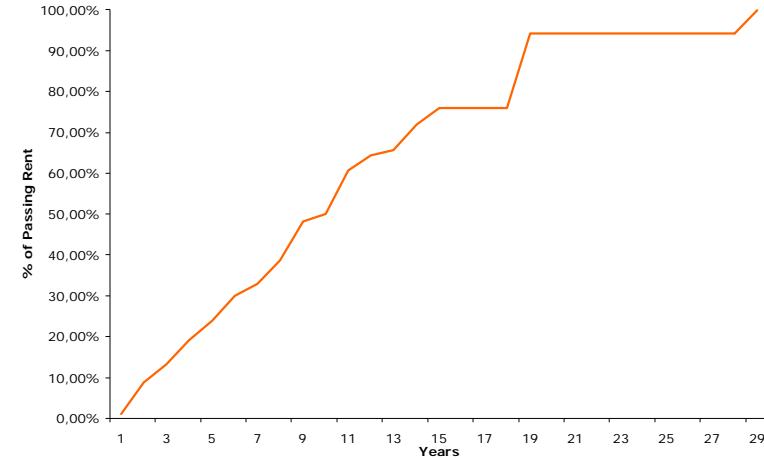
Metric	30.09.2008	19.11.2008
Number of properties	92	89
OMV (EUR m)	1,875 ¹	1,859
Contractual Rent (EUR m/p.a.) ²	105.8	106.6
Valuation yield ³	5.6%	5.7%
Approximate lettable area (sqm)	953,000	944,000
Vacancy (% of lettable area)	7.7%	6.5%
WAULT (years)	9.9	10.1

¹ Incl. three assets classified as held for sale as of 30.09.08

² Monthly gross rental income as of the specific date multiplied by 12

³ Calculated as Passing Rent divided by OMV

LEASE EXPIRY PROFILE



FFO increased by 35%

REVENUES

(in EUR k)

80,000
75,000
70,000
65,000
60,000
55,000

60,767

25%

75,798

Q3 2007

Q3 2008

FUNDS FROM OPERATIONS

(in EUR k)

35,000
30,000
25,000
20,000
15,000

22,085

35%

29,862

Q3 2007

Q3 2008



■ Investment market

- ✓ Major slowdown of investment market following LEH/HRX
- ✓ Limited financing available on the market (limited but not dry)
- ✓ Limited numbers of sellers in the market
- ✓ All major transaction withdrawn
- ✓ Limited to no forced seller in sight

■ Leasing market

- ✓ Limited impact so far on leasing markets but just a question of time
- ✓ Need to differentiate between top-market (above average) and mid-market (at or below average) rent level
- ✓ Top market rents are set to suffer the most as tenant looking to reduce occupancy costs
- ✓ Mid market rents are expected to remain stable as they usually allow tenant to realize efficiency gain/cost reduction

New lease agreement underlines asset management performance

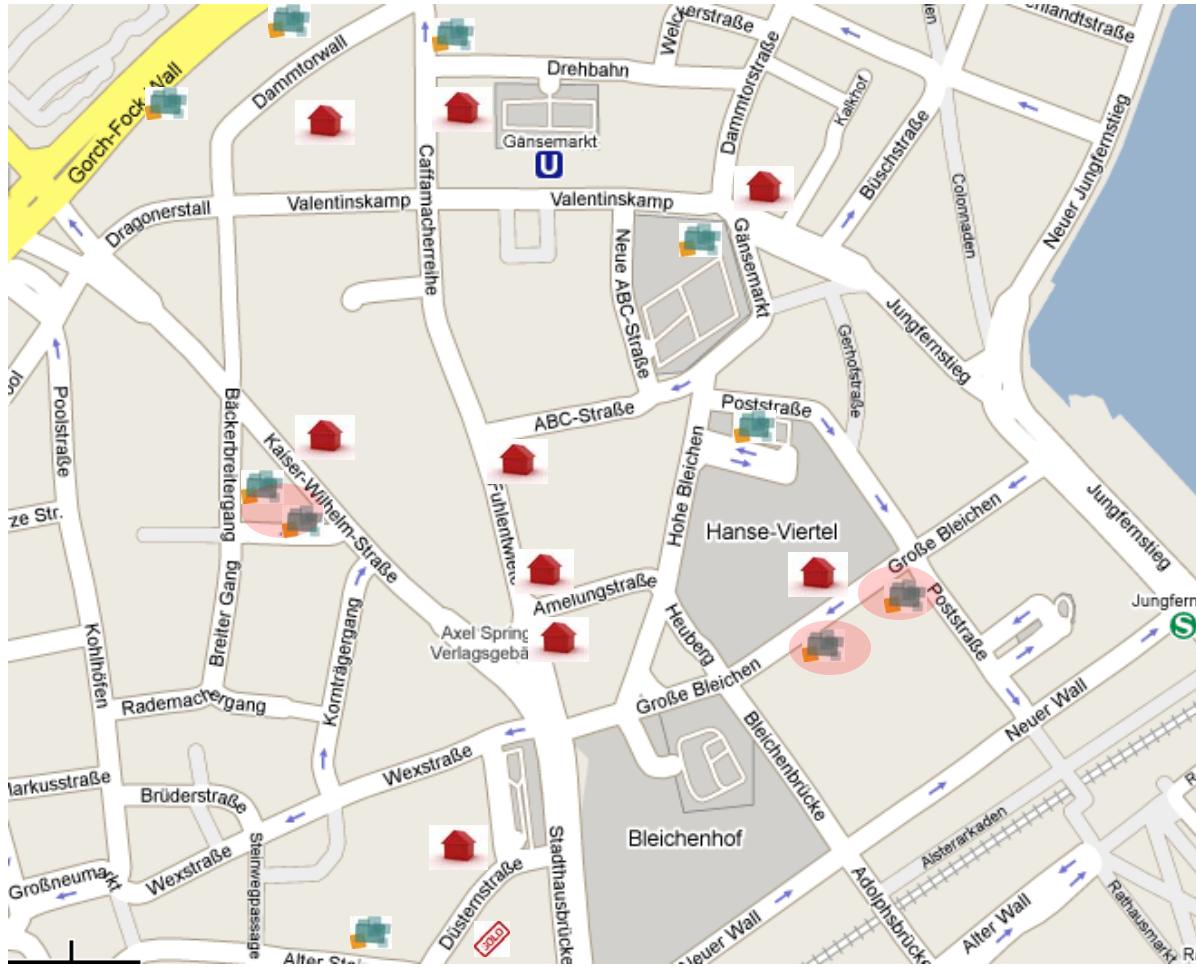
- Tenant: Hamburger Hochbahn AG
- Area: around 13,000 sqm
- Term: 20 years plus 5
- Lease start: approx. 01.04.2010
- Indexation: 80% CPI yearly as of signature date
- Annual net rent: EUR 2,145 k (office rent EUR/sqm/month 14.50)

LOCATION OVERVIEW



Illustration of the German market opportunity

ACTIVITIES IN DOWNTOWN HAMBURG



Market data (IPD Rental database, 2008)

Top 25%	EUR 21.6
Average	EUR 17.6
Bottom 25%	EUR 13.2

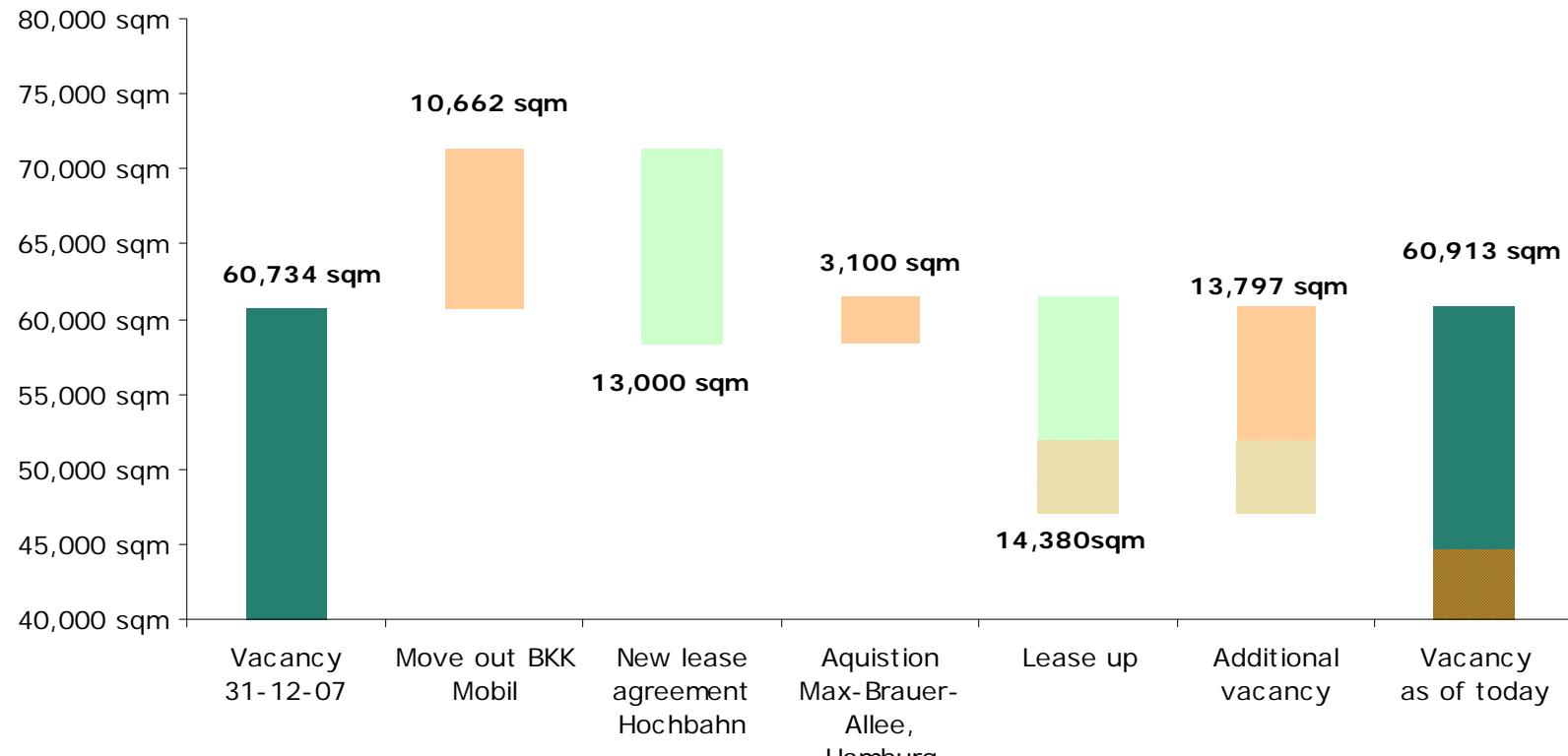
 Future/ongoing development – average office rent 18 to 23 EUR/sqm

 alstria's building average rent 10.9 EUR/sqm; 18% of portfolio by value

 Asset sold. Profit to IFRS book value around 25%

 alstria's active refurbishment projects

VACANCY DEVELOPMENT FROM JANUARY 1, 2008 TO NOVEMBER 19, 2008

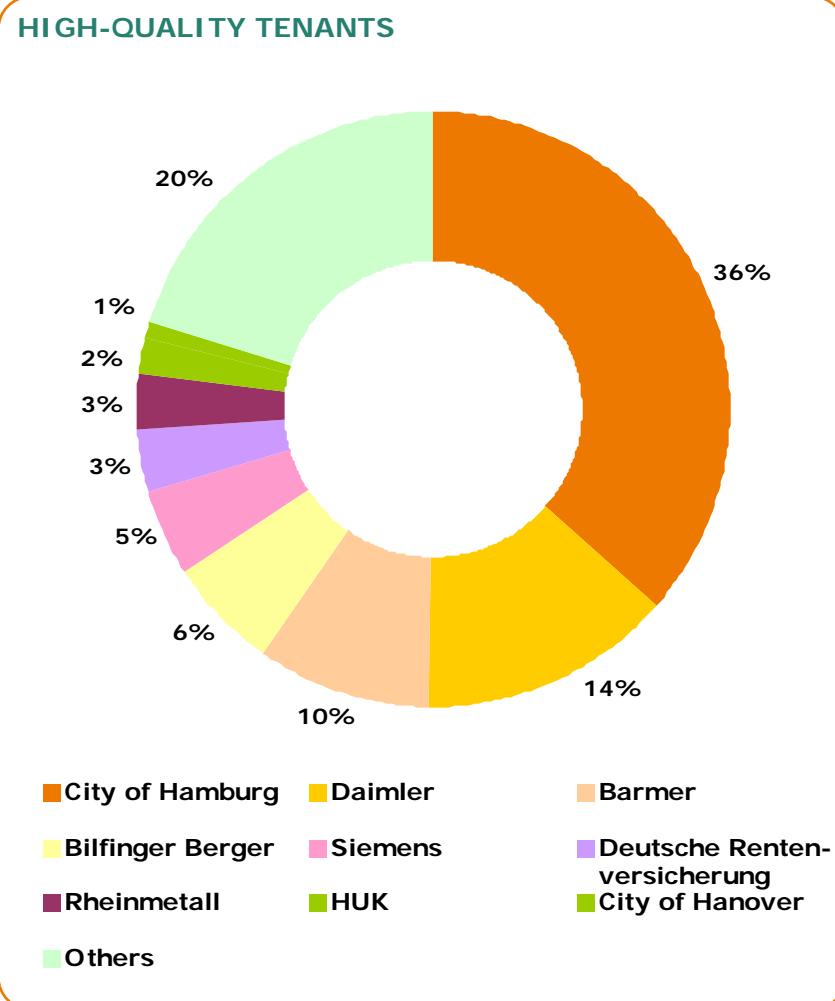


 incl. 4,760 sqm of tenant transition within the portfolio

 incl. 16,100 sqm of strategic vacancy

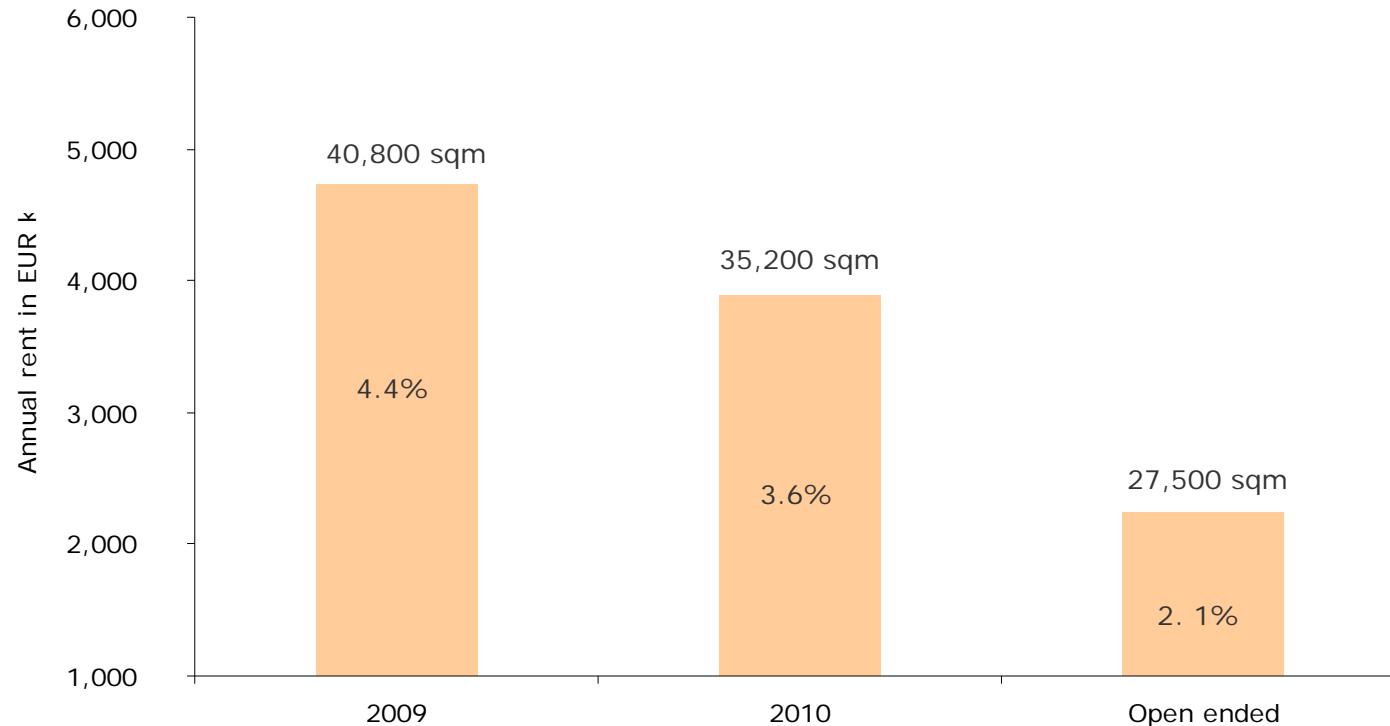
Stable revenues by long-term investments and high-quality tenants

- Key tenants generate 80% of our revenues
- More than 50% of rental income public entities or public agencies
- 30% of German Blue Chip corporations
- Revenues secured for approx. 10 years



Lease expiry schedule

LEASE EXPIRY SCHEDULE 2009, 2010 AND OPEN ENDED



Average rent/sqm:

9.67

9.19

6.79

Total rent (in EUR k):

4,735

3,887

2,244

- Operating performance - market performance

■ **Financials**

- Financing strategy
- Disposals
- Outlook

Q3 profit underlines successful operational performance

INCOME STATEMENT ITEMS QUARTERLY BASIS

in EUR k	Q3 2008	Q2 2008	Q1 2008	Q1 - Q3 2008
Revenues	26,166	26,084	23,548	75,798
Income less expenses from passed on	171	-5	-157	9
Real estate operating costs	-2,075	-3,494	-1,036	-6,604
Net Rental Income	24,262	22,585	22,355	69,203
Administrative and personnel expenses	-2,574	-3,212	-3,456	-9,242
Other operating income	202	915	1,553	2,669
Other operating expenses	-22	75	-279	-226
Net Operating Result	21,868	20,362	20,173	62,404
Net gain from fair value adjustments on investment property	0	-29,249	-567	-29,816
Net gain from fair value adjustments on financial derivatives	-731	3,628	-1,682	1,215
EBITDA	21,137	-5,259	17,924	33,802
Financial result	-16,398	-11,383	-11,600	-39,381
Pre-tax income (EBT)	4,739	-16,642	6,324	-5,579
Income tax expenses	0	0	-75	-75
Consolidated result for the period	4,739	-16,642	6,250	-5,653

Net profit impacted by valuation results

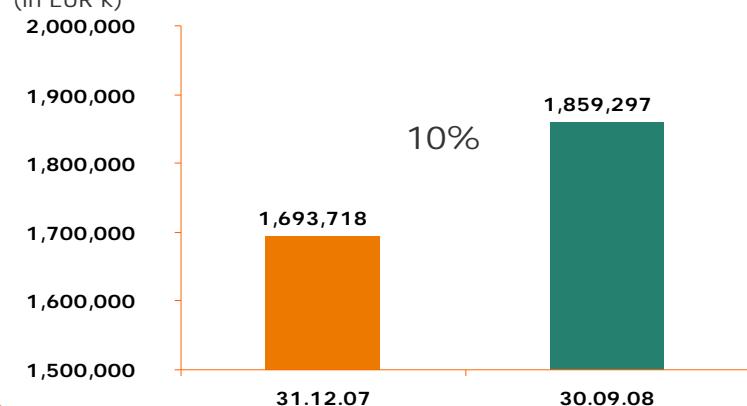


INCOME STATEMENT ITEMS

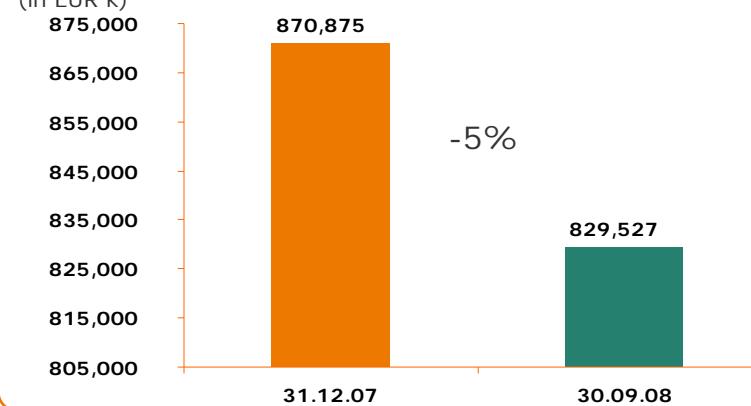
(in EUR k)	1. Jan - 30. Sep 2008	1. Jan - 30. Sep 2007	Change
Revenues and earnings			
Gross rental income	75,798	60,767	24.7%
Net rental income	69,203	57,252	20.9%
Net corporate operating expenses	-9,242	-9,921	-6.8%
Net corporate operating expenses in % of rev.	-12.2%	-16.3%	4.1 pp
Fair value adjustments on investment properties			
Fair value adjustments on financial derivatives	1,215	9,289	-86.9%
Financial result	-39,381	-26,841	46.7%
Net consolidated result	-5,653	55,510	-110.2%

Key components of the balance sheet

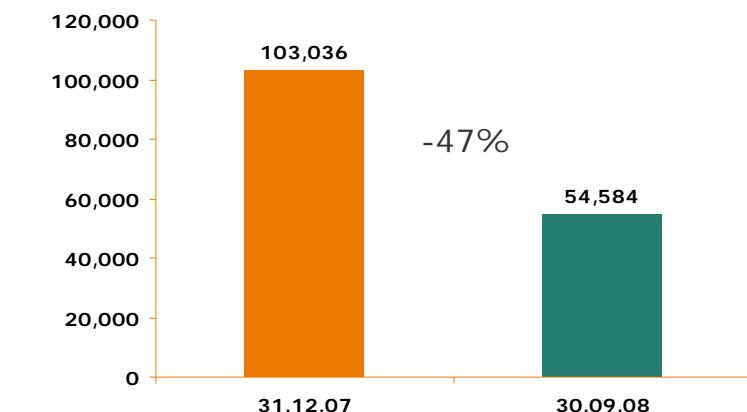
INVESTMENT PROPERTIES (in EUR k)



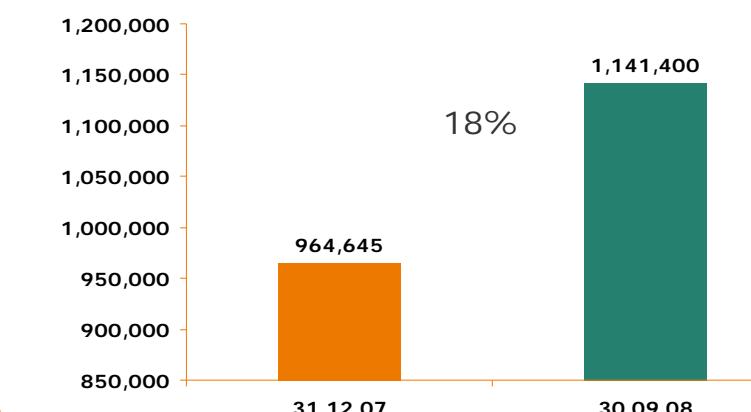
EQUITY (in EUR k)



CASH AND CASH EQUIVALENTS (in EUR k)



LIABILITIES (in EUR k)



Key numbers reflect sound financial position of alstria

KEY FINANCIAL METRICS

	Q1-Q3 2008	Q1-Q3 2007	change
FFO/share (in EUR)	0.53	0.39	36.7%
NNNAV/share (in EUR)	14.8	15.8	-6.3%
G-REIT equity ratio	44.2%	54.0%	-9.8 pp
Equity ratio	42.1%	48.3%	-6.2 pp
LTV ratio - syndicated Loan	57.5%	57.4%*	0.1 pp
LTV ratio - non recourse Loan	72.7%	n/a	n/a
Valuation yield	5.73%	5.40%	0.33 pp
Avg. cost of debt	4.5%	4.2%	0.3 pp
Net debt (in EUR k)	1,035.8	931.4*	11.2%
Investment Properties (in EUR k)	1,597.6**	1,639.0	-2.5%
New properties in 2008 (in EUR k)	281.8	n/a	n/a
Total Investment Properties (in EUR k)	1,879.4	1,639.0	14.7%

* incl. Aurora-portfolio debt financing

** incl. assets held for sale and development properties

- Operating performance - market performance

- Financials

- Financing strategy**

- Disposals

- Outlook

Refinancing increases LTV flexibility



SYNDICATED LOAN LTV-RATIO DEVELOPMENT

in EUR k	30.09.2008	Non recourse loan	Disposals	19.11.2008
Investment Properties	1,876	-130	-17	1,729
Syndicated loan	1,102	-95	-12	995
Synd. loan LTV ratio	58.7%			57.5%

- Non recourse financing of EUR 95 m
- Disposal proceeds used to reduce LTV

The balance sheet could support further yield expansion

YIELD SHIFT ABSORBTION POTENTIAL

in EUR K	30.11.2008	19.11.2008	Improvement
Syndicated Loan	1,102.9	995.0	(107.9)
Non recourse Loan	-	95.0	95.0
Investment property	1,875.7	1,859.2	(16.5)
of which syndicate portfolio	100%	93%	- 7 pp
of which non recourse	0%	7%	7 pp
Minimum value before covenant	1,838	1,788	-50
Max. value decline	-37.6	-70.9	-33.3
Contractual Rent	105.8	106.6	0.8
Contractual Yield	5.6%	5.7%	9 bp
Covenant Yield	5.8%	6.0%	20 bp
Yield Expansion	12 bp	23 bp	11 bp

Agenda

- Operating performance - market performance
- Financials
- Financing strategy
- Disposals**
- Outlook

- Three properties and a plot of land have been sold*
- For all transactions, alstria achieved higher sales prices than the fair values

OVERVIEW DISPOSALS

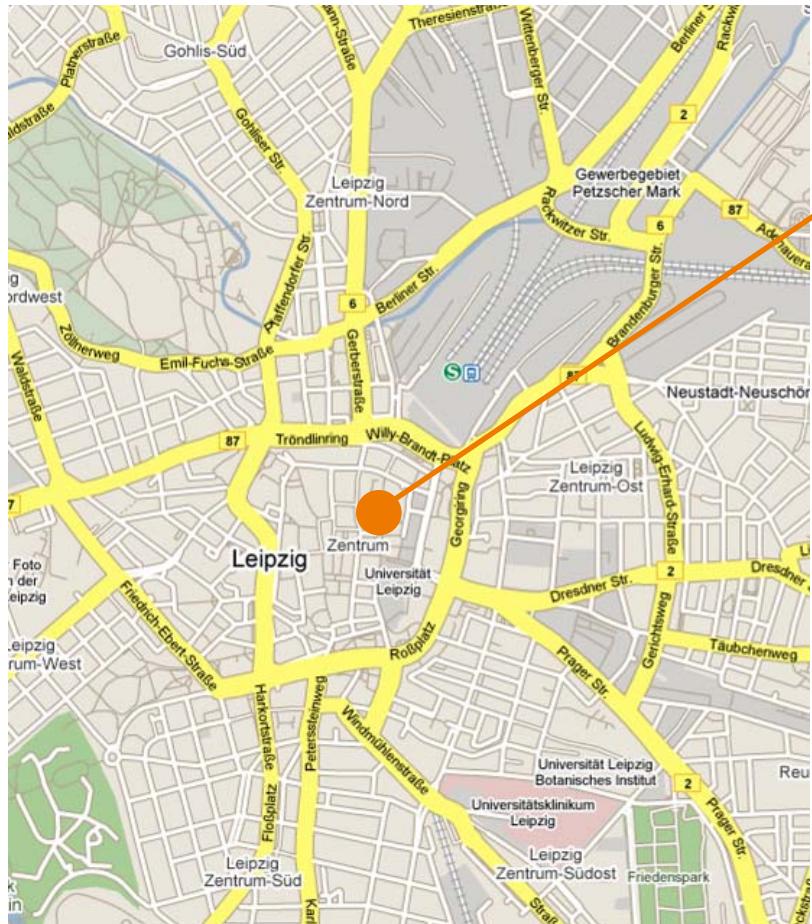
Properties	Fair Values	Sales Price	Surplus	Surplus Change
Hamburg, Duesternstr. 10	4,000,000	4,950,000	950,000	23.8%
Hamburg, Osterbekstr. 96	10,575,000	11,000,000	425,000	4.0%
Hanover, Vahrenwalder Str.	-	1,250,000	1,250,000	n/a
Leipzig, Nikolaistr.	1,925,000	2,000,000	75,000	3.9%
Total	16,500,000	19,200,000	2,700,000	16.4%

* The plot of Vahrenwalder Str. does not influence the fair value of the property

Asset overview

Nikolaistrasse 16

LOCATION OF NIKOLAISTRASSE 16



KEY FACTS – NIKOLAISTRASSE 16



Lettable area:	1,191 sqm
Vacancy:	28 %
Passing rent:	EUR 143,073
Tenant:	mixed
Lease lengths:	1.4 years
Yield on sale:	7.0%
Estim. Buyer Yield on Cost:	6.6%
Estim. NOI Yield on Cost:	6.1%

- Operating performance - market performance
- Financials
- Financing strategy
- Disposals
- Outlook**

Strong underlying business model



- We have not
 - ✓ relied on yield compression
 - ✓ nor ever considered trading as a viable strategy
 - ✓ nor looked at too many short term leases and high vacancy
 - ✓ nor relied on strong rental top rental growth assumption
 - ✓ nor relied on high gearing in order to boost our balance sheet

Strong underlying business model



■ But we have

- ✓ Secured long term income backed by high quality assets
- ✓ Covered our cost and dividend with our revenues
- ✓ Limited the amount of risky assets
- ✓ Chosen what at that time was conservative gearing
- ✓ Relied on long term value added
- ✓ Focus our asset management on improving efficiency of buildings and reducing overall cost for tenant in what we called from inception win-win transaction
- ✓ Selectively disposed of assets where we did not see any additional value, or where alstria was not the best positioned to extract this value

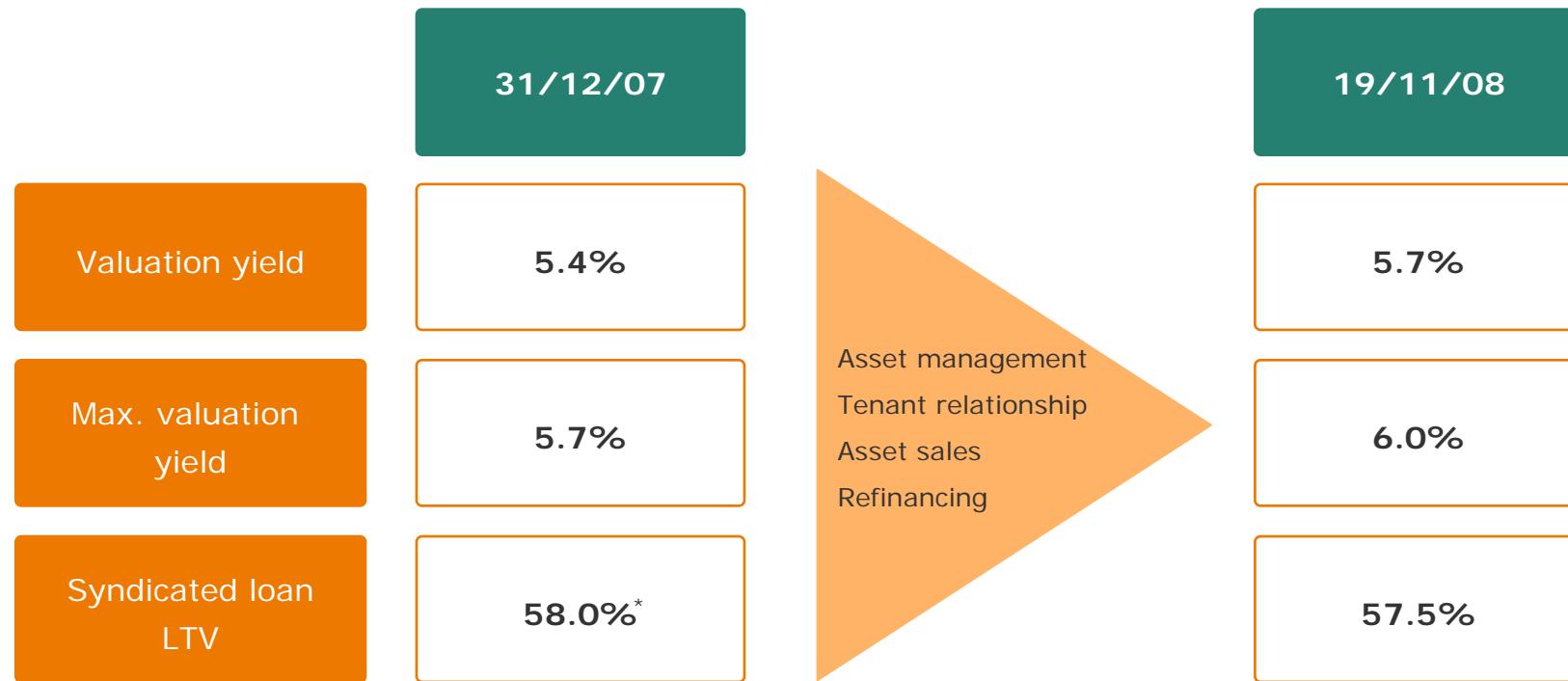
Existing stakeholders considerations



- Opportunities will come following the downturn, but there will be some balance sheet challenges to overcome first
- LTV covenant monitoring is important, but not vital as the market seems to consider it
- Breach of LTV covenant would in our view result in higher cost, and mark to market of loan
- Main challenges will come at the time of refinancing as we expect that debt availability and terms will be different from what they were in the past
- Medium to long term trend for (most) real estate companies will be to deleverage and we expect acceptable LTV to be between 40 and 50% (vs. 50 to 60%)
- Structured approach to deleveraging is necessary in order to safeguard the interest of the existing stakeholders of the company
- Available and executable options to deleverage are not static and are considered by alstria in a dynamic environment

It's a dynamic process

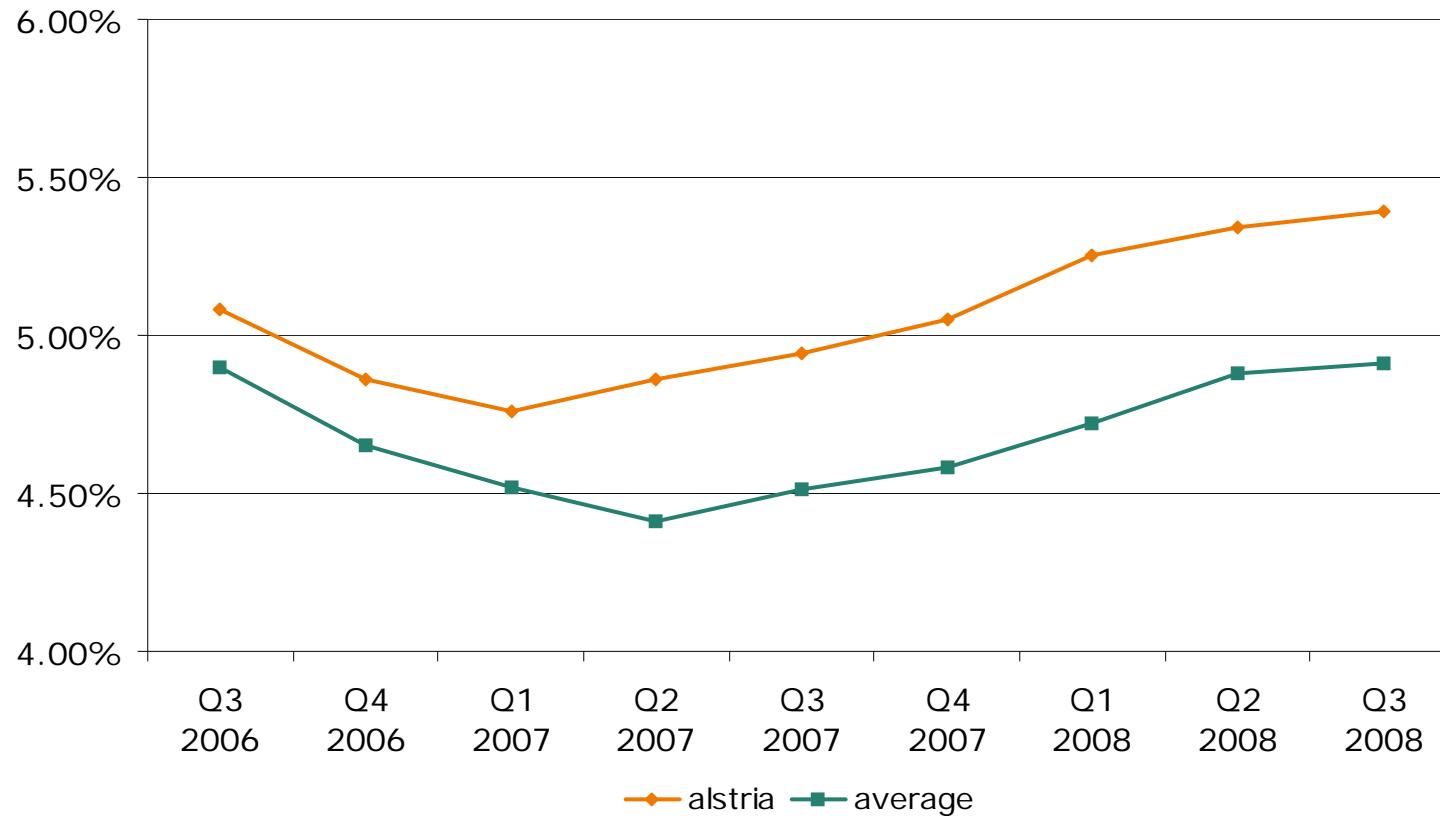
YIELD DEVELOPMENT WITHIN 9M 2008



* Assumes all assets and all debt committed on 31/12/07 on balance sheet

No valuation backlog

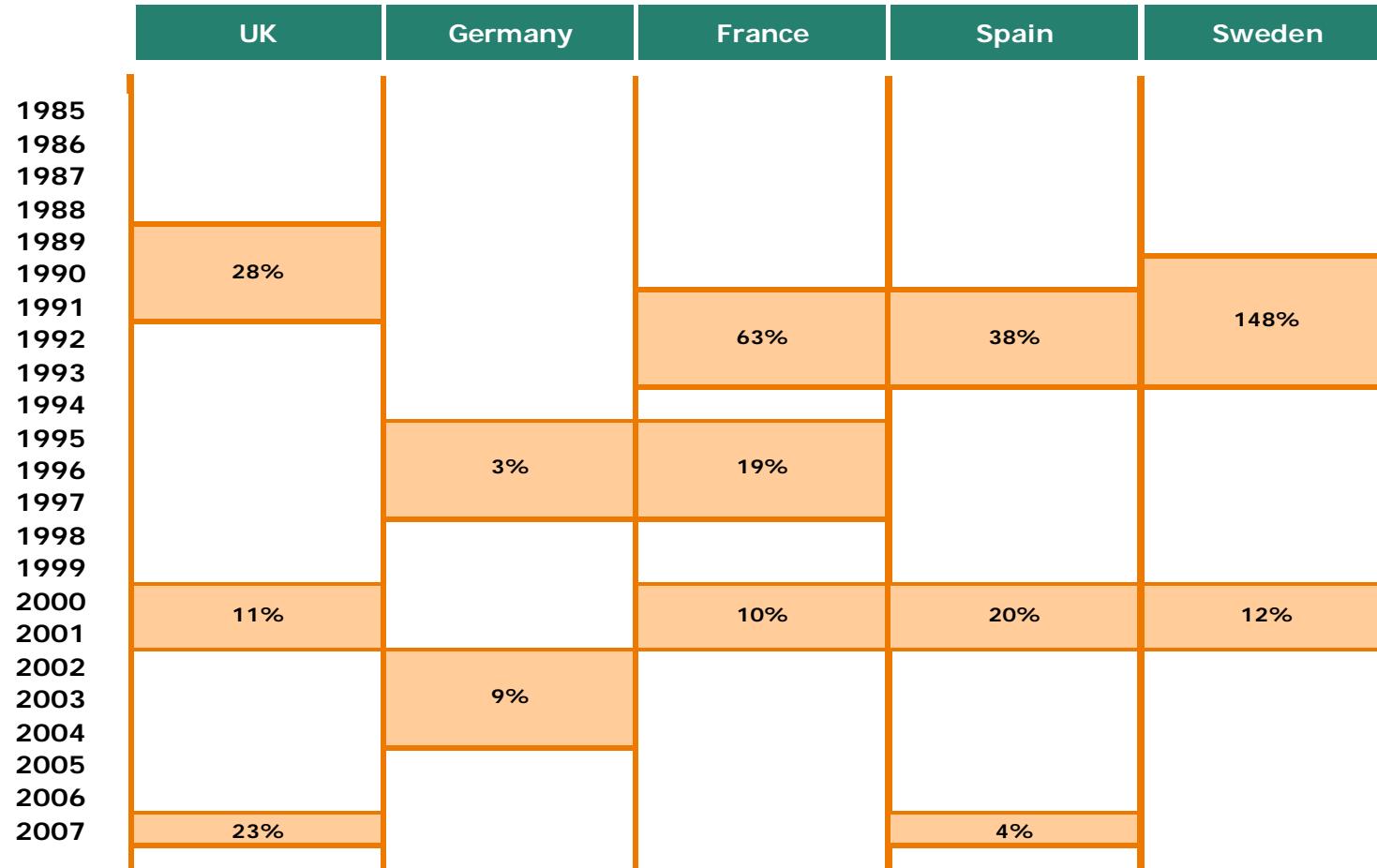
AVERAGE OF PRIME YIELDS IN GERMAN CITIES¹ (PASSING RENT / AIC)



¹ Source: Jones Lang LaSalle, Key Market Indicators

No correlation between markets

OFFICE CAP RATE MOVEMENTS DURING PREVIOUS MARKET SLOWDOWNS¹



¹ RREF Research, April 2008, Global Real Estate Investment and Performance 2007 and 2008

- FFO target of EUR 40 m and revenues of EUR 101 m confirmed
- Due to market conditions, dividend guidance to be sustained at the same level as FY07
- Allows alstria to retain additional cash to support organic growth projects for next year, or react to unexpected value falls

Clear and focused strategy

