

REAL ESTATE ...

Annual Results 2009

Frankfurt, March 31, 2010

Disclaimer

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.

...through our eyes: 2009 highlights

- Revenues at EUR 102.5 million
- FFO at EUR 32.7 million
- Syndicated loan LTV managed close to but below 60%
- Dividend to be proposed for 2009 of EUR 28 million (EUR 0.50 per share)
- EUR 241 million successfully refinanced
- EUR 226 million of assets sold in line with the 2008 year-end valuation



Agenda

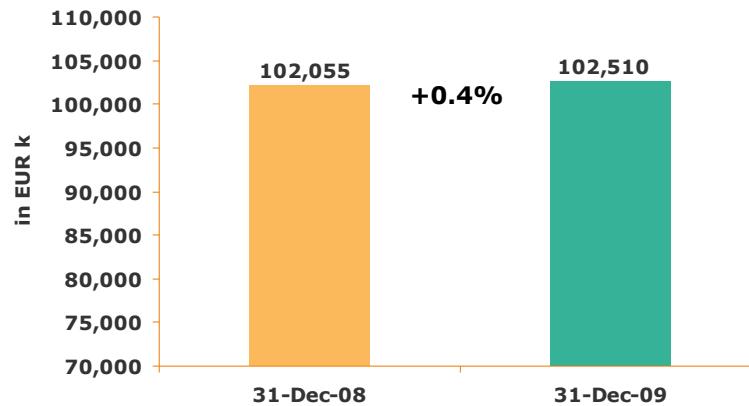
Key financials

Operations and valuations

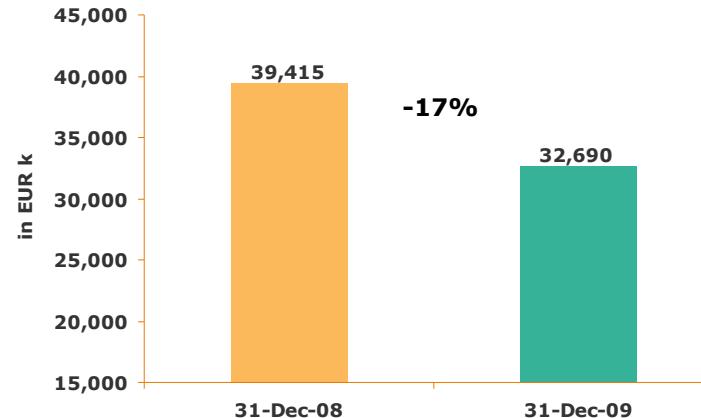
Outlook and market update

Financial results in line with guidance

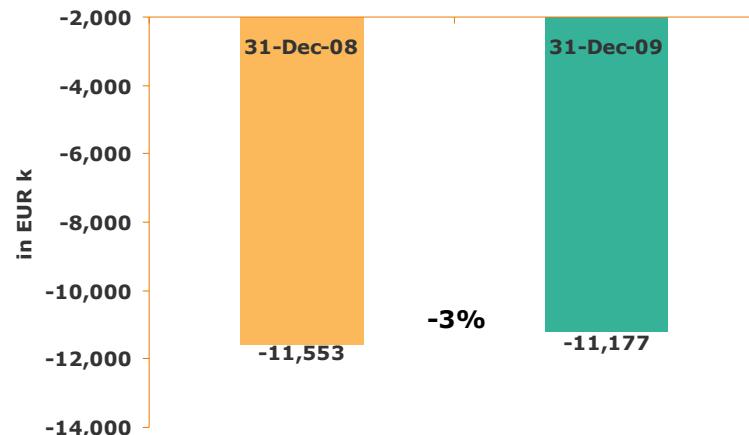
GROSS RENTAL INCOME



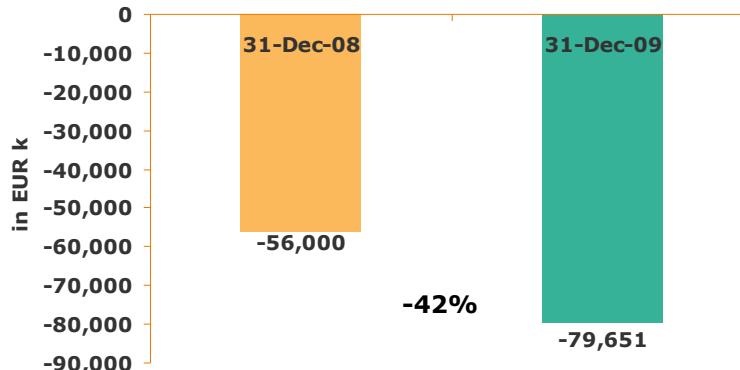
FUNDS FROM OPERATIONS (FFO)



SG&A



PROFIT/LOSS FOR THE PERIOD



Continuously investing in the portfolio

FOCUS ON REAL ESTATE OPERATING EXPENSES (REOE)

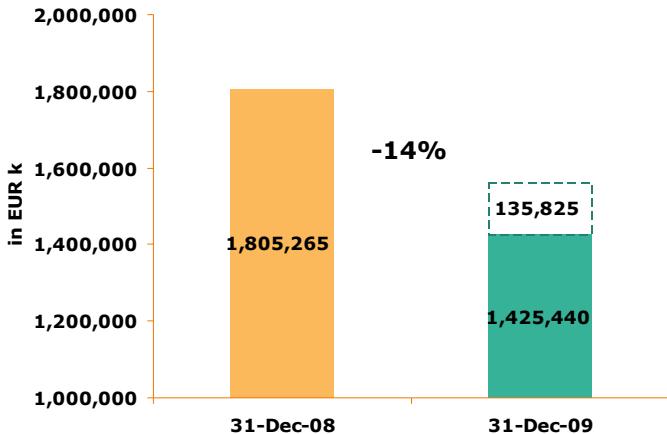
- 10% real estate operating expenses
- Over 50% of real estate operating expenses relate to maintenance costs
- Continued investments to sustain long term value do not compromise dividend

EUR k	2009	2008	Δ
Revenues	102,510	102,055	455
REOE	10,189	8,833	1,356
<i>thereof maintenance</i>	5,927	4,262	1,665
<i>thereof vacancy</i>	2,076	1,412	664
Net rental income	91,964	93,222	-1,258
Net rental income (in % of revenues)	89.7%	91.3%	-1.6 pp

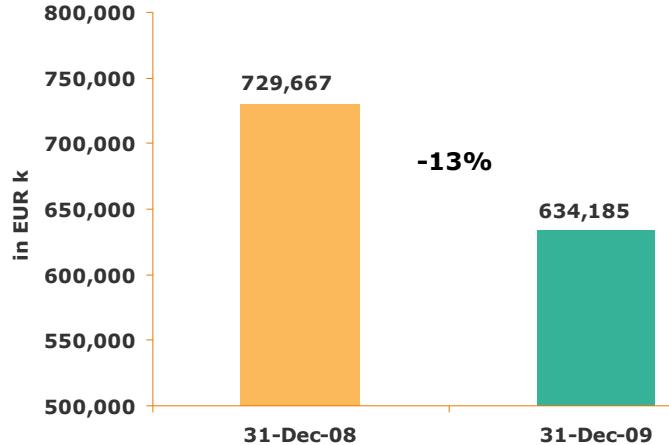


Cash increases flexibility

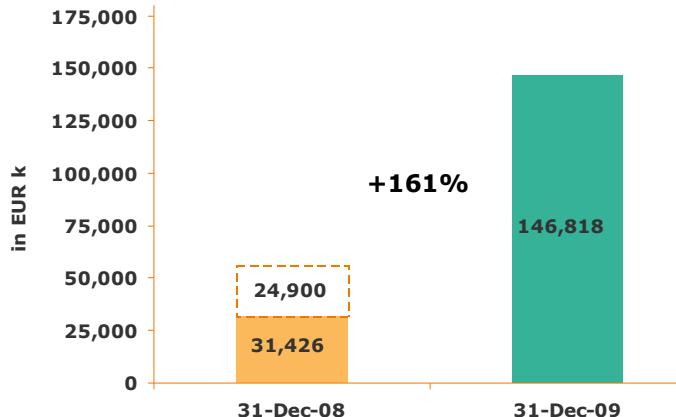
INVESTMENT PROPERTY



EQUITY

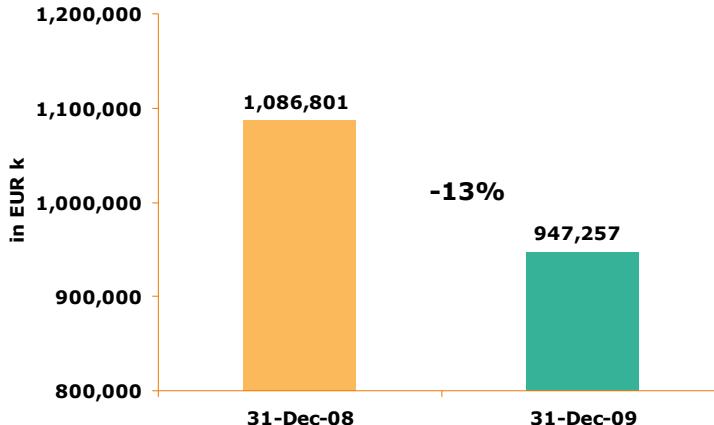


CASH



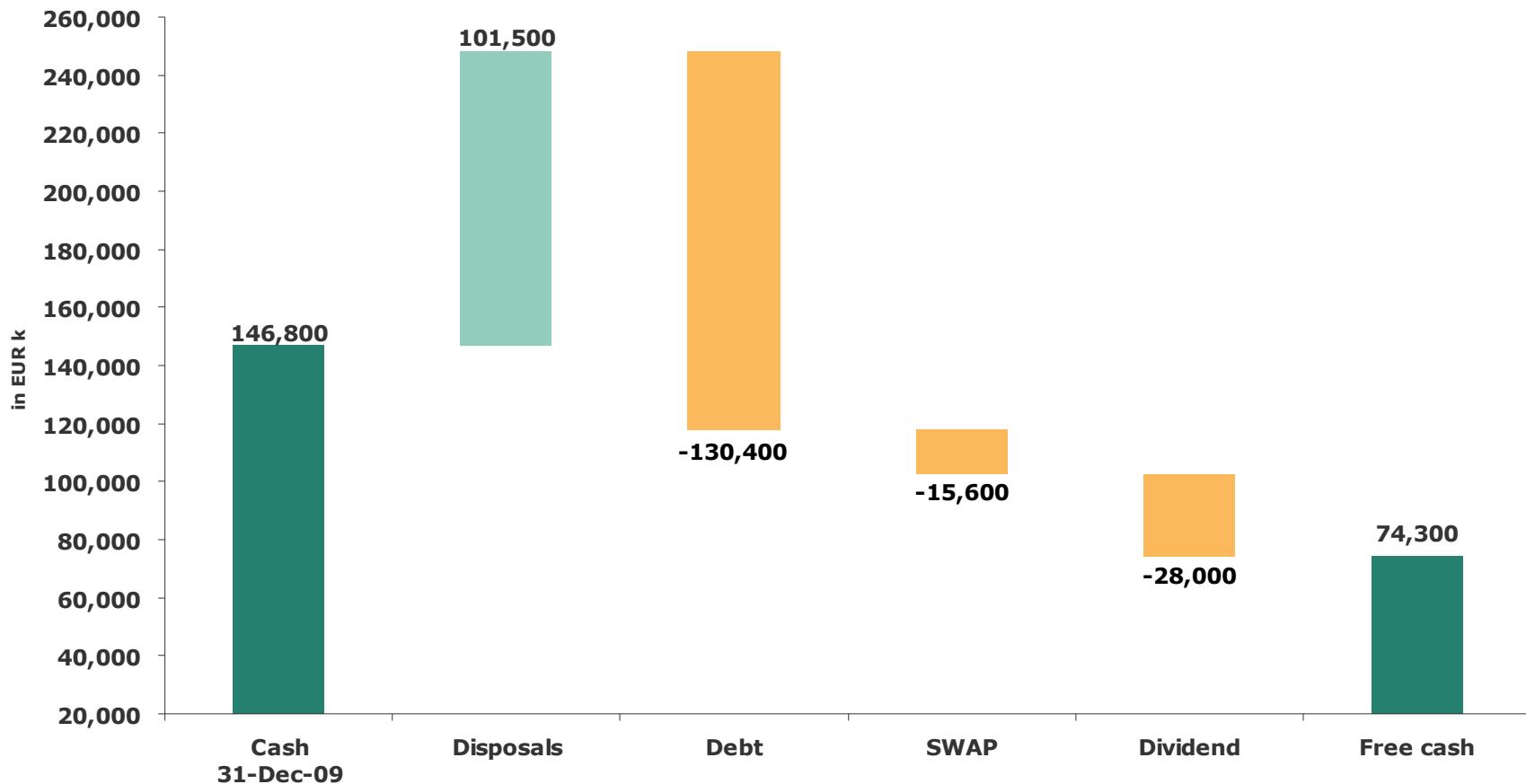
KfW-Bond Investment prop. held for sale

LONG TERM LOANS



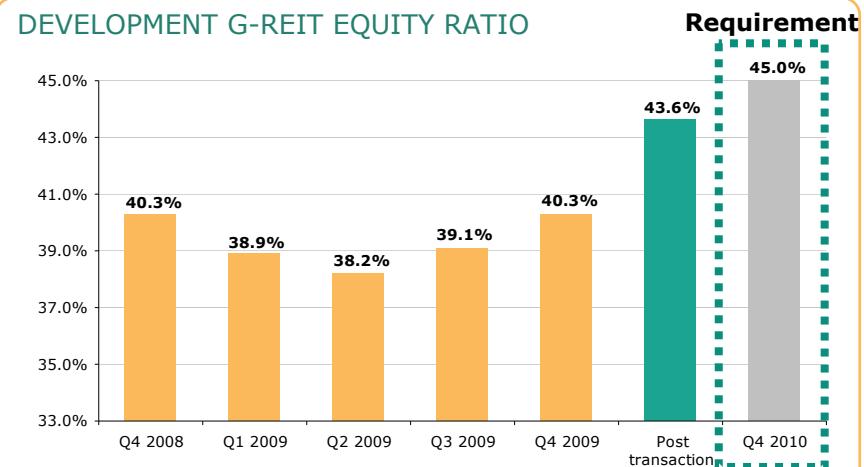
EUR 74 million free cash at hand

FREE CASH AT HAND



Focus on G-REIT equity ratio

- G-REIT equity below 45% for the second time
- Tax position is unaffected as long as the G-REIT equity ratio at the end of 2010 will not be lower than 45%
- Company target is to comply with the G-REIT equity ratio by year-end
- Breach of the G-REIT equity ratio would trigger estimated cost of around EUR 15 million (or EUR 0.26 cents per share)



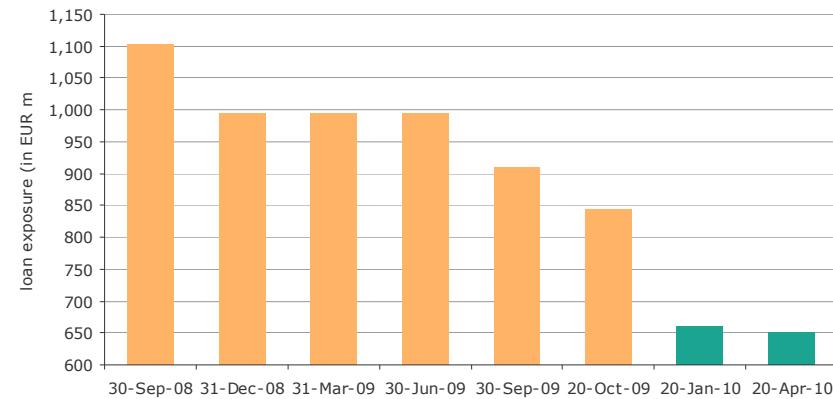
INVESTMENT PROPERTIES AS AT 31. DEC. 2009 (EUR k)

Investment properties as at 31. Dec. 2008	1,805,265
Subsequent acquisition and production costs	17,467
Disposals	-175,580
Reclassifications	-135,825
Revaluations	-85,887
Investment properties as at 31. Dec. 2009	1,425,440
Fair value of development properties	5,000
Fair value of properties held for sale	135,825
Interests in real estate partnerships	9,046
Fair value of immovable assets	1,575,311

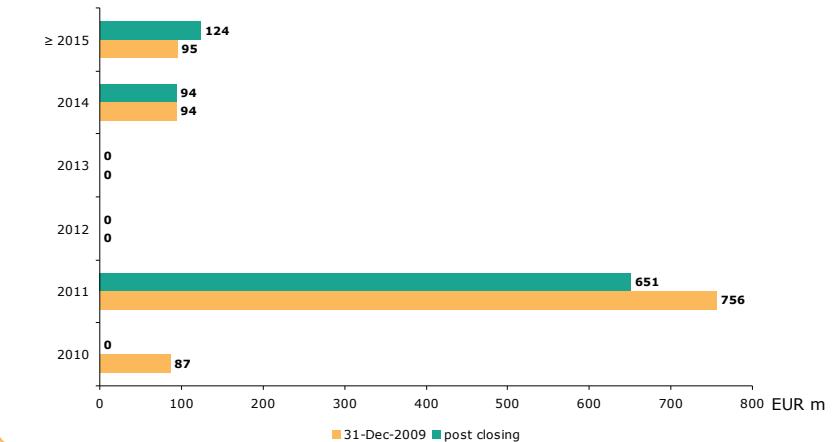
From EUR 1,103 million to EUR 651 million

- In 2009 EUR 241 million refinanced
- Syndicated loan successfully reduced to the targeted EUR 651 million
- Reduction realised by non-recourse refinancing and selective disposals
- Refinancing of syndicated loan main focus in 2010
- Syndicated loan covenant LTV at relevant test date 59.8%
- Avg. cost of debt remains stable at 4.3%¹

SYN LOAN REDUCED BY AROUND EUR 450 MILLION



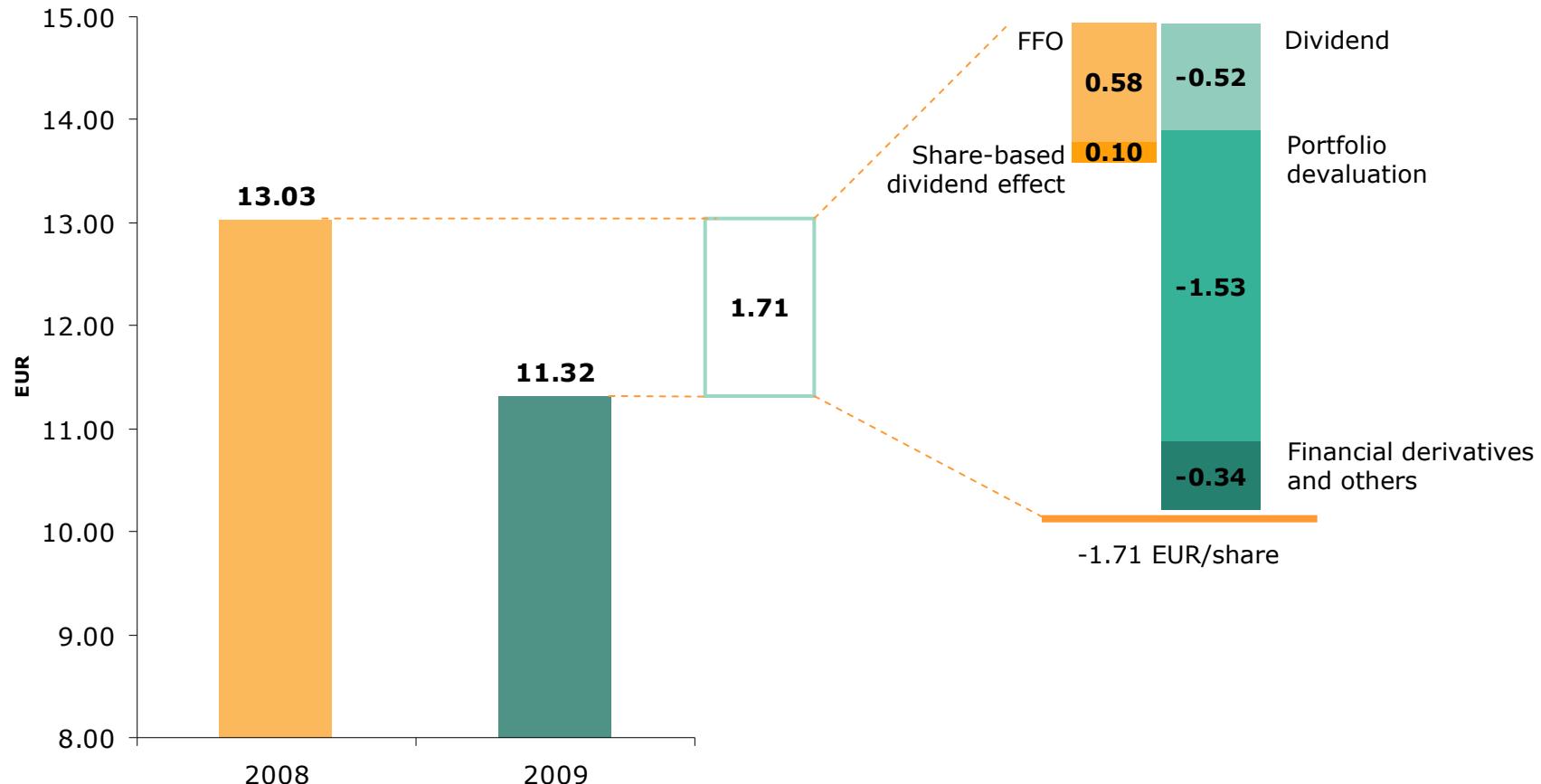
FINANCIAL DEBT – MATURITY PROFILE



¹As at March, 31 2010

NAV affected by non-cash valuation

NAV/SHARE SPLIT-UP



Dividend fully covered by FFO

- Dividend payout on prior year level
- EUR 28 million dividend payout (EUR 0.50 per share)
- 2009 dividend tax free in Germany

FUNDS FROM OPERATIONS		01-Jan - 31-Dec-09	01-Jan - 31-Dec-08
in EUR k			
Pre-tax income (EBT)		-79,541	-55,925
Net loss from fair value +/- adjustments on investment property		85,887	88,116
Net loss from fair value +/- adjustments on financial derivatives		23,294	7,403
+/- Profit/loss on disposal of investment property		25	-1,450
+/- Non-cash expenses		3,025	1,271
Funds from operations (FFO)		32,690	39,415
Dividend payout		28,000	28,400
Number of shares entitled to dividend (in k)		55,998	54,660

Financial guidance for 2010

- Revenues expected to be around EUR 89 million
- Funds from operations (FFO) at EUR 27 million



Agenda

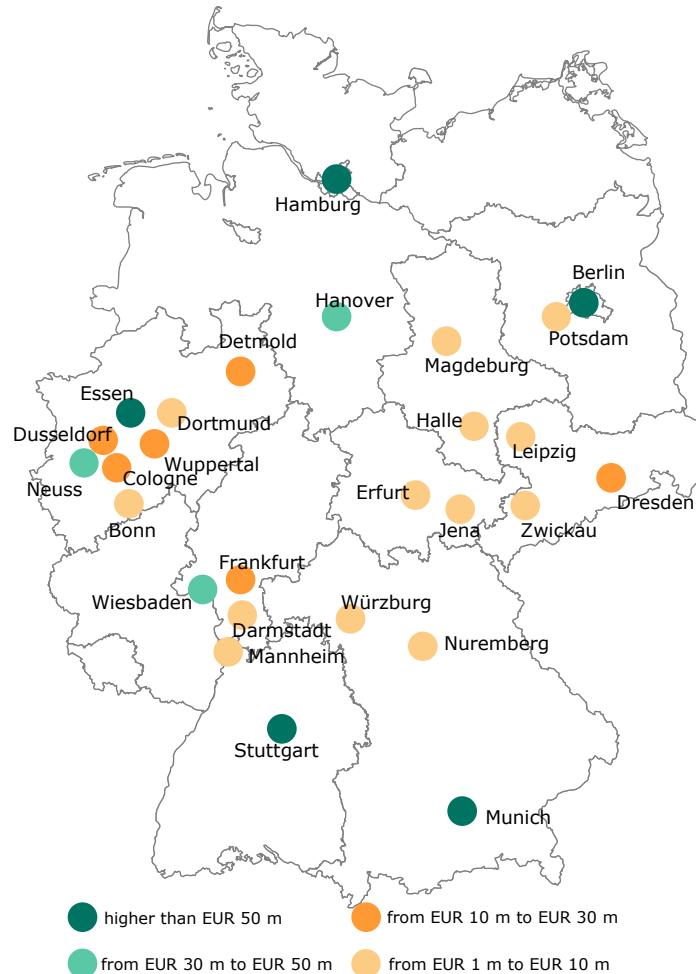
Key financials

 Operations and valuations

Outlook and market update

Strong portfolio across Germany

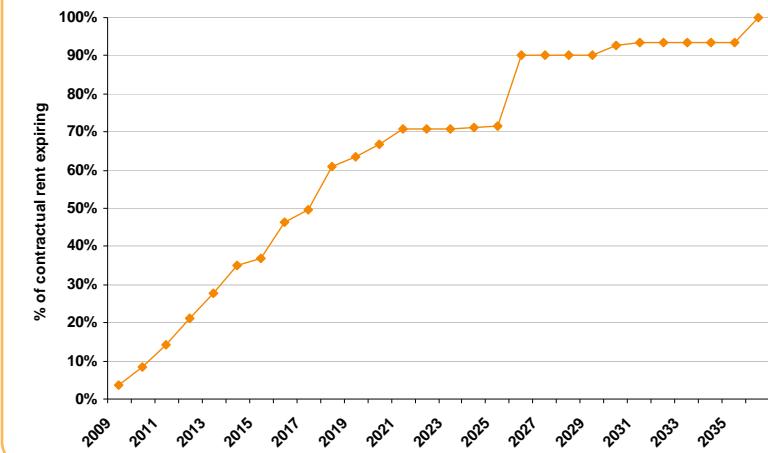
ALSTRIA ACROSS GERMANY



ALSTRIA PORTFOLIO

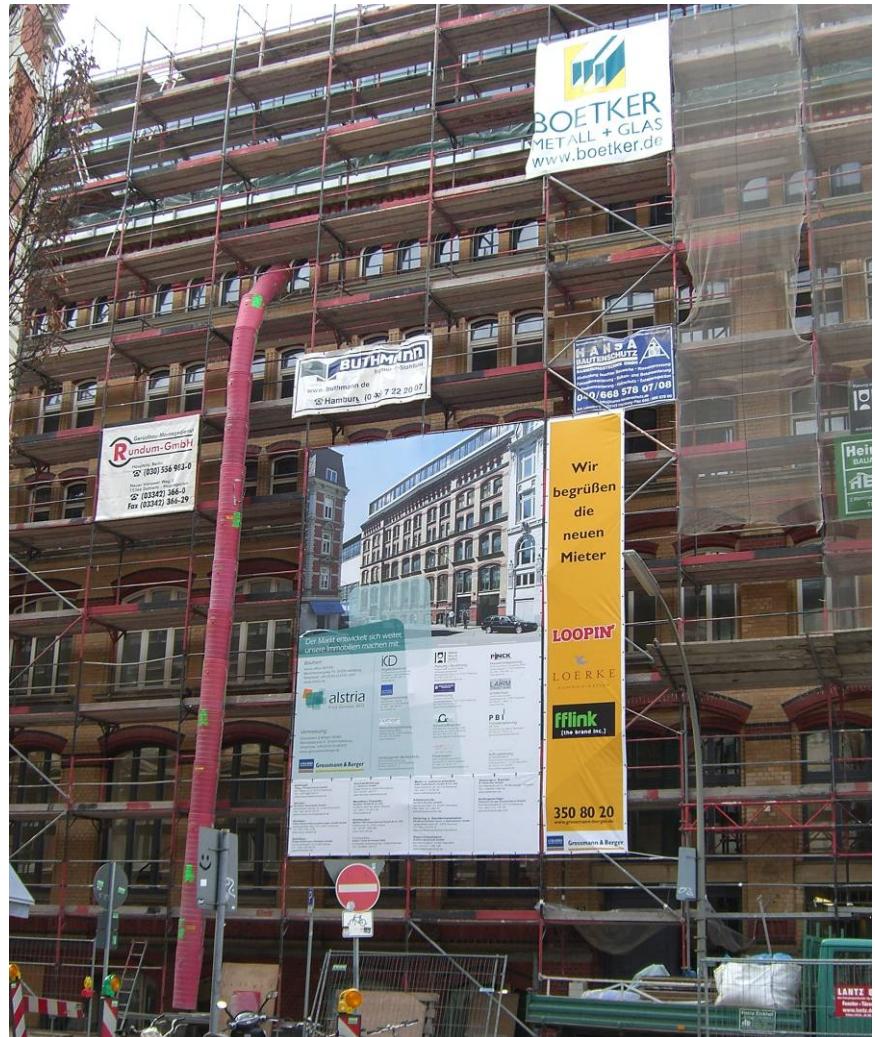
	Post closing	2009	2008
Number of properties	74	77	89
Number of Joint Ventures (off balance)	2	1	0
Market value (EUR bn)	1.4	1.6	1.8
Contractual rent (EUR m)	90.8	97.5	106.5
Valuation yield	6.4%	6.2%	5.9%
Approx. lettable area (sqm)	820,600	867,400	943,700
Vacancy (% of lettable area)	6.0%	5.7%	5.9%
Lease length (years)	9.4	9.6	10
Average value per sqm (EUR)	1,743	1,845	1,918
Average rent per sqm (EUR per month)	9.81	9.93	9.41
G-REIT equity ratio	>43.0%	40.3%	40.3%

LEASE EXPIRY PROFILE



Focus on asset management

- Significant investments in refurbishment projects within the portfolio:
 - In total the company has invested EUR 14 million in two refurbishment projects (excluding 'Alte Post')
- Successful leasing activity:
 - Vacant building acquired mid 2009 in Hamburg, now fully refurbished and let on a 15 years basis
 - Overall vacancy rate in the portfolio remains stable despite the disposal of fully let assets



EUR 84 million transaction at 4% net yield

ASSET FACTS

Asset class:	Two office buildings
Location:	Hamburg
Total lettable area:	28,600 sqm
Vacancy:	0.5%
Passing rent:	EUR 3,860 k
WAULT:	16 years
OMV:	EUR 75,830 k
Sales prices:	EUR 84,200 k
Est. buyer yield on cost:	4.34% ¹
NOI yield on cost:	4.00% ¹



¹ Assuming buyer cost of 5.5% of the acquisition value of the assets and 8% of REOE

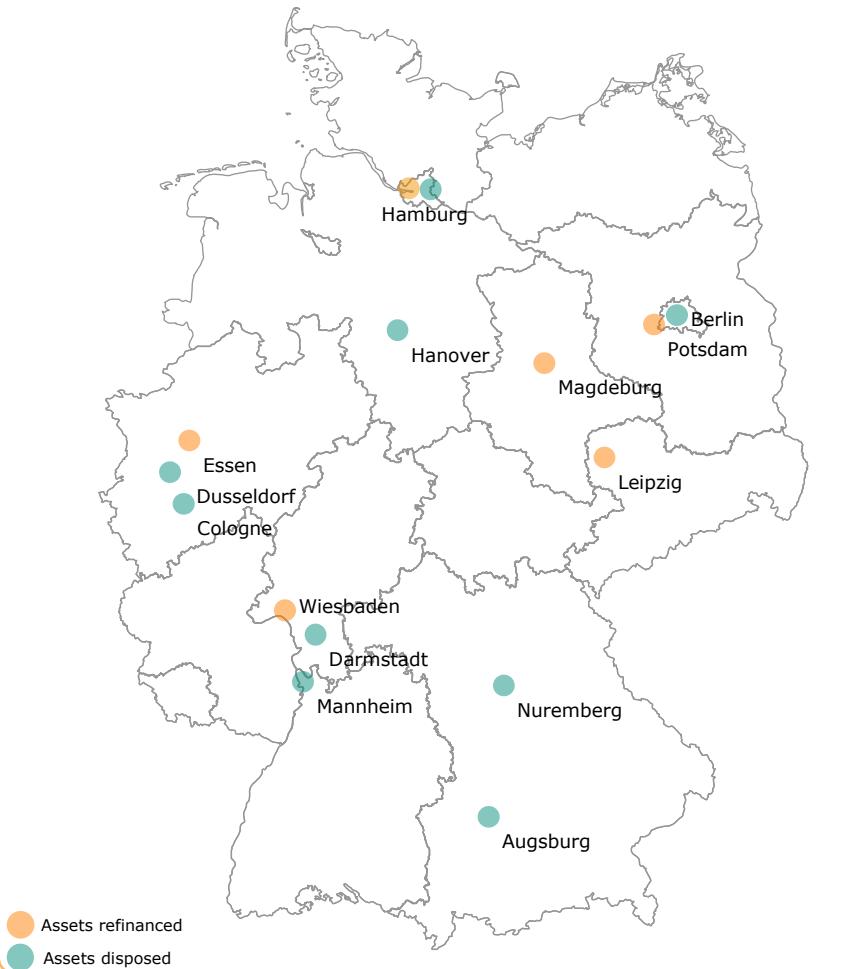
Transactions reflect the average portfolio

TRANSACTIONS IN COMPARISON TO THE PORTFOLIO

	Portfolio 31-Dec-08	Transactions	Current portfolio
Number of transactions	n/a	13	n/a
Number of properties	89	27	74
Avg. lease length (in years)	10.0	9.2	9.4
Rent p.a. (EUR k)	106,520	32,333	90,800
Sale price / asset value (EUR k)	1,810,265	606,582	1,435,000
Avg. asset size (EUR k)	20,340	22,123	19,392
Avg. rent per sqm (EUR)	9.41	9.94	9.81
OMV per sqm (EUR)	1,918	2,272	1,743

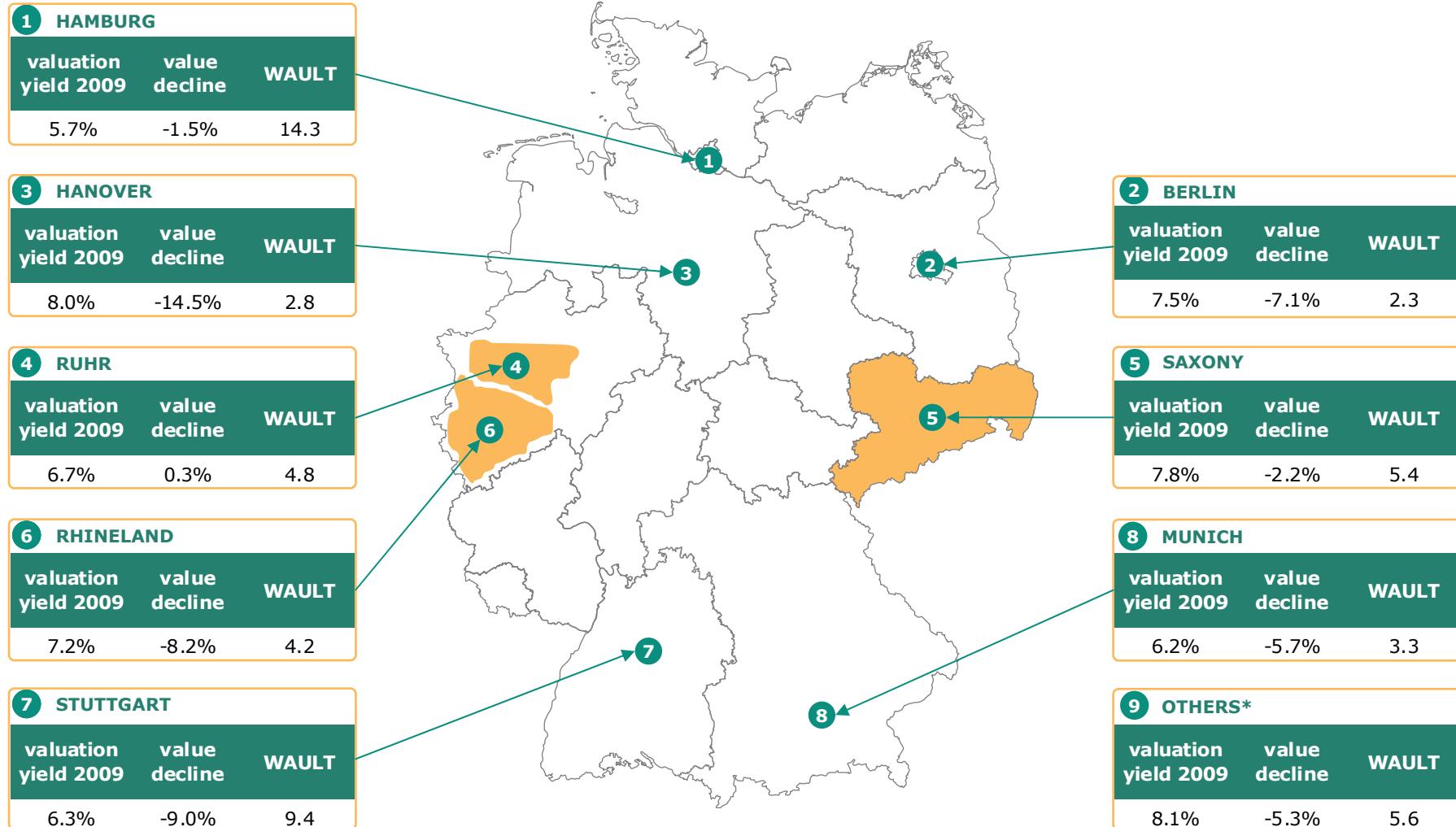
- Around 34% of the asset values confirmed by market transactions (asset sales and refinancing) in the last 12 months
- 5% of total office transactions in Germany in 2009 executed by alstria¹

LOCATION OF ASSETS INCL. IN TRANSACTIONS



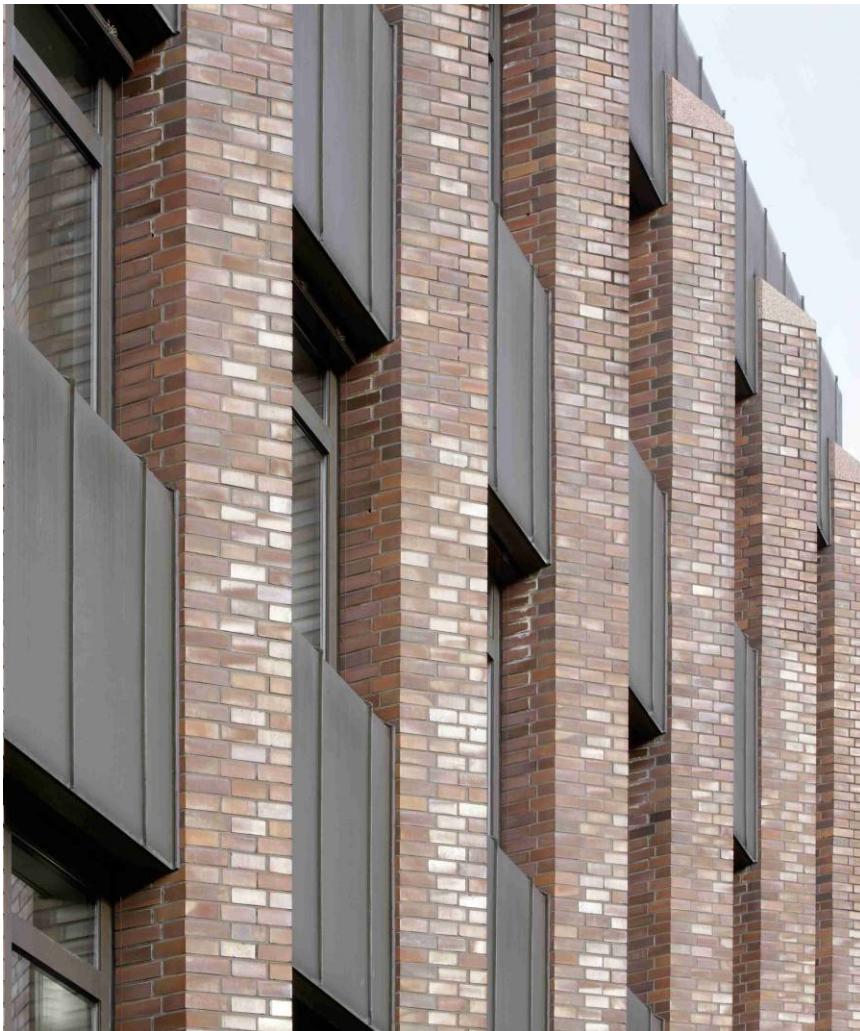
¹ Basis for calculation: Jones Lang LaSalle: Capital Markets Newsletter - Q4 2009

2010 valuation yield at 6.4%

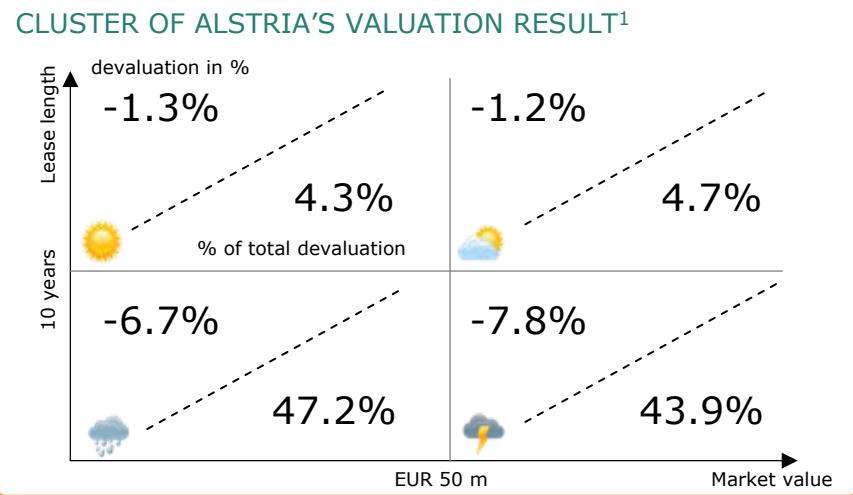


* 'Others' considers cities like Erfurt, Magdeburg, Mannheim, Nuremberg, Potsdam, Würzburg and Frankfurt and only refers to properties on balance sheet as at 31-Dec-2009

Consistent valuation approach



- 25% of alstria's portfolio supported more than 80% of the total devaluation
- Affected mainly assets with:
 - Market value \geq EUR 50 million
 - Lease length \leq 10 years



¹ Does not consider development assets and pre-let assets

Agenda

Key financials

Operations and valuations

Outlook and market update

What has changed since last year?

Our view in 2008

Limited improvement in the financing environment

Increasing pressure in the leasing markets with increased tenant incentives

Price discovery process still ongoing on short dated assets regardless of quality and location as leasing market remains uncertain

Stabilised yields on long-dated assets with strong covenant tenants

Our current view

Financing situation has improved, but might further deteriorate in the near future

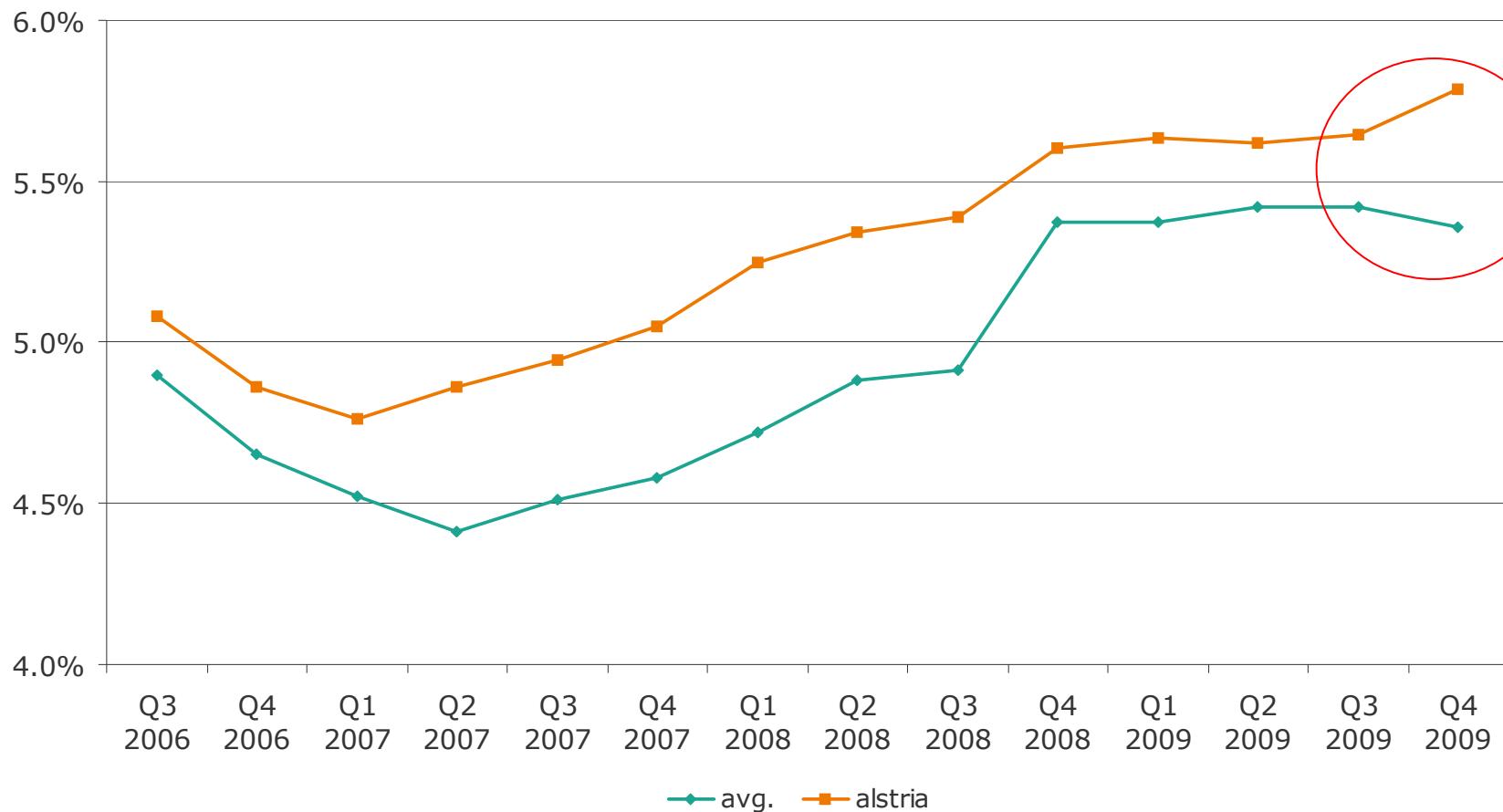
Leasing market has stabilised but remains challenging

Price discovery on short-dated assets has not started yet. Risk pricing still needs to adjust

Strong demand on long-dated assets, with limited stock pushing yields down

Yields stabilise...

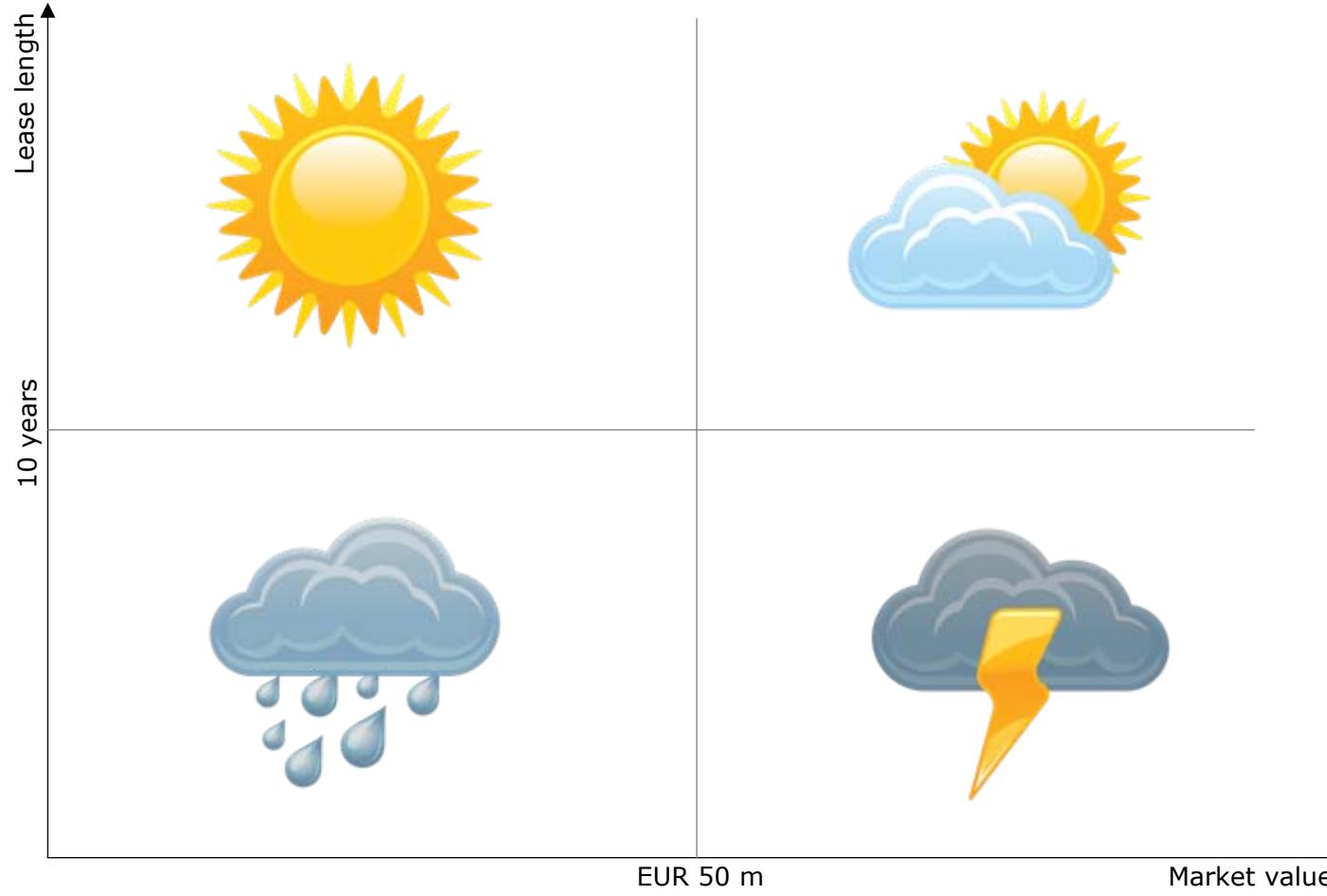
PRIME YIELDS IN GERMAN CITIES¹ (PASSING RENT / AIC)



¹ Source: Jones Lang LaSalle, Key Market Indicators

...but only for certain assets

INFLUENCING FACTORS



Acceleration of refinancing

- Window of available financing might be short
- Target for the next 18 months is to refinance the remaining EUR 651 million of loan
- Long-term target LTV for the company is between 50% and 55%
- Structured deleveraging process can start with a new financing in place
- Deleveraging should be driven by new acquisitions rather than payback of debt



Re-shuffling risk



- Target is to reduce financial risk on balance sheet (lower LTV) and increase operational risk (i.e. real estate risk, leasing, refurbishment)
- Right time in the cycle to build-up operational risk, and manage existing risk in the portfolio
- Limited competition on this segment while most players are either risk-adverse or in restructuring mode
- On a risk-adjusted basis:
 - Long-dated stocks provide very low return driven by strong demand
 - Short-dated stocks still expensive, but moving in the right direction

Managing operating risk

- Successful lease-up in the first quarter 2010
 - Almost 5,000 sqm of vacancy lease-up in the first quarter (8% of total vacancy at year-end)
- All the vacant buildings acquired in 2008 and 2009 have been fully refurbished and leased (around 5,400 sqm)
- Main areas of operation remain Hamburg and northern Germany



Investments in 2010-2011

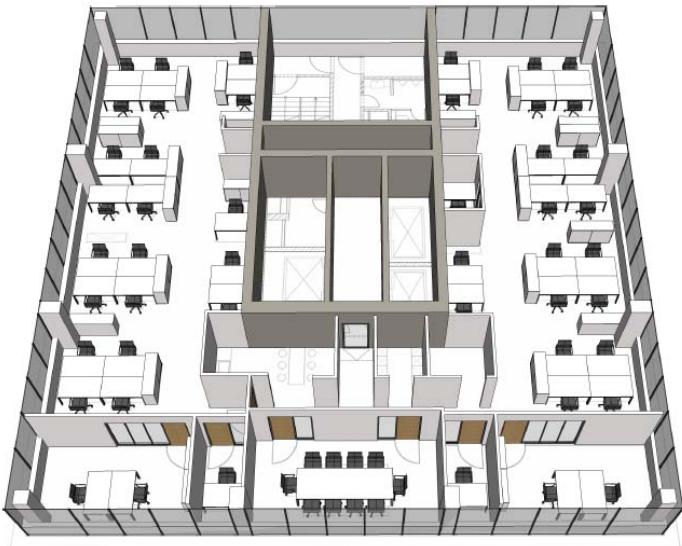


- EUR 30 million to EUR 40 million of investments planned for the next two years
- Committed and funded
 - Ernst-Merck-Strasse 9, 'Bieberhaus', in Hamburg (comprises the construction of the new Ohnsorg-Theatre of around EUR 12 million)
 - Grosse Bleichen 23–27, 'Kaisergalerie' in Hamburg (EUR 7 million)
- Not committed
(subject to pre-let agreements)
 - Hamburger Strasse 1–15 in Hamburg (EUR 14 million)

Sustainability is coming strong

- Strong commitment of alstria to sustainability concepts and early involvement in sustainability initiatives
 - Global Reporting Initiative, CRESS supplement working group
 - Founding Member International Sustainability Alliance
 - Member of DGNB
- All new refurbishment projects to be looked at under sustainability aspects
- Commitment to move beyond marketing concept

EFFICIENT OFFICE SPACE LAYOUT



The planned refurbishment of Hamburger Strasse office tower should save:

- 500 tons of CO₂ per year
- 1,000 m³ of water per year
- EUR 144,000 of operating costs
(EUR 1.50 per sqm per month)

compared to the existing situation

2010 agenda



- Focus on the refinancing of the EUR 650 million
- Monitor investment markets for opportunities to deploy capital
- Secure the G-REIT equity ratio
- Continue the ongoing asset management process on the assets
- Continue to build up relationship with our core tenants
- Implement CSR reporting