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## *Pressemitteilung*

### **Warburg-HIH Invest Raises its Transaction Volume by 60 Percent in 2018**

- Assets under management grow by 22.3 percent
- Average total return at 8 percent.
- New business unit for investments in the value-add segment planned

**Hamburg, 4 February 2019** – Warburg-HIH Invest Real Estate (Warburg-HIH Invest) maintains its growth trajectory. By year-end 2018, the company's assets under management totalled 8.2 billion euros. This implies a year-on-year increase by 22.3 percent (2017: 6.7 billion euros). The portfolio of the AIF management company (German "KVG") includes 56 investment funds at the moment. The total return across all funds averaged around 8 percent, unchanged from the previous year.

"The growth is explained by a number of projects acquired in Germany and in neighbouring European countries, as well as by our competencies in designing bespoke investment solutions for institutional investors," said Hans-Joachim Lehmann, Managing Director of Warburg-HIH Invest and in charge of the Transaction Management unit. The transaction volume of Warburg-HIH Invest expanded by 60 percent last year, rising to 2.67 billion euros. Disposals worth 985 million euros were matched by 1.7 billion euros in acquisitions.

#### **Single Largest Sale in the Company's History**

Among the assets purchased in 2018 is the "Hanse Forum" office scheme in Hamburg as well as a retail portfolio of five local convenience centres. Inversely, the sale of the TOP 5 portfolio of office buildings in the cities of Hamburg, Frankfurt and Berlin to two investment funds of Amundi Immobilier stands out among the disposals. Adding up to a volume of around 570 million euros, it was the single largest transaction in the corporate history of Warburg-HIH Invest. On top of that, a number of strategic sales involved domestic assets such as a logistics property in Krefeld as well as office properties in Düsseldorf ("Ideenbotschaft"), Munich (Sonnenstrasse) and Münster ("PORTAL 10"). Sales outside Germany focused on the UK locations, including London (90 Queen Street), Liverpool (Old Hall Street) and Manchester (Pier 7, Salford Quays).



Warburg-HIH Invest was also able to integrate several core properties in a very early stage of development and thereby to negotiate comparatively favourable entry conditions. A good case in point is the acquisition of the projects DB Brick and DB Tower under development by Aurelis in the European Quarter in Frankfurt am Main, as well as the Güterbahnhof project as part of the Neue Mitte Altona urban development area in Hamburg (also from Aurelis).

In the year to come, Warburg-HIH Invest is planning to move forward with the first acquisitions of value-add properties and to set-up a dedicated business unit for them: “Pension funds, insurance companies and superannuation schemes are increasingly asking for investment opportunities characterised by a higher return profile,” said Lehmann. “With this in mind, we intend to invest 300 million euros in office assets with optimisable tenancy situations over the next two years. Our objective is to achieve an IRR between 7 and 12 percent through the strategic development of such properties.”

### **Continuing the Pan-European Investment Strategy**

As in previous years, Warburg-HIH Invest was also busy in other European countries in 2018. The company’s foreign transactions added up to a total of 355 million euros. The transactions involved six countries other than Germany. By opening an office in London (in August 2018), Warburg-HIH Invest adapted its Pan-European investment strategy to the current economic and political parameters. “Despite the present sense of uncertainty, London remains a key location whose potential we intend to keep raising long-term in the interest of our clients,” said Lehmann. “At the same time, the geographic proximity of Vienna and Amsterdam has demonstrable advantages as far as the asset management of our existing portfolios and possible transactions go.”

### **Persistently Strong Investor Interest in Fund Products and Club Deals**

“On the product level, interest both in pool funds and in individual funds and club deals has noticeably increased over the past twelve months,” as Alexander Eggert reported. “At the moment, the focus is primarily on funds with a pinpoint investment strategy.” Carsten Demmler, Head of Capital Management at Warburg-HIH Invest, expects 2019 to bring a continuation of the trend toward single mandates that is supplemented by a strong demand for portfolio diversification and pool solutions among savings banks and cooperative banks.

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**Hans-Joachim Lehmann, Managing Director for Transaction Management  
Warburg-HIH Invest**

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**Alexander Eggert, Managing Director for Fund and Product Management  
Warburg-HIH Invest**

### About Warburg-HIH Invest

Warburg-HIH Invest Real Estate (Warburg-HIH Invest) is an independent pan-European investment manager for real estate with currently 8.2 billion euros worth of assets under management. Over the past 15 years, the company has positioned itself as specialist for pan-European real estate investments. Around 150 institutional clients have entrusted their capital to Warburg-HIH Invest—for the acquisition of real estate and its integration into the requested fund solution.

For more details, visit us on the internet at: [www.warburg-hih.com](http://www.warburg-hih.com)