



DIC · ASSET  
AKTIENGESELLSCHAFT

Q1 Update Call  
– 10 May 2010 –

# Highlights

- FFO increased to € 10.9 mn
- Net profit of € 2.8 mn for Q1 2010 – better than previous year
- Capital increase of 25% in March 2010 – broadly supported by shareholders
- Fresh capital provides additional financial headroom and resources for opportunities

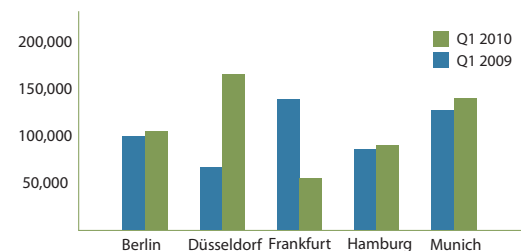


# German real estate sector update

- GDP growth expected to pause in Q1 2010
- Letting markets are still difficult, but at least found bottom in Q1
- Peak rents slightly affected; vacancy rates show moderate growth
- Transaction market with uptake: Q1 with 5 bn EUR transaction volume; Q3 + Q4 2009 together 6 bn EUR
- Investment focus still on Core properties

## Letting markets found bottom

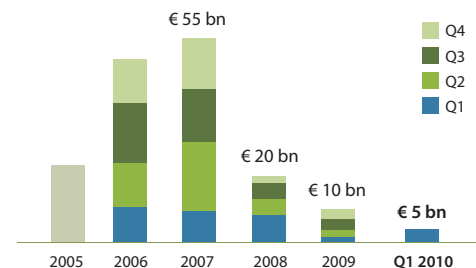
Letting volume in sqm



Source: JLL

## Transaction volume stronger

Transactions in German commercial real estate

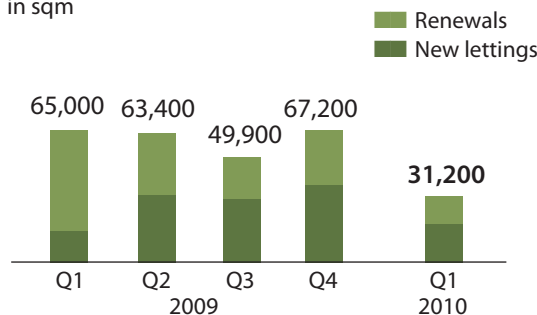


Source: JLL

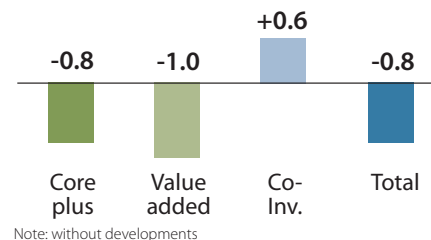
# Letting activities

- Still challenging markets as expected
- Letting activities of 31,200 sqm representing an annualised rent of € 3.2 mn
- Success in late 2009 reduced potential for renewals in this quarter
- New lettings improved by 20% to 18,900 qm, compared with Q1 2009
- Like-for-like rental income growth as planned down by 0.8%

**Letting volume**  
in sqm



**Like-for-like rental income growth**  
in %, compared to 31.12.2009



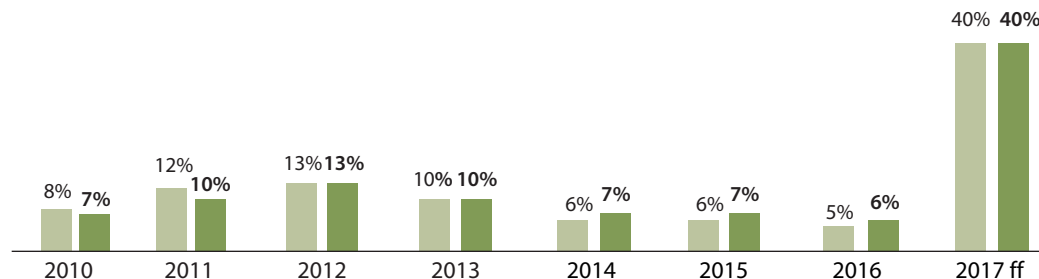
## Stable lease terms

- Long lease terms remain stable, on average 5.5 years, 0.1 years below the end of 2009
- Vacancy rate slightly higher at 13.9%, particularly due to some contract terminations
- Lease expiry for 2011 already reduced by € 2.2 mn (-14%) to 13.2 mn

### Potential lease expiries

Rental income in %

■ as of 31.12.2009  
■ as of 31.03.2010



Notes: including break-up clauses; not including: developments, revolving contracts

## Progress in operative business units

- Fund marketing successfully started, first investors committed
- With portfolio deal in April, sales for € 17 mn already signed
- MainTor project:  
final building application  
with significant uplift realised



## Financing: Strong fundament, more headroom

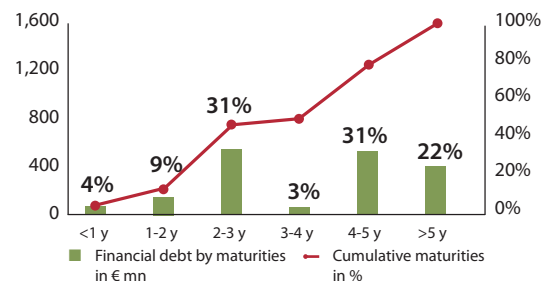
- 84% of all interest expenses are fixed long-term
- € 1.60 bn financial debt in total; of which only 4% mature in the next twelve months (€ 70.5 mn)
- 3-year vacation of LTV-covenant for € 440 mn portfolio financing
- Financing cost at 4.55% in average
- Financial headroom improved: Equity increases by € 43 mn (+8%)
- Equity ratio up by 1.4 percentage points to 25.4%

### Balance sheet overview

€ mn

	31.03.2010	31.12.2009
Total assets	2,257.9	2,213.4
Non-current assets	2,074.7	2,072.6
Current assets	183.2	140.8
Equity	573.4	530.7
Non-current liabilities	1,591.8	1,605.0
Current liabilities	92.7	77.7
Equity ratio in %	25.4	24.0
Debt ratio in %	74.6	76.0

### Debt maturities as of 31 March 2010





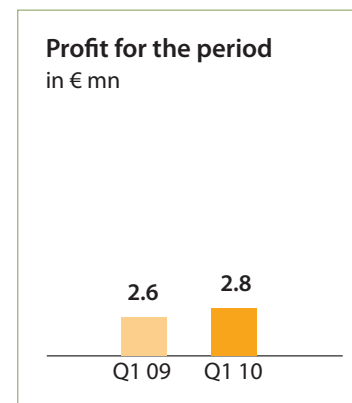
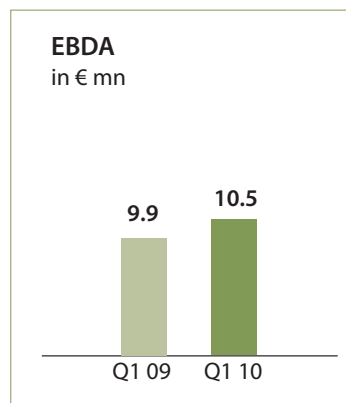
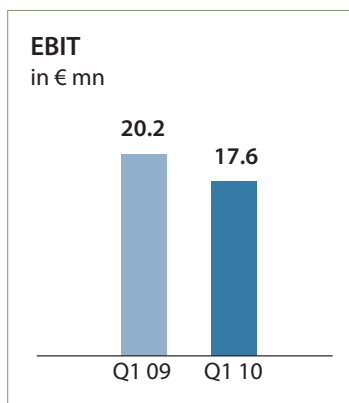
## Consolidated profit and loss account

€ mn	Q1 10	Q1 09	
<b>Gross rental income</b>	<b>31.7</b>	<b>33.2</b>	<b>-5%</b>
Net rental income	29.0	31.2	-7%
Administr./Personnel expenses	-4.3	-4.7	+9%
Management fee income	0.6	0.9	-33%
Depreciation	-7.7	-7.3	-5%
Net other income	-0.1	-0.1	0%
Profit on property disposals	0.0	0.2	-100%
Share of the profit of associates	1.9	0.8	+138%
Net financing cost	-16.3	-17.9	+9%
Tax expense	-0.3	-0.5	+40%
<b>Profit for the period</b>	<b>2.8</b>	<b>2.6</b>	<b>+8%</b>



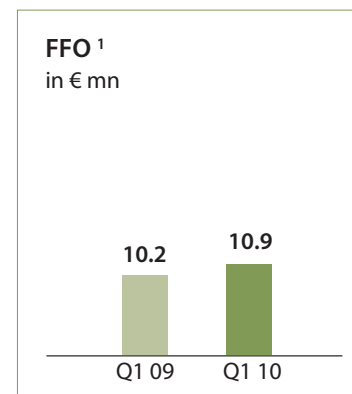
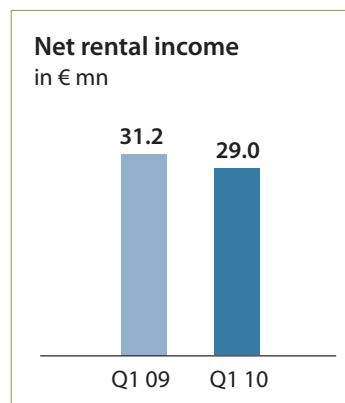
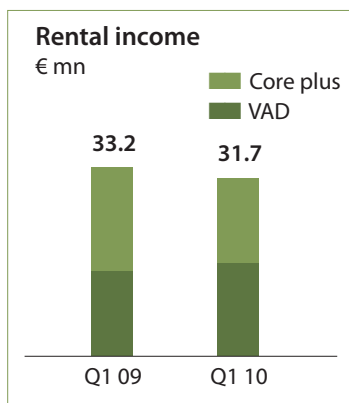
## Solid profits

- Decreased rental income, but stronger contribution from Co-Investments and better financial result
- EBDA at € 10.5 mn (Q1 2009 € 9.9 mn)
- Results improved: € 2.8 mn profit for the period
- Profit for the period translates to € 0.09 per share – on previous year's level



## Funds from operations remain strong

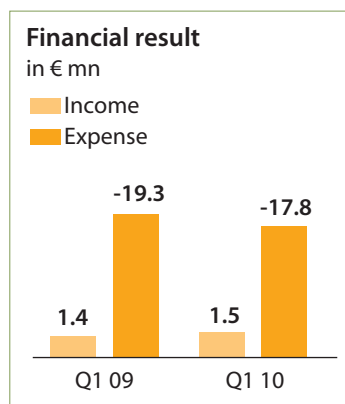
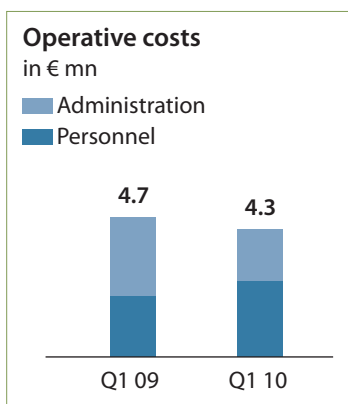
- Gross rental income at € 31.7 mn; -5% below previous year
- Positive effects on FFO through reduced interest expense
- Additional compensation through profits from associates
- Management fee income at 0.6 mn (Q1 2009 € 0.9 mn)
- FFO at € 10.9 mn, increase of € 0.7 mn (+7%) compared to Q1 2009



1. FFO (Funds from Operations): Earnings before depreciation and amortisation, taxes and gains on disposals and development projects

## Cost structure in balance

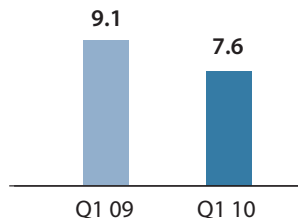
- Slightly higher personnel costs due to intensive real estate management activities
- Personnel and administrative costs decrease by 9% to € 4.3 mn (Q1 09 € 4.7 mn); ratio (net of fee income) on GRI nearly stable with 11.7%
- Interest expense reduced by € 1.5 mn (-8%) – average interest rate down 5 bp to 4.55% (compared to year-end 2009)
- Interest cover ratio (NRI/interest expenses) slightly increased to 163%



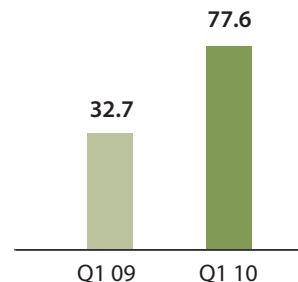
## Higher liquidity through capital increase

- Cash flow from operating activities decreased by € 1.5 mn to € 7.6 mn due to Q1 rents received in Q4 2009 and reduction of tax liabilities
- Over all, reduced investment activities compared to previous year; higher investments (€ 3.4 mn) in properties
- Gross capital inflow of € 47.0 mn through capital increase
- More cash in hand: € 77.6 mn, a plus of € 44.9 mn compared to previous year

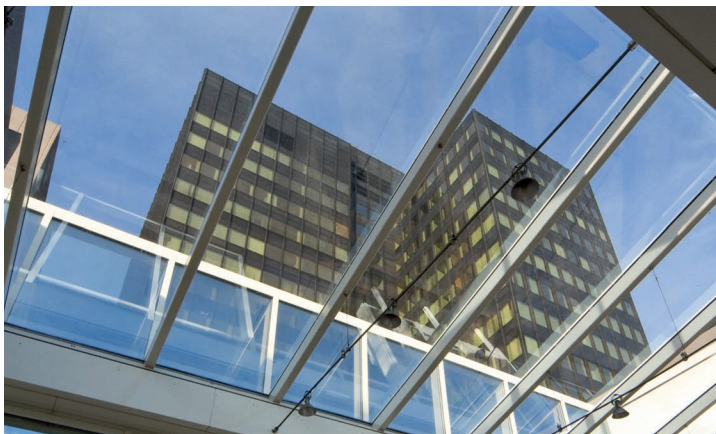
**Cashflow from operating activities**  
in € mn



**Cash and cash equivalents**  
in € mn



## Outlook



- Keep **occupancy rate** at 86-87%
- **Placement of Spezialfonds** to institutional investors until year's end
- **Disposal volume** 2010 of at least € 60 mn
- Prepared for **upcoming investment opportunities**
- **FFO** between € 39 - 41 mn for 2010

# Contact

You have further questions? Don't hesitate to ask us.

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