2011 FIRST QUARTER RESULTS
DIC ASSET AG

12 MAY 2011

UPDATE CALL

Q1 2011: PREPARED FOR FUTURE GROWTH

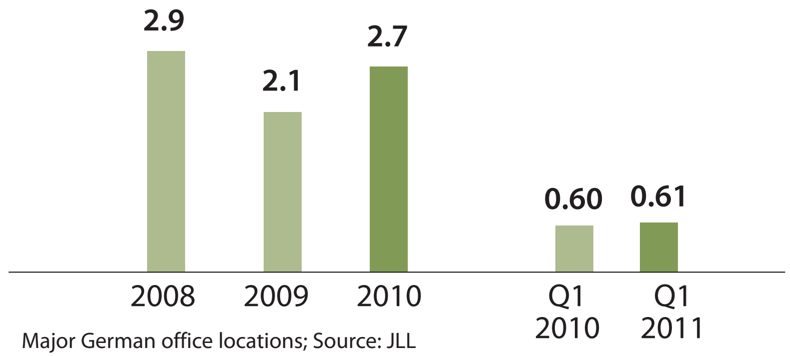
- First big step on the growth path: acquisition with volume of € 108 mn realised
- Letting results up 55% to 48,300 sqm
- Strong FFO with € 10.0 mn and profit for the period at € 2.8 mn on last year's level – despite reduced portfolio
- With capital increase and straight bond, additional funds of around € 122 mn acquired; thereof bond issue with around € 70 mn
- Further growth in sight: next acquisitions in coming months and doubling of fund volume in next 18 months

GERMAN REAL ESTATE MARKET: UPSIDE TREND

- German GDP 2010 at 3% expected for 2011, clearly above European average
- Total letting volume in major German cities increased by 2% in Q1 – but broad range of results between the cities
- Major office locations: peak rents and vacancy stable
- Transaction market with promising start in 2011 – deals worth 6 bn EUR
- Further market improvements expected: lower incentives, decrease of vacancies, rents starting to increase

Better letting performance

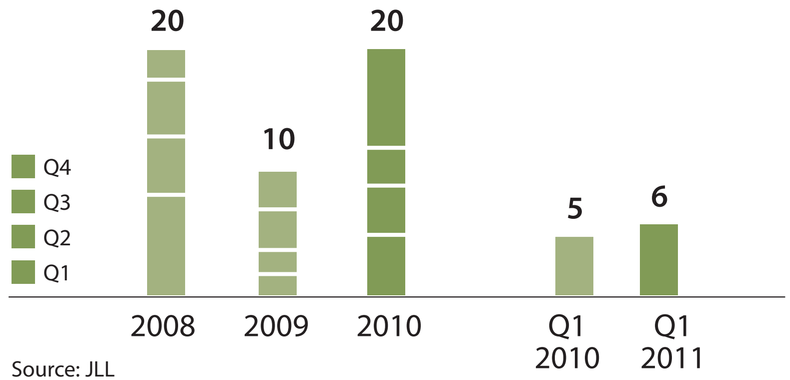
Lettings in major German office locations, sqm mn



Major German office locations; Source: JLL

Transaction market growing stronger

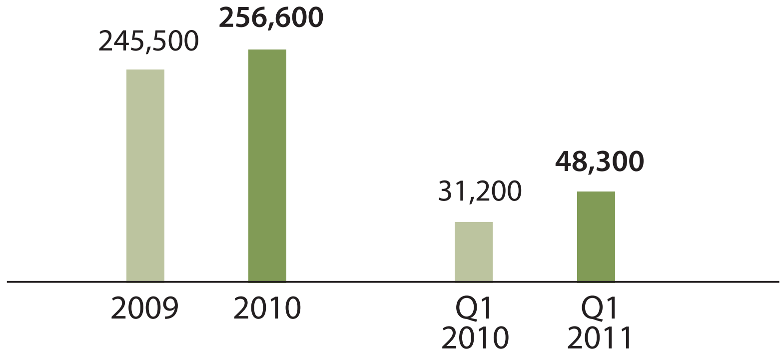
Transactions in German commercial real estate, € bn



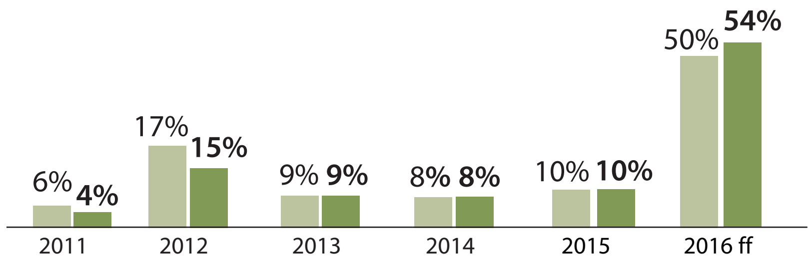
Source: JLL

- Total volume: 48,300 sqm, an increase of 55% against Q1 2010
- Especially renewals nearly doubled to 24,200 sqm but also new lettings increased by +28% to 24,100 sqm
- Occupancy rate at 86%, stable against last year
- Like for like rental growth as expected at -0.5%, above previous year (Q1 2010: -0.8%)
- Average lease term raised by 0.2 years to 5.6 years
- Lease expiries reduced: for 2011 by 2 percentage points to only 4%, and already by 2 percentage points for 2012

Strong letting volume
in sqm



Lease expiries optimies
Annual rental income by expiry in %



SUCCESSFUL CAPITAL MEASURES FOLLOWING BIGGER TRANSACTION

- Acquisition of two retail properties for € 108 mn
- DIC Asset returns as buyer to the market
- Strong earnings contribution from Q2 2011 onwards with FFO of more than € 3 mn for FY 2011
- Capital increase of 17% of issued capital in March 2011 with proceeds of € 52 mn
- Broadly supported by shareholders, more than 5-fold oversubscribed

- As first mover in listed German real estate sector: DIC Asset issued a corporate bond of around € 70 mn
- Offer aimed at fixed-income investors – both institutional and private
- Main advantages: more flexibility in financing and quicker reactions to investment opportunities
- In addition, DIC Asset also benefits from creating a new investor segment for further financing
- Reasonable terms as unrated and uncovered five-year bond with interest rate of 5.875%

Corporate bond DIC Asset AG

Issue volume	Minimum € 60 mn up to € 100 mn
Denomination (nominal amount)	€ 1,000 per debenture
Interest rate	5.875 percent p.a.
Issue date	16 May 2011
Term	5 years
Early redemption	For the first time possible after 2 years
Subscription period	5 May to 11 May 2011

Effects

- More flexibility in financing
- Attractive addition to classic mortgage debt
- Quicker reactions possible

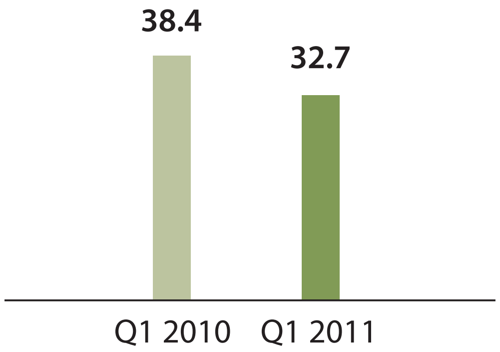
OVERVIEW OF CONSOLIDATED PROFIT AND LOSS ACCOUNT

€ mn	Q1 2011	Q1 2010	
Gross rental income	**27.6**	**31.7**	**-13%**
Net rental income	25.3	29.0	-13%
Administr./Personnel expenses	-4.6	-4.3	+7%
Management fee income	1.0	0.6	+67%
Depreciation	-6.9	-7.7	-10%
Net other income	0.3	-0.1	––
Profit on property disposals	0.0	0.0	––
Share of the profit of associates	0.4	1.9	-79%
Net financing cost	-12.4	-16.3	-24%
Tax expense	-0.3	-0.3	0%
Profit for the period	**2.8**	**2.8**	**0%**
FFO	**10.0**	**10.9**	**-8%**

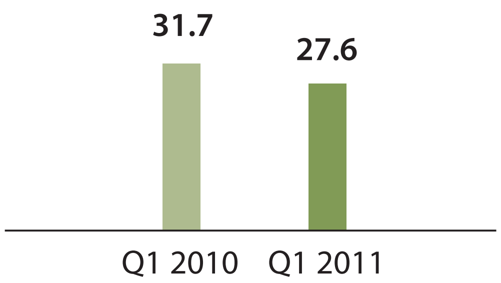
RENTAL INCOME BASIS: AFFLICTED BY PORTFOLIO REDUCTION

- Gross rental income as planned at € 27.6 mn (2009: € 31.7 mn);
  decline mainly due to last year's disposals and the deconsolidation of fund properties
- Net rental income stands at € 25.3 mn (2009: € 29.0 mn)
- No effective proceeds from disposals in Q1 2011 (Q1 2010 € 1.5 mn), signed contracts ytd of € 20 mn
- Total revenues at € 32.7 mn (2009: € 38.4 mn)

Total revenues
in € mn



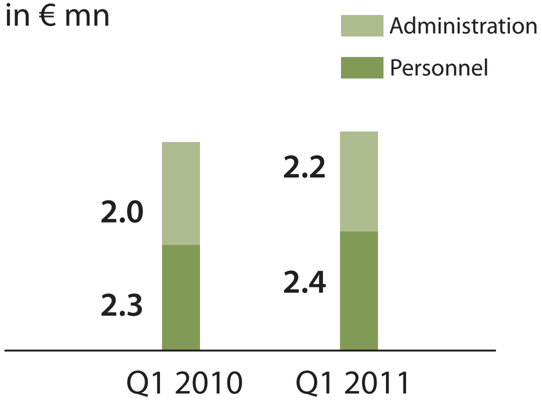
Gross rental income
in € mn



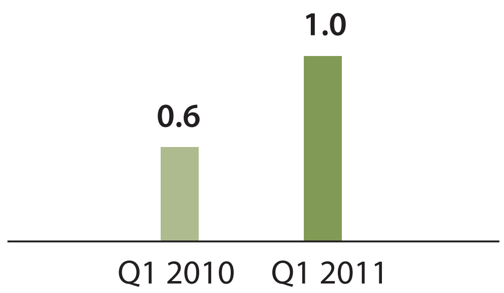
FINANCIAL COSTS DOWN SIGNIFICANTLY

- Personnel and administrative cost increased by € 0.3 mn (+7%) to € 4.6 mn
- Significant increase of income from management fees to € 1.0 mn (+67%) – covering more than 20% of operational costs
- Ratio of personnel and administrative expenses (reduced by management fee income) to gross rental income increased to 13% – follows reduction of income basis (incl. recent acquisition: <12%)
- Interest result reduced strongly by € 3.9 mn (-24%) to € 12.4 mn
- Interest cover ratio (NRI/interest expenses) improved to 178% (Q1 2010: 163%)

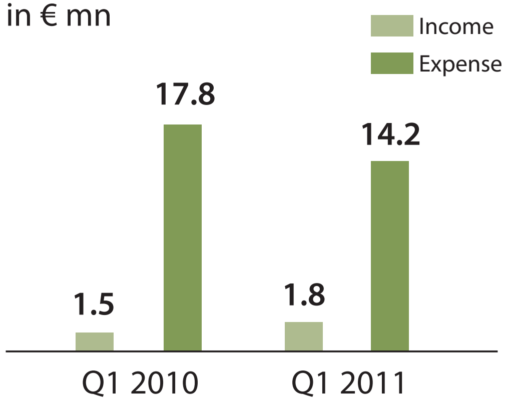
Operative costs
in € mn



Management fee income
in € mn



Interest result
in € mn

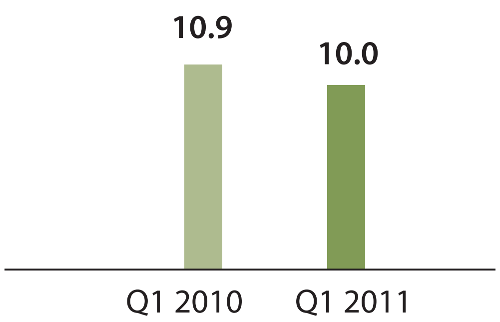


EARNINGS SITUATION TURNING OUT AS PLANNED

RESULTS

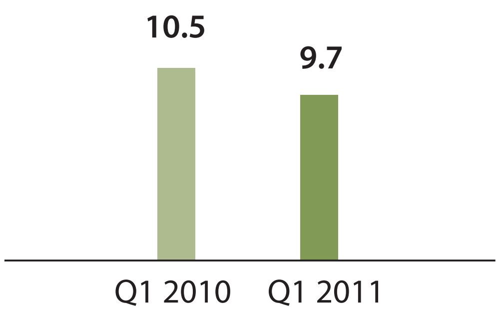
- FFO at € 10.0 mn (Q1 2010 € 10.9 mn); changes in income base mainly compensated through improved financing result and cost coverage by higher management fee income
- EBDA at € 9.7 mn compared to € 10.5 in Q1 2010
- Profit for the period with € 2.8 mn on previous year's level
- Earnings per share with € 0.07 lower compared to 2010 (€ 0.08) due to capital increase

FFO [1]
in € mn

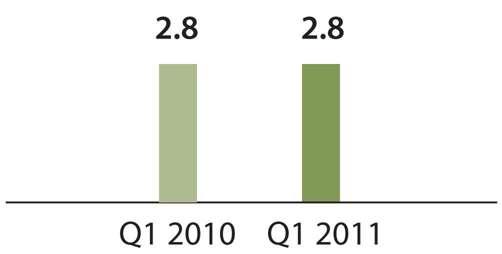


1. FFO (Funds from Operations): Earnings before depreciation and amortisation, taxes and before gains on disposals and development projects

EBDA
in € mn



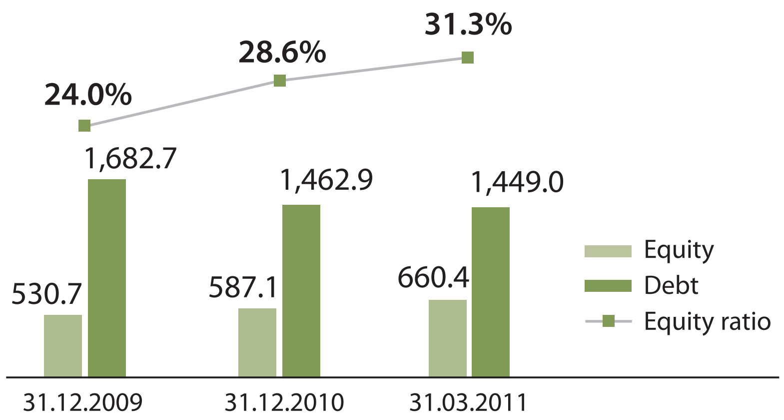
Profit for the period
in € mn



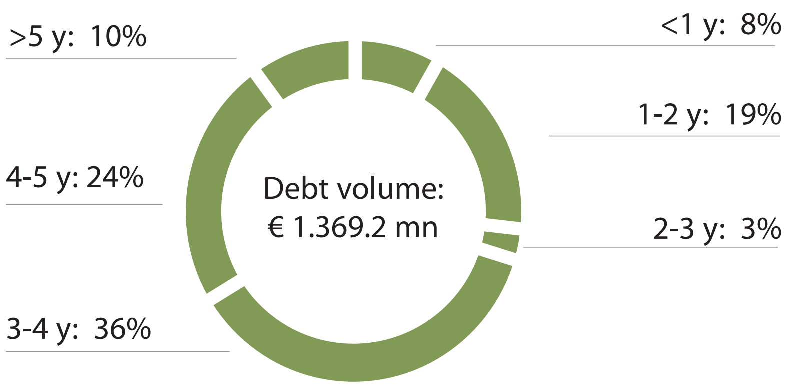
- Equity ratio moves up by 2.7 %-points to 31.3%, mainly through capital increase
- Financial debt in total stable at € 1,369.2 mn
- 86% of all interest expenses are fixed long-term (31.12.2010: 81%)
- Debt maturities of around 4 years in average
- 70% of all debt with maturities from 2014 onwards
- Average interest rate slightly up to 4.35% from 4.30% (31.12.2010)
- Acquisition in March 2011 mainly financed with existing funds and equity – partial replacement with long-term fixed debt (€ 40 mn) to come

Equity ratio significantly improved

€ mn



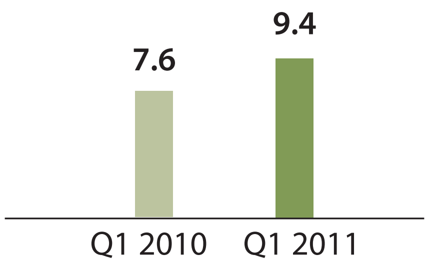
Debt maturities as of 31 March 2011



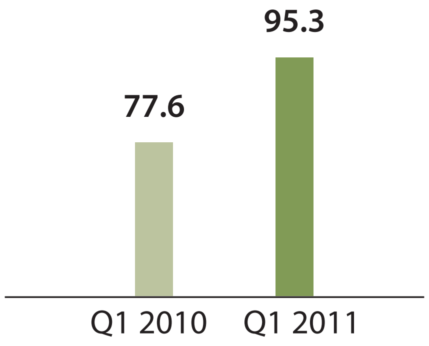
CASH FLOW INCREASED

- Cash generated from operations at € 19.8 mn (Q1 2010: € 23.9 mn), reduced due to smaller portfolio size
- Cash flow from operating activities increased by € 1.8 mn (+24%) to € 9.4 mn – lower rental income overcompensated by optimised financing costs and higher management fee income
- Cash outflow for investing activities of € 75.6 mn dominated by acquisition of Kaufhof properties
- Inflow through capital increase (€ 52 mn)
- Cash and cash equivalents increased strongly against Q1 2010 by € 17.7 mn to € 95.3 mn, additionally available around € 70 mn from straight bond and € 40 mn debt facility (Kaufhof properties)

Cash flow from operating activities
in € mn



Cash and cash equivalents
in € mn



OUTLOOK AND GUIDANCE 2011

- Internal growth: increase of occupancy rate by up to 1 percentage point to 87%
- Prepared for further acquisitions with available funds – quick closing of transactions possible
- Growth planned in all portfolio segments
- Rental income between € 112-115 mn expected
- Disposal volume of around € 80-100 mn
- FFO between € 40-42 mn confirmed

For more information: dic-asset.de/ir

For instance:
- Our up-to-date company presentation
- Recordings and presentation of this and recent calls available

If you have further questions, please don't hesitate to ask us.

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