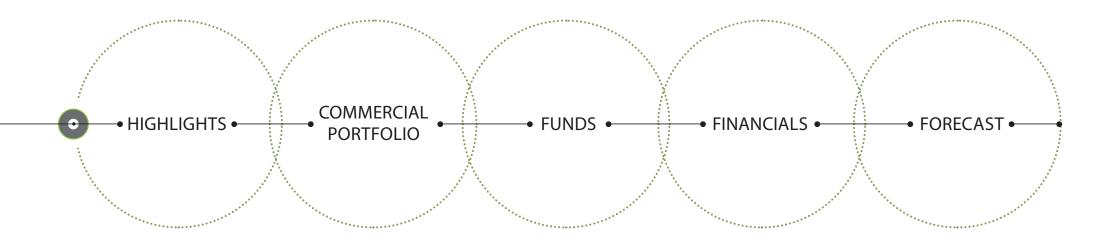
DIC -



AGENDA



HIGHLIGHTS

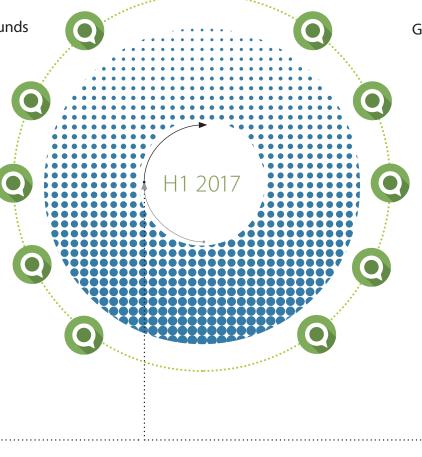
Assets under management growth from EUR 3.2 billion to EUR 3.4 billion, thereof **funds** from EUR 1.1 billion to EUR 1.3 billion

Fund DIC Office Balance III fully placed in March 2017

Our **fifth fund** DIC Office Balance IV placed in May

New products in pipeline, implementation of an retail funds started

Segment reporting adjusted to match our business model



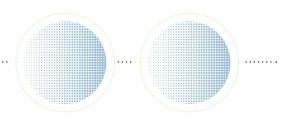
GRI growth by +8% to EUR 59.2 million

FFO up 8% to EUR 29.8 million

Like-for-like rental income up +0.8 %

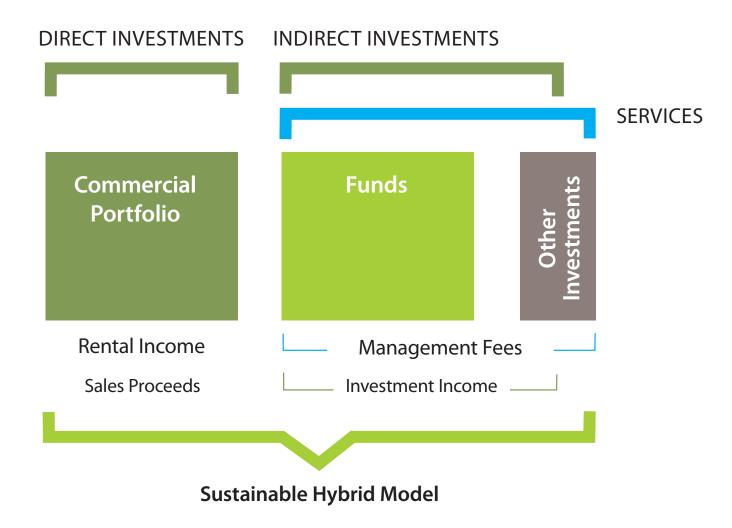
Corporate Bond with a volume of EUR 130 million successfully placed

Guidance 2017 adjusted: higher sales, GRI and FFO



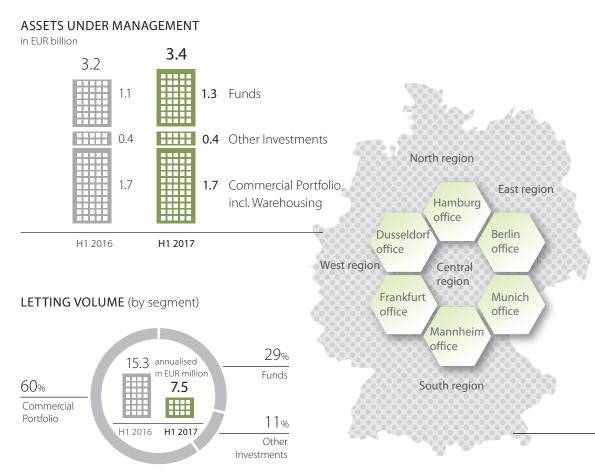
HYBRID BUSINESS MODEL

Consistently profitable and largely uncoupled from market cycles



PERFORMANCE OF THE ASSET MANAGEMENT PLATFORM

Further growing AuM



- Portfolio managed by DIC Asset AG comprises 183 properties with total rental space of 1.6 million sqm
- Assets under management increased to EUR 3.4 billion (H1 2016: EUR 3.2 billion)
- Sales in 2017 at EUR 203 million
- Letting volume of EUR 7.5 million (H1 2016: EUR 15.3 million), thereof 48% from new lettings and 52% from renewals. 60% of the letting volume relates to the Commercial Portfolio.

OVERVIEW PORTFOLIO

		Commercial Portfolio	Funds	Other Investments	Total
Number of properties	H1 2017	123	52	8	183
	H1 2016	149	46	15	210
Market value	H1 2017	1,721.6	1,314.4	373.1	3,409.1
in EUR million *	H1 2016	1,732.1	1,088.4	411.8	3,232.3
Rental space	H1 2017	996,200	564,600	71,100	1,631,900
in sqm **	H1 2016	1,053,000	490,600	133,200	1,676,800

* Market value as at 31.12.2016, later acquisitions considered at cost

** excluding developments and repositioning



COMMERCIAL PORTFOLIO

Ongoing portfolio optimisation

SALE OF NON-STRATEGIC PORTFOLIO IN APRIL

- 10 properties in A- and B-locations
- Sales volume: EUR 143 million
- Gross lettable area: 100,000 sqm
- Annualised rental income: EUR 11 million



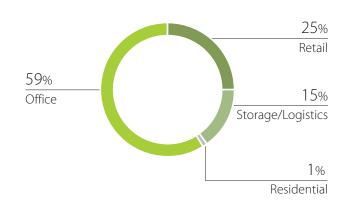
LIKE-FOR-LIKE RENTAL INCOME GROWTH

DEVELOPMENT COMMERCIAL PORTFOLIO*

H1 2017H1 2016Number of properties123149Market value in EUR million1,721.61,732.1Rental space in sqm996,2001,053,000Annualised rental income in EUR million93.7105.2Rental income in EUR per sqm9.49.6WALT in years4.34.3Vacancy rate in %12.913.9Gross rental yield in %6.36.3			
Market value in EUR million1,721.61,732.1Rental space in sqm996,2001,053,000Annualised rental income in EUR million93.7105.2Rental income in EUR per sqm9.49.6WALT in years4.34.3Vacancy rate in %12.913.9		H1 2017	H1 2016
Rental space in sqm996,2001,053,000Annualised rental income in EUR million93.7105.2Rental income in EUR per sqm9.49.6WALT in years4.34.3Vacancy rate in %12.913.9	Number of properties	123	149
Annualised rental income in EUR million93.7105.2Rental income in EUR per sqm9.49.6WALT in years4.34.3Vacancy rate in %12.913.9	Market value in EUR million	1,721.6	1,732.1
Rental income in EUR per sqm9.49.6WALT in years4.34.3Vacancy rate in %12.913.9	Rental space in sqm	996,200	1,053,000
WALT in years 4.3 4.3 Vacancy rate in % 12.9 13.9	Annualised rental income in EUR million	93.7	105.2
Vacancy rate in % 12.9 13.9	Rental income in EUR per sqm	9.4	9.6
	WALT in years	4.3	4.3
Gross rental yield in % 6.3 6.3	Vacancy rate in %	12.9	13.9
	Gross rental yield in %	6.3	6.3

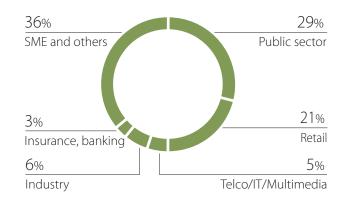
* All figures excluding developments and warehousing, except for number of properties and market value

TYPES OF USE by annualised rental income



- Sale of properties worth around EUR 200 million to streamline the portfolio, including a non-strategic portfolio worth EUR 143 million
- Like-for-like rental income of +0.8 % due to new leases and indexations
- Annualised rental income down to EUR 93.7 million due to high sales activities
- Vacancy rate down 1.0 percentage points to 12.9% from 13.9%

TENANT STRUCTURE by annualised rental income



COMMERCIAL PORTFOLIO

Case Study "Portfolio Optimisation by Refurbishment": Kaiserpassage in Frankfurt am Main



ACQUISITION

- Small-scale retail business (49 stores located in the arcade)
- Short lease terms, and therefore high rate of tenant fluctuation
- Increased capex requirements due to the age of the building, raised in the 1950s–1960s



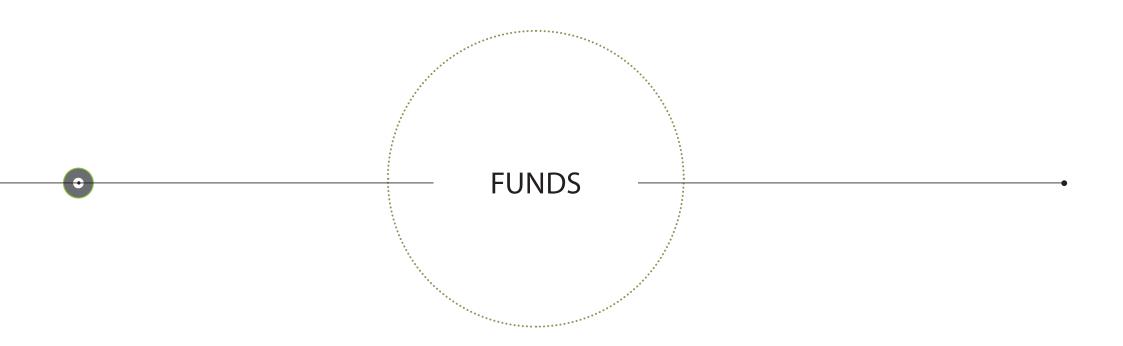
MANAGEMENT APPROACH

- Restructuring and redesigning the retail units/arcade, straightening the arcade passage
- Merging some rental units
- Modernising the lightning concept, façade and shop frontage



RESULT

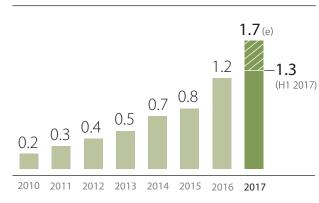
- Leases signed for 97 % of the units well ahead of the start of the structural alteration
- Incumbent tenants integrated, long-term anchor tenants added (increase of the lease term average to around 15 years)
- Annual property rent increased by 71 %, and lettable area expanded by nearly 15 %
- To be reopened in spring 2018



FUNDS

FUND VOLUME in EUR billion

Growth of funds volume as strategically planned



INCOME OF FUND BUSINESS in EUR million



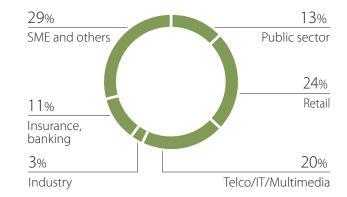
DIC Office Balance III reached target volume, new office fund DIC Office Balance IV placed in H1 2017

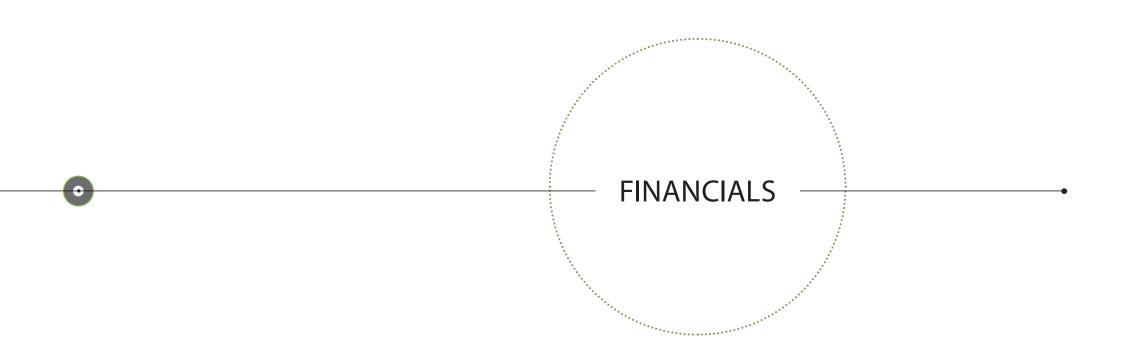
- Current fund volume of EUR 1.3 billion (H1 2016: EUR 1.1 billion)
- Income from fund business of EUR 8.0 million, thereof management fees of EUR 6.9 million. Higher income in 2016 due to set-up fees for DIC Office Balance III
- Implementation of a new retail fund started

TYPES OF USE by annualised rental income



TENANT STRUCTURE by annualised rental income





FINANCIAL HIGHLIGHTS



INCOME STATEMENT

Improved financial result offsets lower sales profits

CONSOLIDATED INCOME STATEMENT

in EUR million	H1 2017	H1 2016
Gross rental income	59.2 🚺	54.6
Profit on disposal of properties	10.8 🝳	16.9
Real Estate Management fees	7.8 🕄	15.0
Share of the profit of associates	2.2	1.3
Net other income	0.0	0.2
Operating expenses	-15.3 ④	-12.7
Depreciation and amortisation	-15.9	-18.0
Net financing costs	-16.8	-23.1
Interest income	4.5	4.9
Interest expenses	-21.3 5	-28.0
Profit for the period	20.0 6	20.2

- Gross rental income increased by 8% mainly due to acquisitions in H2 2016 for the warehousing phase
- Profit on disposals at EUR 10.8 million mainly due to the portfolio sale. H1 2016 reflects the sale of the properties for the DIC Office Balance III
- 3 Real Estate Management fees with EUR 7.8 million lower than in H1 2016, due to high set-up fees of DIC Office Balance III. Further structuring fees from new funds expected for the second half of 2017
- Operating expenses increased from EUR 12.7 million to EUR 15.3 million mainly due to expansion of fund business
- **5** Interest expenses decreased by EUR 6.7 million from EUR 28.0 million in H1 2016 to EUR 21.3 million in H1 2017, mainly due to effects from the refinancing of Commercial Portfolio end of 2016
- 6 Profit for the period stable at EUR 20.0 million despite lower sales profit and management fees due to improved financial result

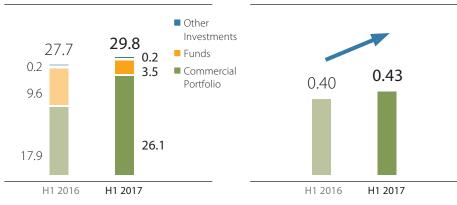
SEGMENT REPORTING AND FFO

Higher FFO-contribution of Commercial Portfolio

RECONCILIATION TO FFO

in EUR million	H1 2017	H1 2016	Δ
Net rental income	50.4	46.5	+8%
Administrative expenses	-6.0	-4.6	+30%
Personnel expenses	-9.3	-8.0	+16%
Other operating income/expenses	0.2	0.3	-33%
Real estate management fees	7.8	15.0	-48%
Share of the profit or loss of associates without project developments and sales	3.3	1.3	>100%
Interest result	-16.6	-22.8	-27%
Funds from operations	29.8	27.7	+8%

FFO CONTRIBUTION in EUR million



FFO PER SHARE in EUR

- FFO up 8% to EUR 29.8 million and at EUR 0.43 per share
- Significantly higher FFO-contribution of Commercial Portfolio due to lower financing costs
- FFO contribution of segment Funds at EUR 3.5 million (H1 2016: 9.6 million, mostly from set-up fee of DIC Office Balance III)

SEGMENT REPORTING

in EUR million H1		1 2017		H1 2016				
	СР	Funds	Other Invest- ments	Total	СР	Funds	Other Invest- ments	Total
Earnings figures								
Gross rental income	59.2			59.2	54.6	•		54.6
Net rental income	50.4	••••••		50.4	46.5	•		46.5
Profits on property disposals	10.8			10.8	16.9			16.9
Real estate management fees		6.9	0.9	7.8		14.1	0.9	15.0
Share of the profit or loss of associates		1.1	1.1	2.2		1.4	-0.1	1.3
FFO	26.1	3.5	0.2	29.8	17.9	9.6	0.2	27.7

BALANCE SHEET

High Balance sheet equity ratio

BALANCE SHEET OVERVIEW

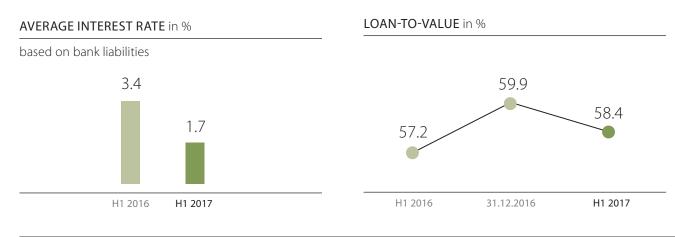
in EUR million	30.06.2017	31.12.2016
Total assets	2,272,329 1	2,395,548
Non-current assets	1,772,042	1,908,632
Current assets	500,287	486,916
Total equity	776,629 2	756,973
Non-current liabilities	1,093,325	1,197,215
Current liabilities	402,375	441,360
Total liabilities	1,495,700 🕄	1,638,575
Balance sheet equity ratio	34.2% ④	31.6%
Loan-to-value ratio	58.4% 5	59.9%

0	Total assets down by EUR 123.2 million to EUR 2,272.3 million mainly because of derecognition of the assets sold
2	Total equity higher mainly due to profit of the period of EUR 20 million
3	Total liabilities down, mainly due to recognized sales in Q2 2017
4	Balance sheet equity ratio strengthened from 31.6% to 34.2%
5	LTV ratio with 58.4 % 150bp better compared to the end of 2016, due to recognized sales in 2017

FINANCIAL STRUCTURE

Significantly improved by refinancing of the Commercial Portfolio in 2016



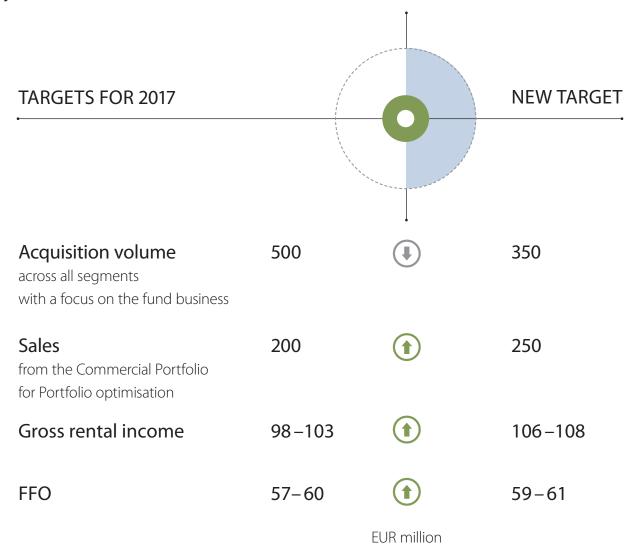


- Sharp rise in average maturity of financial debt to 5.3 years
- Average interest rate of bank liabilities reduced from 3.4% to 1.7%
- Higher interest cover ratio (NRI/interest expense) with 236% (31.12.2016: 173% adjusted) due to lower interest expense
- LTV ratio (adjusted for warehousing) down 150bp at 58.4% compared to 31.12.2016
- New bond successfully issued with low coupon of 3.250%





FORECAST Guidance for 2017 adjusted



INVESTOR RELATIONS

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For more information:

http://www.dic-asset.de/engl/investor-relations/

For instance:

>> Up-to-date company presentation

>> Audio webcast

Disclaimer

This quarterly statement contains forward-looking statements including associated risks and uncertainties. These statements are based on the Management Board's current experience, assumptions and forecasts and the information currently available to it. The forward-looking statements are not to be interpreted as guarantees of the future developments and results mentioned therein. The actual business performance and results of DIC Asset AG and of the Group are dependent on a multitude of factors that contain various risks and uncertainties. In the future, these might deviate significantly from the underlying assumptions made in this quarterly statement. Said risks and uncertainties are discussed in detail in the risk report as part of financial reporting. This quarterly statement does not constitute an offer to sell or an invitation to make an offer to buy shares of DIC Asset AG. DIC Asset AG is under no obligation to adjust or update the forward-looking statements contained in this quarterly statement.

FINANCIAL CALENDAR 2017

03.11. Publication of Q3 Statement

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