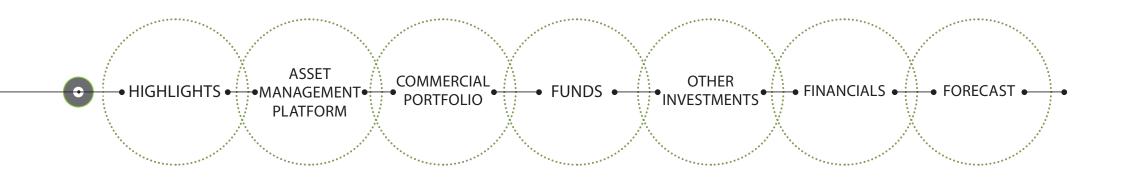




AGENDA





HIGHLIGHTS

Sixth special fund – DIC Retail Balance I – launched with an initial volume of EUR 190 million

Assets under management in the Funds segment rise to EUR 1.5 billion, for the first time reaching the volume of the Commercial Portfolio

Sales of EUR **316 million** YTD via our asset management platform

Acquisitions as per Q3 amounting to approx. EUR **160 million**, primarily for the Funds segment



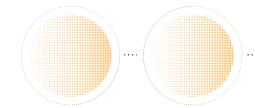
Like-for-like rental income up 1.1 %

High letting volume in Q3; vacancy rate in the Commercial Portfolio reduced to 12.1 %

FFO up 30% to EUR 48.1 million

Profit for the period increased by 48% to EUR 33.4 million

Extraordinary dividend of at least 20 cents planned from income from the swap of WCM shares for TLG shares



ASSET

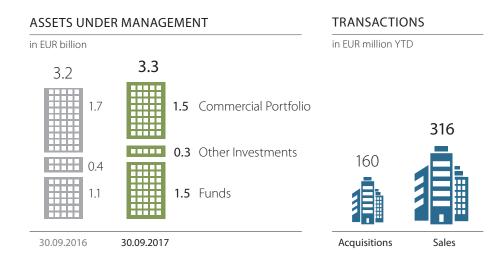
MANAGEMENT

PLATFORM



PERFORMANCE OF THE ASSET MANAGEMENT PLATFORM

Assets under management in Funds on a par with Commercial Portfolio for the first time



■ Assets under management rise to EUR 3.3 billion compared to 30.09.2016, of which EUR 1.5 billion is attributable to the Funds segment

- Sales: 27 properties with a volume of EUR 316 million have been notarised so far in 2017, including 23 properties with a volume of EUR 212 million from the Commercial Portfolio and 3 properties from Other Investments. Furthermore, the first property from the Funds segment (specifically, DIC Office Balance I) was successfully sold
- A total of 5 properties for around EUR 160 million acquired for the fund business in 2017 year to date

PORTFOLIO BY SEGMENT

		Commercial Portfolio	Funds	Other Investments	Total
Number of properties	Q3 2017 Q3 2016	114 147	56 48	6 13	176 208
Market value in EUR million *	Q3 2017 Q3 2016	1,531.9 1,727.7	1,487.9 1,126.9	317.6 365.2	3,337.4 3,219.8
Rental space in sqm **	Q3 2017 Q3 2016	929,600 1,048,900	619,800 511,000	25,500 93,000	1,574,900 1,652,900

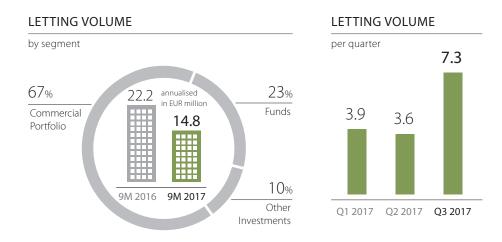
^{*} Market value as at 31.12.2016, later acquisitions considered at cost

^{**} excluding developments and repositioning properties



PERFORMANCE OF THE ASSET MANAGEMENT PLATFORM

Letting volume increased compared with previous quarters



TOP LETTINGS

New leases			
Bundesanstalt für Immobilienaufgaben	Funds	Bonn	4,400 sqm
h.a.l.m. elektronik GmbH	Commercial Portfolio	Frankfurt	4,100 sqm
WBS TRAINING AG	Commercial Portfolio	Erfurt	3,200 sqm
Renewals			
Land Hessen	Commercial Portfolio	Frankfurt	10,100 sqm
DELACAMP	Commercial Portfolio	Hamburg	5,900 sqm
Bayer CropScience	Commercial Portfolio	Langenfeld	4,400 sqm

- Letting volume in Q3 rose significantly to EUR 7.3 million compared with previous quarters
- Of the 127,400 sqm leased, 53,100 sqm are attributable to **new leases** (42%) and 74,300 sqm to **renewals** (58%)
- Portfolio quality improved: average rent rises to EUR 10.50/sqm (Q3 2016: EUR 10.20/sqm); the average weighted average lease term increases to 4.6 years (Q3 2016: 4.4 years)

MANAGED PORTFOLIO BY REGION*

		North	East	Central	West	South	Total
Number of properties	Q3 2017	22	23	32	52	47	176
Number of properties	Q3 2016	31	24	41	54	58	208
Portfolio proportion	Q3 2017	15	12	25	29	19	100
by market value** in %	Q3 2016	14	10	27	27	22	100
Annualised rental income in	Q3 2017	30.1	27.7	36,2	58.3	36.9	189.2
EUR million	Q3 2016	28.8	22.4	40,3	55.7	45.9	193.1
Doubling and in EUD	Q3 2017	9.50	10.50	12,30	10.50	9.90	10.50
Rental income in EUR per sqm	Q3 2016	8.60	10.10	12,70	10.60	9.30	10.20
WALT in years	Q3 2017	7.7	4.4	4,2	4.0	3.7	4.6
	Q3 2016	7.6	3.5	4,2	3.9	3.5	4.4
Gross rental yield in %	Q3 2017	6.0	6.7	6,2	6.1	5.8	6.1
GIOSS TETITAL YIELD III 70	Q3 2016	6.7	6.8	6,2	6.4	6.6	6.5

 $^{^{\}star}\ excluding\ developments\ and\ repositioning,\ except\ for\ number\ of\ properties\ and\ portfolio\ proportion$

^{**} Market value as at 31.12.2016, later acquisitions considered at cost







COMMERCIAL PORTFOLIO

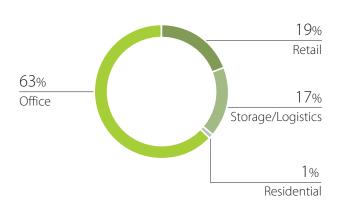
Attractive market environment exploited for sales

DEVELOPMENT COMMERCIAL PORTFOLIO*

	9M 2017	9M 2016
Number of properties	114	147
Market value in EUR million	1,531.9	1,727.7
Rental space in sqm	929,600	1,048,900
Annualised rental income in EUR million	96.1	108.5
Rental income in EUR per sqm	9.40	9.50
WALT in years	4.5	4.4
Vacancy rate in %	12.1	12.4
Gross rental yield in %	6.3	6.4

^{*} All figures excluding developments and repositioning properties, except for number of properties and market value

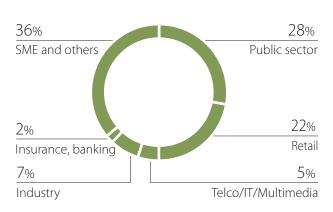
TYPES OF USE by annualised rental income



LIKE-FOR-LIKE RENTAL INCOME GROWTH

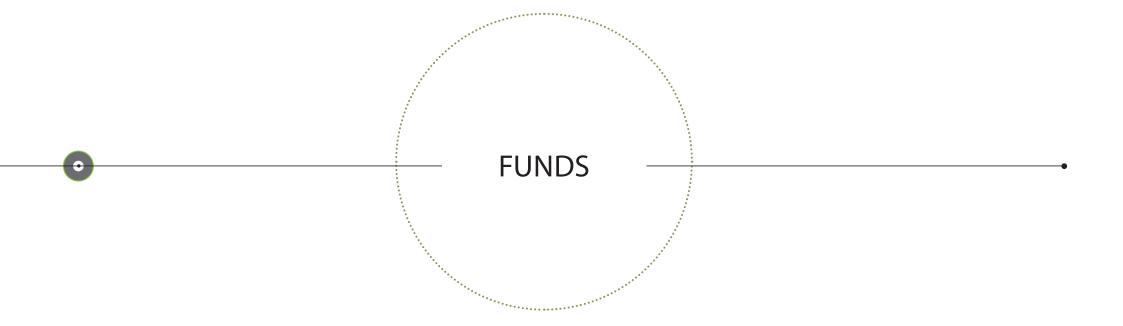


TENANT STRUCTURE by annualised rental income



- Sale of 23 properties worth EUR 212 million since beginning of the year
- Portfolio as at 30 September 2017 comprises 114 properties with a market value of approx. EUR 1.5 billion
- Annualised rental income decreased to EUR 96.1 million as a result of sales
- Like-for-like rental income up 1.1 %, driven by new contracts and indexations
- Vacancy rate reduced further to 12.1% (Q3 2016: 12.4%)







FUNDS SEGMENT

Strong momentum sustained in the fund business



- Current fund volume surpasses EUR 1.5 billion mark
- New retail fund DIC Retail Balance I launched in October with a portfolio comprising 3 properties (approx. EUR 190 million)
- Income from fund business totals EUR 14.7 million (Q3 2016: EUR 18.1 million), with EUR 7.0 million attributable to current management fees and EUR 6.0 million to set-up fees
- Additional acquisitions notarised. Acquisitions were once again made by way of "warehousing"
- Further fund products are in the planning stage

DIC Asset AG | QUARTERLY STATEMENT Q3 2017 | WEBCAST



FUNDS SEGMENT

Operational launch of DIC Retail Balance I retail fund

Object Hamburg-Bergedorf

Rental space: 18,400 sqm
Annual rent: 3.4 EUR million
WALT: c. 12 years

Occupancy 100%

rate:

Tenants: Anchor tenant Markt-

kauf, c. 20 tenants (e.g. Medimax, Budnikowsky, Ernstings,

McDonalds)



KEY DATA FOR DIC RETAIL BALANCE I

■ Investment focus: Core and core plus retail properties

Operational launch: 1 October 2017

■ Start-up portfolio: 3 non-discretionary retail centres and retail

warehouse parks (approx. EUR 190 million

(GAV))

■ Target volume: EUR 250 million (GAV)

■ Target return: approx. 5%

■ Investors: Domestic institutional investors

Storchenhof Berlin

Rental space: c. 13,900 sqm

Annual rent: EUR 1.86 million

WALT: 8.9 years
Occupancy 100%

rate:

Tenants: c. 40 tenants,

e.g. Kaufland und Aldi





Object Hamburg-Harburg

Rental space: 26,100 sqm

Annual rent: EUR 4 million

WALT: c. 12 years

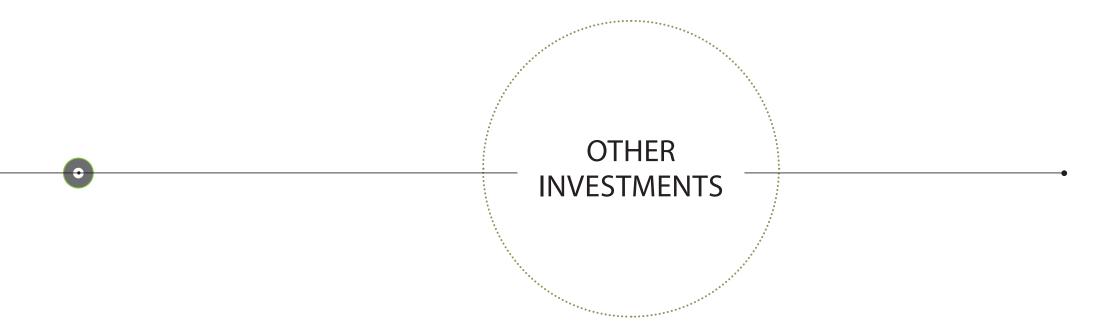
Occupancy 100 %

Occupancy rate:

Tenants: Anchor tenant Markt-

kauf, c. 30 tenants (e.g. Aldi, Rossmann)

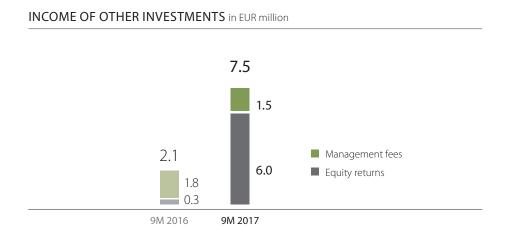




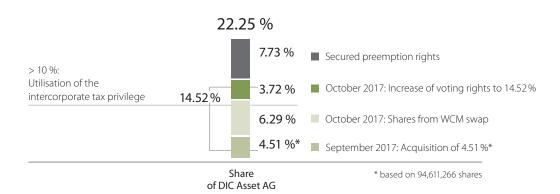


OTHER INVESTMENTS

Successful equity investment in WCM converted into TLG equity investment and expanded strategically



EQUITY INVESTMENT IN TLG as at October 2017



- Income from the Other Investments segment increases from EUR 2.1 million in 9M 2016 to EUR 7.5 million in 9M 2017, of which EUR 6 million is equity returns mainly from the equity investment in WCM
- Joint ventures and project developments reduced as planned: after the sale of three properties in 2017, 6 properties with a market value of approx. EUR 320 million remain (Q3 2016: 13 properties). MainTor completion in the 2nd half of 2018

Successful equity investment in WCM

- High dividend income of EUR 3.4 million in Q3 2017, corresponding to a dividend yield of just under 4% on the year-end closing price for 2016
- Extraordinary income of approx. EUR 19 million from the swap of WCM shares for TLG shares in October 2017; special dividend of at least 20 cents planned for 2017
- **Expansion of the strategic equity investment** in the meantime
 - Voting rights in TLG AG of more than 6% from the swap of WCM shares increased to currently 14.52% as a strategic investment.
 Potential expansion to more than 20%
 - Attractive income from dividend payments and from the portfolio development of TLG intended going forward







INCOME STATEMENT

Consolidated profit up 48%

CONSOLIDATED INCOME STATEMENT

Profit for the period	33.4 6	22.5
		······
Interest expenses	-32.9	-41.1
Interest income	6.7	7.1
Net financing costs	-26.2 5	-34.0
Depreciation and amortisation	-23.4	-26.8
Operating expenses	-23.1 4	-19.7
Net other income	0.0	0.3
Share of the profit of associates	7.7 🕄	2.2
Real Estate Management fees	14.5 2	18.0
Profit on disposal of properties	16.4	18.9
Gross rental income	85.7 ①	81.4
in EUR million	9M 2017	9M 2016

- **Gross rental income** up 5 % year-on-year mainly due to rental income from warehousing properties
- **Real estate management fees** in 2017 include set-up fees for DIC Office Balance IV and DIC Retail Balance I. The temporary decrease versus 9M 2016 is due to higher set-up fees for DIC Office Balance III in Q1 2016
- The sharp increase in the **share of the profit of associates** is largely attributable to the successful investment in WCM (+EUR 2.5 million) and to the sale of properties from the Other Investments segment (+EUR 2.0 million)
- 4 Operating costs increased mainly as a result of the strategic expansion of the fund business.
- Substantial decrease in interest expenses due to the refinancing of the Commercial Portfolio in December 2016; improvement in **net** interest result from EUR -34.0 million to EUR -26,2 million
- 6 Improved **net interest result** and a higher share of the profit of associates lift **profit for the period** by 48 %, from EUR 22.5 million in Q3 2016 to EUR 33.4 million in Q3 2017



SEGMENT REPORTING AND FFO

Strong increase in FFO contribution from the Commercial Portfolio

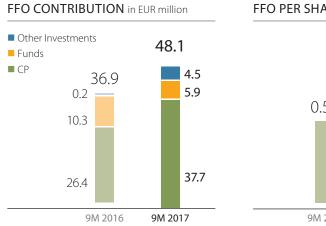
RECONCILIATION TO FFO

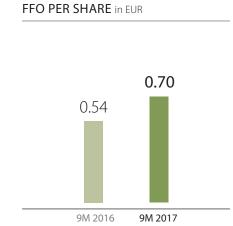
9M 2017	9M 2016	Δ
72.6	69.5	4%
-9.2	-7.5	23%
-13.9	-12.1	15%
0.2	0.4	-50%
14.5	18.0	-19%
9.9	2.4	>100%
-26.0	-33.8	-23%
48.1	36.9	30%
	72.6 -9.2 -13.9 0.2 14.5 9.9	72.6 69.5 -9.2 -7.5 -13.9 -12.1 0.2 0.4 14.5 18.0 9.9 2.4 -26.0 -33.8

SEGMENT REPORTING

in Mio. Euro		9M 2	017			9M 2	016	
	СР	Funds	Other Inv.	Total	СР	Funds	Other Inv.	Total
Gross rental income	85.7			85.7	81.4			81.4
Net rental income	72.6			72.6	69.5		•	69.5
Profits on property disposals	16.4	•		16.4	18.9	•	•	18.9
Real estate management fees		13.0	1.5	14.5		16.2	1.8	18.0
Share of the profit or loss of associates	•	1.7	6.0	7.7	•	1.9	0.3	2.2
FFO	37.7	5.9	4.5	48.1	26.4	10.3	0.2	36.9

- FFO up 30% to EUR 48.1 million mainly caused by increased net rental income, improved net interest income and the higher share of the profit of associates. FFO per share increases to EUR 0.70
- Increase in the FFO contribution from the **Commercial Portfolio** by 43 %, mainly driven by lower financing costs and higher rental income
- FFO contribution from the **Funds** down on the prior-year level, due especially to lower set-up fees than in the previous year
- Income from the WCM investment in particular raised the FFO contribution from the **Other Investments** segment from EUR 0.2 million in Q3 2016 to EUR 4.5 million in O3 2017







BALANCE SHEET

Considerable reduction of liabilities

BALANCE SHEET OVERVIEW

in EUR million	30.09.2017	31.12.2016
Total assets	2,197.1 1	2,395.5
Non-current assets	1,873.3	1,908.6
Current assets	323.8	486.9
Total equity	762.4 2	757.0
Non-current financial liabilities	1,213.1 🔞	1,181.4
Current financial liabilities	158.5	385.4
Other liabilities	63.1	71.7
Total liabilities	1,434.7 4	1,638.5
Balance sheet equity ratio	34.7% 🗟	31.6 %
Loan-to-value ratio (LTV)	59.7% 6	59.9 %

- Total assets decreased by EUR 198.4 million, primarily due to our sales until 30 September 2017 and derecognition of the assets and liabilities transferred to DIC Office Balance IV and DIC Retail Balance I
- 2 Equity increased by EUR 5.4 million to EUR 762.4 million due to the consolidated profit after deduction of the dividend payment for 2016
- 3 Non-current loans and borrowings up following the issuance of our fourth corporate bond in July 2017
- 4 Liabilities reduced by loan repayments as a consequence of sales and by the transfer of liabilities to the DIC Office Balance IV and DIC Retail Balance I special investment funds. The new bond 2017 had an offsetting effect
- **5** Equity ratio increased to 34.7%
- **6 LTV** stable below 60 %, at 59.7 %



FINANCIAL STRUCTURE

Significant decrease in liabilities

FINANCIAL DEBT MATURITIES* as at 30.09.2017

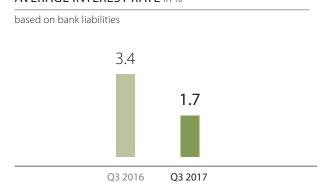


EOUITY AND LIABILITIES as at 30.09.2017



- Sharp increase of the average maturity of loans and borrowings to 4.9 years
- Average interest rate of liabilities to banks down to 1.7 %
- Interest cover ratio (net rental income divided by interest expense) up substantially to 220 % (31 December 2016: 173 % adjusted) due to lower interest expense
- LTV further reduced

AVERAGE INTEREST RATE in %



LOAN-TO-VALUE* in %



•

FORECAST



FORECAST

On track to comfortably reach operating targets





INVESTOR RELATIONS

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

For instance:

- >> Up-to-date company presentation
- >> Audio webcast

FINANCIAL CALENDAR 2018

09.02.2018	Publication of Financial Report 2017
16.03.2018	General Shareholders' Meeting 2018
04.05.2018	Publication of Q1 2018 Financial Statement
03.08.2018	Publication of H1 2018 Financial Report
08.11.2018	Publication of Q3 2018 Financial Statement

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.

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