DIC ASSET

Q1 INTERIM REPORT 1/2011

Purchased in March 2011: Retail property with tenant Galeria Kaufhof, Chemnitz

CONTENT

KEY FIGURES

Key operating figures EUR million	**Q1 2011**	Q1 2010	
Gross rental income	**27.6**	31.7	-13%
Net rental income	**25.3**	29.0	-13%
Management fee income	**1.0**	0.6	+67%
Profit on disposal of properties	**0.0**	1.5	-100%
Total revenues	**32.7**	38.4	-15%
Funds from Operations (FFO)	**10.0**	10.9	-8%
EBITDA	**22.0**	25.3	-13%
EBIT	**15.1**	17.6	-14%
EBDA	**9.7**	10.5	-8%
Profit for the period	**2.8**	2.8	0%
Investments	**110.9**	8.6	––
Cash flow from operating activities	**9.4**	7.6	+24%

Balance sheet data EUR million	**31.03.2011**	31.12.2010	
Equity ratio in %	**31.3**	28.6	+2.7
Investment property	**1,822.4**	1,718.2	+6%
Debt	**1,449.0**	1,462.9	-1%
Total assets	**2,109.4**	2,050.0	+3%

Per share EUR*	**Q1 2011**	Q1 2010	
FFO	**0.25**	0.33	-24%
EBDA	**0.24**	0.32	-25%
Basic/diluted earnings	**0.07**	0.08	-13%

* adjusted to the effect from the capital increase in March 2011

The Management Board of DIC Asset AG (from left): Markus Koch, Ulrich Höller

Dear Shareholders, Business Partners,
Employees and Friends,

DIC Asset AG has started 2011 with successful activities and strategic decisions:

- We have returned to the market as a buyer with our first major transaction amounting to EUR 108 million.
- We received more than EUR 52 million for further growth from our capital increase in March 2011.
- We also let 48,300 sqm either by finding new tenants or renewing existing tenancy agreements, which is around 55% more than in the first quarter of the previous year.

In the first quarter of 2011, we also generated respectable earnings for our shareholders. With FFO of EUR 10.0 million and a profit for the period of EUR 2.8 million, we matched the level of the previous year and are within our planning figures.

We are happy with the profit figure, since DIC Asset AG generated this profit on the basis of a reduced real estate portfolio with lower rental income. This is the consequence of properties having been spinned off to our first fund as well as successful disposals. Through the capital increase and the repayment of debt, we have succeeded in raising the capital ratio significantly from 24% to 31% within five quarters.

Beyond the current quarterly figures, we can advise you that we issued the first DIC Asset corporate bond in recent days. As a result, we shall achieve a number of valuable advantages:

- We shall gain access to new groups of investors with this fixed-income product, who are interested in long-term, predictable interest payments based on steady earnings from our stable business model. These are both private investors and institutional investors.
- We are extending our financing base – in terms of borrowed funds – with additional alternatives to traditional mortgage financing.
- We shall become more flexible and more able to react rapidly, most notably in the case of acquisitions, thanks to the rapid deployability of the funds raised in advance.

Together with the capital increase, the issue of the bond has given us valueable advantages in the development of our company and the realisation of the growth strategy.

This is aimed at developing DIC Asset AG in three areas that will have a direct, tangible impact on profits and the balance sheet:

1. Growth in all investment segments across the portfolio
We are in a position to include commercial real estate from all investment segments into our portfolio successfully and rapidly incorporate it in an extensive value added chain. We are optimally positioned across Germany in all segments ranging from traditional properties to be held long-term in the portfolio to properties offering considerable potential for opportunities. In this connection, we utilise direct investments, our fund vehicle DIC Office Balance I as well as minority investments in the DIC Group's opportunistic investments.

2. Participation in the upturn in the real estate market by adding value
We shall utilise the upturn in the real estate market to optimise our portfolio and to exploit potential in letting properties on improved terms. Our asset and property management service, which operates across Germany but is focused on the regions in which our portfolio is concentrated, will be a key tool here.

3. Expansion of our organisational advantages
Our organisation, which we constantly optimise to increase the income generated by and the value of our properties though support activities – such as financing – parallel to our direct work on our properties, provides a secure foundation for our growth. At the same time, we shall continue to rely on the proven benefits of our lean corporate structure, which allows us to respond rapidly.

We are delighted, dear shareholders, that you are continuing to accompany us with your considerable trust and broad support.

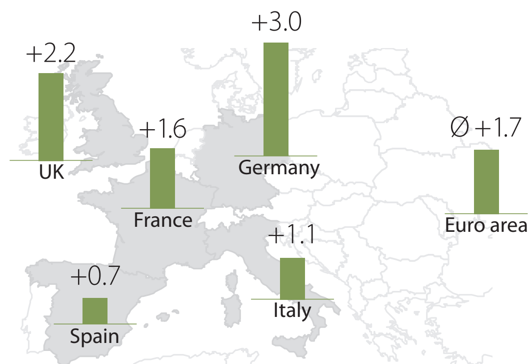
Yours sincerely,

Ulrich Höller Markus Koch

GENERAL ECONOMIC CONDITIONS

German economy remains at the head of European growth
In the first quarter of 2011, German gross domestic product is likely to have risen by 1.0%. As a result, the German economy's path to recovery remains intact at the beginning of the year. While the significance of exports for the economy has decreased with the easing in the dynamic demand from the global economy, this was offset by impetus from the construction industry, investments in capital goods and personal consumption.The marked surge in the order situation of German companies in the first quarter should result in a further increase in industrial production, which is why the positive economic trend is likely to be maintained into the second quarter too.

EXPECTED GDP GROWTH IN EUROPE 2011
in %



Source: IWH, eurostat

Further improvement in the labour market thanks to the stable upturn

Developments on the labour market were markedly positive at the beginning of spring thanks to the economic upturn: unemployment fell further in the first quarter, while the number of people in gainful employment rose. At the end of March 2011, some 3.2 million people were unemployed, which is 100,000 fewer than in February and 350,000 fewer than a year ago. The unemployment rate fell by 0.3 percentage points to 7.6% (previous year: 8.5%). The number of people in gainful employment increased to 40.3 million, growth of some 0.5 million year-on-year.

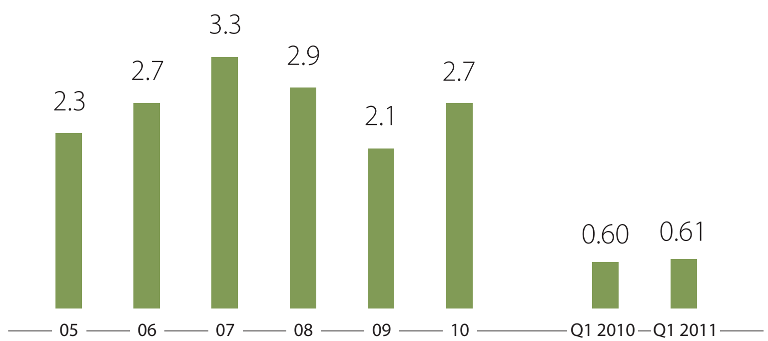
ECB reacts to inflationary tendencies by raising interest rates for the first time

The risks that could have a negative impact on economic development have not diminished in the first three months. Apart from the persistent instability of the financial sector caused by the sovereign debt crisis facing the USA and some EU member states, the economic recovery is currently jeopardised, in particular, by the unrest in the Arab world, the nuclear disaster in Japan and the rapid increase in commodity prices. The latter has prompted the European Central Bank (ECB) to announce the first cautious increase in interest rates since May 2009: its key interest rate was raised to 1.25% in April 2011.

Office letting slightly above the previous year

Thanks to the German economy's sound start to 2011 coupled with positive conditions on the employment market, around 610,000 sqm in total was let in the six major office locations (Berlin, Düsseldorf, Frankfurt, Hamburg, Munich and Stuttgart) in the first quarter. The result was slightly above the previous year's figure of 601,000 sqm and, by and large, matched the average of the last five years. At the same time, the vacancy rate remained stable, at 10.6% overall, because, despite increased demand, tenants are frequently still more interested in consolidating space or exchanging space than in expanding. The increase in peak rents has stabilised with prices in this small and narrow segment remaining at the level of the previous quarter. In the first quarter of 2011, new space amounting to some 110,000 sqm was completed, which is almost 40% less than in the previous year. A similar trend is to be expected for the year as a whole.

LETTING VOLUME IN MAJOR GERMAN OFFICE MARKETS
in sqm million



Source: Jones Lang LaSalle

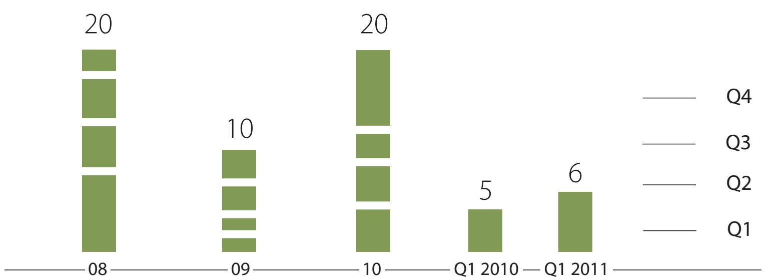
Leasing market doing well

Supported by the positive economic developments, the leasing market is enjoying an upturn. However, in the first few months of 2011, it is still in a transitional phase that cannot be clearly defined as an obvious tenants' market or an absolute landlords' market. Viewed on the whole, the necessity of having to offer tenants an extensive package of incentives to conclude an agreement is reducing further. This was also confirmed in the first quarter. The assessment of the current market situation between tenants and landlords sometimes differs enormously at present and is dependent on the segment and position. The situation is clearer in the case of new space featuring top quality equipment and fittings, particularly in sought-after city centre locations, which is becoming ever more difficult to find. This trend could be reinforced in the short-term, since fewer and fewer properties will be coming on the market. This could boost the project development market in the medium-term.

Active start to the year in the transaction market for commercial real estate

In the first three months of 2011, the transaction market for commercial real estate reported high levels of activity. Several positive developments are making investments in German commercial real estate particularly attractive at present: the international strength of the German economy with good employment market data and stable prospects, continuing relatively favourable interest rates and the improvement in leasing conditions. Properties worth just under EUR 6 billion were traded in total (previous year: around EUR 5 billion). The fact that the share of the market is accounted for by foreign investors has increased to around 50% speaks for the international appeal of German real estate. Retail properties were particularly sought after in the first quarter: thanks to several major transactions, they accounted for around two thirds of total volume. Far more transactions took place outside cities because of the dominance of retail properties. Around EUR 1 billion – approximately 18% – was invested in office properties. Apart from in regional sub-markets, peak office yields did not fall further in the first quarter of 2011, while there are signs of falling yields among retail properties. However, given continuing high demand, the pressure on peak yields in the office segment is also likely to fall over the course of the year.

TRANSACTION VOLUME OF GERMAN COMMERCIAL REAL ESTATE
EUR billion



Source: Jones Lang Lasalle

Lively transaction activity expected for 2011

The majority of the transactions continues to reflect the demand for top quality properties in the best locations let on long tenancies. In the case of opportunistic properties, there is still a wide disparity between the ideas of purchasers and vendors in some cases – but interest in more management intensive or more opportunistic properties is increasing. Overall, experts from brokerage companies expect activity to remain buoyant, being driven by international investors as well. In particular, the development in general conditions for opportunistic investments – borrowing costs, the percentage of equity required and ideas on price – will be a crucial factor in whether the EUR 20 billion mark can be exceeded in 2011.

BUSINESS DEVELOPMENT

Highlights of the first quarter

- ➜ Successful capital increase, generating an inflow of EUR 52 million
- ➜ Return as a purchaser with acquisition of EUR 108 million
- ➜ Strong operating income with FFO of EUR 10.0 million
- ➜ Profit for the period, at EUR 2.8 million, matches the previous year's level

We have already implemented our announcement that we wished to expand our portfolio through acquisitions in the first quarter: with the acquisition of two retail properties for EUR 108 million, we are again active as a buyer in the investment market. We have also laid the foundation for further growth in all our segments in the first three months: we completed a capital increase in March and, in terms of raising capital, we are entering new territory with the issue of a corporate bond. We made a strong start to the year with our leasing activities and have exceeded the previous year's result by 55% with a figure of 48,300 sqm. Rental income fell, as planned, by 13% to EUR 27.6 million. Here, the reduction in the portfolio resulting from the placing out of the fund properties and from disposals, in particular, had a significant impact compared with the previous year. Thanks to savings on financing costs and higher revenues from property management, FFO only shrank by 8% and amounted to EUR 10.0 million. The profit for the period, at EUR 2.8 million, matched the level of the previous year.

OVERVIEW PORTFOLIO AND SEGMENTS

As at 31.03.2011	Core plus	Value added	Co-Investments	**Total**
Proportionate rental space in sqm	441,400	591,100	157,800	**1,190,300**
Real estate assets in EUR million*	899.7	877.6	306.0	**2,083.3**
Rental income Q1 in EUR million	13.8	13.8	--- **	**27.6**
EBT Q1 in EUR million	2.5	2.1	0.4	**3.1**

* Market value as at 31.12.2010, Acquisitions after 31.12.2010 considered at cost
** relates to minority interests, reported in share of the profit of associates

Business activities of DIC Asset AG

DIC Asset AG invests solely in German commercial real estate, with a clear focus on office space. It manages, lets and optimises its property portfolio via the asset and property management services of its subsidiary DIC Onsite and its six branches. The properties are divided into the Core plus, Value added and Co-Investments segments according to risk/reward criteria. We realise capital growth by selling properties at suitable moments.

Real estate assets under management at EUR 3.2 billion

On 31 March 2011, our real estate portfolio comprised 289 properties with a rental space of 2.0 million sqm. Managed properties increased slightly by some EUR 100 million compared with the figure at the end of 2010 to EUR 3.2 billion, as did the pro rata value of the properties, which rose to EUR 2.1 billion. Our portfolio properties generate annual rental income (pro rata, including the Co-Investments) of EUR 129.9 million.

Acquisition of two retail properties for EUR 108 million

As planned, we have returned to the market as an active purchaser with DIC Asset AG. In mid-March 2011, in exclusive negotiations, we acquired two retail properties in Bremen and Chemnitz with "Galeria Kaufhof" as a long-term tenant with tenancies averaging more than eleven years for an investment volume of EUR 108 million. The properties are situated in the best retail locations and together offer retail space of 49,000 sqm. The annual rental income of approximately EUR 7.3 million equates to a rental yield of just under 7% in relation to the property purchase prices.

Purchases will strengthen the portfolio long-term

The purchase of two properties generating substantial cash flows will optimise our portfolio significantly: the annual rental income will rise pro rata by around 6%, while the portfolio volume will increase pro rata by some 5%. Title was transferred on 31 March 2011, meaning that we shall receive the full benefit of additional rental income and contributions to profits at the beginning of the second quarter of 2011. To finance the purchase, we agreed a long-term fixed financing with a renowned German mortgage bank for a term of up to ten years. This can be drawn down in stages to the end of the year to replace parts of the equity, which previously financed the majority of the purchase costs.

Capital increase successfully implemented

In mid-March 2011, we announced our plans for a capital increase of around 17% of share capital. The capital measure from authorised capital was directed at DIC Asset AG's existing shareholders and was carried out with any trading of subscription rights via the stock exchange being excluded, which had the benefit of the measure being implemented quickly and cost-effectively. At a price of EUR 8.00 per share, the inflow of funds following the conclusion of the capital increase at the end of March amounted to EUR 52.2 million.

Offer more than five times oversubscribed

The capital measure met with considerable interest among our shareholders, with some 88% of subscription rights being exercised. Including the oversubscription offer, demand to subscribe for the unsubscribed new shares stood at EUR 266 million, which equals a 5.1 times oversubscription for the entire capital increase. The capital measure has extended our financial room for manoeuvre by increasing the capital base and liquidity, which is to be used for further attractive acquisitions.

LETTING RESULT

in sqm on signature	**Q1 2011**	Q1 2010
Office	**23,800**	18,700
Retail	**6,000**	5,500
Other commercial	**17,400**	5,300
Residential	**1,100**	1,700
Total	**48,300**	31,200
Parking (units)	**482**	291

Leasing taking place in a slightly improved climate

The leasing market has been enjoying a recovery for some months thanks to the continuing positive economic development. This was also confirmed in our day-to-day letting activities in the regional branches during the first quarter. We noticed that the use of substantial incentives to persuade tenants to rent was becoming less and less significant. Tenants still have to receive excellent service and properties have to be managed impeccably because of the substantial amount of space on the market. We are well positioned for this with our letting teams' proximity to the regional market and their various properties. In the next few months, we shall also concentrate our efforts on increasing the occupancy rate and extending the tenancy agreements that are due for renewal shortly.

Letting income in the first quarter well up year-on-year

We have made a good start to 2011 in letting our properties: from January to March 2011, we leased 48,300 sqm in our portfolio – either by extending existing tenancies or concluding new ones. As a result, we are some 55% up on the previous year's figure of 31,200 sqm. This growth was attributable both to new tenancies and renewals of existing ones: at 24,100 sqm, new tenancies were 28% up on the level of the previous year, while the renewals of existing tenancies virtually doubled to 24,200 sqm. In the first quarter of 2011, the letting volume corresponds to annualised rental income of EUR 4.4 million (previous year: EUR 3.2 million).

TOP LETTING DEALS

TOP 3 New lettings		
RIMC	**6,600 sqm**	Neu-Ulm
AXA	**2,500 sqm**	Wiesbaden
TBK Linden	**1,500 sqm**	Edingen-Neckarhausen

Top 3 Renewals		
Delacamp	**7,300 sqm**	Hamburg
Thales	**4,800 sqm**	Korntal/Stuttgart
Topalis	**2,000 sqm**	Korntal/Stuttgart

Portfolio quality: lease expiry structure improved

In the first quarter of 2011, annualised rental income in a like-for-like comparison (excluding changes to the portfolio caused by acquisitions/disposals or project developments) decreased as planned by around 0.5% to EUR 122.5 million compared with 31 December 2010, due to lease expiries at the beginning of the year. In the first quarter of 2010, the decrease still stood at 0.8%. The improvement resulting from the letting volume becomes clear when compared with the lease expiry structure: within three months, we succeeded in reducing potential lease expiries in 2011 by some EUR 2.1 million from 6% to around 4% of total rental income and also reducing them by a further EUR 0.7 million (from 17% to 15%) for 2012. The good letting volume in the first quarter of 2011 is only partly reflected in the current portfolio data, since most of the agreements concluded will come into effect at a later date.

As at 31 March 2011, the occupancy rate in the portfolio remained stable compared the same quarter in the previous year and also the end of 2010, at 86%. Primarily as a result of the acquisition, the average lease period increased by 0.2 years to 5.6 years.

The brief overview on pages 52-53 of the quarterly report provides additional portfolio data.

LEASE EXPIRIES: LONG-TERM LETTING EXPANDED

Distribution of rental income by lease expiry, in %

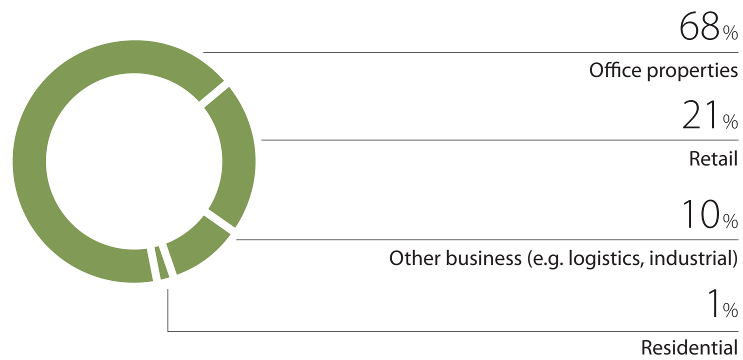
	2011	2012	2013	2014	2015	2016 ff
31.12.2010	6	17	9	8	10	50
31.03.2011	**4**	**15**	**9**	**8**	**10**	**54**

CLEAR FOCUS, BROADLY BASED POSITION

- ▷ **Investment in commercial real estate focus on offices**
- ▷ **Supplemented by attractive types of other use**
- ▷ **Broad diversification with tenants from various sectors**

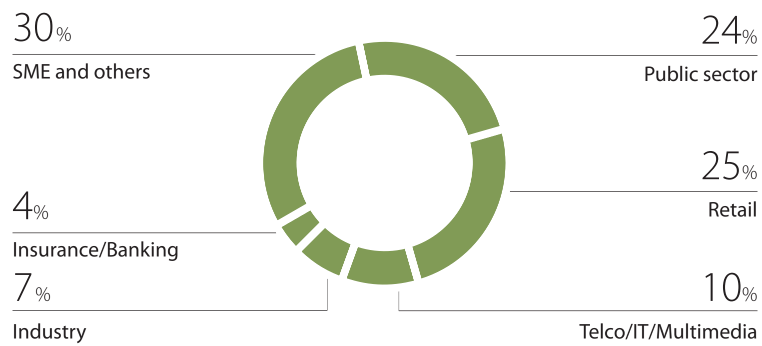
TYPES OF USE

by rental income (as at 31 March 2011)



MAIN TENANTS

by rental income (as at 31 March 2011)



Transaction volume of approximately EUR 5 million

In the first quarter, we sold a total of five smaller properties with a volume of around EUR 4.8 million. We placed two properties with a volume of EUR 0.5 million from the Value added segment, which comprises properties that are held directly, while a further three properties were sold from Opportunistic Co-Investments (in which we hold minority interests) for a total of EUR 4.3 million.

The transaction volume increased sharply following the end of the quarter: in April, we sold a retail property in Würzburg to an institutional investor for over EUR 14 million.

Further progress in the Funds business segment

The entry into the fund market of DIC Asset AG was completed successfully in March 2011. The equity capital of our "DIC Office Balance I" real estate special fund amounting to around EUR 120 million was received in full. We have also received commitments from the group of investors for the fund's further development. We are also planning further growth in this area by increasing the fund volume and by launching further special funds, if applicable.

Increase in personnel

At the beginning of the year, we took specific measures to strengthen our investment and asset and property management segments in order to achieve our growth targets and to exploit new potential. The number of staff increased by ten compared with the previous year and by eight compared with 31 December 2010. The majority of our employees are involved at local level in the letting and optimisation of our property portfolio at our asset and property management company DIC Onsite.

NUMBER OF EMPLOYEES

	31.03.2011	31.03.2010
Portfolio management, investment and funds	**10**	8
Asset and property management	**91**	85
Group management and administration	**17**	15
Total	**118**	108

LILIENTHALSTRASSE, KORNTAL NEAR STUTTGART

Securing cash flow for several years

- Tenants' requests implemented
- Investment and extension of existing tenancy agreements

The office building with a lettable area of around 6,800 sqm was acquired in 2007 and is let to two key tenants. In the course of our tenant support, we discovered that the tenants had specific requirements regarding the property. To meet these and to tie the tenants to the property in future, we agreed a comprehensive optimisation and refurbishment programme in which the tenants are involved. In return, we were able to extend the tenancy by several years on the same terms and consequently secure the cash flow from the property.

SILCHER STRASSE, NEU-ULM

Hotel property let without interruption

- Investment scheme for continuing operation long-term
- Continuation at previous 4-star level

DIC acquired the 4-star hotel with a lettable area of some 6,600 sqm as part of an opportunistic portfolio in 2006. The previous tenant ended his tenancy on the due date at the end of March 2011. We devised a scheme to improve the quality of the building to a level that meets modern requirements in terms of accommodation long-term. As a result, we were able to persuade the new tenant RIMC to rent the property for 15 years and to continue running it as a 4-star hotel. DIC will invest an amount in the low single-digit million euros, as will the tenant, which will keep the value of the property stable and secure rental income long-term.

REVENUES AND RESULTS

Rental income

in the first quarter of 2011, we generated gross rental income of EUR 27.6 million. This is a fall of EUR 4.1 million (-13%) on the same quarter in the previous year, which is largely attributable to the reduction in the portfolio following disposals and the fund placement. The expiry of individual tenancy agreements also had an impact but this has already been offset in part. The fall was EUR 1.6 million (-5%) compared with the fourth quarter. At EUR 25.3 million, net rental income was EUR 3.7 million (-13%) below the previous year's result of EUR 29.0 million.

There were no disposals of directly held properties recognised in the first quarter of 2011. In the previous year, we achieved sales worth EUR 1.5 million up to March 2010. Primarily through the management of fund properties, income from property management fees increased sharply by 67% to EUR 1.0 million. Total income, at EUR 32.7 million, was EUR 5.7 million (-15%) below the level of the previous year primarily because of the change in the rental income base.

Slight increase in operating costs

In the first quarter of 2011, operating costs were up on the level of the previous year most notably because of the increase in staff numbers. Personnel expenses rose by EUR 0.1 million (+4%) to EUR 2.4 million, while administrative expenses increased by EUR 0.2 million (+10%) to EUR 2.2 million. The operating cost ratio (the ratio of administrative and personnel expenses to gross rental income, adjusted for property management income) currently comes to 13% (previous year: 12%) – influenced by the increase in costs but also the reduction in income. Including the expansion in the portfolio resulting from the acquisition of the Kaufhof properties, the pro forma ratio would stand at less than 12%. Following the disposal of portfolio properties, depreciation fell by EUR 0.8 million (-10%) to EUR 6.9 million.

Significant reduction in financing costs

Once again, we improved the interest result significantly by EUR 3.9 million (+24%) to EUR -12.4 million. Apart from the decrease in funds borrowed, the primary contributing factor to this figure was the optimisation of the costs of borrowing and interest-rate hedging instruments.

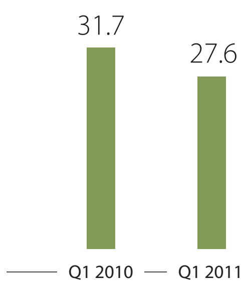
Co-Investments: contribution to earnings down on the previous year

In the Co-Investments segment, a key component from our investments' operational business has been lost with the scheduled departure of the tenant from our MainTor project development at the end of 2010. Profits on disposals were also lower than in the same quarter in the previous year. This will be partially offset by income from the 20% investment in our special fund DIC Office Balance I. Income from associates will fall by EUR 1.5 million (-79%) in total to EUR 0.4 million.

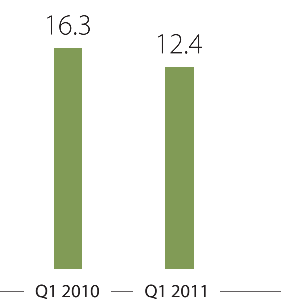
REVENUES OVERVIEW

EUR million	**Q1 2011**	Q1 2010	
Rental income	**27.6**	31.7	-13%
Revenues from diposal of properties	**0.0**	1.5	-100%
Other income	**5.1**	5.2	-2%
Total revenues	**32.7**	38.4	-15%

RENTAL INCOME
EUR million



INTEREST RESULT
EUR million



FFO stands at EUR 10.0 million

FFO in the first quarter of 2011 amounted to EUR 10.0 million and was therefore EUR 0.9 million (-8%) below the previous year's result. We were largely able to offset the reduction in rental income, most notably through significantly improved financing expenses. FFO per share, adjusted for the effects of the capital increase, stood at EUR 0.25 (previous year: EUR 0.33).

Profit for the period of EUR 2.8 million matches the previous year's figure

In the first quarter of 2011, we achieved a profit for the period equal to the previous year's figure of EUR 2.8 million. We fully offset the reduction in the income base caused by disposals and fund placement as well as lower contributions to profits from Co-Investments with considerable savings on financing costs. Earnings per share, adjusted for the effects of the capital increase, amounted to EUR 0.07 (previous year: EUR 0.08).

Business segments: positive contributions thanks to lower financing costs

Less rental income was achieved in the Core plus and Value added segments than in the previous year, at EUR 13.8 million and EUR 16.9 million respectively, due to the reduction in the portfolio. Above all, this is the result of disposals in 2010 and, in the case of the Core plus portfolio, also the result of spinning off the fund properties. No rental income is reported for the Co-Investments segment because of the minority holdings.

In the Core plus segment, earnings before tax fell slightly by EUR 0.5 million compared with the previous year to EUR 2.1 million; the reduction in rental income was offset in part by savings on financing costs. Earnings before tax (EBT) in the Value added segment increased by EUR 1.0 million to EUR 2.1 million, most notably because of the improvements in financing costs. Earnings before tax in the Co-Investments segment fell by EUR 1.5 million to EUR 0.4 million. The fall resulted, above all, from the planned loss of rental income from the MainTor site.

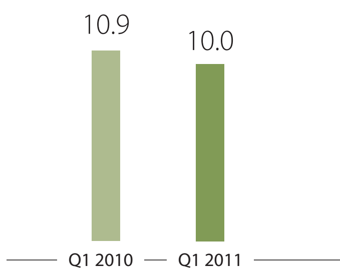
DERIVATION STATEMENT FFO

EUR million	Q1 2011	Q1 2010	
Net rental income	**25.3**	29.0	-13%
Administrative expenses	**-2.2**	-2.0	+10%
Personnel expenses	**-2.4**	-2.3	+4%
Result of other operating income/expenses	**0.3**	0.0	––
Management fee income	**1.0**	0.6	+67%
Share of the profits of associates	**0.4**	1.9	-79%
Interest result	**-12.4**	-16.3	-24%
Funds from Operations	**10.0**	10.9	-8%

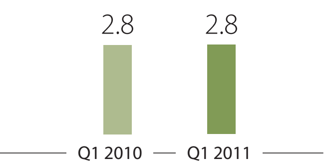
EARNINGS OVERVIEW

EUR million	Q1 2011	Q1 2010	
FFO	**10.0**	10.9	-8%
EBITDA	**22.0**	25.3	-13%
EBIT	**15.1**	17.6	-14%
EBDA	**9.7**	10.5	-8%
Profit for the period	**2.8**	2.8	0%
Earnings per share (EUR)	**0.07**	0.08	-13%
FFO per share (EUR)	**0.25**	0.33	-24%

FUNDS FROM OPERATIONS
EUR million



PROFIT FOR THE PERIOD
EUR million



NET ASSETS AND FINANCIAL POSITION

Management of financing follows clear objectives

In financing DIC Asset AG, we pursue several material aims. Ensuring a constant and reliable supply of liquidity is just as important as the development of a stable overall financing architecture with a long-term focus, which will withstand changes in the market with as little impairment as possible. Flexibility is also important, since this allows us to exploit market opportunities and gives us room for manoeuvre. Finally, obtaining financing on favourable conditions is a crucial factor for our profitability.

Debts: agreed long-term

With an average term of around 4 years, the vast majority of our debts totalling EUR 1,369.2 million are long-term. Only around 8% of debts are due to be refinanced in the next twelve months. Initially, we largely financed the acquisition carried out in March 2011 with equity, which will be partially replaced by the end of the year by utilising a credit line that has already been negotiated and is available for ten years.

Interest rates are largely hedged

At 86%, we have hedged the majority of our debts against rising interest rates, either through loan agreements with a fixed interest rate or by using interest rate hedging instruments. In the first quarter, we increased the proportion of interest rate hedges by 5 percentage points. We are continuing to benefit from the low level of interest rates via the proportion of variable financing, which stands at 14% and mainly encompasses short-term liabilities.

Significant reduction in financing expenditure

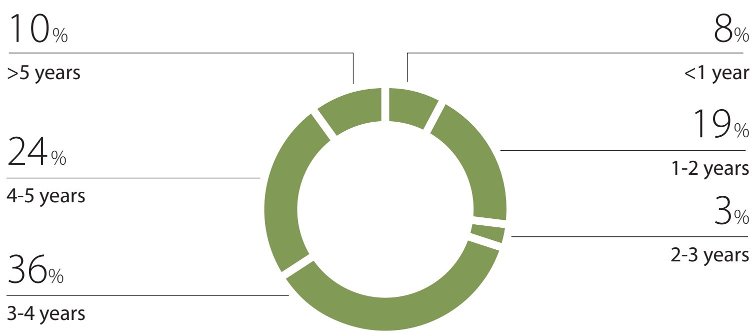
The average interest rate across all our debt amounts to 4.35% as at 31 March 2011 and is therefore slightly higher, at five basis points, than at the end of 2010. In the first quarter, we again improved our financing – both in terms of structure and costs – in loan agreements and interest rate hedging instruments. The reduction in and optimisation of our borrowings following disposals and the fund placement last year is also having a positive impact. Overall, interest expense was cut by EUR 3.6 million (-20%) compared with the same period in the previous year to EUR 14.2 million. Of this figure, EUR 6.5 million was spent on hedging instruments. The increase in interest income is the result of the increase in liquidity from the latest capital increases as well as from the fund placement and disposals.

Investment focused on growth

In the first three months, we invested EUR 110.9 million in the portfolio and growth of DIC Asset AG. The vast majority resulted from the expansion of the portfolio through the acquisition of the two Kaufhof properties in March 2011. EUR 2.0 million was spent on maintenance measures such as refurbishment, tenants' fittings and technical improvements. Much of the investment in the portfolio takes place within the context of long-term tenancies and consequently allows us to secure and expand regular cash flows. In the previous year, EUR 5.3 million was invested in expanding the portfolio and EUR 3.4 million in the portfolio.

DEBT EXPIRY FINANCIAL DEBT

Financial debt as at 31.03.2011



Cash flow significantly increased
In the first quarter of 2011, cash flow was influenced by two issues in particular: by the return of DIC Asset AG to the acquisition market with a first major purchase and the capital increase in March 2011.

At EUR 9.4 million, cash flow from ongoing business operations was EUR 1.8 million (24%) above the figure for the previous year. A decrease in the inflow of funds from the reduced portfolio was more than offset by increased revenues from property management and savings on financing costs. Some EUR 75.6 million was spent on investment. While investment in the portfolio was below the level of the previous year, investment in acquisitions increased sharply as a result of the acquisition of the two Kaufhof properties. In the same quarter in the previous year, the cash outflow from investment activities stood at EUR 9.9 million, while the cash flow from financing activities stood at EUR 44.3 million. It is characterised, in particular, by the cash inflow from the capital increase. Loans raised were largely offset by loan repayments. In addition to standard capital repayments, loan repayments include the repayments for the properties sold at the end of 2010 in the amount of EUR 41.0 million.

As at 31 March 2011, cash and cash equivalents rose by EUR 17.3 million to EUR 95.3 million.

CASH FLOW OVERVIEW

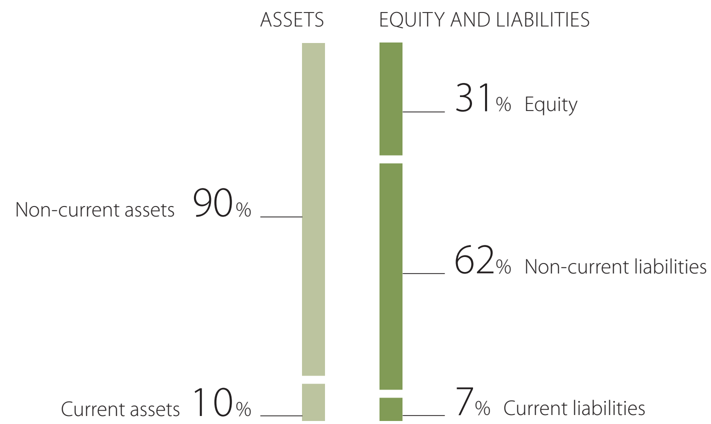
EUR million	**Q1 2011**	Q1 2010
Profit for the period	**2.8**	2.8
Cash flow from operating activities	**9.4**	7.6
Cash flow from investing activities	**-75.6**	-9.9
Cash flow from financing activities	**44.3**	41.1
Net increase in cash and cash equivalents	**-22.0**	38.8
Cash and cash equivalents as at 31 March	**95.3**	77.6

Growth of 3% in total assets
Most notably, the first major acquisition by DIC Asset AG for some time and the capital increase had an impact on the balance sheet in the first quarter of 2011. Total assets rose by EUR 59.4 million (+3%) to EUR 2,109.4 million.

Assets: real estate assets expanded
Non-current assets rose by EUR 102.3 million (+6%) to EUR 1,905.4 million. This was primarily due to the inclusion of the Kaufhof properties in the balance sheet following their acquisition in March 2011.

Current assets fell by EUR 42.8 million (-17%) to EUR 204.0 million, and receivables from the disposal of properties reduced as a result of the purchase price being paid. Cash on hand decreased, most notably as a result of payment of the purchase price following the acquisition of the two retail properties in March 2011. The majority of the purchase price was paid from equity for the time being. This was positively offset by the inflows of liquidity from the capital increase. Receivables from related parties decreased as a result of the loan repayment from ProDIC in connection with the complete placement of the fund units.

BALANCE SHEET STRUCTURE



BALANCE SHEET OVERVIEW

EUR million	31.03.2011	31.12.2010
Total assets	**2,109.4**	2,050.0
Non-current assets	**1,905.4**	1,803.1
Current assets	**204.0**	246.8
Equity	**660.4**	587.1
Non-current liabilities	**1,306.6**	1,307.4
Current liabilities	**142.4**	155.5
Equity ratio in %	**31.3**	28.6
Debt ratio in %	**68.7**	71.4

Equity ratio rises to 31%

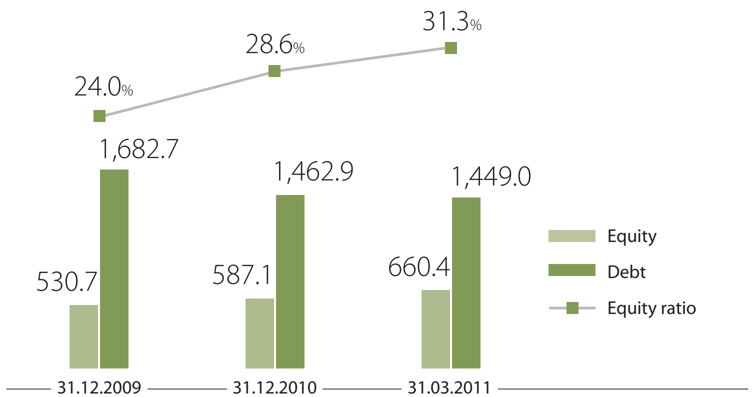
Equity rose by EUR 73.3 million (+12%) to EUR 660.4 million. Essentially, it was boosted by the capital increase, the profit for the period and the positive change in the hedging reserve because of rising interest rates. As a result, the equity ratio rose significantly and amounted to 31.3% at the end of the quarter (31 December 2010: 28.6%).

By and large, debt matches the level of the previous year

On 31 March 2011, debt amounted to EUR 1,449.0 million and was therefore slightly below the figure at the end of 2010. Non-current debt fell by EUR 0.8 million to EUR 1,306.6 million. Here, a slight increase in debt was offset by the fall in derivatives because of rising interest rates. Current liabilities decreased by EUR 13.1 million (-8%) to EUR 142.4 million, mainly because of loan repayments in connection with disposals last year (EUR 41.0 million).

EQUITY RATIO SIGNIFICANTLY IMPROVED

Equity and debt in EUR million



EVENTS AFTER THE BALANCE SHEET DATE

The capital increase was entered in the Commercial Register on 4 April 2011.

In April 2011, we announced our plans to issue a bond. Marketing and placement started at the end of April following the approval of the information by the regulatory authorities. Following the initial placement, it is planned to include the bond in regular trading on the Entry Standard segment of the Frankfurt Stock Exchange in mid-May 2011.

The bond will allow investors to invest in our business model directly and in small denominations and to benefit from attractive terms featuring a fixed interest rate. We shall expand our financing base and make it more flexible by issuing the bond and will gain access to a new group of investors. With the funds raised, we aim, above all, to implement our plans for growth quickly.

In April, we sold a property from the Falk portfolio for EUR 14.4 million. Completion at the notary's office took place on 4 April. Since this is a property from our opportunistic Co-Investments segment, we shall receive 20% of the profit on disposal.

OPPORTUNITIES AND RISKS

We examine the opportunities and risks of our business activities in detail in the Annual Report for 2010, which was published in March 2011, and provide information on the risk management system and the internal control system. Since then, there have been no major changes – either in the company or the relevant environment.

TRANSACTIONS WITH RELATED COMPANIES AND PERSONS

As part of its normal business activities, DIC Asset AG maintains business relations with a number of related companies and persons. In principle, the same conditions apply to transactions with these companies and persons as to comparable transactions with third parties. No material transactions were carried out with related companies and persons up to March 2011.

FORECAST

Positive general economic conditions expected

At present, the good order situation at German companies militates in favour of the economic recovery continuing. Even if the momentum in exports is waning, in the meantime, investment in capital goods, the construction industry and private consumption have become more strongly established as drivers of economic activity. The experts at the IWH (Halle Institute for Economic Research) expect growth in real GDP of 3% for 2011. This means that Germany is likely to be the fastest growing European country this year as well. There could be further increases in key interest rates during the current year, however, the continuing risks in the financial sector because of the debt crisis, the political turbulence in Africa and the nuclear disaster in Japan militate against any more significant increases at present. The economic upturn is continuing to give momentum to the employment market, meaning that it is possible that the number of unemployed will fall further below the 3 million mark.

Düsseldorf
Central Park Offices

A broader financing base sought

In the last few months, we have pressed ahead with plans to issue a corporate bond. We view bonds as an attractive opportunity to place our borrowing activities on a still broader foundation long-term in addition to traditional banking finance and, consequently, to make it more flexible. We shall address both institutional investors and interested private investors with this offer. We shall use the proceeds from the issue, which will be concluded in mid-May 2011 with inclusion in trading on the Frankfurt Stock Exchange, for the company's future development and growth.

Letting volume planned at the same level as the previous year

We have made a pleasing start to 2011 with a marked increase in letting volume of 55% to 48,300 sqm. At present, the situation on the letting market is improving somewhat. With our organisation – involving direct, local contacts with tenants based on our proximity to our properties – we are well placed to exploit increasing demand to our benefit. In the current year, for the first time, we are expecting an improvement in the opportunities for new tenancy agreements, which we are actively pursuing. As usual, the renewal of existing tenancies will also generate a major share of our letting income and consequently serve to secure our cash flow long-term. As before, we are planning letting volume at the level of the previous year and an increase in the occupancy rate of up to one percentage point to 87%.

Disposals as part of ongoing business operations

Activities on the transaction market are remaining more or less as brisk as they were in the final months of 2010. This provides us with a good foundation for placing properties on a regular basis in ongoing business operations. We sold properties worth around EUR 5 million within the first quarter of 2011, with a volume of EUR 14.4 million being added in April. With increasing interest from investors, including for properties outside the Core segment, we expect we shall have sufficient scope to achieve the volume of between EUR 80 and 100 million planned as part of our ongoing business operations in the course of the year.

Further growth being planned

In March 2011, we returned to the market as an investor with our first acquisition amounting to EUR 108 million. We see increasing opportunities for market acquisitions, which are consistent with the strategies of our investment segments. Generally, through our broad positioning in the value added chain – from efficient property management to repositioning through project development – we are well prepared for portfolio expansion and the rapid realisation of potential both of individual properties as well as mixed portfolios. We shall seize these opportunities, should attractive properties come onto the market, to expand our portfolio appropriately. In line with the liquidity generated by the capital increase and the successful bond issue, we are planning indirect and direct investment volume of some EUR 200 to 300 million across all our investment segments for 2011.

FFO forecast confirmed: between EUR 40 and 42 million

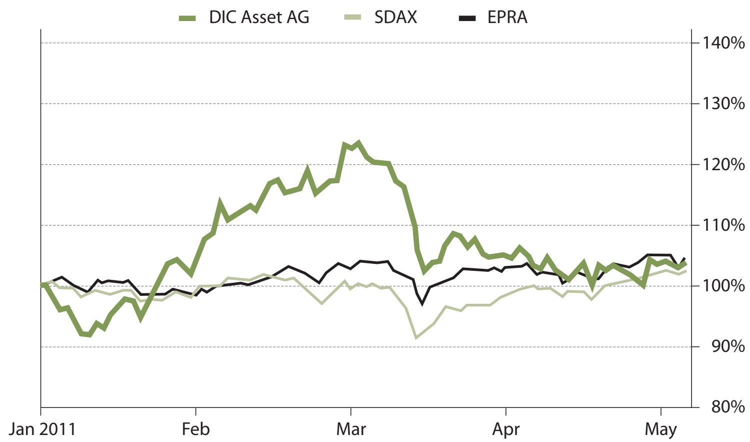
In 2011, forecasts are still fraught with a high degree of uncertainty given the risks which could presently affect trends in the economy. This is why our plans may differ from actual events, particularly if general conditions or underlying assumptions change.

On the basis of our existing portfolio and an occupancy rate of 87%, we are still expecting rental income of between EUR 112 and 115 million for 2011. At the level of operating income, we are continuing to forecast FFO of between EUR 40 and 42 million.

DIC Asset share: a strong start to the new year

The DIC Asset AG share significantly outperformed the market in the first three months. Following a brief dip to the annual low of EUR 8.08 on 11 January 2011, it rose rapidly to the annual high of EUR 10.88 on 3 March 2011. The price came under pressure following the announcement of the capital increase but despite this, our price remained well above the issue price set of EUR 8.00 at all times. The DIC Asset share closed the first quarter of 2011 at EUR 9.25. Overall, this is a marked rise of 11% compared with the beginning of the year – despite the impact of the current capital increase. Our share has therefore outperformed the relevant comparable indices: in the first months, the EPRA Developed Europe only rose by 2%, the DAX also rose by 2%, while the SDAX fell by 1%. As at 31 March 2011, the market capitalisation of DIC Asset AG (before the capital increase) stood at approximately EUR 423 million.

SHARE PRICE DEVELOPMENT



Capital measures to support the growth strategy

As real estate markets firm, we are pursuing a clear strategy: we should like to develop DIC Asset AG further through growth and acquisitions with investments in all our real estate segments. The acquisition of two major retail properties was a first step as well as our return as a purchaser on the investment market. Currently, we have successfully concluded measures with the capital increase and our first bond, in terms of both equity and borrowing, for further growth in a market which offers attractive opportunities for acquisitions.

Capital increase in March more than five times oversubscribed

In March 2011, we completed out a further capital increase of around 17% from authorised capital. As a result, the number of shares has risen from 39.2 million to 45.7 million. By excluding the trading of subscription rights via the stock exchange, the offer was addressed solely to existing shareholders. This has the advantage that the capital measure can be completed at manageable expense, rapidly and cost efficiently and without having to produce a prospectus. The high subscription ratio of around 88% is an expression of our shareholders' confidence in DIC Asset AG. Together with the reported over-subscription of the shares which were not subscribed, demand approximated to 5.1 times the entire capital measure of EUR 52.2 million.

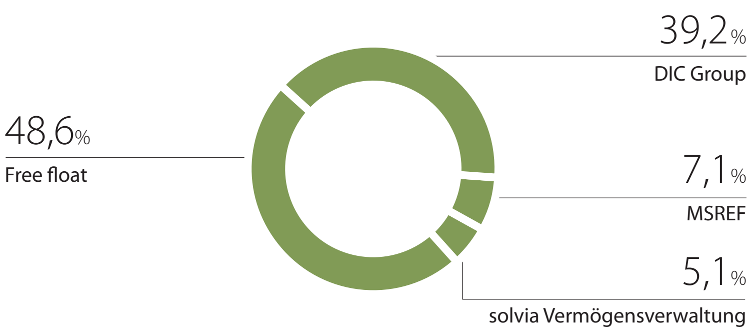
Shareholder structure virtually unchanged

The capital increase only resulted in minor changes to the shareholder structure: the DIC Group holds 39.2% of the shares, followed by MSREF with 7.1% (previously 8.3%) and then solvia Vermögensverwaltung with 5.1%. The free float stands at 48.6%.

Focus on IR communication: the figures for 2010

In the first quarter of 2011, investor relations work concentrated on the publication and communication of the annual financial statements and the preparation of the capital increase. The Management Board and the investor relations team explained the results for 2010 to current investors at conferences and meetings in Frankfurt, London, Amsterdam and Paris and provided information on the current performance and strategic objectives.

SHAREHOLDERS` STRUCTURE

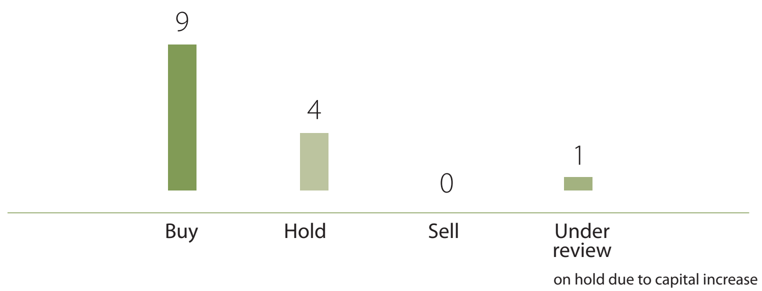


Positive assessment by analysts

The performance of the DIC Asset AG share is currently monitored by 14 analysts. The majority view is that our company has good prospects for growth: at present (as at 11 May 2011), nine analysts recommend buying the share. Four analysts advise holding it. One bank has temporarily suspended any indication of the upside potential and the rating on account of the capital increase.

REPORTING ON THE SHARE

Coverage by 14 Banks (as at May 2011)



KEY FIGURES

in EUR (1)	Q1 2011	Q1 2010
Number of shares (2)	**39,958,905**	33,241,049
Earnings per shares	**0.07**	0.08
52-week-high	**10.65**	9.60
52-week low	**5.43**	3.69
Closing price for quarter	**9.25**	7.25
Market capitalisation (in EUR million)	**423**	284
Current share price as at 11.05.2010	**9.18**	

(1) closing prices in Xetra trading
(2) adjusted to the effect from the capital increase in March 2011

FINANCIAL CALENDAR

12.05.2011	Publication of Interim Report Q1/2011
24.05.2011	Metzler Immobilientag, Frankfurt
25.-26.05.2011	Kempen European Property Seminar, Amsterdam
15.06.2011	Morgan Stanley Pan European Real Estate Conference, London
05.07.2011	General Shareholders' Meeting for the 2010 financial year, Frankfurt
11.08.2011	Publication of Interim Report Q2/2011
01.-02.09.2011	EPRA Annual Conference, London
07.-08.09.2011	Bank of America Merrill Lynch Global Real Estate Conference, New York
04.-06.10.2011	Expo Real, München
06.10.2011	Société Générale Pan European Real Estate Conference, London
19.10.2011	Initiative Immobilien-Aktie, Frankfurt
15.11.2011	Publication of Interim Report Q3/2011

CONSOLIDATED INCOME STATEMENT FOR THE PERIOD FROM 1 JANUARY TO 31 MARCH 2011

TEUR	01.01.- 31.03.2011	01.01.- 31.03.2010
Total revenues	**32,707**	38,447
Total expenses	**-17,619**	-20,859
Gross rental income	**27,556**	31,686
Ground rents	**-193**	-193
Service charge income on principal basis	**3,673**	4,467
Service charge expenses on principal basis	**-3,988**	-5,218
Other real estate related operating expenses	**-1,752**	-1,717
Net rental income	**25,296**	29,025
Administrative expenses	**-2,207**	-1,955
Personnel expenses	**-2,426**	-2,285
Depreciation and amortisation	**-6,921**	-7,737
Management fee income	**1,058**	625
Other income	**420**	158
Other expenses	**-132**	-244
Net other income	**288**	-86
Investment property net disposal proceeds	**0**	1,511
Carrying value of investment property disposal	**0**	-1,510
Profit on disposal of investment property	**0**	1
Net operating profit before financing activities	**15,088**	17,588
Share of the profit of associates	**413**	1,853
Net financing costs	**-12,382**	-16,324
Profit before tax	**3,119**	3,117
Income tax expense	**-416**	-338
Deferred income tax expense	**104**	26
Profit for the period	**2,807**	2,805
Attributable to equity holders of the parent	**2,764**	2,768
Attributable to minority interest	**43**	37
Basic (=diluted) earnings per share (EUR)	**0.07**	0.08

CONSOLIDATED STATEMENT OF CASH FLOW ENDED AT 31 MARCH 2011

TEUR	31.03.2011	31.03.2010
Operating activities		
Net operating profit before interest and taxes paid	**13,269**	19,071
Realised gains on disposals	**0**	-1
Depreciation and amortisation	**6,921**	7,737
Movements in receivables, payables and provisions	**556**	-862
Other non-cash transactions	**-934**	-2,061
Cash generated from operations	**19,812**	23,884
Interest paid	**-12,878**	-16,503
Interest received	**1,626**	1,411
Income axes paid	**790**	-1,173
Cash flow from operating activities	**9,350**	7,619
Investing activities		
Proceeds from disposals of investment property	**7,950**	1,511
Acquisition of investment property	**-108,966**	-5,271
Capital expenditure on investment property	**-1,967**	-3,358
Repurchase/disposal of own shares	**602**	0
Loans to other entities	**26,871**	-2,766
Acquisition of office furniture and equipment	**-128**	-18
Cash flow from investing activities	**-75,638**	-9,902
Financing activities		
Proceeds from the issue of share capital	**52,250**	47,025
Proceeds from other noncurrent borrowings	**41,576**	4,943
Repayment of borrowings	**-48,465**	-10,245
Payment of transaction costs	**-1,025**	-646
Cash flow from financing activities	**44,336**	41,077
Net increase in cash and cash equivalents	**-21,952**	38,794
Cash and cash equivalents at 1 January	**117,292**	38,826
Cash and cash equivalents at 31 March	**95,340**	77,620

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2011

ASSETS in TEUR	**31.03.2011**	31.12.2010
Investment property	**1,822,391**	1,718,215
Office furniture and equipment	**509**	519
Investments in associates	**65,899**	64,670
Derivatives	**245**	0
Intangible assets	**230**	255
Deferred tax assets	**16,160**	19,465
Total non-current assets	**1,905,434**	1,803,124
Receivables from the disposal of property	**17**	7,967
Trade receivables	**3,107**	2,635
Receivables due from related parties	**93,927**	105,682
Income taxes receivables	**5,452**	7,442
Other receivables	**4,175**	3,955
Other current assets	**1,964**	1,876
Cash and cash equivalents	**95,340**	117,292
Total current assets	**203,982**	246,849
Total assets	**2,109,416**	2,049,973

EQUITY AND LIABILITIES in TEUR	**31.03.2011**	31.12.2010
Equity		
Issued Capital	**39,187**	39,187
Share premium	**569,288**	569,288
Hedging and translation reserve	**-32,121**	-51,111
Deposits for executing the agreed capital increase	**51,552**	0
Retained earnings	**31,007**	28,243
Total shareholders´equity	**658,913**	585,607
Minority interest	**1,468**	1,473
Total equity	**660,381**	587,080
Liabilities		
Interest-bearing loans and borrowings	**1,260,778**	1,239,804
Deferred tax liabilities	**8,621**	9,508
Derivatives	**37,258**	58,116
Total non-current liabilities	**1,306,657**	1,307,428
Interest-bearing loans and borrowings	**108,415**	136,278
Trade payables	**4,559**	3,451
Liabilities to related parties	**14,880**	18
Provisions	**21**	22
Income taxes payable	**2,080**	2,864
Other liabilities	**12,423**	12,832
Total current liabilities	**142,378**	155,465
Total liabilities	**1,449,035**	1,462,893
Total equity and liabilities	**2,109,416**	2,049,973

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT 31 MARCH 2011

in TEUR	Issued Capital	Share premium	Reserve for cash flow hedges	Deposits for executing the agreed capital increase	Retained earnings	Total shareholders´ equity	Minority interest	**Total**
Status as of 31 December 2009	31,350	530,747	-56,489	0	23,620	529,228	1,450	**530,678**
Profit for the period					2,768	2,768	37	**2,805**
Loss from cash flow hedges*			-7,949			-7,949		**-7,949**
Gains from cash flow hedges from associates*			1,546			1,546		**1,546**
Comprehensive Income			-6,403		2,768	-3,635	37	**-3,598**
Payment for capital increase				46,379		46,379	0	**46,379**
Repayment of minority interest						0	-30	**-30**
Status as of 31 March 2010	31,350	530,747	-62,892	46,379	26,388	571,972	1,457	**573,429**
Profit for the period					13,612	13,612	48	**13,660**
Gains from cash flow hedges*			9,670			9,670		**9,670**
Gains from cash flow hedges from associates*			2,110			2,110		**2,110**
Comprehensive Income			11,780		13,612	25,391	48	**25,439**
Dividends					-11,756	-11,756		**-11,756**
Capital increase	7,837	38,541		-46,379		0	0	**0**
Repayment of minority interest						0	-32	**-32**
Status as of 31 December 2010	39,187	569,288	-51,111	0	28,243	585,607	1,473	**587,080**
Profit for the period					2,764	2,764	43	**2,807**
Gains from cash flow hedges*			17,729			17,729		**17,729**
Gains from cash flow hedges from associates*			1,261			1,261		**1,261**
Comprehensive Income			18,990		2,764	21,754	43	**21,797**
Payment for capital increase				51,552		51,552		**51,552**
Repayment of minority interest						0	-48	**-48**
Status as of 31 March 2011	39,187	569,288	-32,121	51,552	31,007	658,913	1,468	**660,381**

* deferred taxes deducted

SEGMENT REPORTING AS AT 31 MARCH 2011

TEUR	**Q1 2011**	Q1 2010
Rental income		
Core plus	**13,763**	16,945
Value added	**13,793**	14,741
Co-Investments	**0**	0
Other	**0**	0
Group	**27,556**	31,686
EBITDA		
Core plus	**12,764**	15,087
Value added	**12,436**	12,930
Co-Investments	**0**	0
Other	**-3,192**	-2,692
Group	**22,008**	25,325
EBTDA		
Core plus	**5,883**	6,262
Value added	**5,556**	4,538
Co-Investments	**413**	1,853
Other	**-1,812**	-1,799
Group	**10,040**	10,854
EBT		
Core plus	**2,512**	2,021
Value added	**2,101**	1,085
Co-Investments	**413**	1,853
Other	**-1,907**	-1,842
Group	**3,119**	3,117

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME FROM 1 JANUARY TO 31 MARCH 2011

in TEUR	**Q1 2011**	Q1 2010
Fair value of hedge instruments		
Cash flow hedges	**17,729**	-7,949
Cash flow hedges of associates	**1,261**	1,546
Recorded directly in equity	**18,990**	-6,403
Profit for the period	**2,807**	2,805
Comprehensive income	**21,797**	-3,598
Equity holders of the parent	**21,754**	-3,635
Minority interests	**43**	37
deferred tax on hedges		
Cash flow hedges	**-5,844**	-10,995
Cash flow hedges of associates	**-225**	-792

General disclosures on reporting

In accordance with § 37 x Para. 3 of the Wertpapierhandelsgesetz (WpHG = German Securities Trading Act), the quarterly financial statements comprise interim consolidated financial statements and an interim Group Management Report. The interim consolidated financial statements were compiled in accordance with the provisions of International Financial Reporting Standards (IFRS), as applicable in the EU, for interim financial reporting. The quarterly financial statements of the companies included are based on uniform accounting and measurement policies. The interim Group Management Report was compiled in compliance with the applicable provisions of the WpHG.

In line with IAS 34, a shorter report compared with the consolidated financial statements was chosen for the presentation of the consolidated interim financial report of DIC Asset AG as at 31 March 2011. The same methods of consolidation, currency translation, accounting and measurement are applied in the consolidated interim financial report as in the consolidated financial statements for the 2010 financial year. Income taxes were deferred on the basis of the tax rate anticipated for the entire year. Please refer to the consolidated financial statements as at 31 December 2010, which forms the basis for the present interim financial statements, for more detailed information. We also refer to the interim management report in this document with regard to key changes and transactions up to 31 March 2011.

DIC Asset AG has implemented all accounting standards adopted by the EU and revised, application of which is compulsory from 1 January 2011. In essence, these are IAS 24 (Related Party Disclosures) and the Improvements to IFRS 2010. Application of the accounting standards to be applied for the first time can be found in the Notes for the financial year.

In preparing the financial statements, the management must make estimates and assumptions. These influence both the amount of the figures recognised for assets, liabilities and contingent liabilities on the balance sheet date and the amount of income and expenses recognised in the reporting period. Actual amounts accruing may deviate from these estimates. There were no adjustments on the basis of changes to estimates or assumptions in the first quarter of 2011.

Notes to the consolidated financial statements

As at 31 March 2011, DIC Asset AG acquired two retail properties in Bremen and Chemnitz from Apollo Rida Golf S.a.r.l., Luxembourg. The volume of the investment is approximately EUR 108 million. The properties are let long-term, the annual rental income amounts to around EUR 7.3 million, which equates to a rental yield of around 7% in relation to the property purchase prices. Up to March 2011, external loans of EUR 41.6 million were taken up. These serve to finance the two retail properties (EUR 40.9 million) and to finance capex/IT measures (EUR 0.7 million). Of these, EUR 40.9 million are hedged through fixed interest agreements.

Capital increase

With the resolution on 15 March 2011, DIC Asset AG increased its share capital by issuing 6,531,249 new shares in return for cash contributions from 39,187,498 shares to 45,718,747 shares. As a result, the company's equity increased to around EUR 51.5 million. The capital increase was entered in the Commercial Register on 04.04.2011.

In accordance with IAS 33.26, the weighted average of shares in circulation in the period and all other periods presented must be reported if an event occurs which changes the number of shares in circulation without this entailing a change in resources. According to IAS 33.27 (b), this is the case if a free element, such as the issue of subscription rights to existing shareholders, is granted in the issue. The new number of shares for the first quarter of 2010 to be taken into account as at 31 March 2010 (33,241,049 shares) is produced from the two free elements of the capital increases from 2010 and 2011. The effect of the capital increase in 2010 or the free element amounts to 3.57% or 1,119,643 shares in relation to the number of shares before the capital increase in 2010 in the amount of 31,349,999. For the capital increase in 2011, a free element of 1.97% or 771,407 shares in relation to the number of shares before the capital increase in March 2011 in the amount of 39,187,498 is produced.

Only the effect from the capital increase in 2011 in the amount of 1.97% or 771,407 shares, as a result of which the number of shares as at 31 March 2011 increases to 39,958,905, has an impact on the first quarter of 2011.

Other disclosures

There were no changes to the composition of the Management Board or the Supervisory Board during the period under review.

Dividend

To allow shareholders to participate commensurately in the success and appreciation in value of DIC Asset AG, the Board of Directors will propose a dividend of EUR 0.35 per share for the financial year 2010 at the General Shareholders' Meeting on 5 July 2011. The shares from the capital increase are also entitled to a dividend for 2010.

Events after the balance sheet date

A notarial agreement for the sale of a property from the Co-Investments segment with a transaction volume of EUR 14.4 million was signed on 4 April 2011. The transfer of title and the benefits and obligations associated therewith took place on 15 April 2011. DIC Asset AG had a 20% participation in this sale.

DIC Asset AG is issuing a corporate bond worth minimum EUR 60 million up to EUR 100 million with a coupon of 5.875%. The term of the bond amounts to five years. The issue price amounts to 100% of the nominal amount. It is available for subscription in denominations of EUR 1,000.

The Federal Financial Supervisory Authority approved the prospectus on 29 April 2011. Following the initial placement, it is planned to include the bond in regular trading on the Entry Standard segment of the Frankfurt Stock Exchange on 16 May 2011.

TO DIC ASSET AG, FRANKFURT AM MAIN

We have reviewed the condensed interim consolidated financial statements – comprising the income statement, statement of comprehensive income, statement of financial position, cash flow statement, statement of changes in equity and selected explanatory notes – together with the interim group management report of DIC Asset AG, Frankfurt am Main for the period from January 1 to March 31, 2011, which are part of the quarterly financial report according to § 37x (3) WpHG ("Wertpapierhandelsgesetz": German Securities Trading Act). The preparation of the condensed interim consolidated financial statements in accordance with those International Financial Reporting Standards (IFRS) applicable to interim financial reporting as adopted by the EU, and of the interim group management report in accordance with the requirements of the WpHG applicable to interim group management reports, is the responsibility of the Company´s management. Our responsibility is to issue a report on the condensed interim consolidated financial statements and on the interim group management report based on our review.

We conducted our review of the condensed interim consolidated financial statements and the interim group management report in accordance with the German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with a certain level of assurance, that the condensed interim consolidated financial statements have not been prepared, in material aspects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU, and that the interim group management report has not been prepared, in material aspects, in accordance with the requirements of the WpHG applicable to interim group management reports. A review is limited primarily to inquiries of company employees and analytical assessments and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot issue an auditor´s report.

Based on our review, no matters have come to our attention that cause us to presume that the condensed interim consolidated financial statements have not been prepared, in material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU or that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports.

Nuremberg, 10 May 2011

Rödl & Partner GmbH
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft

Hübschmann	Danesitz
Wirtschaftsprüfer	Wirtschaftsprüfer

from left above to right: Mannheim, Dynamostraße, Hamburg, Simon-von-Utrecht-Straße Erfurt, F1 Forum am Anger, Köln, Agrippinawerft

LONGER-TERM OVERVIEW BY QUARTER

EUR million	Q1 2010	Q2 2010	Q3 2010	Q4 2010	**Q1 2011**
Gross rental income	31.7	32.4	31.6	29.2	**27.6**
Property disposal proceeds	1.5	17.0	4.7	58.0	**0.0**
Total revenues	38.4	55.5	42.0	92.9	**32.7**
EBITDA	25.3	26.6	26.0	27.5	**22.0**
EBIT	17.6	18.7	18.1	20.2	**15.1**
FFO	10.9	11.1	11.2	10.8	**10.0**
Profit before depreciation	10.5	11.4	11.2	14.2	**9.7**
Profit for the period	2.8	3.5	3.3	6.9	**2.8**
Earnings per share (EUR) *	0.08	0.09	0.08	0.18	**0.07**
Cash flow from operating activities	7.6	7.8	12.4	9.9	**9.4**
Market value of real estate assets **	2,195.3	2,177.4	2,169.4	2,001.8	**2,083.3**
Total assets	2,257.9	2,259.4	2,231.4	2,050.0	**2,109.4**
Equity	573.4	569.2	562.1	587.1	**660.4**
Equity ratio in %	25.4	25.2	25.2	28.6	**31.3**
Debt	1,684.5	1,690.3	1,669.3	1,462.9	**1,449.0**
Debt ratio in %	74.6	74.8	74.8	72.4	**68.7**

* adjusted to the effect from the capital increase in March 2011
** Acquisitions during the year are taken into account at the cost of acquisition

PORTFOLIO OVERVIEW

As at 31 March 2011

	Core plus	Value added	Co-Investments	**Total**
Number of properties	45	119	125	**289**
Portfolio volume in EUR million*	899.7	877.6	306.0	**2,083.3**
Portfolio proportion	43%	42%	15%	**100%**
Annualised rent in EUR million	61.7	54.3	13.9	**129.9**
Lettable area in sqm	441,400	591,100	157,800	**1,190,300**
Rental income per sqm in EUR	12.10	9.30	8.50	**10.30**
Occupancy rate	94%	80%	83%	**86%**

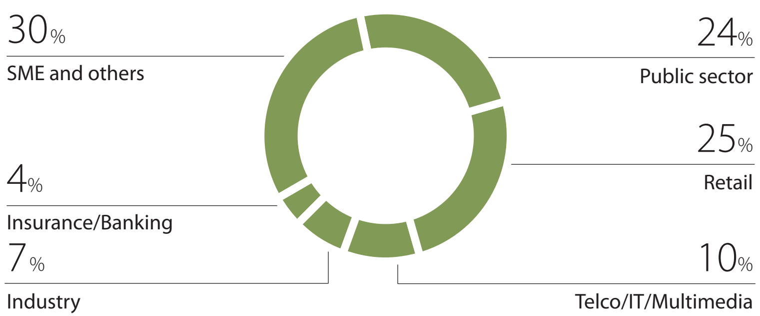
* Market value as at 31.12.2010, Acquisitions after 31.12.2010 considered at cost

TYPES OF USE

by rental income (as at 31 March 2011)

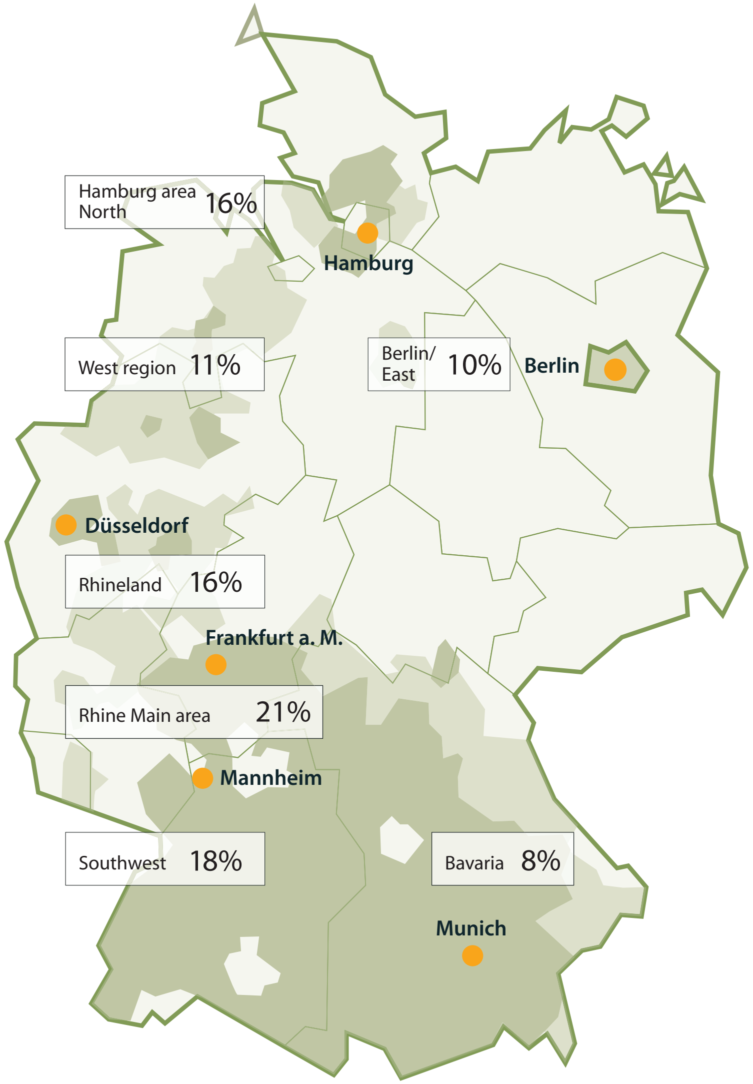
MAIN TENANTS

by rental income (as at 31 March 2011)



REGIONAL DISTRIBUTION OF PROPERTIES

by lettable area in sqm, as at 31 March 2011



- Branches
- Region with excellent economic performance
- Region with good economic performance

(based on regional ranking of „Initiative Neue Soziale Marktwirtschaft

DIC Asset AG

Eschersheimer Landstraße 223
60320 Frankfurt am Main

Phone +49 69 9 45 48 58-0 · Fax +49 69 9 45 48 58-99
ir@dic-asset.de · www.dic-asset.de

This report is also available in German (binding version).

Concept and Design:
LinusContent AG, Frankfurt am Main
www.linuscontent.com