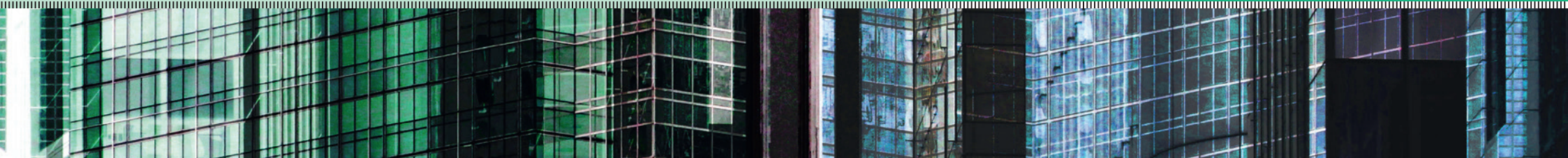


DIC ■

Q3 2020

QUARTERLY STATEMENT



dynamic performance

## Dear Shareholders,

The current year is demonstrating that DIC Asset AG's business model is outstandingly successful even in the face of exceptional challenges. We all know that COVID-19 continues to dominate our society as well as political and economic decision-making. In these times, DIC Asset AG once more is proving that its business is not only fundamentally stable but that it can also adapt to the realities of the market dynamically and confidently. DIC Asset AG is therefore achieving long-term success and remains a reliable partner for shareholders even in these unprecedented times.

**We will continue to unwaveringly pursue our defined goals from this position of strength.** This means that we are still highly focused on our target of EUR 10 billion in assets under management and want to reach this target in the short term. This figure has risen by around 14% year-to-date to EUR 8.7 billion as of 30 September and we are confident that our strategy and business are properly positioned to achieve our planned volumes in the short term.

In recent weeks and months we have also been experiencing dynamic business in the transaction and rental markets, where we are active and where we have seized and will continue to exploit opportunities. Here are some examples of this:

To date we have succeeded in acquiring six properties with a total volume of around EUR 483 million. Of this figure, EUR 189 million was purchased for the Commercial Portfolio alone, which means we have almost reached our acquisition target of EUR 200 to 300 million. And our acquisition pipeline remains well stocked, particularly for additional investments in the Institutional Business segment.

We are also seeing vigorous demand and encouraging market values on the sales side. We reached our planned sales target in the Commercial Portfolio with the very profitable sale of two properties in Berlin and Düsseldorf totalling EUR 108 million. We are also on track in the Institutional Business with around EUR 235 million in sales, which means we have already reached three-quarters of our planned sales target and realised the respective management fees.

**Our lettings teams are seeing strong demand for our space.** They are busier than ever and confirmed the trend of strong letting performance in the third quarter. Our local specialists have finished contracts for space totalling around 214,300 sqm and have thus continued to secure long-term cash flows in both business segments.

Dear shareholders, you have been familiar with our new Dynamic Performance slogan since the General Shareholders' Meeting. With this motto, we want to communicate that we operate dynamically in what is a dynamic environment. For us, dynamism is synonymous with speed, reliability and creativity. While we would never have thought that this attitude would help us to stand our ground in such an extraordinary economic environment, we are proud to be able to demonstrate that we are living out Dynamic Performance! We can do it!

**This drive to meet our goals is bearing fruit:** Our key performance indicator FFO (funds from operations) rose by 6% to EUR 72.7 million year-on-year and is thus fully on track for the full year 2020.

**Let us also look ahead to future opportunities.** We have shown a dynamic response, in the best sense of the word, to changes in the market and consumer behaviour. Our investment strategy firmly stipulates that we will continue to expand the logistics investments for both our own portfolio as well as for institutional investors. As a result, we are diversifying our own rental cash flows and real estate management fees.

We have also already responded to this internally. A specialist logistics team has been set up in investment and fund management and will be led by the newly created Head of Logistics role in a few months time.

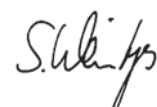
**As you can see, DIC Asset AG is demonstrating reliable stability together with a great deal of flexibility, innovation and creativity in unprecedented times.**

Our results after the first nine months of the year once again confirm that we are drawing ever closer to our transaction targets with a well-filled pipeline in the current fourth quarter. We are therefore narrowing our guidance and now anticipate FFO of EUR 95–96 million, gross rental income of at more than EUR 98 million and management income of around EUR 80–85 million. The transaction targets remain the same.

Dear shareholders, the 2020 financial year is one that will live long in all of our memories, both on a personal level and as a company. Showing our Dynamic Performance, we will use the last few months of the year to ensure that we can look back on results that prove we are a stable and reliable partner to our customers and you, our shareholders, even in these times.

Last but not least let us say thank you for the confidence in DIC Asset AG that you have once again shown us with the 40% acceptance rate for the scrip dividend.

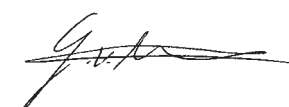
Frankfurt am Main, October 2020



Sonja Wärrtges



Christian Bock



Johannes von Mutius



Patrick Weiden

## Q3 confirms positive trend for lettings and transactions



### Letting performance

up 72% to 214,300 sqm with focus squarely on lease renewals



### Acquisition volume

reaches EUR 483 million for both segments; ensuring the quality and quantity of rental income and management income



### Real estate management fees

up 56% to EUR 60.6 million



### FFO

up 6% to EUR 72.7 million



### Adjusted NAV

at EUR 21.56, incl. full value of Institutional Business



STRONG TRANSACTION PIPELINE

AuM  
EUR 8.7  
billion

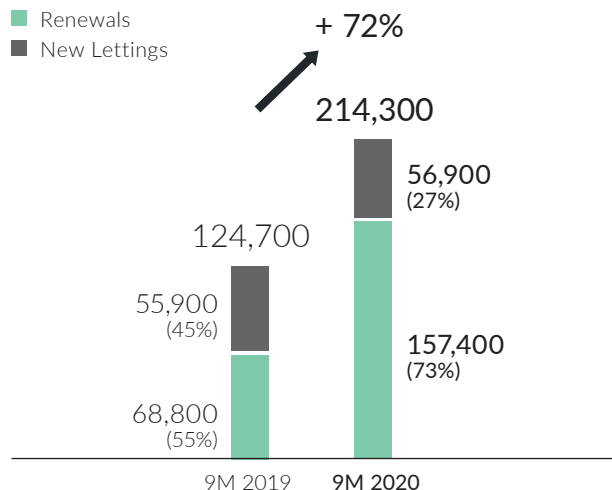
Short-term  
target  
EUR ~10.0  
billion  
AuM

# Highly dynamic letting performance

## LETTING VOLUME

in sqm

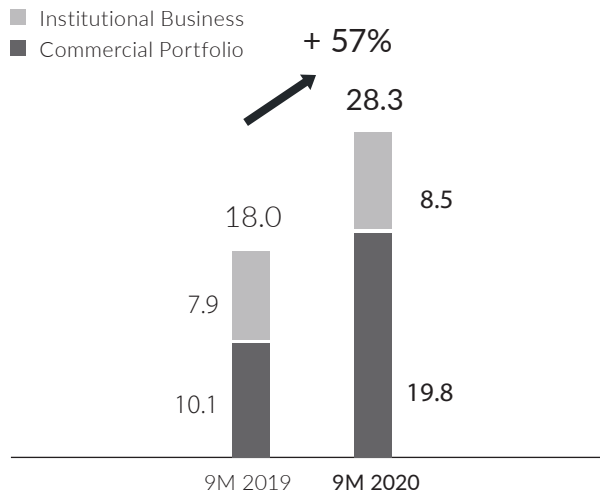
- Renewals
- New Lettings



## LETTING VOLUME BY SEGMENTS

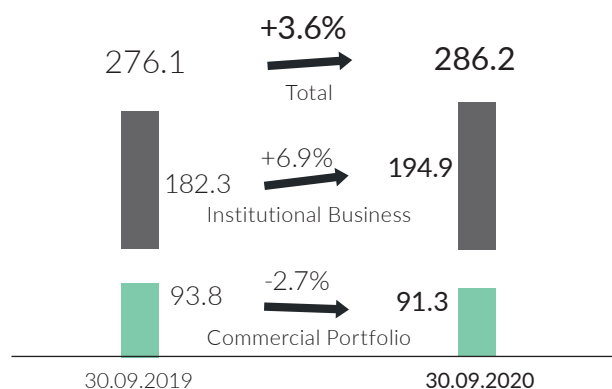
contracted annualised rental income in EUR million

- Institutional Business
- Commercial Portfolio



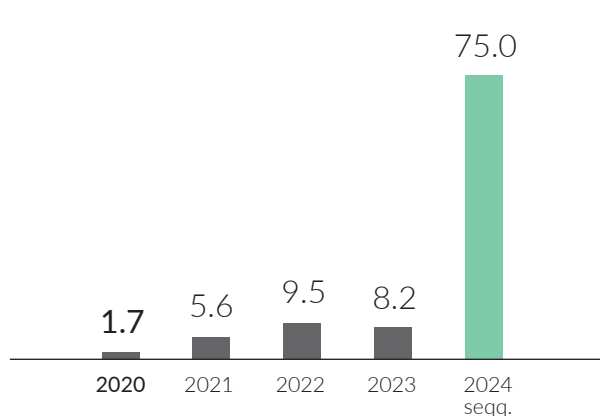
## LIKE-FOR-LIKE RENTAL INCOME

annualised, in EUR million



## LEASE MATURITY TOTAL PORTFOLIO

annualised rental income in %



- **Letting performance** was up 72% year-on-year to 214,300 sqm
- Strong trend towards **lease renewals** confirmed as the volume more than doubled to 157,400 sqm – including large-volume deals (e.g. Allianz with approx. 14,000 sqm, VB Baden-Württemberg with approx. 18,000 sqm)
- **New lettings** on high level of the prior year, with more valuable contracts (9M 2020: EUR 11.7 million, 9M 2019: EUR 8.2 million)
- In the first nine months of 2020, leases with **annualised rental income** totalling EUR 28.3 million (+57% year-on-year) were signed
- On a **like-for-like** basis, rental income was up 3.6%. The 2.7% decline in the Commercial Portfolio is mainly due to rent adjustments for the Kaufhof properties in Chemnitz and Leverkusen (retail portfolio) and the repositioning of spaces for two office tenants in Wiesbaden and Frankfurt (office portfolio) – pro-forma: +0.1%

# AuM target of EUR 10 billion firmly in sight: +19% year-on-year

## PORTFOLIO BY SEGMENT

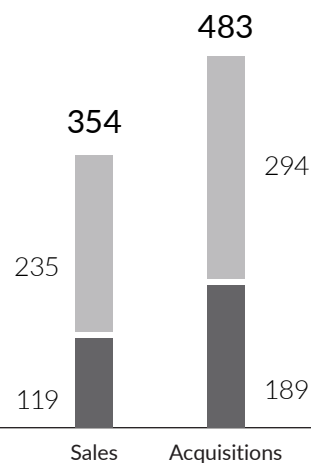
30.09.2020	Commercial Portfolio	Institutional Business	Total
Number of properties	96	93	189
Market value in EUR million*	2,054.1	6,598.0	8,652.1
Rental space in sqm	873,400	1,334,700	2,208,100
30.09.2019	Commercial Portfolio	Institutional Business	Total
Number of properties	96	77	173
Market value in EUR million*	1,800.9	5,513.6	7,314.5
Rental space in sqm	903,400	1,112,200	2,015,600

\* Market value as at 31.12. of the previous year, later acquisitions generally considered at cost

## TRANSACTIONS IN 2020

notarised, in EUR million

■ Institutional Business  
■ Commercial Portfolio



- **Assets under management** rose by 19% year-on-year to EUR 8.7 billion, distributed across 189 properties with rental space of around 2.2 million sqm
- As of today, the notarised **transaction volume** totalled EUR 837 million, with purchases amounting to EUR 483 million and sales to EUR 354 million
- Following the purchase of the "LOOK 21" property in the centre of Stuttgart and the new "HangarOne" office building in Cologne-Ossendorf in the third quarter, the acquisition volume in the **Institutional Business** has increased to EUR 294 million
- The **transfer** of the "GATE NEUN" multi-tenant office building in Stuttgart (total investment costs of around EUR 72 million) in September lifted the market value of the **Commercial Portfolio** to around EUR 2.1 billion. Before that, possession, benefits and associated risks for the two acquisitions in Hanover and Eschborn (EUR 117 million), which were notarised in the second quarter, had been transferred in July

# Commercial Portfolio grows to over EUR 2 billion market value

## DEVELOPMENT OF THE COMMERCIAL PORTFOLIO\*

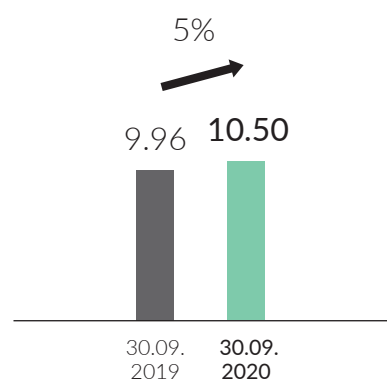
	30.09.2020	31.12.2019	30.09.2019
Number of properties	96	93	96
Market value (in EUR million)	2,054.1	1,900.0	1,800.9
Rental space in sqm	873,400	842,400	903,400
Annualised rental income in EUR million	102.1	101.8	103.0
Avg. rent per sqm in EUR	10.50	10.41	9.96
WALT in years	6.3	6.0	6.2
EPRA vacancy rate in %	7.1	6.5	7.3
Gross rental yield in %	5.0	5.4	5.7

\* without project developments and repositioning properties, except for number of properties, market value and rental space

- As of the reporting date, the **Commercial Portfolio** comprised 96 properties with a **market value** of around EUR 2.1 billion and **rental space** of 873,400 sqm
- The **EPRA vacancy rate** fell by 20 basis points to 7.1 % (30 September 2019: 7.3%) as a result of the strong letting performance and acquisitions
- The **average rent** increased by 5 % to EUR 10.50 per sqm
- The **annualised rental income** as of the reporting date was around EUR 102.1 million
- **WALT** was up slightly year-on-year, from 6.2 years to 6.3 years

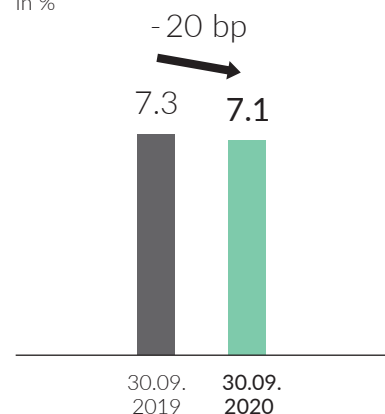
### AVERAGE RENT

in EUR/sqm



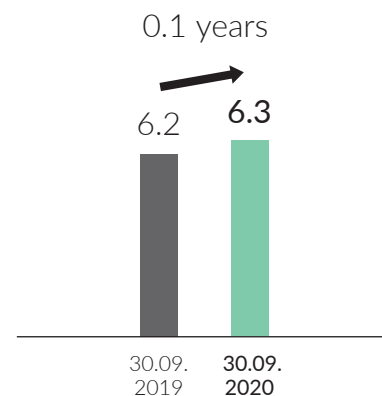
### EPRA VACANCY RATE

in %



### WALT

in years





# Acquisition of the cash-flow generating, refurbished property "GATE NEUN" in Stuttgart

GRI Yield of 5.3%



© TAKTICS GmbH, Stuttgart



- "GATE NEUN" is a further step to expand DIC's footprint in Stuttgart metro region
- Well-connected: next to A8 motorway and directly next to new Daimler Trucks Campus (constructed until 2021)
- Modernisation to be completed by Q2 2021
- Pre-letting currently at 56% with already one tenant delivering rental cash flow of EUR 0.6 million p.a.

Acquisition price (excl. acquisition cost):	EUR 72 million
Year of construction/modernisation:	Modernisation until Q2 2021
Rental space (sqm):	17,900
Target WALT:	8.5 years
Pre-letting ratio:	56%





## Disposal target achieved: two disposals at around 20% above market value



Forecast  
DISPOSAL VOLUME  
EXCEEDED

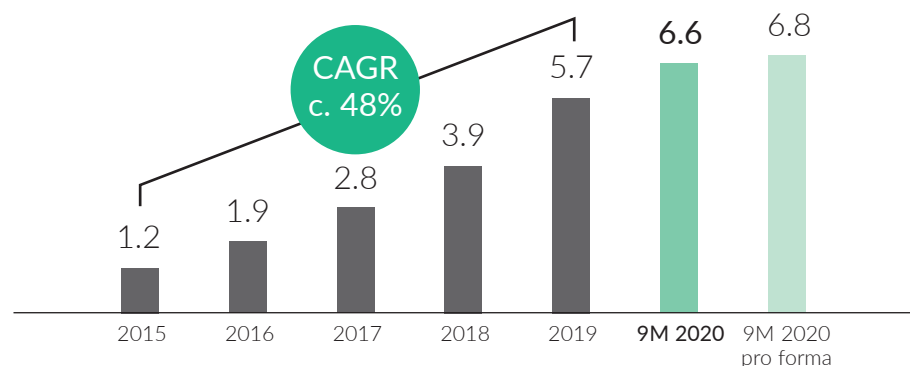
Two properties disposed  
for around  
**EUR 108 million**

- Two property disposals in Berlin and Düsseldorf were notarised for around EUR 108 million in the second half of the year (transfer expected in Q4)
- The **disposal price** was around 20% above the most recently determined market values
- The **profit of around EUR 34 million** generated by the disposals reflects the added value created during the holding phase based on lettings and concept development
- The cash flow from the disposals amounts to around EUR 60 million
- This brings the **total disposal volume** to around EUR 119 million, which exceeds the **forecast target of around EUR 100 million** for the Commercial Portfolio

# Institutional Business on growth trajectory with strong investor interest and strong pipeline

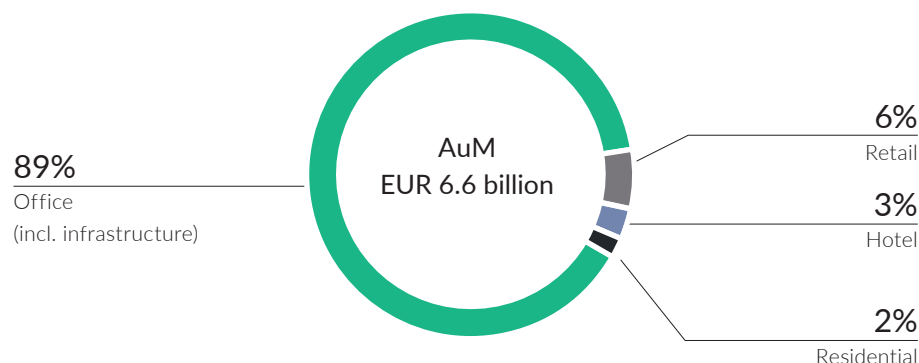
## ASSETS UNDER MANAGEMENT

in EUR billion



## TYPES OF USE

based on assets under management in EUR million



- **Assets under management** in the Institutional Business rose by 16% to EUR 6.6 billion since the start of the year (31 December 2019: EUR 5.7 billion) driven by a steady stream of transactions and transfers
- The purchase of the properties "LOOK 21" in the centre of Stuttgart and "HangarOne" in Cologne-Ossendorf (see following page), has lifted the **acquisition volume to just around EUR 294 million**, representing about half of the volume forecast for 2020 (transfer expected to take place in the fourth quarter of 2020)
- **Including recent acquisitions**, assets under management have already reached EUR 6.8 billion
- **Additional equity of more than EUR 500 million** is currently available for additional investments for existing vehicles. This will enable us to **acquire more than EUR 1 billion in additional properties**
- **Strong pipeline:** Additional equity commitments expected due to strong investor interest

## Two acquisitions for existing special property funds implemented in Q3



STUTTGART  
CITY CENTER  
"LOOK 21"

Q3 ACQUISITIONS  
for approx.  
EUR 160 million (TIC)

for existing  
special AIF

COLOGNE-  
OSSENDORF  
"HangarOne"

© Virtuell Format Korczowski, Ratingen /  
HangarOne gmbh & co kg, Aachen

Acquisition price (excl. acquisition cost):	EUR 122 million
Year of completion:	2020
Rental space:	11,200 sqm + 220 parking units
WALT	12 years
Pre-letting ratio:	100%

- New build property, modern architecture with landmark character
- Fully let to a blue-chip tenant from the infrastructure sector
- Multi-tenant-capable property featuring downtown location in the Europaviertel and excellent transport links

Acquisition price (excl. acquisition cost):	EUR 38 million
Year of completion:	Q4 2020
Rental space:	8,500 sqm + c. 140 parking units
WALT	9 years
Pre-letting ratio:	60%

- Newly constructed five-storey office building on the former historic airport grounds
- High construction quality and competitive fit-out standard
- 60% pre-let to blue-chip tenants from the specialist industrial materials, flexible office and IT consulting sectors
- Further letting negotiations are on-going

## Steady contributions to earnings delivered by consistently growing real estate platform

### CONSOLIDATED INCOME STATEMENT

in EUR million	9M 2020	9M 2019	Δ
Gross rental income	76.3 <sup>1</sup>	75.6	1%
Profit on disposal of properties	2.5	4.4	-43%
Real estate management fees	60.6 <sup>2</sup>	38.9	56%
Share of the profit of associates	8.0	17.7	-55%
Net other income	-0.3	0.5	>-100%
Operating expenses	-36.2 <sup>3</sup>	-30.9	17%
Administrative expenses	-14.2	-12.1	17%
Personnel expenses	-22.0	-18.8	17%
Depreciation and amortisation	-28.5	-24.8	15%
Net interest result	-21.1 <sup>4</sup>	-25.2	-16%
Interest income	6.5	7.7	-16%
Interest expenses	-27.6	-32.9	-16%
Profit for the period	38.4 <sup>5</sup>	40.0	-4%

- 1** Rental income in the Commercial Portfolio rose by 1% to EUR 76.3 million: The increase from acquisitions (EUR 7.4 million) thus exceeded the decrease from sales (EUR 7.0 million) and the rent adjustments made due to COVID-19
- 2** Real estate management fees rose by 56% to EUR 60.6 million amid a significant expansion of the Institutional Business. Of this amount, EUR 25.3 million is transaction-related whereas EUR 35.3 million results from higher asset and property management as well as development fees
- 3** The 17% increase in operating expenses to EUR 36.2 million is mainly due to growth in the Institutional Business. The COVID-19 pandemic has also led to higher expenses, especially in relation to IT and consulting costs
- 4** The ongoing optimisation of financing terms, in particular the repayment of the 14/19 bond (coupon of 4.625% p.a.; volume of EUR 175 million), which was replaced by low-interest promissory note loans (average of 1.55% p.a.; volume of EUR 180 million), led to a reduction in interest expense and thus to an **improvement in the net interest result** of EUR 4.1 million
- 5** At EUR 38.4 million, the **profit for the period** is roughly on the same level as the previous year. The decrease is mainly due to lower sales profits

# Complementary business segments: Institutional Business delivers growing FFO contribution

## SEGMENT REPORTING

in Mio. Euro	9M 2020			9M 2019		
	Commercial Portfolio	Institutional Business	Total	Commercial Portfolio	Institutional Business	Total
<b>Key earnings figures</b>						
Gross rental income (GRI)	76.3		76.3	75.6		75.6
Net rental income (NRI)	61.7		61.7	65.5		65.5
Profits on property disposals	2.5		2.5	4.4		4.4
Real estate management fees		60.6	60.6		38.9	38.9
Share of the profit or loss of associates		8.0	8.0		17.7	17.7
Depreciation and amortisation	-24.0	-4.5	-28.5	-22.9	-1.9	-24.8
Net other income	0.1	-0.4	-0.3	0.4	0.1	0.5
Net interest result	-18.5	-2.6	-21.1	-21.8	-3.4	-25.2
Operational expenditure (OPEX)	-9.8	-26.4	-36.2	-8.7	-22.2	-30.9
- of which administrative costs	-3.8	-10.4	-14.2	-3.1	-9.0	-12.1
- of which personnel costs	-6.0	-16.0	-22.0	-5.6	-13.2	-18.8
Other adjustments*	0.2	0.0	0.2	-0.2	2.2	2.0
Funds from Operations (FFO)	33.6	39.1	72.7	35.2	33.3	68.5
EBITDA	54.5	41.7	96.2	61.6	34.5	96.1

\* The other adjustments include:

- Transaction, legal and consulting costs of EUR 213 thousand (previous year: EUR 1,852 thousand)
- Administrative expenses and personnel costs of EUR 0 thousand (previous year: EUR 128 thousand)

### ■ Key factors in the Commercial Portfolio:

- **Net rental income** is down EUR 3.8 million year-on-year due to COVID-19-related higher risk provisions for unpaid rents
- Overall, **operating expenses** rose by EUR 1.1 million year-on-year mainly triggered by the COVID-19 pandemic. Personnel costs increased by EUR 0.4 million and administrative expenses rose by EUR 0.7 million, mainly driven by an increase in legal and consulting services and IT costs
- Despite a EUR 3.8 million decline in net rental income, the segment's FFO contribution was down only EUR 1.6 million year-on-year, which is primarily due to the **significant improvement in the net interest result**

### ■ Key factors in the Institutional Business:

- **Real estate management fees** rose by 56%
- Adjusted for the TLG dividend of EUR 12.9 million included in the previous year, the **share of the profit of associates** improved by EUR 3.4 million
- **Operating expenses** increased, in particular due to the integration of the GEG teams
- Up 17%, the segment's FFO contribution reflects its growth



## Total assets reflect growth

### BALANCE SHEET OVERVIEW

in EUR million	30.09.2020		31.12.2019
Total assets	2,765.0	①	2,657.4
Non-current assets	2,204.7	②	2,105.6
– thereof goodwill	177.9		177.9
Current assets	560.3		551.8
Total equity	1,069.6	③	968.8
Non-current loans and borrowings	1,442.3	④	1,292.3
Current loans and borrowings	84.4	④	219.9
Other liabilities	168.6		176.4
Total liabilities	1,695.3		1,688.6
Balance sheet equity ratio	38.7%	⑤	36.5%

- ① **Net assets** were impacted by the capital increase in January (EUR +107.3 million), the cash dividend payment in September (EUR -36.0 million) and the increase in investment property (EUR +103.4 million). Respectively the invested cash has an offsetting impact on the current assets. As a result, total assets rose by EUR 107.6 million to EUR 2,765.0 million as against year-end 2019
- ② **Non-current assets** increased by EUR 99.1 million to EUR 2,204.7 million compared with 31 December 2019, driven mainly by the acquisitions in Hanover, Eschborn and Leinfelden-Echterdingen. The notarisation of the sale of the Berlin property had an offsetting effect as the property was reclassified to current assets
- ③ The profit for the period of EUR 38.4 million and the net inflow of EUR 107.3 million from the capital increase carried out in January were key factors in causing **equity to increase by EUR 100.8 million** to EUR 1,069.6 million compared to 31 December 2019. The payment of a cash dividend for the 2019 financial year totalling EUR 36.0 million in the third quarter had an offsetting effect. Another high acceptance rate of around 40% for the scrip dividend demonstrates shareholders' high level of confidence in DIC Asset AG's strategy and strengthens its equity base by a further EUR 16.2 million
- ④ The refinancing carried out and repayments made in 2020 reduced current interest-bearing loans and borrowings and caused non-current interest-bearing loans and borrowings to increase. New borrowings associated with the acquisition of properties in the Commercial Portfolio also contributed to the rise in non-current loans and borrowings
- ⑤ The reported **equity ratio rose** from 36.5% on 31 December 2019 to 38.7%



## Adjusted net asset value at high level

### EPRA-NET ASSET VALUE

in EUR million	30.09.2020	31.12.2019
Carrying amount of properties	1,726.5	1,623.0
Fair value adjustment	296.5	277.0
Fair value of the Commercial Portfolio	2,023.0	1,900.0
Real estate assets acc. to IFRS 5	128.2	100.2
Fair value of properties	2,151.2	2,000.2
Carrying amount of investments in associates	69.7	71.2
Fair value adjustment	5.9	5.9
Fair value of investments in associates	75.6	77.1
+/- Other assets/liabilities (excluding goodwill)	605.5	592.6
Restatement of Other assets/liabilities*	-72.6	-60.4
Net loan liabilities at carrying amount	-1,526.7	-1,512.1
Net loan liabilities in accordance with IFRS 5	-40.6	-35.0
Non-controlling interests	-12.2	-12.2
Goodwill incl. other assets / liabilities	194.6	194.0
EPRA net asset value (EPRA-NAV)	1,374.8	1,244.2
Less goodwill and other intangible assets	-194.6	-194.0
Plus Fair Value of Institutional Business	557.0	557.0
Adjusted NAV	1,737.2	1,607.2
Number of shares (thousand)	80,587	72,214
EPRA-NAV per share in EUR**	17.06	17.23
Adjusted EPRA-NAV per share in EUR**	21.56	22.26

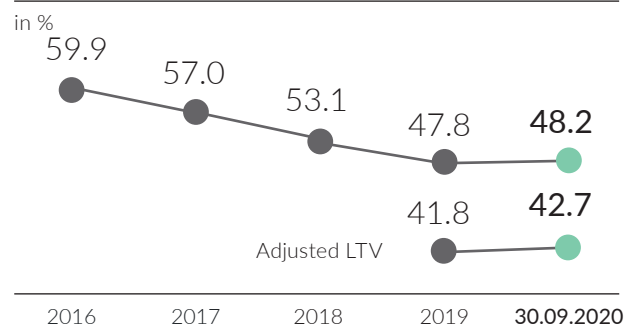
\* Restated for deferred taxes (EUR +9.196 thousand; previous year: EUR +7,880 thousand), financial instruments (EUR +5.843 thousand; previous year: EUR -3,045 thousand) and IFRS 5 assets and liabilities (EUR -87.614 thousand; previous year: EUR -65,123 thousand)

\*\* Based on 80,587,028 shares (previous year: 72,213,775 shares)

- The **EPRA-NAV** rose by EUR 130.6 million to EUR 1,374.8 million compared to year end 2019
- The **EPRA-NAV per share** was EUR 17.06 (31 December 2019: EUR 17.23), with the number of shares outstanding increasing by 8,373,253 compared to 31 December 2019
- The **adjusted NAV**, which includes the full value of the Institutional Business, also rose by EUR 130.0 million to EUR 1,737.2 million compared to 31 December 2019
- The **adjusted NAV per share** was EUR 21.56 at 30 September 2020 (31 December 2019: EUR 22.26) due to the increase in the number of shares outstanding by 8,373,253 compared to the end of 2019

## Stable financial structure: no significant maturities until mid 2022

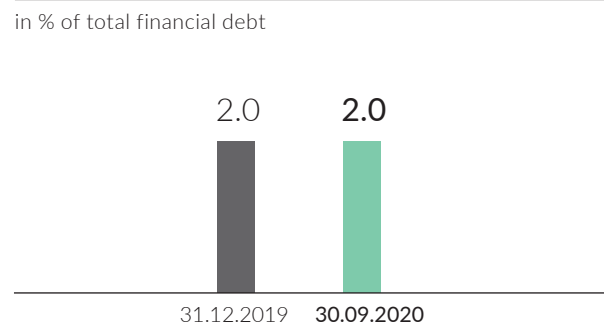
### LOAN-TO-VALUE\*/ADJUSTED LTV\*\*



\* The ratio of total financial debt, corporate bonds and liabilities to related parties minus cash in banks on the one hand and the fair value of investment property, equity investments and receivables from related parties and intangible assets, e.g. goodwill on the other hand, adjusted for warehousing.

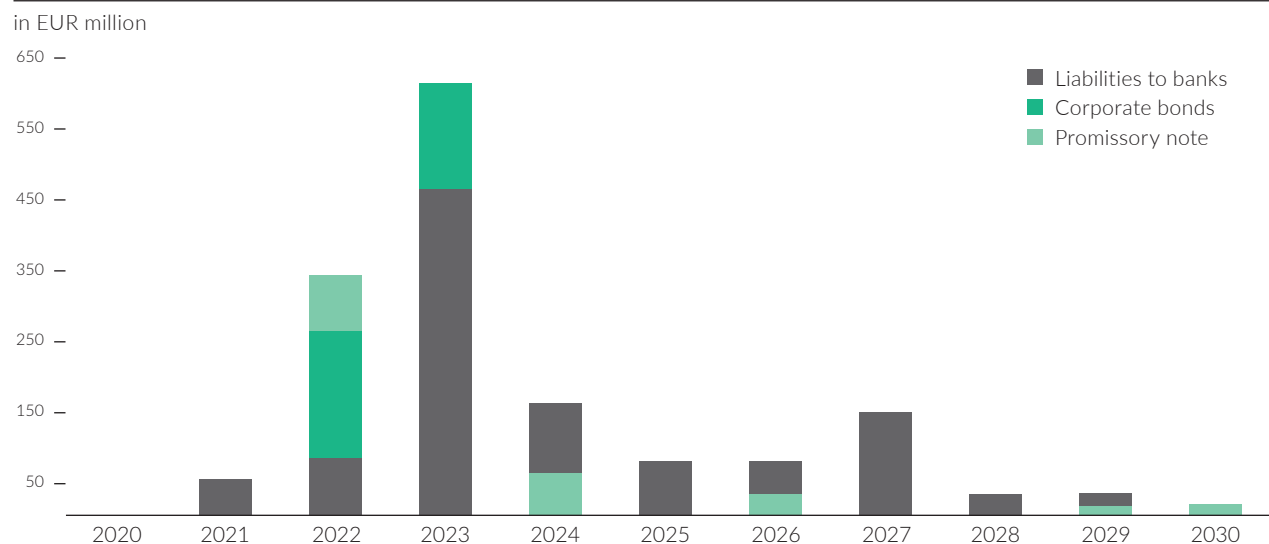
\*\* including fair value of Institutional Business

### AVERAGE INTEREST RATE



- The **average maturity of loans and borrowings** was 3.8 years (31 December 2019: 3.9 years)
- The average **interest rate of loans and borrowings** at the reporting date stood at 2.0%
- The **interest cover ratio** (ICR, the ratio of EBITDA to net interest result) remained at a very high level of 405%
- The **LTV** (adjusted for warehousing) temporarily increased slightly to 48.2% as of 30 September 2020 (31 December 2019: 47.8%), mainly due to the distribution of the cash dividend
- No **maturities** up for refinancing in 2020, EUR 52 million up for refinancing in 2021
- **Cash and cash equivalents** as of 30 September 2020 amounted to around EUR 318 million

### MATURITIES OF LOANS AND BORROWINGS (9M 2020)\*



\* nominal values as of 30 September 2020

## 2020 guidance refined – DIC continues on a successful course

AuM  
short-term  
~10,0  
EUR billion

### Targets 2020

Gross Rental Income	Real Estate Management Fees	FFO	Transactions	
			Acquisitions	Sales
<p>≥ 98 EUR million</p> <p>(updated, previously: 94-98 EUR million)</p>	<p>80-85 EUR million</p> <p>(updated, previously: 80-90 EUR million)</p>	<p>95-96 EUR million</p> <p>(updated, previously: 94-96 EUR million)</p>	<p>700-1,100 EUR million</p> <p>thereof</p> <p>200-300 EUR million for the Commercial Portfolio</p> <p>500-800 EUR million for the Institutional Business</p>	<p>c. 400 EUR million</p> <p>thereof</p> <p>c. 100 EUR million from the Commercial Portfolio</p> <p>c. 300 EUR million from the Institutional Business</p>

## DIC ASSET AG AT A GLANCE

Key financial figures in EUR million	9M 2020	9M 2019	Δ	Q3 2020	Q3 2019	Δ
Gross rental income	76.3	75.6	1%	24.9	25.9	-4%
Net rental income	61.7	65.5	-6%	20.7	22.5	-8%
Real estate management fees	60.6	38.9	56%	18.5	21.4	-14%
Proceeds from sales of property	9.5	47.5	-80%	0.0	31.4	-100%
Total income	163.2	178.8	-9%	48.9	84.7	-42%
Profits on property disposals	2.5	4.4	-43%	0.0	2.7	-100%
Share of the profit or loss of associates	8.0	17.7	-55%	1.7	1.9	-11%
Funds from Operations (FFO)	72.7	68.5	6%	22.1	25.5	-13%
EBITDA	96.2	96.1	0%	29.0	34.9	-17%
EBIT	67.7	71.2	-5%	19.1	25.7	-26%
EBT	46.5	46.1	1%	12.1	17.5	-31%
Profit for the period	38.4	40.0	-4%	9.9	14.1	-30%
Cash flow from operating activities	45.8	50.4	-9%	21.1	8.1	>100%
<b>Key financial figures per share in EUR <sup>1)</sup></b>	<b>9M 2020</b>	<b>9M 2019</b>	<b>Δ</b>	<b>Q3 2020</b>	<b>Q3 2019</b>	<b>Δ</b>
FFO	0.92	0.96	-4%	0.27	0.36	-25%
Earnings	0.48	0.56	-14%	0.12	0.19	-37%
<b>Balance sheet figures in EUR million</b>	<b>30.09.2020</b>	<b>31.12.2019</b>				
Loan-to-value ratio (LTV) in % <sup>2)</sup>	48.2	47.8				
Adjusted LTV in % <sup>2,5)</sup>	42.7	41.8				
Investment property	1,726.5	1,623.0				
Equity	1,069.6	968.8				
Financial liabilities	1,567.3	1,547.2				
Total assets	2,765.0	2,657.4				
Cash and cash equivalents	317.6	351.2				

EPRA key figures in EUR million	30.09.2020	31.12.2019	Δ			
EPRA Net Asset Value (EPRA-NAV)	1,374.8	1,244.2	10%			
EPRA Net Reinstatement Value (EPRA-NRV)	1,436.4	1,301.5	10%			
EPRA Net Disposal Value (EPRA-NDV)	1,208.6	1,065.3	13%			
EPRA Net Tangible Assets (EPRA-NTA)	1,121.9	993.1	13%			
EPRA net initial yield (in % <sup>3)</sup> )	4.1	4.5				
EPRA "topped up" net initial yield (in % <sup>3)</sup> )	4.2	4.6				
EPRA vacancy rate (in % <sup>4)</sup> )	7.1	6.5				
	<b>9M 2020</b>	<b>9M 2019</b>	<b>Δ</b>	<b>Q3 2020</b>	<b>Q3 2019</b>	<b>Δ</b>
EPRA earnings	64.6	62.7	3%	19.8	22.4	-12%
EPRA cost ratio incl. direct vacancy costs (in % <sup>3)</sup> )	27.9	20.5				
EPRA cost ratio excl. direct vacancy costs (in % <sup>3)</sup> )	26.7	18.8				
<b>EPRA key figures per share in EUR <sup>1)</sup></b>	<b>9M 2020</b>	<b>9M 2019</b>	<b>Δ</b>	<b>Q3 2020</b>	<b>Q3 2019</b>	<b>Δ</b>
EPRA earnings per share	0.82	0.88	-7%	0.25	0.31	-19%
	<b>30.09.2020</b>	<b>31.12.2019</b>	<b>Δ</b>			
EPRA-NAV per share <sup>6)</sup>	17.06	17.23	-1%			
Adjusted NAV per share <sup>5,6)</sup>	21.56	22.26	-3%			

1) all per share figures adjusted in accordance with IFRS (number of shares 9M 2020: 79,029,826; 9M 2019: 71,544,743)

2) adjusted for warehousing

3) Calculated for the Commercial Portfolio only

4) Calculated for the Commercial Portfolio only, without project developments and repositioning

5) incl. full value of Institutional Business

6) per share figures according to shares outstanding as of the balance sheet date (9M 2020: 80,587,028; 9M 2019: 72,213,775)

## CONSOLIDATED INCOME STATEMENT

for the period from 1 January to 30 September 2020

in EUR thousand	9M 2020	9M 2019	Q3 2020	Q3 2019
Total income	163,156	178,772	48,821	84,645
Total expenses	-103,431	-125,245	-31,393	-60,893
Gross rental income	76,301	75,614	24,915	25,931
Ground rents	-375	-512	-125	-176
Service charge income on principal basis	16,181	15,298	5,351	5,182
Service charge expenses on principal basis	-18,154	-17,086	-5,945	-5,759
Other property-related expenses	-12,227	-7,807	-3,440	-2,632
Net rental income	61,726	65,507	20,756	22,546
Administrative expenses	-14,232	-12,142	-4,469	-6,013
Personnel expenses	-22,032	-18,752	-7,438	-8,076
Depreciation and amortisation	-28,503	-24,843	-9,888	-9,234
Real estate management fees	60,555	38,872	18,482	21,385
Other operating income	596	1,538	74	725
Other operating expenses	-926	-1,046	-87	-281
Net other income	-330	492	-13	444
Net proceeds from disposal of investment property	9,524	47,450	0	31,422
Carrying amount of investment property disposed	-6,981	-43,057	0	-28,722
Profit on disposal of investment property	2,543	4,393	0	2,700
Net operating profit before financing activities	59,727	53,527	17,430	23,752
Share of the profit or loss of associates	7,956	17,702	1,649	1,935
Interest income	6,459	7,710	2,165	2,540
Interest expense	-27,603	-32,865	-9,108	-10,779
Profit/loss before tax	46,539	46,074	12,136	17,448
Current income tax expense	-2,265	-2,535	-643	-806
Deferred tax expense	-5,856	-3,521	-1,547	-2,551
Profit for the period	38,418	40,018	9,946	14,091
Attributable to equity holders of the parent	38,263	40,058	9,802	14,042
Attributable to non-controlling interest	155	-40	144	49
Basic (=diluted) earnings per share (EUR) *	0.48	0.56	0.12	0.19

\* calculated with the new average number of shares in accordance with IFRS as per 9M 2020 of 79,029,826 (9M 2019: 71,544,743)

CONSOLIDATED STATEMENT OF  
COMPREHENSIVE INCOME

for the period from 1 January to 30 September 2020

in EUR thousand	9M 2020	9M 2019	Q3 2020	Q3 2019
Profit/loss for the period	38,418	40,018	9,946	14,091
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss				
Fair value measurement of hedging instruments				
Cash flow hedges	-1,361	-2,492	-120	-1,105
Items that shall not be reclassified subsequently to profit or loss				
Gains/losses on financial instruments classified as measured at fair value through other comprehensive income	-7,268	14,106	-1,122	1,847
Fair value measurement of hedging instruments				
Fair value hedges	0	-1,243	0	0
Other comprehensive income*	-8,629	10,371	-1,242	742
Comprehensive income	29,789	50,389	8,704	14,833
Attributable to equity holders of the parent	29,634	50,429	8,560	14,784
Attributable to non-controlling interest	155	-40	144	49

\* after tax



## CONSOLIDATED STATEMENT OF CASH FLOW

for the period from 1 January to 30 September 2020

in EUR thousand	9M 2020	9M 2019
<b>OPERATING ACTIVITIES</b>		
Net operating profit before interest, taxes and dividends	64,183	54,517
Realised gains/losses on disposals of investment property	-2,543	-4,393
Depreciation and amortisation	28,503	24,843
Changes in receivables, payables and provisions	-25,407	6,481
Other non-cash transactions	6,796	-3,466
Cash generated from operations	71,532	77,982
Interest paid	-20,658	-26,886
Interest received	45	19
Income taxes received/paid	-5,153	-675
Cash flows from operating activities	45,766	50,440
<b>INVESTING ACTIVITIES</b>		
Proceeds from disposal of investment property	9,524	47,450
Dividends received	0	13,043
Acquisition of investment property	-151,556	-106,285
Capital expenditure on investment properties	-14,460	-34,862
Acquisition/disposal of other investments	5,063	94,657
Loans to other entities	-6,304	-7,196
Acquisition/disposal of office furniture and equipment, software	-80	-126
Cash flows from investing activities	-157,813	6,681
<b>FINANCING ACTIVITIES</b>		
Proceeds from capital increase	109,724	0
Proceeds from the issuance of corporate bonds/promissory notes	0	150,000
Proceeds from other non-current borrowings	178,240	102,360
Repayment of borrowings	-168,735	-134,109
Repayment of corporate bonds	0	-175,000
Lease payments	-2,115	-1,598
Payment of transaction costs	-2,701	-1,317
Dividends paid	-35,956	-17,703
Cash flows from financing activities	78,457	-77,367
Acquisition related increase in cash and cash equivalents	0	13,902
Net changes in cash and cash equivalents	-33,590	-20,246
Cash and cash equivalents as at 1 January	351,236	286,903
Cash and cash equivalents as at 30 September	317,646	280,559

## CONSOLIDATED BALANCE SHEET

Assets		
in EUR thousand	30.09.2020	31.12.2019
Goodwill	177,892	177,892
Investment property	1,726,520	1,623,030
Property, plant and equipment	8,992	10,285
Investments in associates	69,750	71,212
Loans to related parties	126,569	119,527
Other investments	47,240	53,611
Intangible assets	18,782	21,486
Deferred tax assets	28,976	28,545
<b>Total non-current assets</b>	<b>2,204,721</b>	<b>2,105,588</b>
Receivables from sale of investment property	1,071	488
Trade receivables	6,635	11,634
Receivables from related parties	12,558	11,002
Income tax receivable	14,326	15,491
Other receivables	45,122	41,448
Other current assets	34,671	20,402
Cash and cash equivalents	317,646	351,236
	432,029	451,701
Non-current assets held for sale	128,229	100,154
<b>Total current assets</b>	<b>560,258</b>	<b>551,855</b>
<b>Total assets</b>	<b>2,764,979</b>	<b>2,657,443</b>

Equity and liabilities		
in EUR thousand	30.09.2020	31.12.2019
<b>EQUITY</b>		
Issued capital	80,587	72,214
Share premium	878,789	763,909
Hedging reserve	-2,767	-1,406
Reserve for financial instruments classified as at fair value through other comprehensive income	-2,493	4,775
Retained earnings	111,246	125,170
<b>Total shareholders' equity</b>	<b>1,065,362</b>	<b>964,662</b>
Non-controlling interest	4,271	4,116
<b>Total equity</b>	<b>1,069,633</b>	<b>968,778</b>
<b>LIABILITIES</b>		
Corporate bonds	326,081	324,896
Non-current interest-bearing loans and borrowings	1,116,232	967,374
Deferred tax liabilities	35,719	30,493
Derivatives	3,350	1,729
Other non-current liabilities	5,400	6,709
<b>Total non-current liabilities</b>	<b>1,486,782</b>	<b>1,331,201</b>
Current interest-bearing loans and borrowings	84,417	219,856
Trade payables	5,021	3,443
Liabilities to related parties	17,258	16,582
Income tax payable	15,588	20,689
Other liabilities	45,665	61,863
	167,949	322,433
Liabilities related to non-current assets held for sale	40,615	35,031
<b>Total current liabilities</b>	<b>208,564</b>	<b>357,464</b>
<b>Total liabilities</b>	<b>1,695,346</b>	<b>1,688,665</b>
<b>Total equity and liabilities</b>	<b>2,764,979</b>	<b>2,657,443</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (1/2)

in EUR thousand	Issued capital	Share premium	Hedging reserve	Reserve for financial instruments classified as at fair value through other comprehensive income	Retained earnings	Total shareholders' equity	Non-controlling interest	Total
<b>Balance at 31 December 2018</b>	70,526	749,816	1,243	69,515	1,275	892,375	3,546	<b>895,921</b>
Profit/loss for the period					40,058	40,058	-40	<b>40,018</b>
Other comprehensive income*								
Items that may be reclassified subsequently to profit or loss								
Gains/losses on cash flow hedges			-2,492			-2,492		<b>-2,492</b>
Items that shall not be reclassified subsequently to profit or loss								
Gains/losses on financial instruments classified as measured at fair value through other comprehensive income				14,106		14,106		<b>14,106</b>
Gains/losses on the sale of financial instruments classified as measured at fair value through other comprehensive income				-76,836	76,836	0		<b>0</b>
Gains/losses from fair value hedges			-1,243			-1,243		<b>-1,243</b>
<b>Comprehensive income</b>	<b>0</b>	<b>0</b>	<b>-3,735</b>	<b>-62,730</b>	<b>116,894</b>	<b>50,429</b>	<b>-40</b>	<b>50,389</b>
Changes in the basis of consolidation							792	<b>792</b>
Dividend distribution for 2018					-33,852	-33,852		<b>-33,852</b>
Issuance of shares through capital increase for cash	1,688	14,459				16,147		<b>16,147</b>
Transaction costs of equity transactions		-366				-366		<b>-366</b>
<b>Balance at 30 September 2019</b>	<b>72,214</b>	<b>763,909</b>	<b>-2,492</b>	<b>6,785</b>	<b>84,317</b>	<b>924,733</b>	<b>4,298</b>	<b>929,031</b>
Profit/loss for the period					40,853	40,853	-182	<b>40,671</b>
Other comprehensive income*								
Items that may be reclassified subsequently to profit or loss								
Gains/losses on cash flow hedges			1,086			1,086		<b>1,086</b>
Items that shall not be reclassified subsequently to profit or loss								
Gains/losses on financial instruments classified as measured at fair value through other comprehensive income				-2,010		-2,010		<b>-2,010</b>
<b>Comprehensive income</b>	<b>0</b>	<b>0</b>	<b>1,086</b>	<b>-2,010</b>	<b>40,853</b>	<b>39,929</b>	<b>-182</b>	<b>39,747</b>
<b>Balance at 31 December 2019</b>	<b>72,214</b>	<b>763,909</b>	<b>-1,406</b>	<b>4,775</b>	<b>125,170</b>	<b>964,662</b>	<b>4,116</b>	<b>968,778</b>

\* Net of deferred taxes

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (2/2)

in EUR thousand	Issued capital	Share premium	Hedging reserve	Reserve for financial instruments classified as at fair value through other comprehensive income	Retained earnings	Total shareholders' equity	Non-controlling interest	Total
<b>Balance at 31 December 2019</b>	72,214	763,909	-1,406	4,775	125,170	964,662	4,116	<b>968,778</b>
Profit/loss for the period					38,263	38,263	155	<b>38,418</b>
Other comprehensive income*								
Items that may be reclassified subsequently to profit or loss								
Gains/losses on cash flow hedges			-1,361			-1,361		<b>-1,361</b>
Items that shall not be reclassified subsequently to profit or loss								
Gains/losses on financial instruments classified as measured at fair value through other comprehensive income				-7,268		-7,268		<b>-7,268</b>
<b>Comprehensive income</b>	0	0	-1,361	-7,268	38,263	29,634	155	<b>29,789</b>
Dividend distribution for 2019					-52,187	-52,187		<b>-52,187</b>
Issuance of shares through capital increase for cash	8,373	117,581				125,954		<b>125,954</b>
Transaction costs of equity transactions		-2,701				-2,701		<b>-2,701</b>
<b>Balance at 30 September 2020</b>	80,587	878,789	-2,767	-2,493	111,246	1,065,362	4,271	<b>1,069,633</b>

\* Net of deferred taxes

## SEGMENT REPORTING

in EUR million	9M 2020			9M 2019		
	Commercial Portfolio	Institutional Business	Total	Commercial Portfolio	Institutional Business	Total
<b>Key earnings figures</b>						
Gross rental income (GRI)	76.3		76.3	75.6		75.6
Net rental income (NRI)	61.7		61.7	65.5		65.5
Profits on property disposals	2.5		2.5	4.4		4.4
Real estate management fees		60.6	60.6		38.9	38.9
Share of the profit or loss of associates		8.0	8.0		17.7	17.7
Depreciation and amortisation	-24.0	-4.5	-28.5	-22.9	-1.9	-24.8
Net other income	0.1	-0.4	-0.3	0.4	0.1	0.5
Net interest result	-18.5	-2.6	-21.1	-21.8	-3.4	-25.2
Operational expenditure (OPEX)	-9.8	-26.4	-36.2	-8.7	-22.2	-30.9
- of which administrative costs	-3.8	-10.4	-14.2	-3.1	-9.0	-12.1
- of which personnel costs	-6.0	-16.0	-22.0	-5.6	-13.2	-18.8
Other adjustments*	0.2	0.0	0.2	-0.2	2.2	2.0
Funds from Operations (FFO)	33.6	39.1	72.7	35.2	33.3	68.5
EBITDA	54.5	41.7	96.2	61.6	34.5	96.1
EBIT	30.5	37.2	67.7	38.6	32.6	71.2
<b>Segment assets**</b>						
Number of properties	96	93	189	96	77	173
Assets under Management (AuM)	2,054.1	6,598.0	8,652.1	1,800.9	5,513.6	7,314.5
Rental space in sqm	873,400	1,334,700	2,208,100	903,400	1,112,200	2,015,600
Annualised rental income	102.1	241.2	343.3	103.0	188.3	291.3

\* The other adjustments include:

- Transaction, legal and consulting costs of EUR 213 thousand (previous year: EUR 1,852 thousand)
- Administrative expenses and personnel costs of EUR 0 thousand (previous year: EUR 128 thousand)

\*\* incl. project developments and repositioning properties

## TRANSACTIONS 2020

in EUR million (Number of properties)	Notarisations in 2020 YTD	thereof: Notarisations in 2020 YTD/Transfer of possession, benefits and associated risks until 30.09.2020	Notarisations in 2018-2019/ Transfer of possession, benefits and associated risks until 30.09.2020
<b>Acquisitions</b>			
Commercial Portfolio	189 (3)	189 (3)	0 (0)
Institutional Business	294 (3)	133 (1)	772 (5)
<b>Total</b>	<b>483 (6)</b>	<b>322 (4)</b>	<b>772 (5)</b>
<b>Sales</b>			
Commercial Portfolio	119 (3)	11 (1)	0 (0)
Institutional Business	234 (3)	174 (2)	0 (0)
<b>Total</b>	<b>353 (6)</b>	<b>185 (3)</b>	<b>0 (0)</b>

## LOAN TO VALUE (LTV)

in EUR thousand	30.09.2020	31.12.2019
<b>Assets</b>		
Carrying amount of properties	1,726,520	1,623,030
Carrying amount of properties under IFRS 5	31,128	0
Fair value adjustment	296,454	276,987
<b>Fair value of investment properties, total</b>	<b>2,054,102</b>	<b>1,900,017</b>
Fair value of equity investments (indirect property)*	122,877	130,710
Goodwill	177,892	177,892
Service agreements	51,262	40,795
Carrying amount of loans / receivables due to related parties	139,127	130,529
<b>Fair value of assets (value)</b>	<b>A 2,545,260</b>	<b>2,379,943</b>
Less goodwill	-177,892	-177,892
Less service agreements	-51,262	-40,795
Add fair value of Institutional Business	557,000	557,000
<b>Adjusted fair value of assets (value)</b>	<b>B 2,873,106</b>	<b>2,718,256</b>
<b>Liabilities</b>		
Non-current interest-bearing loans and borrowings	1,116,232	967,374
Current interest-bearing loans and borrowings	84,417	178,856
Related party liabilities	17,258	16,582
Corporate bonds	326,081	324,896
Less cash and cash equivalents	-317,647	-351,236
<b>Net liabilities (loan)</b>	<b>C 1,226,341</b>	<b>1,136,472</b>
<b>LtV** (=C/A)</b>	<b>48.2%</b>	<b>47.8%</b>
<b>Adjusted LtV** (=C/B)</b>	<b>42.7%</b>	<b>41.8%</b>

\* includes equity interests in associates and other investments

\*\* adjusted for warehousing



# Investor Relations – Contact



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

## Financial calendar 2020

17.11.2020	Deutsches Eigenkapitalforum
25.11.2020	DZ Bank Equity Conference 2020
01.12.2020	Berenberg European Conference

## 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.

For computational reasons, rounding differences from the exact mathematical values calculated (in EUR thousand, %, etc.) may occur in tables and cross-references.

## Legal

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This quarterly statement is also available in German  
(binding version).

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