UPDATE CALL PRESENTATION

HALF YEAR RESULTS 2012

15 August 2012
HIGHLIGHTS
Strong operative footprints

- **Strong letting result** in plan, vacancy rate further reduced to 12.0%
- **Rental income** increased by +11% to €62.5 mn
- **Acquisition volume at €86 mn**, with FFO contribution 2012 of at least around €1 mn
- **FFO raised** by 6% to €21.3 mn thanks to acquisitions and lettings
- Significant progress with **forward sale** of MainTor Panorama and Patio (€150 mn investment volume)
- **More than 50% (€340 mn)** of MainTor urban quarter in realisation
JLL property clock Q2 2012

- **German GDP growth** of 1.0% expected, but early indicators predict slower economy.
- **Economic forecasts** differ a lot currently.
- **Letting result** of 1.4 mn sqm (-10%) in major locations, still in line with average results in last years.
- **Vacancy rates** are decreasing in all major locations thanks to low completions for several years.
- **Transaction volume** € 9.4 bn (-16%), office properties traded the most, focus on core prevents higher transaction volume.
PORTFOLIO
Ongoing strong letting result

Letting volume in tsqm

- **Letting volume** of 112,000 sqm achieved (H1 11: 138,000 sqm), Q2 12 with plus of 16% against Q1

- **New lettings** of 47,100 sqm, **renewals** of 64,700 sqm

- **In average, higher rent level per sqm** in H1 2012, annualised rental income of € 11.7 mn (H1 11: € 12.4 mn)

- **More lettings of office space** with annualised rental income of € 9.0 mn (H1 2011: € 7.8 mn)

- **Large lettings in Q2**: Renewals to State Baden-Wuerttemberg in Mannheim (9,200 sqm) and City of Hamburg (4,700 sqm)
PORTFOLIO

Portfolio quality improves further: increasing occupancy rate

- Vacancy rate reduced to 12.0% (-1.8 pp) due to letting results (Q2 2011: 13.8%)
- Like-for-like rental income growth with +0.1% stable against previous year
- Average lease term stable with 5.3 years
- Average rent per sqm with € 10.50 at last year’s level

**Like-for-like rental income growth** in %, without developments

- Q1 2011: -0.5%
- Q2 2011: +0.6%
- H1 2011: +0.1%
- Q1 2012: +0.0%
- Q2 2012: +0.1%
- H1 2012: +0.1%

**Vacancy rate** at the end of the quarter

- Q1 11: 14.3%
- Q2 11: 13.8%
- Q3 11: 13.5%
- Q4 11: 12.4%
- Q1 12: 12.3%
- Q2 12: 12.0%
Lease maturities for 2012 against year-end 2011: reduced by more than half (€ 7.4 mn) to 4.3%

For 2013, expiries already significantly lowered by 2.2 percentage points to 7.4%

Nearly 2/3 of annualised rent with maturity after 2016

Note: Distribution of annual rental income by lease expiry
PORTFOLIO
Detailed view on our regions

- North: Strong reduction of vacancy rate through several new lettings
- East: Portfolio strengthened mainly through acquisitions
- Central: Improvement of occupancy rate via new lettings and acquisitions

<table>
<thead>
<tr>
<th>Portfolio by regions*</th>
<th>North</th>
<th>East</th>
<th>Central</th>
<th>West</th>
<th>South</th>
<th>Total 30.06.2012</th>
<th>Total 30.06.2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of properties</td>
<td>47</td>
<td>34</td>
<td>57</td>
<td>61</td>
<td>71</td>
<td>270</td>
<td>283</td>
</tr>
<tr>
<td>Market value in EUR million **</td>
<td>232.7</td>
<td>267.3</td>
<td>667.8</td>
<td>640.8</td>
<td>407.9</td>
<td>1,216.5</td>
<td>2,071.0</td>
</tr>
<tr>
<td>Lettable area in sqm</td>
<td>177,400</td>
<td>157,000</td>
<td>256,800</td>
<td>340,200</td>
<td>302,100</td>
<td>2,216.5</td>
<td>1,181,400</td>
</tr>
<tr>
<td>Portfolio proportion after rental space</td>
<td>14%</td>
<td>13%</td>
<td>21%</td>
<td>28%</td>
<td>24%</td>
<td>100%</td>
<td></td>
</tr>
<tr>
<td>Annualised rental income in EUR million</td>
<td>15.1</td>
<td>20.0</td>
<td>35.3</td>
<td>40.7</td>
<td>29.6</td>
<td>140.7</td>
<td>129.7</td>
</tr>
<tr>
<td>Rental income per sqm in EUR</td>
<td>7.70</td>
<td>11.20</td>
<td>13.30</td>
<td>11.40</td>
<td>8.60</td>
<td>10.50</td>
<td>10.30</td>
</tr>
<tr>
<td>Lease maturity in years</td>
<td>6.7</td>
<td>4.3</td>
<td>6.2</td>
<td>5.3</td>
<td>4.1</td>
<td>5.3</td>
<td>5.5</td>
</tr>
<tr>
<td>Gross rental yield</td>
<td>6.6%</td>
<td>7.5%</td>
<td>6.2%</td>
<td>6.4%</td>
<td>7.2%</td>
<td>6.6%</td>
<td>6.6%</td>
</tr>
<tr>
<td>Vacancy rate</td>
<td>8.3%</td>
<td>7.8%</td>
<td>15.9%</td>
<td>14.5%</td>
<td>10.2%</td>
<td>12.0%</td>
<td>13.8%</td>
</tr>
</tbody>
</table>

* as of 30.06.2102; all figures pro rata, except number of properties; all figures without developments except number of properties and market values
** Market value as at 31.12.2011, later acquisitions considered at cost
Multi-tenant, well occupied office property in Frankfurt at the central railway station acquired, transfer of ownership in July 2012 as planned, € 17 mn investment volume

For „DIC Office Balance I“: Acquisition of office property in Eschborn/ Frankfurt („Loftwerk“)
- 14,700 sqm with green building standard
- investment volume of € 44 mn
- completion at the end of 2012
- already pre-let for approx. 75% to three tenants

For coming „DIC HighStreet Balance“: 2 retail properties in Dresden and Mannheim secured for about € 25 mn

Acquisition volume of around 86 mn ytd achieved
MAINTOR QUARTER FRANKFURT
Where are we coming from?

- **Finalising master plan** in detail
- **Start of MainTor project**, after former tenant Evonik left the quarter
- **Attention building** through marketing and special events
- **Risk diversification** through separated and different construction phases
- **Realisation of early pre-marketing** of one subproject that allows to start the demolition of the whole area
Maintor Quarter Frankfurt

What have we done since 2011?

- **Summer 2011**: Anniversary show of „Museum für Moderne Kunst“ on the MainTor site draws over 110,000 visitors to the exposition

- **June 2011**: Forward sale of „MainTor Primus“, which will become DIC’s headquarter

- **Start of the demolition** of the whole area and construction of „MainTor Primus“

- **Winter 2012**: Major letting of „MainTor Porta“ to anchor tenant and construction start

- **August 2012**: Forward sale of „MainTor Panorama“ (offices) and „MainTor Patio“ (residential) to German pension fund (ÄVWL) for € 150 mn investment volume in favorable and innovative deal structure
MainTor progress far ahead of time: approximately € 340 mn (more than 50%) in realisation

In the next 12 months: focus on major letting activities, e.g., „MainTor Panorama“

Preparations for selling condominiums of „MainTor Palazzi“ to owner-occupiers and private investors, marketing likely to start by end of this year

Construction of „MainTor Panorama“ and „MainTor Patio“ to start during first half 2013

WinX: Major letting activities from second half of 2013
FINANCIAL FOCUS

- Financing volume of approx. EUR 500 million arranged during H1 2012, all debt rollovers needed and planned for 2012 already fixed

- Average *interest rate* stable at low level with 4.20%

- Acquisition volume of €86 mn – with *attractive long-term financings* (7-10 years)

- Growing rental income and FFO through portfolio additions and letting performance

- Ongoing efficiency in cost structure and operating cost ratio in plan
## RESULTS

Overview of consolidated profit and loss account

<table>
<thead>
<tr>
<th></th>
<th>H1 2012</th>
<th>H1 2011</th>
<th>Q2 2012</th>
<th>Q1 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gross rental income</strong></td>
<td>62.5</td>
<td>56.5</td>
<td>31.4</td>
<td>31.1</td>
</tr>
<tr>
<td><strong>Net rental income</strong></td>
<td>56.1</td>
<td>52.2</td>
<td>28.0</td>
<td>28.1</td>
</tr>
<tr>
<td><strong>Administr./Personnel expenses</strong></td>
<td>-10.0</td>
<td>-9.1</td>
<td>-4.8</td>
<td>-5.2</td>
</tr>
<tr>
<td><strong>Management fee income</strong></td>
<td>2.3</td>
<td>2.3</td>
<td>1.1</td>
<td>1.2</td>
</tr>
<tr>
<td><strong>Depreciation</strong></td>
<td>-16.1</td>
<td>-14.1</td>
<td>-8.0</td>
<td>-8.1</td>
</tr>
<tr>
<td><strong>Net other income</strong></td>
<td>0.2</td>
<td>-0.1</td>
<td>0.2</td>
<td>0.0</td>
</tr>
<tr>
<td><strong>Profit on property disposals</strong></td>
<td>0.6</td>
<td>0.6</td>
<td>0.1</td>
<td>0.5</td>
</tr>
<tr>
<td><strong>Share of the profit of associates</strong></td>
<td>1.3</td>
<td>0.9</td>
<td>0.5</td>
<td>0.8</td>
</tr>
<tr>
<td><strong>Tax expense</strong></td>
<td>-0.7</td>
<td>-0.4</td>
<td>-0.3</td>
<td>-0.4</td>
</tr>
<tr>
<td><strong>Profit for the period</strong></td>
<td>5.1</td>
<td>6.2</td>
<td>2.6</td>
<td>2.5</td>
</tr>
<tr>
<td><strong>FFO</strong></td>
<td>21.3</td>
<td>20.1</td>
<td>10.8</td>
<td>10.5</td>
</tr>
</tbody>
</table>
**REVENUES**

Rental income keeps growing

- **Gross rental income** increased by +11% to €62.5 mn (H1 2011: €56.5 mn) due to lettings and portfolio growth
- **Net rental income** with +7% at €56.1 mn (H1 2011: €52.2 mn)
- **Total revenues** of €78.2 mn (H1 2012: €76.0 mn); +€2.2 mn despite higher sales volume in 2011
**COST STRUCTURE**

Operating costs in target range

- **Personnel and administrative cost** plus €0.9 mn (+10%) at €10.0 mn
- **Higher personnel costs** follow increase in staff due to higher operations volume
- **Management fee income** stable at €2.3 mn – approx. 23% of operating costs covered
- **Operating cost ratio** reduced compared to Q1 from 12.7% to 12.3% (H1 2011: 12.0%), **target range of 11-12% on track** (including coming and secured acquisition fees at around 11.5% pro rata)

*personnel and administrative expenses reduced by management fee income to gross rental income*
COST STRUCTURE
Higher interest expense due to portfolio growth

- **Interest result** in H1 2012 at -€ 28.6 mn (H1 2011: -€ 26.1 mn)

- **Interest expense** higher with € 33.5 mn (-13%) mainly due to the larger portfolio and bond issue in May 2011 (effect: approx. +€ 1.5 mn against H1 2011); interest income increased to € 4.9 mn (+36%)

- 81% of all interest expenses are **fixed long-term**

- **Average interest rate** reduced to 4.20% (31.12.2011: 4.35%) thanks to refinancings and general interest rate level

- **Interest cover ratio** (NRI/interest expenses) stable at 168% (Q1 2012: 167%)
RESULTS

FFO increased by 6%

- **FFO** higher by € 1.2 mn (+6%) at € 21.3 mn, in Q2 2012 increase of € 0.3 mn compared to Q1 2012.

- No further proceeds from **property disposals** in Q2 2012, profit from disposals € 0.6 mn in H1 2012.

- **Profit for the period** after depreciations and taxes at € 5.1 mn (H1 2011: € 6.2 mn).

- **FFO per share** increases against Q1 2012 from € 0.23 to € 0.24, **stable at € 0.47** for H1 2012 despite higher number of shares (H1 2011: € 0.47).
### BALANCE SHEET

**Overview**

<table>
<thead>
<tr>
<th></th>
<th>30.06.2012</th>
<th>31.12.2011</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total assets</strong></td>
<td>2,252.7</td>
<td>2,248.1</td>
<td>0%</td>
</tr>
<tr>
<td>Non-current assets</td>
<td>2,021.2</td>
<td>1,997.3</td>
<td>+1%</td>
</tr>
<tr>
<td>Current assets</td>
<td>231.5</td>
<td>250.8</td>
<td>-8%</td>
</tr>
<tr>
<td><strong>Equity</strong></td>
<td>625.3</td>
<td>624.2</td>
<td>0%</td>
</tr>
<tr>
<td>Non-current liabilities</td>
<td>1,294.6</td>
<td>1,406.7</td>
<td>-8%</td>
</tr>
<tr>
<td>Current liabilities</td>
<td>332.8</td>
<td>217.3</td>
<td>+53%</td>
</tr>
</tbody>
</table>

**Balance sheet equity ratio in %**  
30.06.2012: 27.8  
31.12.2011: 27.8

**Net debt equity ratio in % * **
30.06.2012: 31.4  
Change: -0.3 pp

* net of cash, excl. hedging reserve, derivatives and deferred tax for hedges
Balance sheet equity ratio stable at 27.8% (31.12.2011: 27.8%), net of cash and excl. hedging reserve at 31.4%

Financial debt nearly unchanged at € 1,520.9 mn (Q4 2011: € 1,521.9 mn)

Average debt maturities of 3 years

Total financing volume of around € 500 mn achieved in H1 2012, all required and planned refinancings and prolongations for 2012 already fixed
CASH FLOW
Higher operating cash flow

- Cash generated from operations at €54.5 mn, significantly above previous year due to higher rental income (H1 2011: €46.4 mn)

- Cash flow from operating activities increased by €2.0 mn (+10%) to €21.3 mn

- Cash flow from investing activities of -€40.8 mn, biggest part for acquisition of Red Square and €9.5 mn capex investments

- Cash flow from financing activities of -€6.0 mn, mainly from borrowings (€13.1 mn) and release (€15.2 mn)

- €74.8 mn cash and cash equivalents at hand gives flexibility
OUTLOOK
Half-way 2012: well on track!

- **Vacancy reduction** to around 11.5% until year-end
- **Acquisitions** planned of around € 200 mn – € 86 mn already realised
- **Rental income** in range of € 124-126 mn
- **FFO** between € 43-45 mn for FY 2012
- **Sales volume** of around € 80 mn
- Strong progress with the **developments** in Hamburg and Frankfurt
For more information:
www.dic-asset.de/ir

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Immo von Homeyer
Head of Investor Relations & Corporate Communications

Peer Schlinkmann
Manager Investor Relations

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