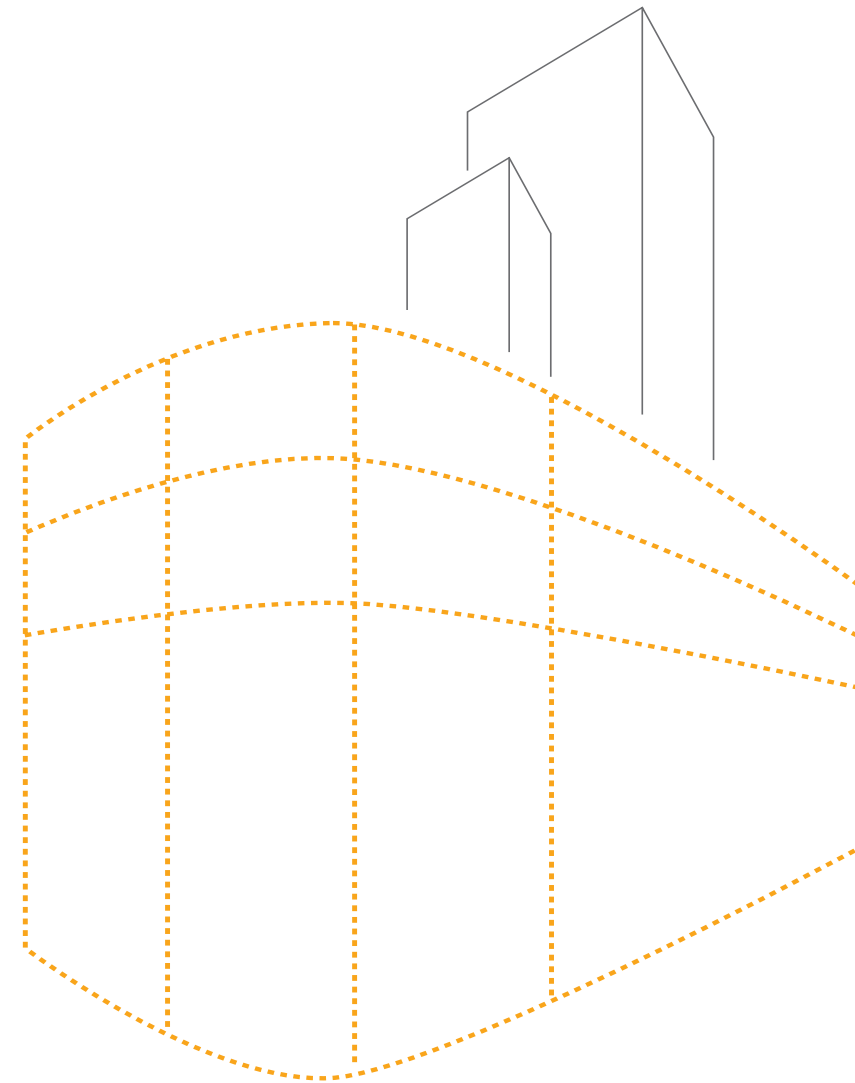


Q3 2016

QUARTERLY STATEMENT



DEAR SHAREHOLDERS,

In this quarterly statement we are presenting the information on our company's performance in the current year in a new format. Not only is this in conformity with the changed requirements for three- and nine-month financial reporting in Deutsche Börse's Prime Standard, but it will also allow us to continue providing a high level of transparency beyond the obligations defined in the stock exchange regulations.

Our summarised statements will help you to understand and satisfy yourselves in the customary manner that our company is well on the way to continuing its growth trajectory and achieving its business objectives for 2016:

- Our strategic alignment builds on DIC Asset AG's exceedingly efficient and agile asset management platform, enabling us to manage properties throughout Germany successfully while focusing on the market and on our tenants. This expertise is fundamental in all of our business areas, whether for our direct property investments or the growing fund business.
- We were successful in increasing the take-up volume in the first nine months while further optimising our Commercial Portfolio. As a result we achieved positive like-for-like rental growth and a reduction of the vacancy rate in our portfolio.
- Along with the ongoing reduction of our joint venture investments, we have already achieved our sales target for our Commercial Portfolio of EUR 80 to 100 million. Year-to-date we have sold roughly EUR 86 million of assets from our Commercial Portfolio in the transaction market. We also demonstrated the high performance capability of our asset management platform by achieving sales prices on average of around 11 % higher than the most recently determined market values.
- With the strong growth of our fund business, we have established our real estate management fee income as an additional substantial pillar of earnings along with rental income from our Commercial Portfolio.
- For the planned launch of a new special retail fund we acquired properties with a volume of EUR 220 million, initially on our own account. These will generate additional rental income in the fourth quarter.

Thanks to strong business performance, we raised the forecast for some of our business objectives for the year in September on the basis of the foreseeable positive effects. According to this forecast, gross rental income and funds from operations will be significantly higher than expected at the beginning of the year.

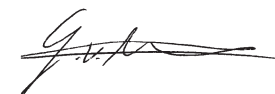
Frankfurt am Main, November 2016



Aydin Karaduman



Sonja Wärntges



Johannes von Mutius

HIGHLIGHTS

Strong **take-up**,
annualised rental income of EUR **22.2 million**

Like-for-like rental growth **+0.6%**

Real estate management fees
increase to around EUR **18 million**

Retail portfolio with a volume of
EUR **220 million** acquired for planned fund

Sales target 2016 for the Commercial Portfolio
achieved with EUR **86 million**

FFO forecast for 2016
raised to EUR **46–47 million**

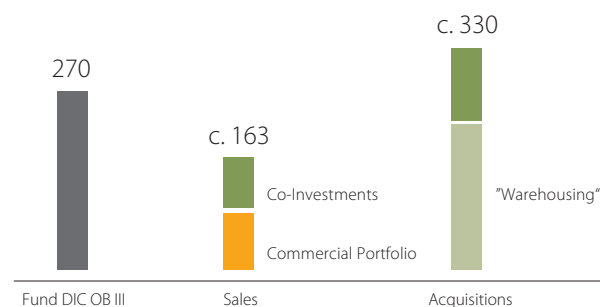
Q3 2016

PERFORMANCE OF THE ASSET MANAGEMENT PLATFORM

Driver for further growth

TRANSACTIONS IN 2016

in EUR million, as of November 2016



SALES IN 2016*

in EUR million	Notarisations in 2016**	Transfer of possession, benefits and associated risks 9M 2016
Commercial Portfolio	86.3	50.0
Co-Investments	76.6	73.2
Total	162.9	123.2
Numbers of properties	22	14

* excluding DIC Office Balance III transaction
 ** as of November 2016

- Sales totalling approximately EUR 163 million notarised in 2016 to date including 16 properties from the Commercial Portfolio (amounting to around EUR 86 million) and six from Co-Investments (approximately EUR 77 million)
- On average, sales prices around 11 % higher than the most recently determined market value
- Acquisitions of EUR 330 million for further growth of the fund business
- Since October 2016, DIC Asset AG has managed purchased retail properties on an interim basis until the transfer of the benefits and risks to the planned fund ("warehousing" model)

"WAREHOUSING" SINCE 1 OCTOBER 2016

- ➔ Interim management of properties for planned retail fund
- ➔ Three retail properties with a total volume of EUR 220 million
- ➔ Rental space of approx. 75,000 sqm
- ➔ Fully occupied; remaining lease term of around 11 years

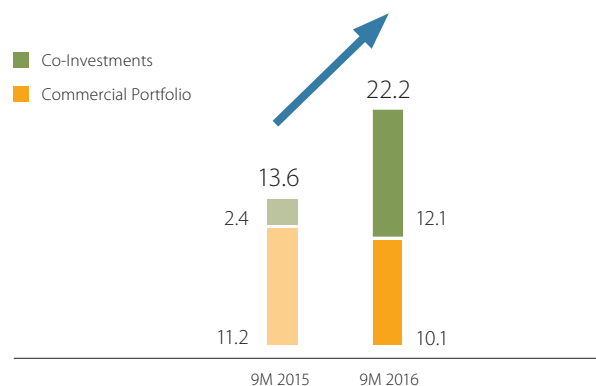


"Hybrid centre" in Halle (above) and shopping centre in Hamburg (below)

DEVELOPMENT OF THE PORTFOLIO

Strong take-up reduces vacancy rate

TAKE-UP (by operating segment)
annualised in EUR million



TAKE-UP (by type of use)

	in sqm		annualised in EUR million	
	9M 2016	9M 2015	9M 2016	9M 2015
Office	163,700	98,500	19.5	11.0
Retail	6,200	11,000	0.7	1.1
Further commercial	37,500	23,600	1.8	1.4
Residential	1,900	1,900	0.2	0.1
Total	209,300	135,000	22.2	13.6
Parking	1,784 units	1,321 units	1.0	0.5

- Sharp rise in **take-up**: annualised rental income of EUR 22.2 million, including EUR 7.6 million from new leases and EUR 14.6 million from lease renewals
- Reduced **vacancy rate**: lowered by 1.3 percentage points quarter-on-quarter to 11.9% through successful letting activities (Q2 2016: 13.2%)
- **Like-for-like rental growth** +0.6% due to new leases and indexation
- **Large-volume leases** signed: lease renewals with the Axa Group (35,100 sqm), Deutsche Bahn (26,500 sqm), Hanseatic City of Hamburg (14,700 sqm) and new leases with the City of Munich (24,000 sqm) and Angleterre Hotel in Hamburg (4,400 sqm)

OVERVIEW PORTFOLIO*

	Total		Commercial Portfolio		Co-Investments	
	Q3 2016	Q3 2015	Q3 2016	Q3 2015	Q3 2016	Q3 2015
Number of properties	208	215	147	171	61	44
Market value in EUR million**	1,894.4	2,222.2	1,698.2	2,036.3	196.2	185.9
Rental space in sqm	1,085,700	1,317,300	1,028,700	1,252,500	57,000	64,800
Annualised rental income in EUR million	114.9	138.9	106.8	130.3	8.1	8.6
Rental income in EUR per sqm	9.70	9.70	9.60	9.60	11.60	11.20
Lease maturities in years	4.2	4.2	4.3	4.2	3.5	4.3
Vacancy rate in %	11.9	11.8	12.4	12.1	2.1	5.8
Gross rental yield in %	6.5	6.5	6.4	6.5	6.8	6.4

* All figures pro rata, except number of properties; all figures excluding developments, except number of properties and market value

** Market value as at 31.12.2015, later acquisitions considered at cost

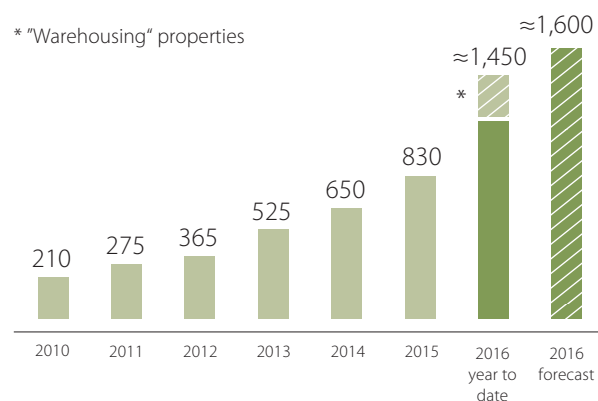
FUND BUSINESS

Strong fund growth as planned

FUND VOLUME

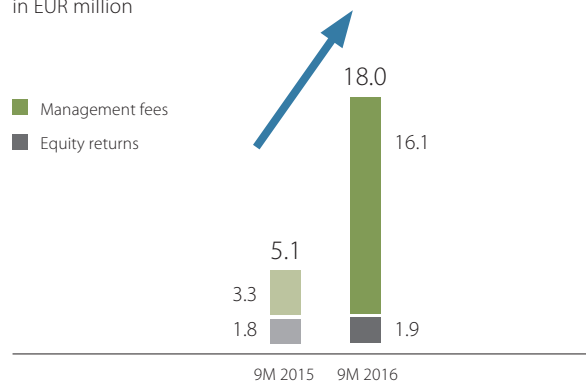
in EUR million

* "Warehousing" properties



FFO CONTRIBUTION OF FUND BUSINESS

in EUR million



- Acquisition of a further office property in Hanover for the "DIC Office Balance II" fund for around EUR 32 million
- FFO contribution from the funds for 9M 2016 of EUR 18.0 million
- Properties with a volume of EUR 220 million for planned new retail fund in the "warehousing" phase since 1 October 2016

LATEST ACQUISITION: OFFICE CENTER PLAZA IN HANOVER

- ➔ Usage: Office
- ➔ Total rental space: 17,700 sqm
- ➔ Anchor tenants:
 - Niedersächsische Landesentwicklungsgesellschaft (NILEG) Immobilien GmbH
 - htp GmbH
- ➔ Occupancy rate: 93%
- ➔ Fund: DIC Office Balance II



INCOME DEVELOPMENT

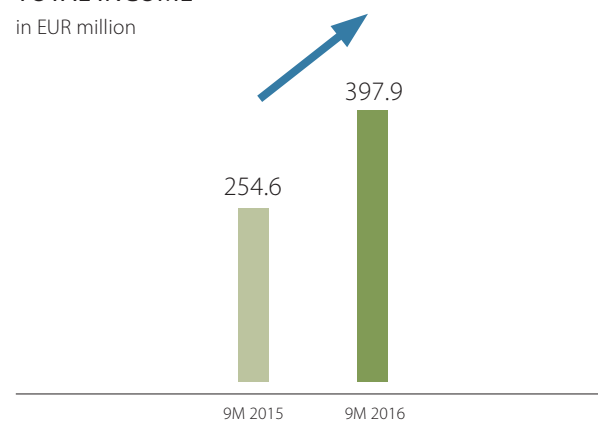
Rising real estate management fees

OVERVIEW OF INCOME

in EUR million	9M 2016	9M 2015	Δ
Gross rental income	81.4	104.1	-22%
Real estate management fees	18.0	4.5	>100%
Proceeds from sales of properties	281.6	126.0	>100%
Other	16.9	20.0	-16%
Total income	397.9	254.6	56%

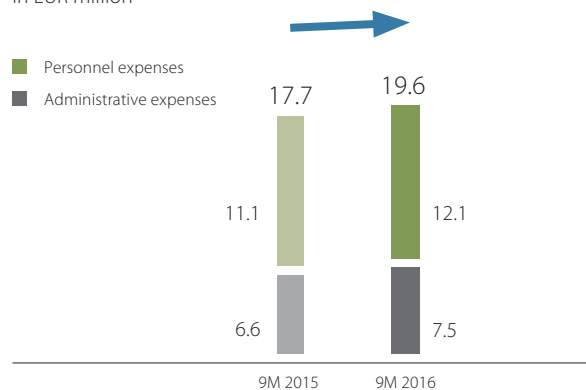
TOTAL INCOME

in EUR million



OPERATING COSTS

in EUR million



- Decrease in **gross rental income** compared with the prior period as a result of sales from the Commercial Portfolio
- **Real estate management fees** up from EUR 4.5 million to EUR 18.0 million due to fund growth
- Increase in **total income** to EUR 397.9 million, mainly on account of high sale proceeds from the “DIC Office Balance III” fund transaction in early 2016
- Recruitment of new staff in the fund business and real estate management is leading to higher operating costs

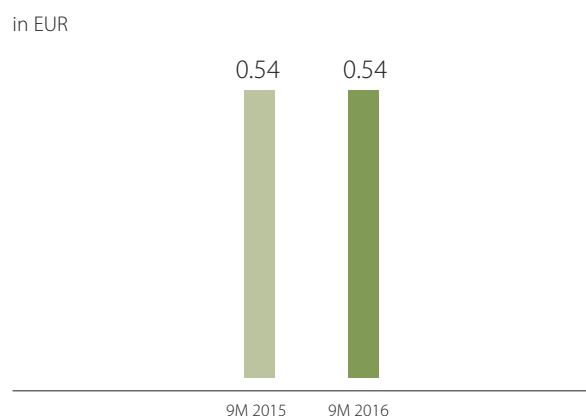
EARNINGS

Strong increase of the profit for the period

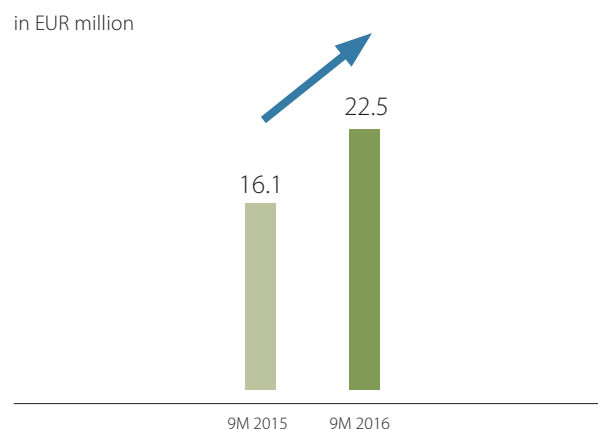
RECONCILIATION TO FFO

in EUR million	9M 2016	9M 2015	Δ
Net rental income	69.5	92.2	-25%
Administrative expenses	-7.5	-6.6	14%
Personnel expenses	-12.1	-11.1	9%
Other operating income/expenses	0.4	0.5	-20%
Real estate management fees	18.0	4.5	>100%
Share of the profit or loss of associates without project developments and sales	2.4	2.7	-11%
Interest result	-33.8	-45.4	-26%
Funds from operations	36.9	36.8	0%

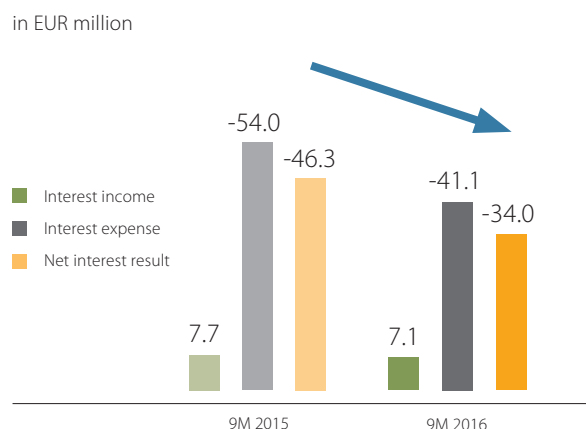
FFO PER SHARE



PROFIT FOR THE PERIOD



NET INTEREST RESULT



Main effects on the results of operations:

- **Share of the profit or loss of associates excluding project development and sales** down EUR 0.3 million year-on-year to EUR 2.4 million, mainly due to reduced joint venture investments. By contrast, income from fund investments increased
- **Sustainable interest result:** considerable reduction of EUR 11.6 million to EUR -33.8 million (9M 2015: EUR -45.4 million) due to lower interest expenses following loan redemptions and improved interest rate terms
- At EUR 22.5 million as per 30 September of 2016, **profit for the period** exceeded the result in the same period of the previous year by over EUR 6 million (9M 2015: EUR 16.1 million)

■ FFO per share of EUR 0.54

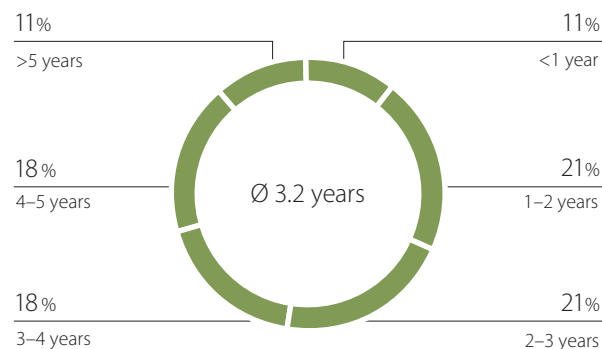
■ EPRA NAV per share of EUR 12.83

FINANCIAL STRUCTURE

Further reduction of financial liabilities

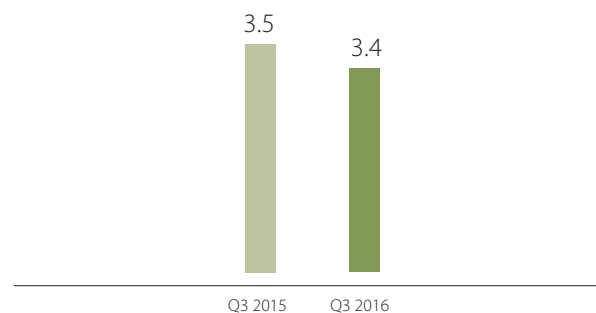
DEBT MATURITIES

as at 30.09.2016



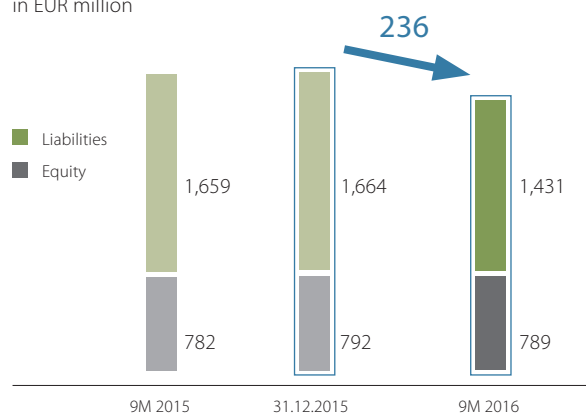
AVERAGE INTEREST RATE

in %, based on bank liabilities



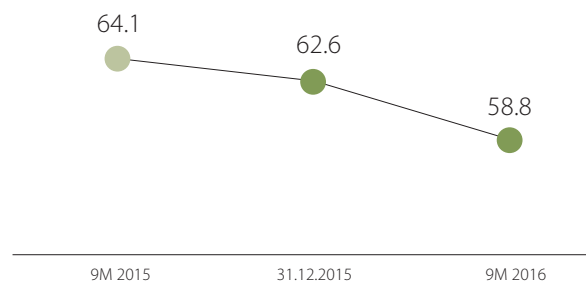
EQUITY AND LIABILITIES

in EUR million



LOAN-TO-VALUE

in %



Main effects on net assets:

- Reduction in **total assets** of EUR 236.1 million compared with year-end 2015, due in particular to assets and liabilities transferred upon the commencement of operations of "DIC Office Balance III"
- **Equity** in the third quarter influenced by dividend payment of EUR 0.37 per share
- **Non-current financial debt** reduced to EUR 1,252.4 million
- **Loan repayments** and scheduled repayments of EUR 57.2 million at the reporting date
- **Loan-to-value (LTV)** of 58.8% at the reporting date of 30 September 2016
- **Cash flows** dominated by cash inflows and outflows in connection with investments in the fund business

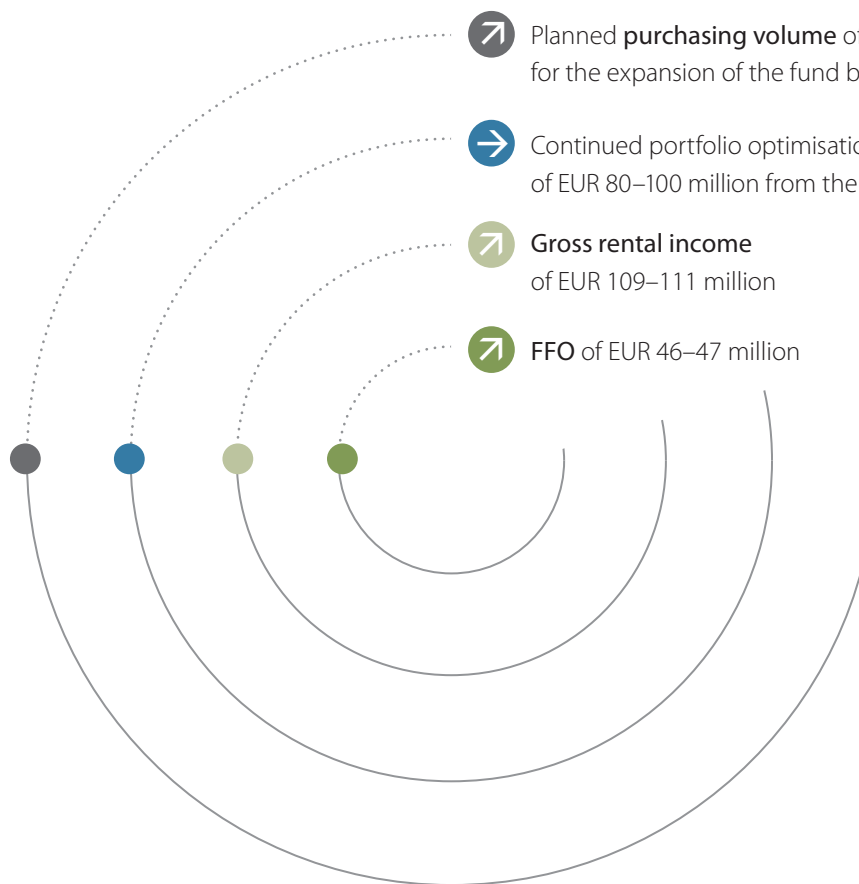
FORECAST

FFO forecast for 2016 raised

TARGETS FOR 2016:

- Planned **purchasing volume** of EUR 500 million for the expansion of the fund business
- ➔ Continued portfolio optimisation with **sales** of EUR 80–100 million from the Commercial Portfolio
- **Gross rental income** of EUR 109–111 million
- **FFO** of EUR 46–47 million

- Letting volume exceeding target
- Additional rental income from “warehousing”
- Sales target for Commercial Portfolio already achieved
- Fund business to continue dynamic growth
- Rising gross rental income
- Increasing the FFO forecast



>> APPENDIX

OVERVIEW

Key financial figures in EUR million	9M 2016	9M 2015	Δ	Q3 2016	Q2 2016	Δ
Gross rental income	81.4	104.1	-22%	26.8	27.0	-1%
Net rental income	69.5	92.2	-25%	23.0	23.0	0%
Real estate management fees	18.0	4.5	>100%	3.0	7.6	-61%
Proceeds from sales of property	281.6	126.0	>100%	16.1	27.9	-42%
Total income	397.9	254.6	56%	51.6	68.0	-24%
Profits on property disposals	18.9	14.1	34%	2.0	7.0	-71%
Share of the profit or loss of associates	2.2	3.8	-42%	0.9	0.0	>100%
Funds from operations (FFO)	36.9	36.8	0%	9.2	13.2	-30%
EBITDA	89.3	97.1	-8%	22.1	31.1	-29%
EBIT	62.5	64.7	-3%	13.4	22.1	-39%
EPRA earnings	36.0	35.3	2%	9.5	12.9	-26%
Profit for the period	22.5	16.1	40%	2.3	8.4	-73%
Cash flow from operating activities	20.0	32.1	-38%	8.4	5.0	68%

Key financial figures per share in EUR	9M 2016	9M 2015	Δ	Q3 2016	Q2 2016	Δ
FFO	0.54	0.54	0%	0.14	0.19	-26%
EPRA earnings	0.52	0.52	0%	0.13	0.19	-32%
Earnings	0.33	0.23	43%	0.03	0.13	-77%

Balance sheet figures in EUR million	30.09.2016	30.09.2015
Loan-to-value ratio (LTV) in %	58.8	62.6
Investment property	1,627.6	1,700.2
Total equity	788.7	792.1
Financial debt	1,357.5	1,573.8
Total assets	2,220.0	2,456.1
Cash and cash equivalents	192.9	204.6
EPRA NAV per share in EUR	12.83	12.89

Key operating figures	9M 2016	9M 2015	Q3 2016	Q2 2016
Letting result in EUR million	22.2	13.6	6.9	10.1
Vacancy rate in %	11.9	11.8	11.9	13.2

CONSOLIDATED INCOME STATEMENT from 1 January to 30 September

in EUR thousand	9M 2016	9M 2015	Q3 2016	Q3 2015
Total income	397,935	254,615	51,652	146,702
Total expenses	-337,690	-193,651	-39,253	-119,871
Gross rental income	81,448	104,051	26,895	33,620
Ground rents	-929	-947	-313	-303
Service charge income on principal basis	16,536	19,452	5,554	5,336
Service charge expenses on principal basis	-17,519	-20,659	-5,666	-5,365
Other property-related expenses	-10,014	-9,674	-3,412	-3,784
Net rental income	69,522	92,223	23,058	29,504
Administrative expenses	-7,515	-6,634	-2,881	-2,230
Personnel expenses	-12,148	-11,050	-4,119	-3,780
Depreciation and amortisation	-26,815	-32,339	-8,788	-10,561
Real estate management fees	17,972	4,461	2,988	1,498
Other operating income	352	613	112	126
Other operating expenses	-60	-362	26	-84
Net other income	292	251	138	42
Net proceeds from disposal of investment property	281,626	126,036	16,101	106,121
Carrying amount of investment property disposed	-262,689	-111,984	-14,098	-93,763
Profit on disposal of investment property	18,937	14,052	2,003	12,358
Net operating profit before financing activities	60,245	60,964	12,399	26,831
Share of the profit or loss of associates	2,206	3,769	929	633
Interest income	7,078	7,722	2,221	2,733
Interest expense	-41,063	-54,010	-13,014	-17,103
Profit before tax	28,466	18,445	2,535	13,094
Current income tax expense	-4,118	-4,805	-2,136	-1,266
Deferred tax income/expense	-1,860	2,469	1,880	-738
Profit for the period	22,488	16,109	2,279	11,090
Attributable to equity holders of the parent	22,736	15,839	2,390	11,060
Attributable to non-controlling interest	-248	270	-111	30
Basic (=diluted) earnings per share (EUR)	0.33	0.23	0.03	0.16

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME from 1 January to 30 September

in EUR thousand	9M 2016	9M 2015	Q3 2016	Q3 2015
Profit for the period	22,488	16,109	2,279	11,090
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss				
Gains/losses on measurement of available-for-sale financial instruments	-641	1,451	426	229
Fair value measurement of hedging instruments*				
Cash flow hedges	446	13,323	1,658	-65
Cash flow hedges of associates	51	-17	42	-16
Other comprehensive income	-144	14,757	2,126	148
Comprehensive income	22,344	30,866	4,405	11,237
Attributable to equity holders of the parent	22,592	30,596	4,516	11,207
Attributable to non-controlling interest	-248	270	-111	30

* after tax

CONSOLIDATED STATEMENT OF CASH FLOW from 1 January to 30 September

in EUR thousand	9M 2016	9M 2015
OPERATING ACTIVITIES		
Net operating profit before interest and taxes paid	61,612	62,299
Realised gains/losses on disposals of investment property	-18,937	-14,052
Depreciation and amortisation	26,815	32,339
Changes in receivables and other assets	2,350	8,192
Other non-cash transactions	-7,415	-3,816
Cash generated from operations	64,425	84,962
Interest paid	-44,379	-57,056
Interest received	2,838	805
Income taxes paid/received	-2,869	3,397
Cash flow from operating activities	20,015	32,108
INVESTING ACTIVITIES		
Proceeds from disposal of investment property	35,197	130,441
Capital expenditure on investment properties	-5,931	-6,835
Acquisition/disposal of other investments	-84,336	-1,948
Loans to other entities	14,677	-5,779
Acquisition/disposal of office furniture and equipment, software	-75	-198
Cash flow from investing activities	-40,468	115,681
FINANCING ACTIVITIES		
Proceeds from the issuance of corporate bond	0	51,500
Proceeds from other non-current borrowings	89,158	415
Repayment of borrowings	-57,163	-127,943
Tenant deposits	2,100	0
Payment of transaction costs	0	-1,430
Dividends paid	-25,374	-24,002
Cash flow from financing activities	8,721	-101,460
Net changes in cash and cash equivalents	-11,732	46,329
Cash and cash equivalents as at 1 January	204,590	97,421
Cash and cash equivalents as at 30 September	192,858	143,750

CONSOLIDATED BALANCE SHEET

Assets in EUR thousand	30.09.2016	31.12.2015
Investment property	1,627,568	1,700,151
Office furniture and equipment	574	579
Investments in associates	174,610	92,677
Loans to related parties	101,370	110,222
Other investments	23,479	33,397
Intangible assets	742	1,003
Deferred tax assets	30,876	23,515
Total non-current assets	1,959,219	1,961,544
Receivables from sale of investment property	13,393	1,249
Trade receivables	2,577	7,062
Receivables from related parties	10,278	10,271
Income tax receivable	5,752	8,629
Other receivables	7,771	6,393
Other current assets	4,936	6,455
Cash and cash equivalents	192,858	204,590
Total current assets	237,565	244,649
Non-current assets held for sale	23,221	249,876
Total current assets	260,786	494,525
Total assets	2,220,005	2,456,069

Equity and liabilities in EUR thousand	30.09.2016	31.12.2015
EQUITY		
Issued capital	68,578	68,578
Share premium	732,846	732,846
Hedging reserve	-20,135	-20,632
Reserve for available-for-sale financial instruments	2,977	3,618
Retained earnings	25	2,663
Total shareholders' equity	784,291	787,073
Non-controlling interest	4,438	5,010
Total equity	788,729	792,083
LIABILITIES		
Corporate bonds	271,805	270,871
Non-current interest-bearing loans and borrowings	936,074	1,029,606
Provisions	0	10
Deferred tax liabilities	18,362	14,735
Derivatives	26,134	26,955
Total non-current liabilities	1,252,375	1,342,177
Current interest-bearing loans and borrowings	149,586	35,521
Trade payables	846	827
Liabilities to related parties	4,082	3,271
Provisions	580	500
Income tax payable	2,005	6,290
Other liabilities	21,802	26,361
Total current liabilities	178,901	72,770
Liabilities related to non-current assets held for sale	0	249,039
Total current liabilities	178,901	321,809
Total liabilities	1,431,276	1,663,986
Total equity and liabilities	2,220,005	2,456,069

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

in EUR thousand	Issued capital	Share premium	Hedging reserve	Reserve for available-for-sale financial instruments	Retained earnings	Total shareholders' equity	Non-controlling interest	Total
Balance at 31 December 2014	68,578	732,846	-37,667	91	6,252	770,100	4,744	774,844
Profit for the period					15,839	15,839	270	16,109
Other comprehensive income								
Gains/losses on cash flow hedges*			13,323			13,323		13,323
Gains/losses on cash flow hedges from associates*			-17			-17		-17
Gains/losses on measurement of available-for-sale financial instruments				1,451		1,451		1,451
Comprehensive income			13,306	1,451	15,839	30,596	270	30,866
Dividend payments for 2014					-24,002	-24,002		-24,002
Balance at 30 September 2015	68,578	732,846	-24,360	1,542	-1,911	776,695	5,014	781,709
Profit for the period					4,575	4,575	32	4,607
Other comprehensive income								
Gains/losses on cash flow hedges*			3,732			3,732		3,732
Gains/losses on cash flow hedges from associates*			-4			-4		-4
Gains/losses on measurement of available-for-sale financial instruments				2,076		2,076		2,076
Comprehensive income			3,728	2,076	4,575	10,379	32	10,411
Repayment of non-controlling interest						0	-36	-36
Balance at 31 December 2015	68,578	732,846	-20,632	3,618	2,663	787,073	5,010	792,083
Profit for the period					22,736	22,736	-248	22,488
Other comprehensive income								
Gains/losses on cash flow hedges*			446			446		446
Gains/losses on cash flow hedges from associates*			51			51		51
Gains/losses on measurement of available-for-sale financial instruments				-641		-641		-641
Comprehensive income			497	-641	22,736	22,592	-248	22,344
Dividend payments for 2015					-25,374	-25,374		-25,374
Repayment of non-controlling interest						0	-324	-324
Balance at 30 September 2016	68,578	732,846	-20,135	2,977	25	784,291	4,438	788,729

*Net of deferred taxes

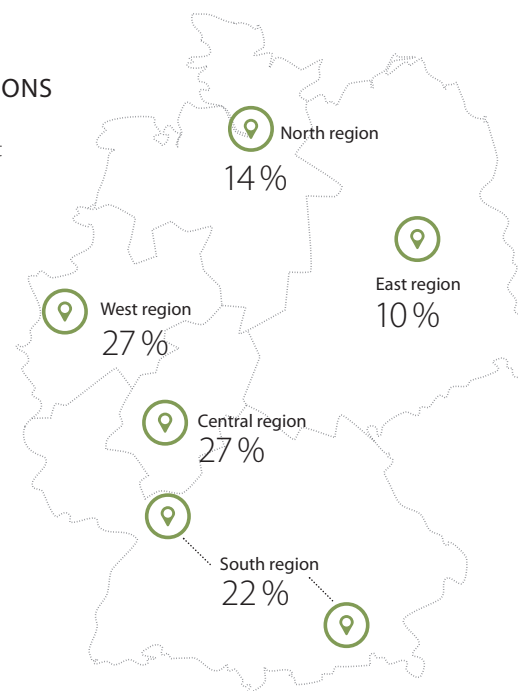
PORTFOLIO (as at 30 September 2016)

REGIONAL DEVELOPMENT

		North	East	Central	West	South	Total
Number of properties	Q3 2016	31	24	41	54	58	208
	Q3 2015	33	29	41	51	61	215
Portfolio proportion by rental space in %	Q3 2016	18	11	22	28	21	100
	Q3 2015	19	13	19	28	21	100
Annualised rental income in EUR million	Q3 2016	18.5	12.2	29.4	33.6	21.2	114.9
	Q3 2015	23.1	19.2	30.7	40.3	25.6	138.9
Rental income in EUR per sqm	Q3 2016	8.40	9.00	12.60	10.20	8.00	9.70
	Q3 2015	8.20	10.00	12.50	10.10	8.00	9.70
Weighted average lease term in years	Q3 2016	6.6	3.5	4.0	3.8	3.6	4.2
	Q3 2015	6.0	4.2	4.1	3.8	3.4	4.2
Gross rental yield in %	Q3 2016	6.6	6.8	6.1	6.3	7.0	6.5
	Q3 2015	6.7	7.3	5.8	6.4	6.9	6.5
Vacancy rate in %	Q3 2016	6.3	8.9	20.3	11.6	10.1	11.9
	Q3 2015	5.7	6.8	22.5	12.3	9.7	11.8

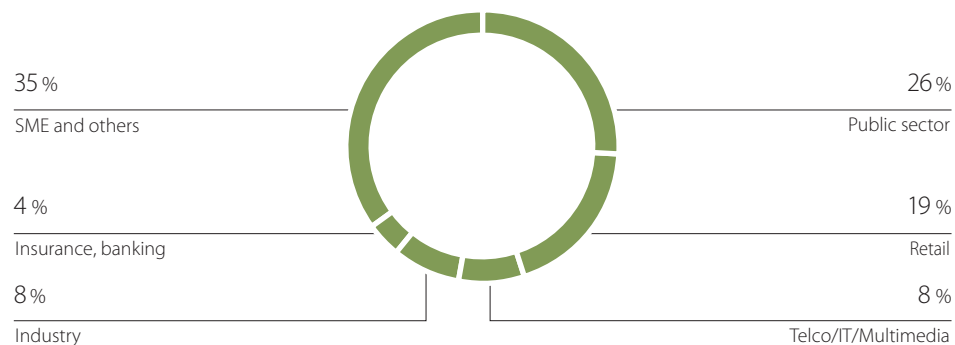
PORTFOLIO BY REGIONS

by market value
assets under management



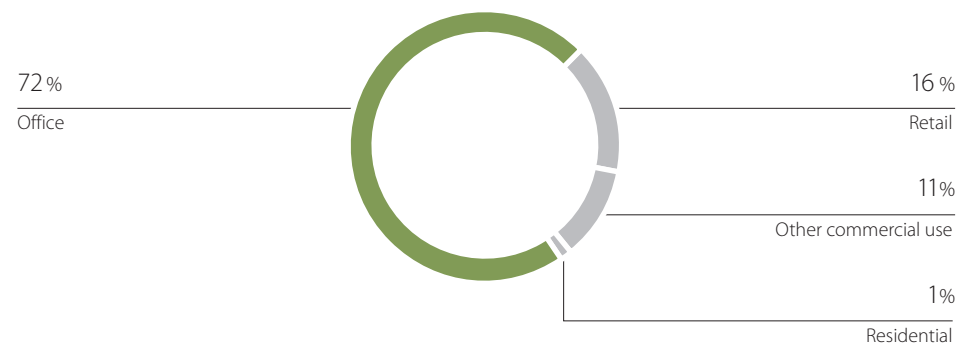
TENANT STRUCTURE

pro rata by annualised rental income



TYPES OF USE

pro rata by annualised rental income



INVESTOR RELATIONS

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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 more information:

www.dic-asset.de/ir

For instance:

- >> Up-to-date company presentation
- >> Audio-Webcast
- >> Financial calendar

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

Realisation
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