Deutsche Konsum REIT-AG (DKR)

H1 Results 2017/2018

15-May-2018

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Summary of the H1 2017/2018

Summary
DKR‘s major achievements in H1 2017/2018

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>> Running the growth path:

- Investments in 27 new properties with a total volume of circa 107 mEUR within the first seven months of the FY 2017/2018 in line with DKR’s investment criteria
- Proforma portfolio now consists of 89 properties with a book value of circa 400 mEUR generating 34.8 mEUR annualised rents
- 30 mEUR firepower still available for further property investments
- Prolongation of major lease contract with real,- in Erfurt increases WALT significantly to 5.2 years
- Revitalisation works well - new major leases with attractive tenants in Greifswald, Rostock, Bitterfeld and Hohenmölsen
- 10% capital increase with net cash proceeds of 24.2 mEUR in December 2017
- Exploitation of LTV headroom by taking 41 mEUR new loans with attractive conditions which reduced the average loan interest to below 2.1% p.a.
- Refinancing of short term loans closely ahead

Financial key figures

Continuous solid growth of financial figures in H1 2017/2018

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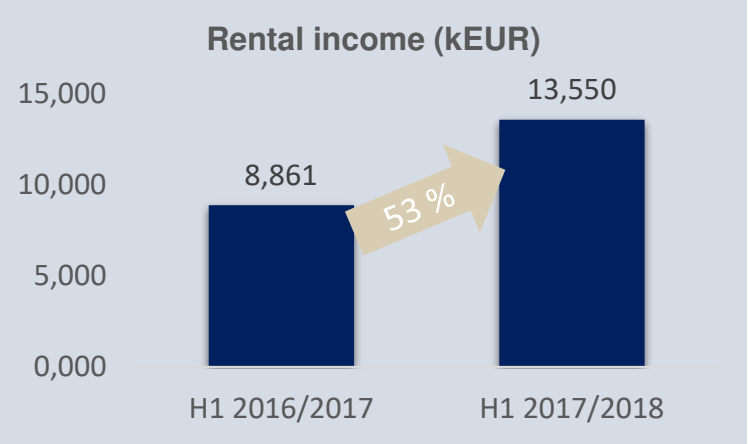
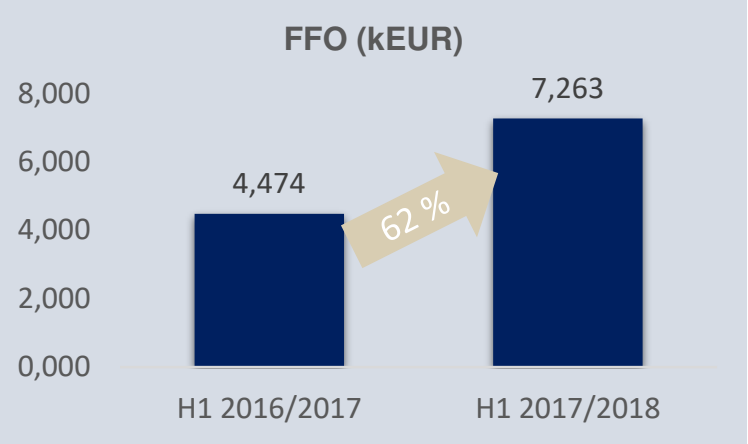
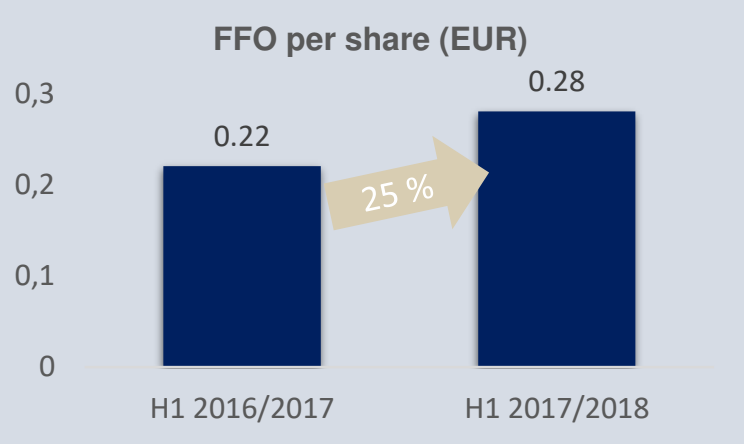
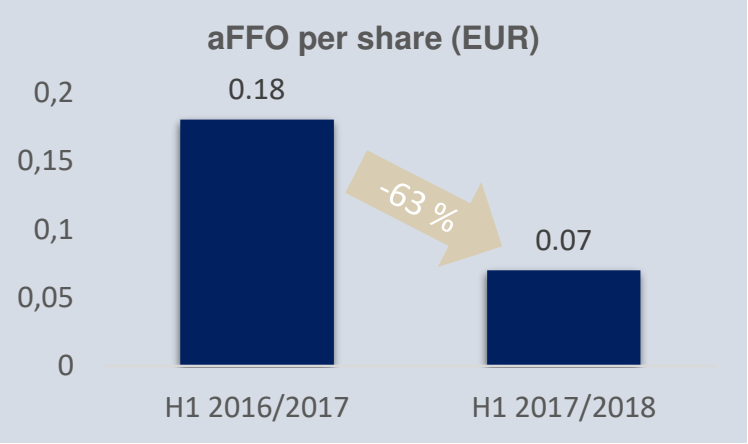
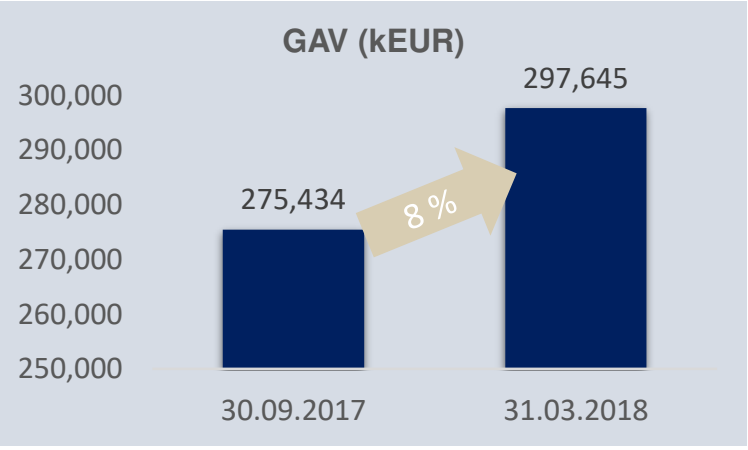
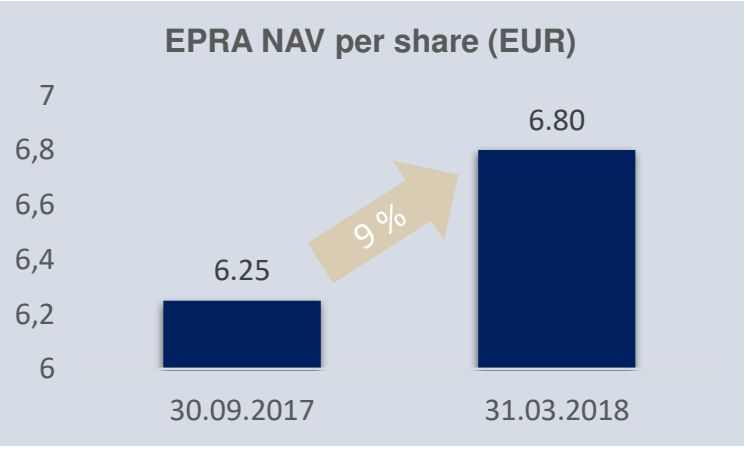








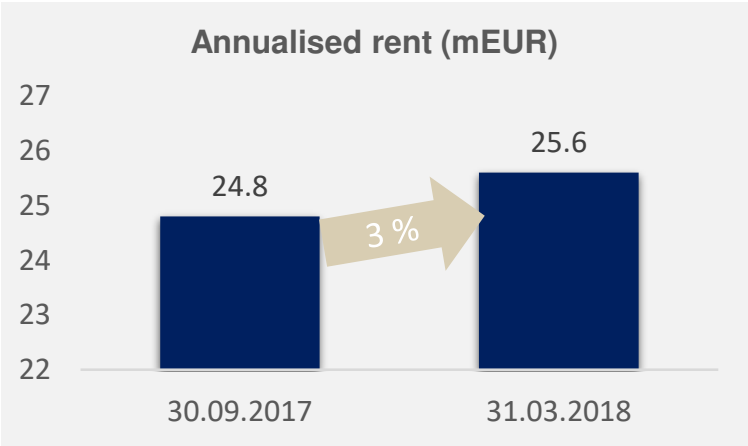


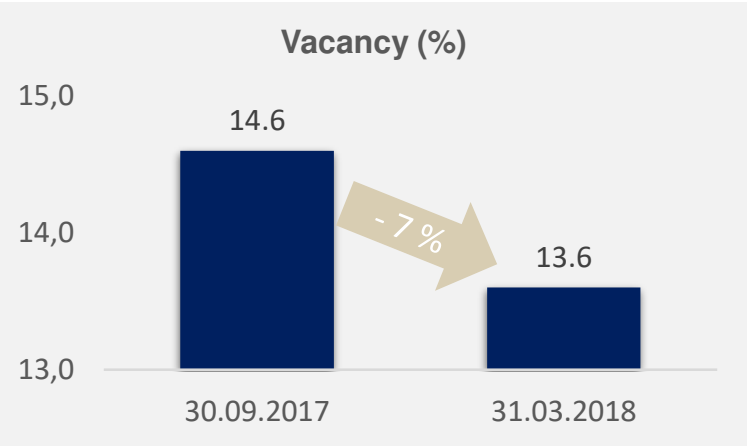


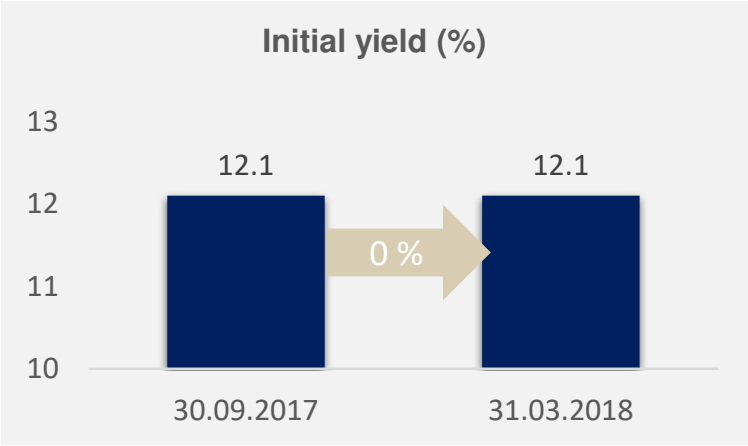
Real Estate Portfolio

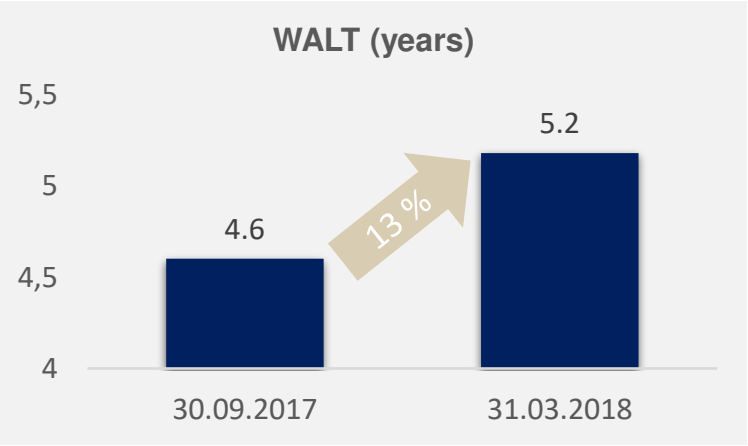
Portfolio

Key portfolio figures as at 31.03.2018









>> Portfolio snapshot

- Key figures based on 70 properties accounted as at 31.03.2018
- Portfolio GAV of about 297 mEUR
- Vacancy level dropped due to the latest addition of assets with high occupancy
- WALT increased mainly because of the prolongation of the real,- lease contract in Erfurt by 15 years

Property map

89 properties with about 500,000 sqm lettable space and 400 mEUR GAV

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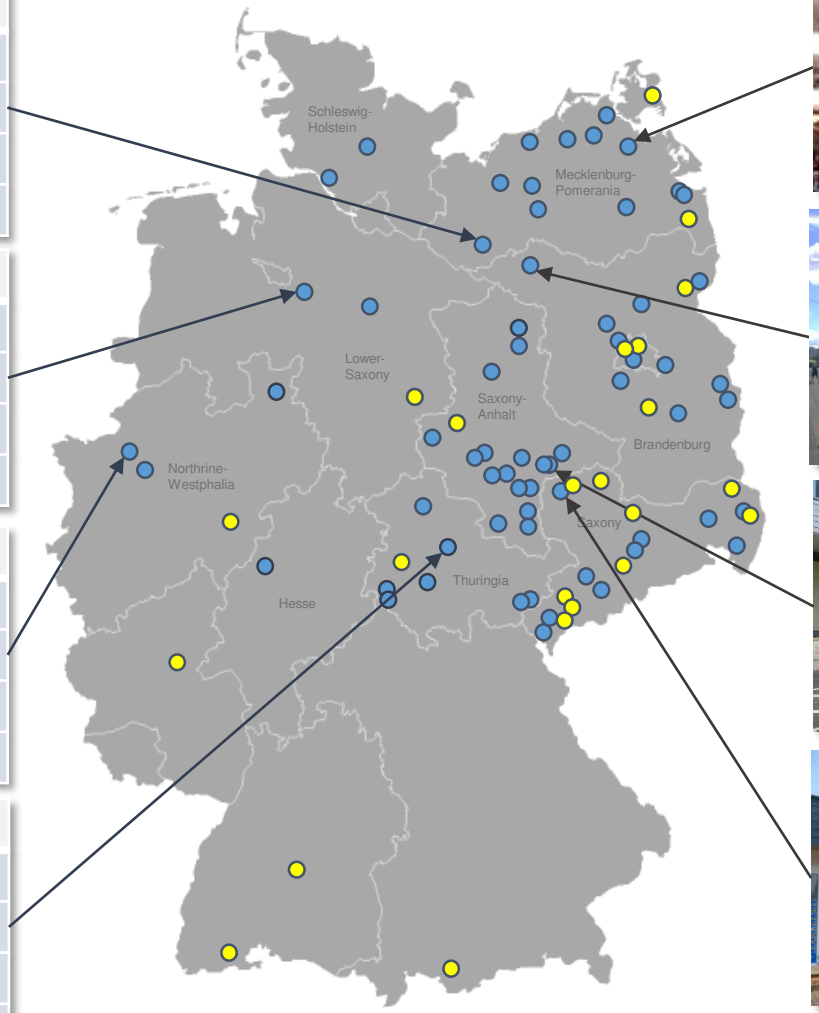
>> **Top 8 assets as at 31.03.2018:**

City	Ludwigslust
Lettable space (sqm)	14,386
Construction	2000
Annual rent (mEUR)	1.6
Market value (mEUR)	23.7

City	Verden
Lettable space (sqm)	7,128
Construction	1999
Annual rent (mEUR)	1.2
Market value (mEUR)	13.3

City	Oer-Erk.
Lettable space (sqm)	9,555
Construction	1996
Annual rent (mEUR)	1.3
Market value (mEUR)	16.2

City	Erfurt
Lettable space (sqm)	16,920
Construction	1994
Annual rent (mEUR)	2.8
Market value (mEUR)	30.0



City	Greifswald
Lettable space (sqm)	9,410
Construction	1997
Annual rent (mEUR)	1.1
Market value (mEUR)	9.9

City	Pritzwalk
Lettable space (sqm)	15,157
Construction	1993/2011
Annual rent (mEUR)	1.4
Market value (mEUR)	15.4

City	Bitterfeld
Lettable space (sqm)	19,541
Construction	1995/2015
Annual rent (mEUR)	1.0
Market value (mEUR)	13.1

City	Leipzig
Lettable space (sqm)	22,400
Construction	1993/1999
Annual rent (mEUR)	1.6
Market value (mEUR)	26.0

Portfolio as at 31.03.2018 (70 properties) Acquired notarised assets (19 properties)

Portfolio
Acquisition overview

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>> **Bow wave of ownership transfers with high FFO contribution ahead in H2 2017/2018:**

#	Location	Main tenants	Transfer of ownership	Annualised rent (mEUR)	Investment (mEUR)	Details
67	Finsterwalde	OBI	January 18	0.5		
68	Jestetten	Kik, Tedi	January 18	0.2		
69	Zeulenroda	Hagebaumarkt	February 18	0.2		
70	Glauchau	Penny (REWE)	March 18	0.2		
	Transfer of ownerships occured in Q2			**1.0**	**9.7**	
71	Dierdorf	Fressnapf, Kik	April 18	0.1		
72	Weilheim	Netto (EDEKA)	April 18	0.1		
73	Berlin Buddestraße	Netto (EDEKA)	April 18	0.2		
74	Berlin Blankenburger Straße	Netto (EDEKA)	April 18	0.2		
75	Seebach	Nahkauf (REWE)	April 18	0.1		
76	Halberstadt	Black.de	April 18	0.1		
77	Freiberg	Netto (EDEKA)	April 18	0.1		
78	Niesky	Penny (REWE)	April 18	0.1		
79	Waldbröl	Rossmann	May 18	0.1		
80	Sassnitz	Hagebaumarkt	May 18	0.2		
81	Torgelow	REWE, OBI	May 18	0.8		(1)
82	Leipzig	Dong Xuan Market	May 18	0.8		
83	Pfullingen	EDEKA C+C	May 18	0.2		
	Transfer of ownerships occured in Q3			**3.0**	**28.0**	
84	Elsterwerda Elster Center	REWE, ALDI, toom, Medimax	June 18	1.8		(2)
85	Angermünde	Norma, doctor	June 18	0.3		
86	Unterwellenborn	OBI	June 18	0.5		
87	Bad Sachsa	ALDI	June 18	0.2		
88	Werdau Pleissen Center	Kaufland	June 18	2.3		(3)
89	Weißwasser Südpassage	Kaufland	July 18	1.1		(4)
	Transfer of ownerships expected			**6.2**	**63.0**	
	Total investment			**10.3**	**100.6**	

Portfolio
Latest major investments

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>> FFO contribution in H2 2017/2018:

Location 1	Torgelow
Space (sqm)	7,519
Annualised rent (kEUR)	751
Major tenant	REWE, OBI, Dän. s Bettenlager
WALT	~ 7.2 years

Location 2	Elsterwerda „Elster Centre“
Space (sqm)	34,420
Annualised rent (kEUR)	1,776
Major tenant	REWE, toom, ALDI, DM, MEDIMAX, others
WALT	~ 7.0 years

Location 3	Werdau (Zwickau) „Pleissen Centre“
Space (sqm)	39,390
Annualised rent (kEUR)	2,304
Major tenant	Kaufland, Roller, others
WALT	~ 5.0 years

Location 4	Weißwasser „Südpassage“
Space (sqm)	13,228
Annualised rent (kEUR)	1,092
Major tenant	Kaufland, Hammer, Takko, others
WALT	~ 4.0 years

Tenant mix

High quality tenants and 70% non-cyclical rents

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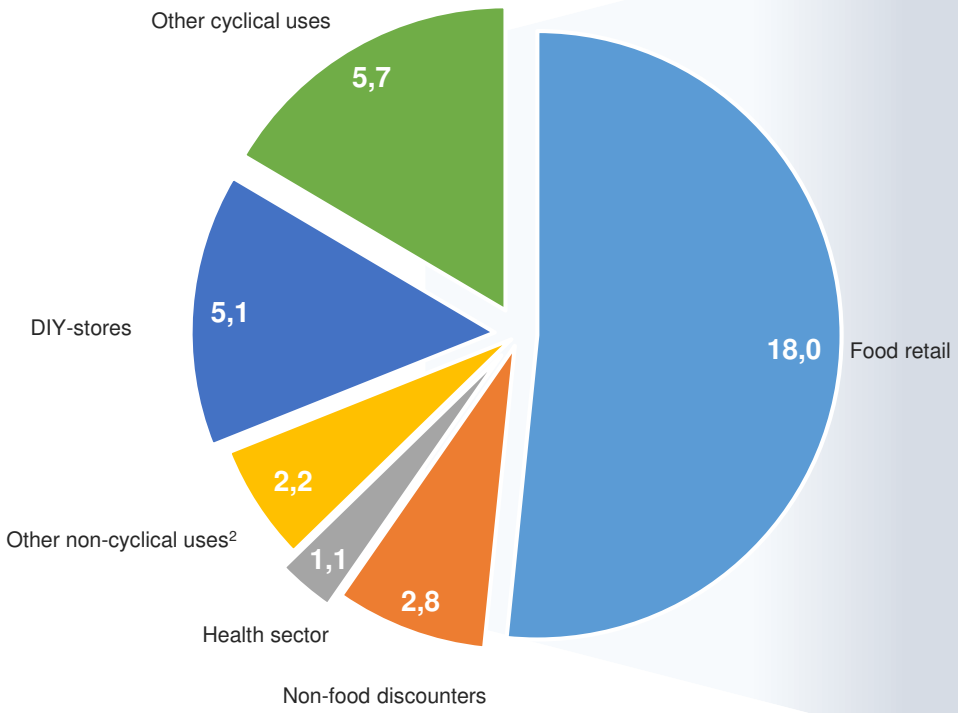
>> **Rent contribution by sector (mEUR)[1]:**



>> **Annualised rent contribution by major tenants[1]:**

Tenant group	Brands	Rents (mEUR)	WALT in years
Edeka Group		5.4	3.6
Schwarz Group		5.6	6.3
Metro Group		2.0	11.9
Bartels-Langness Group		1.0	9.7
Rewe Group		2.5	7.9
Norma		0.5	3.1
ALDI		0.6	4.9
Others		0.4	5.2
Total food retail		**18.0**	**6.4**
Rewe Group		1.8	3.6
Tengelmann Group		1.7	6.1
Others		1.5	4.3
Total DIY stores		**5.1**	**4.7**
Tengelmann Group		0.8	4.4
Others		2.0	4.1
Total non-food discounters		**2.8**	**4.3**

[1] Annualised rent contribution of the pro forma portfolio (89 properties) as at 15 May 2018
[2] Involves e.g. drug stores, bakeries, banks and apartments

Leases
DKR as a reliable partner for long-lasting tenancies

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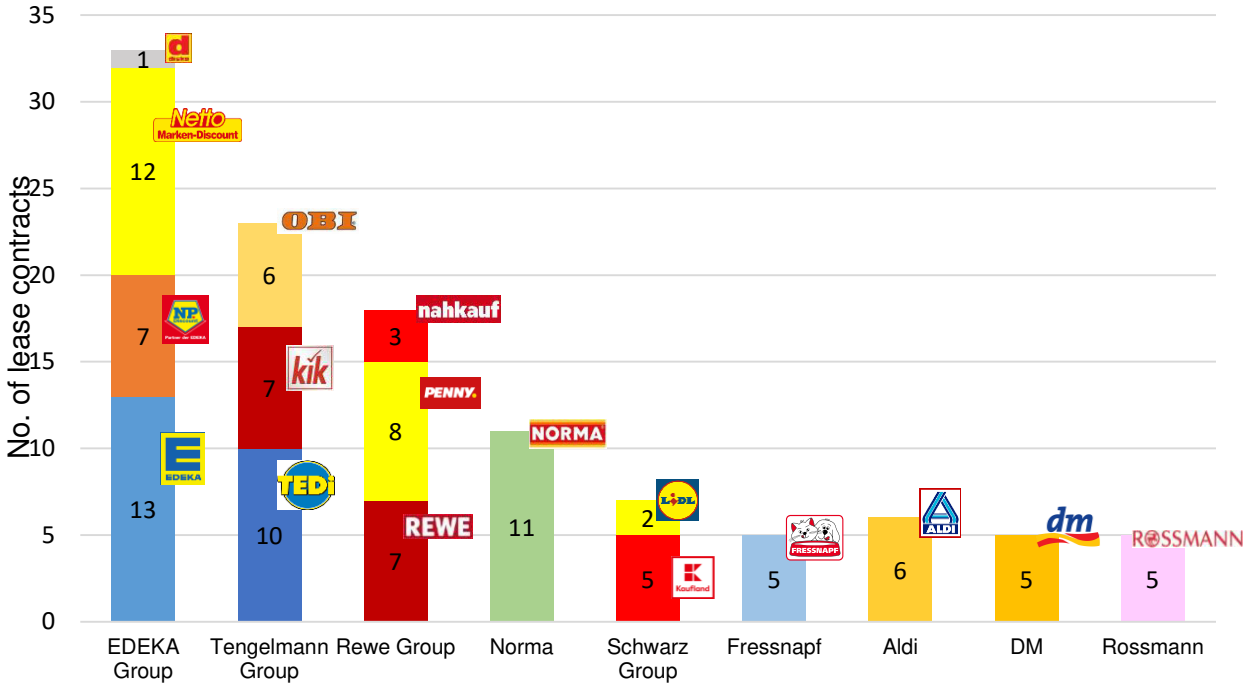
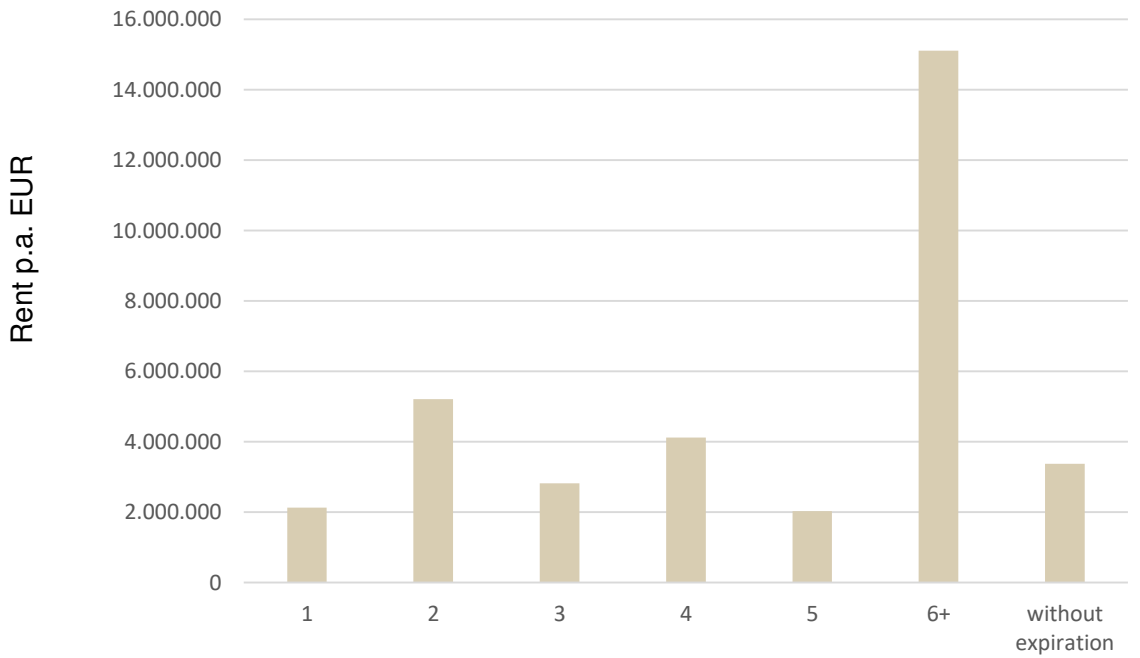
>> **Multiple leases with the same tenants foster the relationship[1]:**



> Multiple leases with the same tenant strengthens DKRs position as a partner with the aim to establish stable lease relationships and to prolong rental contracts etc.

>> **Annualised rents allocated to years of lease contract maturities of the portfolio[1]:**



> WALT as at 31 March 2018: 5.2 years

[1] Based on the pro forma portfolio (89 properties) as at 15 May 2018

Revitalisation projects
Well on track

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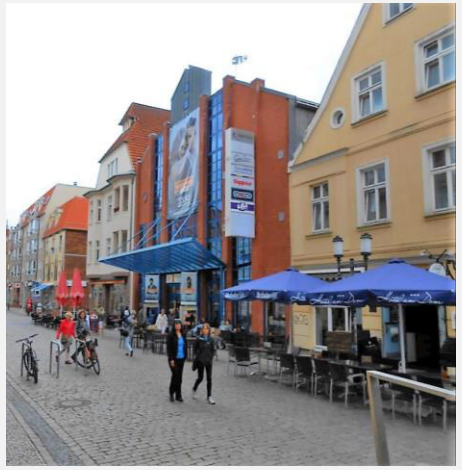
>> **Impressions of DOMCENTER Greifswald to be finalised until July 2018:**

Before revitalisation



After revitalisation

Valuation potential

Share price currently trades at attractive 7.6% yield

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>> **NAV impact derived from factor increases (c.p.) leads to upside potential:**

	Annualised total portfolio rent (mEUR)	Hypothetical valuation multiple	Yield	Portfolio value (mEUR)	Net LTV	Net debt outstanding	NAV (mEUR)	Number of shares m	Hypothetical NAV per share (EUR)
Current portfolio as at 31.03.2018	26.1	11.4	8.8%	297.6	39%	121.8	185.2	27,236	6.80
Assumptions (Pro forma portfolio)[1]	34.8	12.0	8.3%	417.6	39%	163.7	253.9	27,236	9.32
	34.8	12.5	8.0%	435.0	38%	163.7	271.3	27,236	9.96
	34.8	**13.0**	**7.7%**	**452.4**	**36%**	**163.7**	**288.7**	**27,236**	**10.60**
	34.8	13.5	7.4%	469.8	35%	163.7	306.1	27,236	11.24
	34.8	14.0	7.1%	487.2	34%	163.7	323.5	27,236	11.88
	34.8	14.5	6.9%	504.6	32%	163.7	340.9	27,236	12.52
	34.8	15.0	6.7%	522.0	31%	163.7	358.3	27,236	13.16

Current trading level of DKR shares

- We believe that there is high potential for value increases in the future
- Compared to the peer group DKRs external portfolio valuation (book value) is still at fairly conservative ~ 9% yield which implies hidden reserves

[1] Assumptions are based on the current pro forma portfolio of 89 assets and GAV of 400 mEUR with an annualised rent of 34.8 mEUR

Financial structure

Financial structure
Refinancing to be closed

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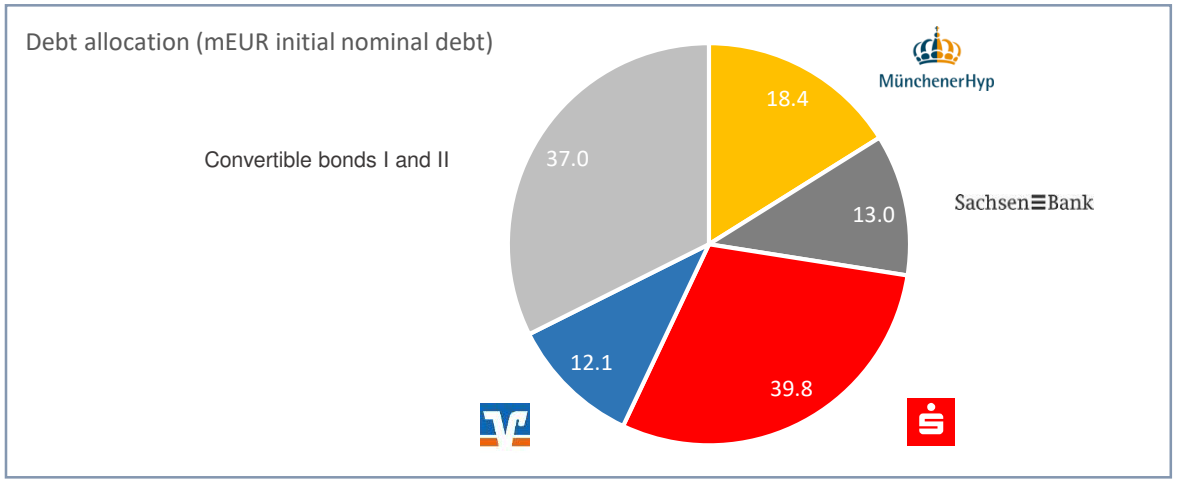
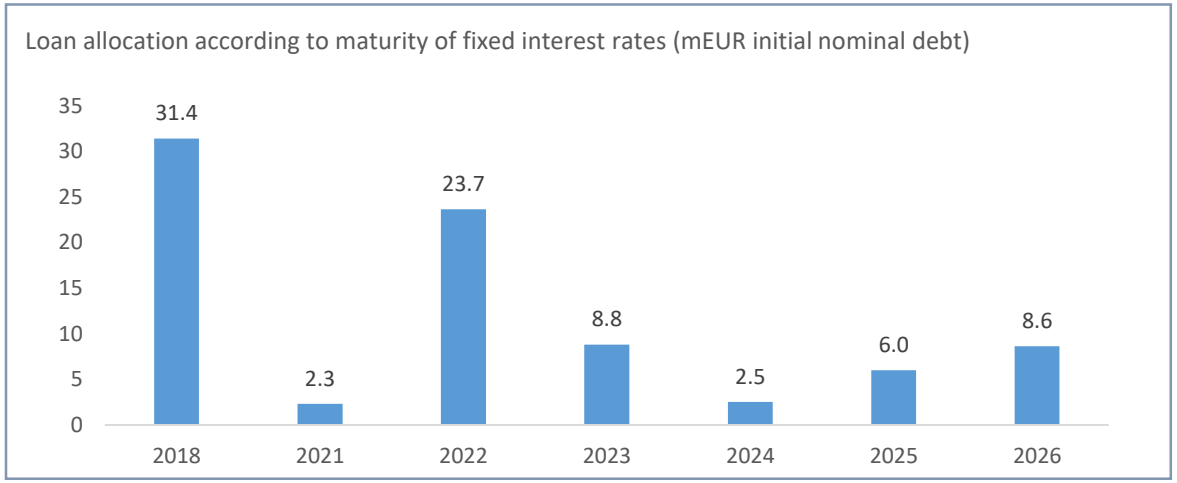
>> Debt structure of DKR as at 31.03.2018:

	31.03.2018	30.09.2017
Debt from loans and convertible bonds (IFRS), mEUR	114.3	118.9
Average nominal interest of loans, % p.a.	2.37	2.38
Average nominal interest of loans & convertible bonds, % p.a.	2.94	2.99
(Net-) LTV (%)[1]	39.3	42.6
Average loan maturity (years)	4.7	4.9

- DKR has extended existing short term loans and is now in processes to take new debt to increase its LTV up to 50%
- As a result the average interest of loans will drop to roughly 2 % p.a. while the average loan maturity will expand to between 5 and 6 years





[1] Comprises all financial liabilities as well as advanced payments for purchased investment properties

Financials H1 2017/2018

Financials H1 2017/2018
Condensed IFRS balance sheet

kEUR	31.03.2018	30.09.2017	kEUR	31.03.2018	30.09.2017
Assets					**Equity and liabilities**
Investment properties	297,644.7	275,443.9	Subscribed capital	27,236.3	24,760.3
Other non-current assets	12,479.2	416.0	Capital reserves	94,197.2	72,553.0
Deferred tax assets	0.0	0.0	Other reserves	855.7	855.7
Total non-current assets	**310,124.0**	**275,849.9**	Retained earnings	62,951.3	56,587.0
Other current assets	4,333.8	3,664.1	**Total equity**	**185,240.5**	**154,736.0**
Cash position	1,151.9	1,160.5	Bank liabilities	46,113.9	40,891.3
Total current assets	**5,484.8**	**4,824.6**	Convertible bonds	35,815.9	35,541.0
Non-current assets held for sale	0.0	0.0	Other liabilities	4,169.5	4,169.5
			Deferred tax liabilities	0.0	0.0
			Total long-term liabilities	**86,099.3**	**80,601.9**
			Bank liabilities	32,409.9	31,471.8
			Other financial liabilities	8,599.7	10,819.1
			Other short-term liabilities	3,259.4	3,045.8
			Total short-term liabilities	**44,269.0**	**45,336.7**
Total assets	**315,608.7**	**280,674.5**	**Total equity and liabilities**	**315,608.7**	**280,674.5**

Pro forma portfolio of mEUR 400 including the latest notarised acquisitions

Comprises advanced payments for acquisitions

Contains VAT receivables and tenant receivables

No deferred tax positions due to REIT status

Increased Equity due to 10% Capital increase on 8 Dec 2017 with cash contribution of mEUR 24.2

Increase due to a new loan

Reduction of short term credit line used for asset acquisitions

Financials H1 2017/2018

Condensed IFRS income statement

kEUR	01.10.2017 – 31.03.2018	01.10.2016 – 31.03.2017
Rental income	13,550.4	8,860.5
Operating expenses	-3,666.1	-2,003.6
Net rental income	**9,884.3**	**6,856.9**
Income from property disposal	30.0	0.0
Expenses from property disposal	-30.0	0.0
Net result from property disposal	**0.0**	**0.0**
Gain/loss from fair value measurement of investment properties	0.0	1,474.6
Other operating income	18.1	47.1
Personnel expenses	-232.6	-65.9
Depreciation of assets	-0.5	-0.4
Impairment of receivables	-121.1	0.0
Other operating expenses	-775.4	-491.2
EBIT	**8,772.8**	**7,821.1**
Interest income	31.8	0.0
Interest expenses	-2,429.6	-2,245.2
EBT	**6,374.8**	**5,575.9**
Income taxes	-10.5	0.0
Other taxes	0.0	0.0
Total period income	**6,364.3**	**5,575.9**

Rent increases due to various acquisitions

Opportunistic sale of an unused part of the acquired property in Schwerte.

Increase of personnel expenses due to increased staff in course of the growth of the company

Increase inculdes one-offs of circa 186 kEUR. Remaining slight increase due to higher group charges.

Increase of interest expenses due to higher bank debt referring to property acquisitions

Financials H1 2017/2018
FFO and EPRA NAV reconciliation

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>> **FFO/aFFO:**

kEUR	01.10.2017 – 31.03.2018	01.10.2016 – 31.03.2017
Total period income	**6,364.3**	**5,575.9**
+/- Income taxes	10.5	0.0
+ Depreciation of assets	0.5	0.4
+/- Gain/loss from fair value measurement of investment properties	0.0	-1,474.6
Net result from property disposal	0.0	0.0
Other non-current / non-cash expenses/income	888.1	372.6
FFO	**7,263.4**	**4,474.3**
- Capex	-5,532.2	-874.1
aFFO	**1,731.2**	**3,600.2**
FFO per share (EUR), undiluted[1]	*0.28*	*0.22*
aFFO per share (EUR), undiluted[1]	*0.07*	*0.18*

>> **EPRA NAV:**

kEUR	31.03.2018	30.09.2017
Total equity	185,240.5	154,736.0
Conversion of convertible bonds	0.0	0.0
NAV	**185,240.5**	**154,736.0**
Fair value of derivative instruments	0.0	0.0
Deferred taxes	0.0	0.0
EPRA NAV	**185,240.5**	**154,736.0**
Number of shares	27,236,313	24,760,285
EPRA NAV per share (EUR), undiluted	**6.80**	**6.25**

[1] On the basis of average number of shares within the period

DKR shares, analysts, guidance and dividend policy

DKR Shares

Share price reflects the steady and accretive growth of DKR

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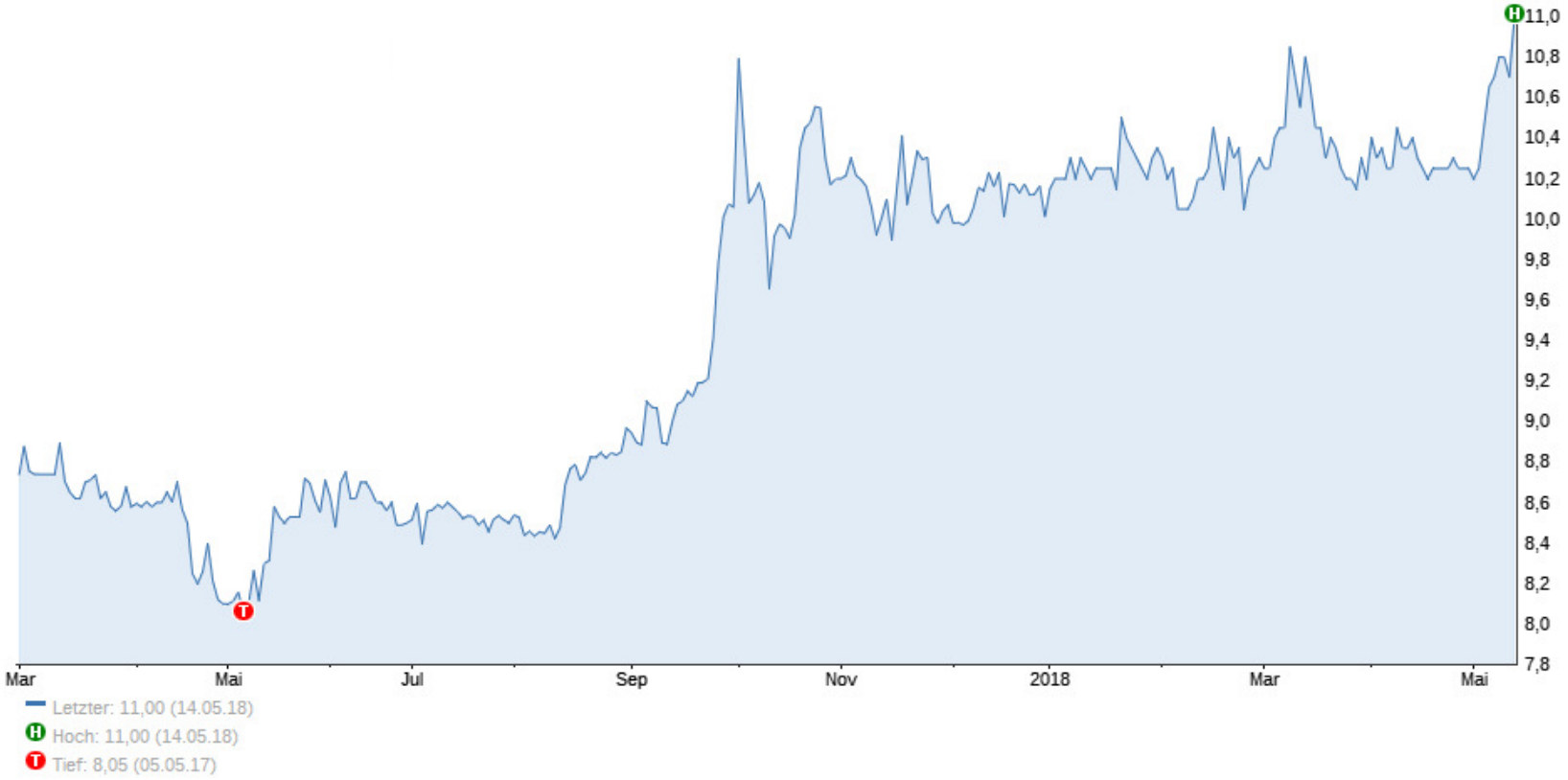
>> DKR share:

	14.05.2018
ISIN	DE000A14KRD3
WKN	A14KRD3
Symbol	DKG
Number of shares	27,236,313
Nominal capital (kEUR)	27,236
Share class	Bearer shares
Stock exchanges	XETRA, Frankfurt, Berlin
Segment	Prime Standard
Indizes	Prime all share, CDAX, DIMAX, RX REIT
52w high/low (EUR)	11.00 / 8.05
Market Cap (mEUR)	~ 300



DKR Shares
Analysts

Deutsche Konsum REIT-AG

>> **Analyst coverage:**

Publication date	Bank	Analyst	Recommendation	Price target
24 April 2018	ODDO BHF	Thomas Effler	„Buy“	EUR 11.90
26 April 2018	BERENBERG PRIVATBANKIERS SEIT 1590	Kai Klose	„Buy“	EUR 11.50
24 April 2018	Bankhaus Lampe	Dr. Georg Kanders	„Buy“	EUR 12.00

DKR Shares
Increased free float after capital increase

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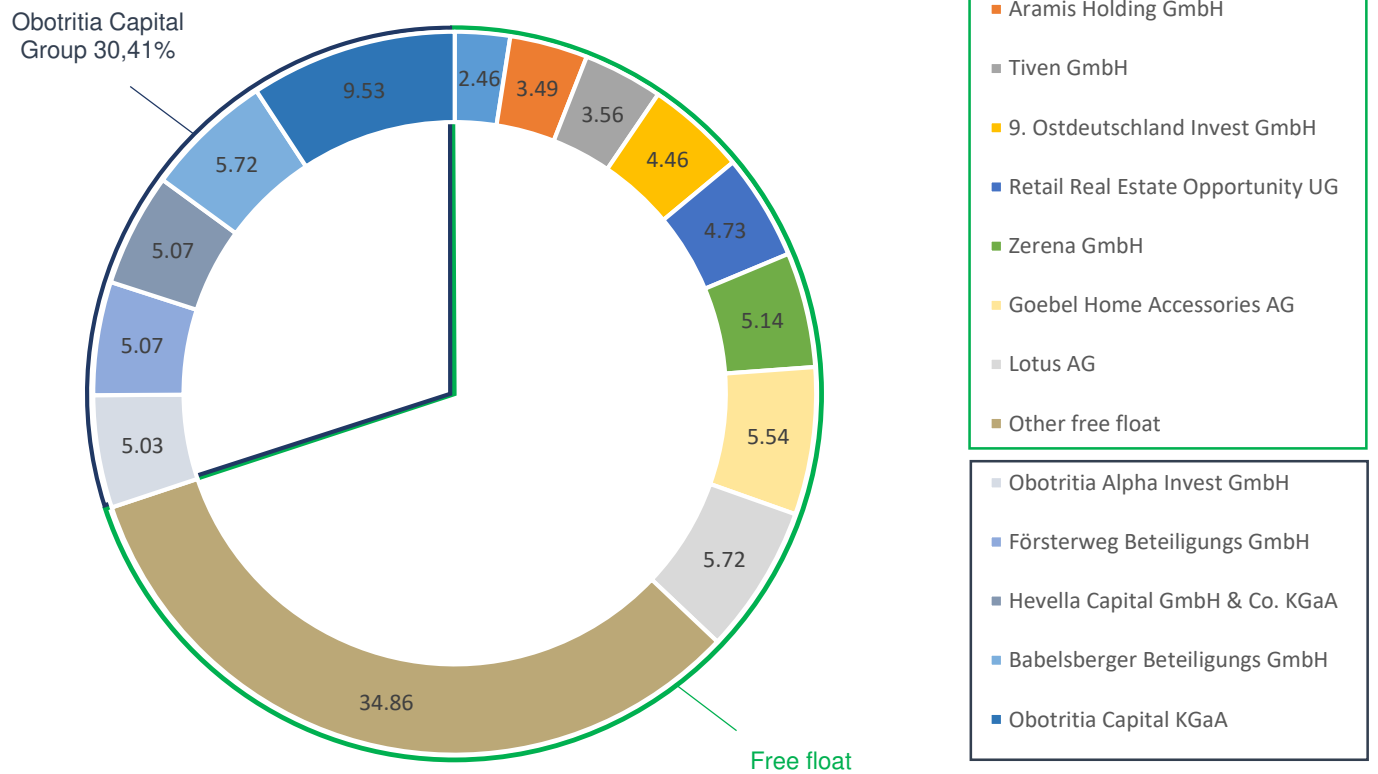
>> Recent DKR share developments:

- Successful 10% share capital increase closed on 8 Dec 2017
- Issuance of 2,476,028 new shares at a share price of 10 EUR (oversubscribed)
- Increased free float
- DKR aims to step into SDAX and EPRA indices

>> Current shareholder structure (14.05.2018) :



DKR Shares
FFO-Guidance and dividend policy for Fiscal Year 2017/2018

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>> FFO-Guidance for FY 2017/2018:

- FFO guidance is mainly driven by successful futurous acquisitions
- DKR plans to invest between 75 and 100 mEUR in the FY 2017/2018
- **Based on current projections DKR expects FFO between 16.0 mEUR and 20.0 mEUR**
- **FFO run rate at 23.0 mEUR by the end of FY 2017/2018**

>> Dividend policy for FY 2017/2018:

- DKR pays dividend for FY 2017/2018 after conclusion of the AGM in spring 2019
- Dividend distribution of 90% of German GAAP period result
- **Based on current number of shares we expect a dividend of at least 0.20 EUR per share**

Finance calendar

Finance calendar
We keep you informed

Deutsche Konsum REIT-AG

>> **Finance calendar:**

Date	
14.02.2018	Publication of Q1 2017/2018 quarterly statement
08.03.2018	Annual General Meeting in Berlin
15.05.2018	Publication of H1 2017/2018 half-yearly financial report
14.08.2018	Publication of Q3 2017/2018 quarterly statement
18.12.2018	Publication of final annual report FY 2017/2018

>> **Events:**

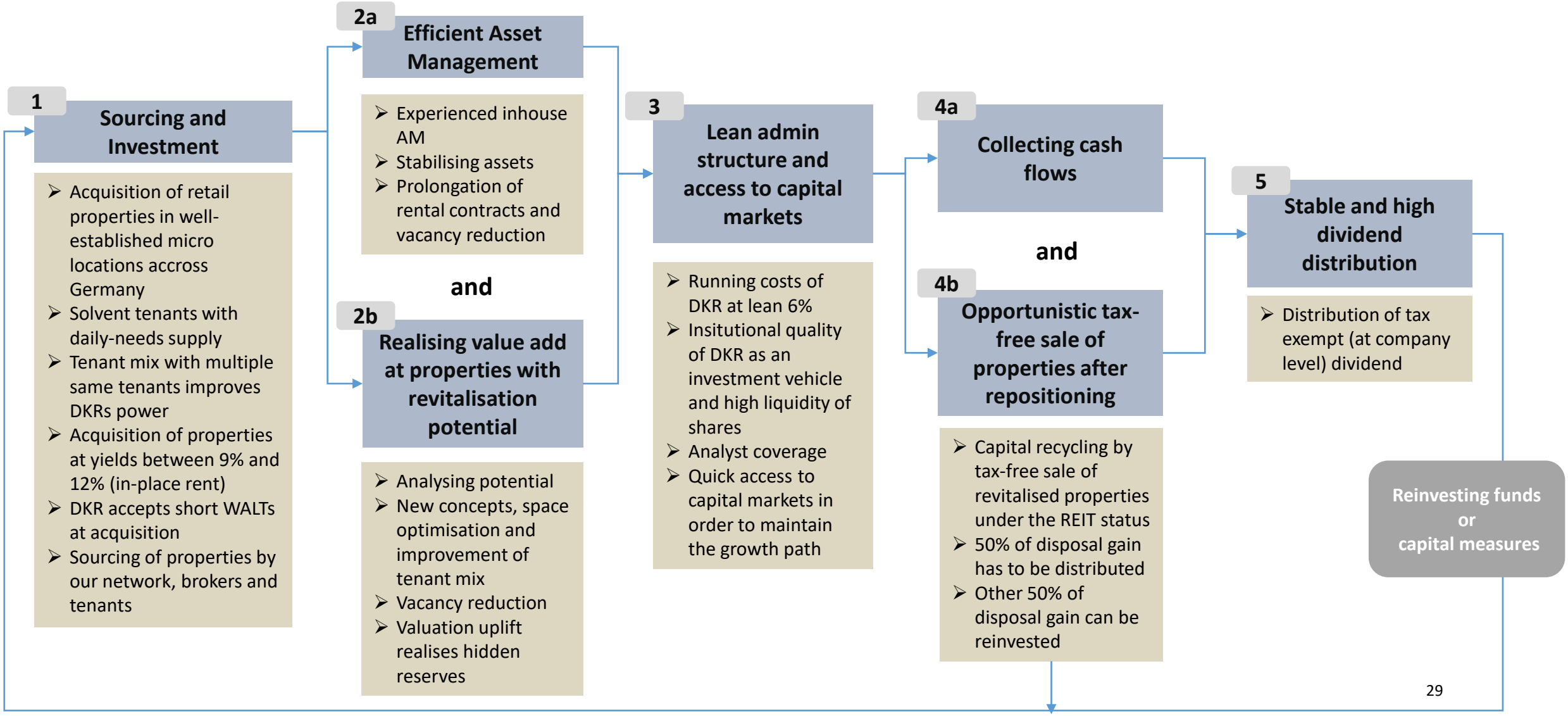
Date	
11.01.2018	ODDO BHF Forum Lyon
21.02.2018	12th ODDO BHF German Conference Frankfurt
29.08.2018	Berenberg Real Estate Helsinki Seminar, Helsinki
06.09.2018	EPRA Conference 2018, Berlin
24.09.2018 – 26.09.2018	Berenberg and Goldman Sachs Seventh German Corporate Conference, Munich
24.09.2018 – 27.09.2018	Baader Investment Conference, Munich
26.11.2018 – 28.11.2018	Eigenkapitalforum, Frankfurt

Appendices

Appendix I

DKR Strategy at a Glance (1) - Focussing on high cashflows

Deutsche Konsum REIT-AG

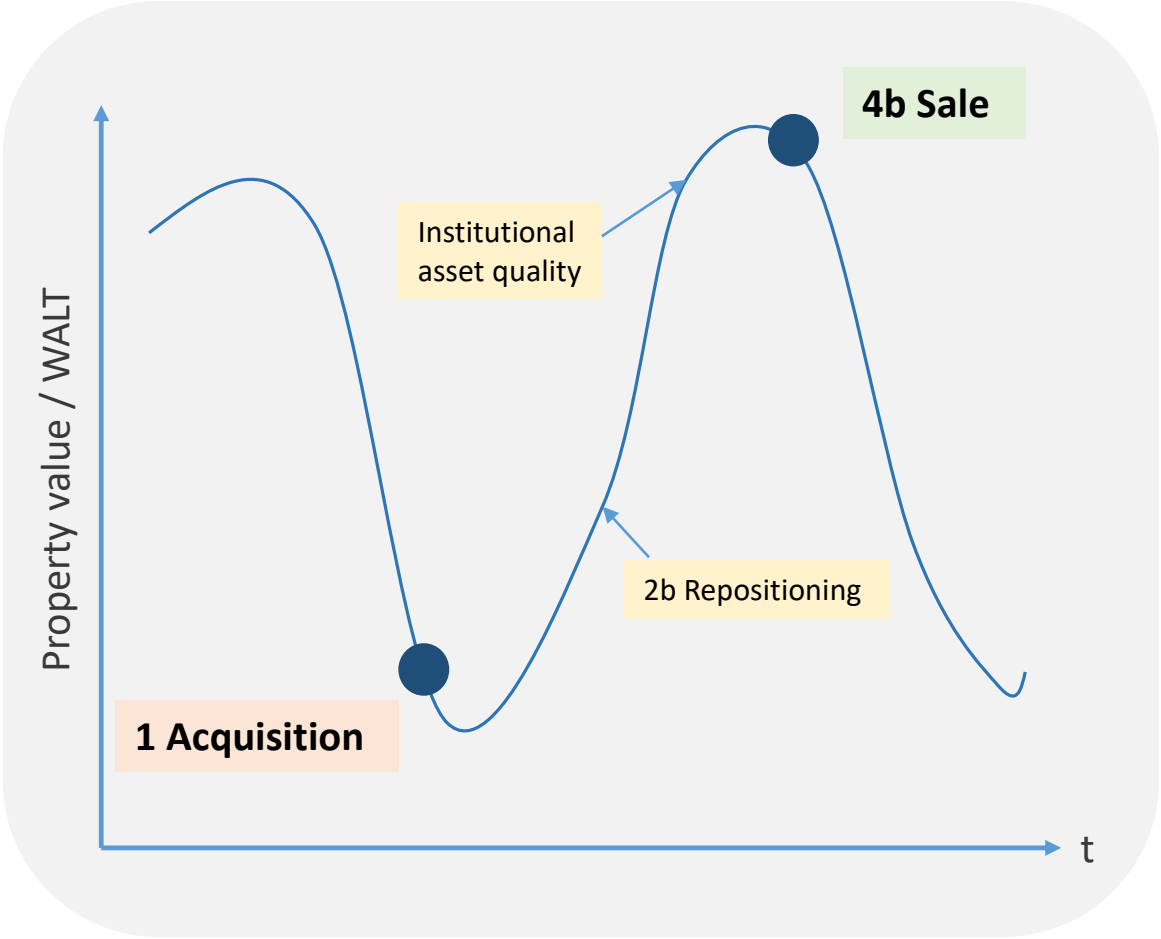


Appendix I
DKR Strategy at a Glance (2) - Opportunities and capital recycling

Deutsche Konsum REIT-AG

>> Value add strategy:

- DKR invests in properties in stable and established micro locations at a low level of the value cycle (1)
- In many cases these properties are slightly undermanaged or need new concepts or refurbishment
- By accepting short WALTs DKR can invest at high yields of ~ 10%
- DKR also accepts vacancies as long as the existing tenant mix generates a yield of ~ 10%
- Actually vacancy often is a clear value add potential which gives high flexibility to improve use and space concepts or allow tenants to expand their space
- DKR analyses the property potential and starts revitalising projects (2b)
- In course of the revitalisation and improvement of the property DKR is able to extend lease contracts and to reduce vacancy
- As a result the asset achieves a very stable asset quality with a high WALT and low vacancies as well as a state-of-the-art concept and the fair value is at the top
- Afterwards DKR intends to sell opportunistically at this valuation level



Appendix II
Experienced and committed management

Rolf Elgeti (CEO)

Rolf has been the founder of Deutsche Konsum REIT-AG, which is a spin-off of his investment company Obotritia Capital. Before he was the CEO of TAG Immobilien AG, Hamburg, which experienced an enormous growth under his leadership and stepped into German Mid-Cap Index (MDAX).

Before Rolf worked many years as an equity strategist at ABN Amro, Commerzbank and UBS in London. He has excellent banking and real estate knowledge. Rolf is personally and financially committed to DKR.

Alexander Kroth (CIO)

Alexander joined DKR in January 2017 and initially set up the company together with Rolf. He is in charge of DKRs investment strategy and the asset management. Before he worked at Obotritia Capital and KPMG. Alexander has real estate experience of more than 10 years.

In July 2017 Alexander has been appointed to CIO.

Christian Hellmuth (CFO)

Christian joined DKR in January 2017 and is responsible for Finance, Accounting and IR. Before he worked many years in leading positions at WCM, Deutsche Wohnen, GSW, Porsche Consulting and PricewaterhouseCoopers. Christian has real estate experience of more than 15 years.

In July 2017 Christian has been appointed to CFO.

Appendix III
Strong external partners

Deutsche Konsum REIT-AG

>> **DKRs external management partners:**

GV Nordost Verwaltungsgesellschaft mbH

ARNOLD HERTZ

Elgeti Brothers

bawenberg GmbH immobilienverwaltung

TECHNOPLAN Ingenieurgesellschaft für das Bauwesen mbH

QiTEC

CMde PRÄZISE IM DETAIL KOMPETENT IM GANZEN

Remstedt Immobilienservice

HAUSMAXX® PROPERTY MANAGEMENT GMBH

Appendix IV
Value add by extensive property redevelopments

Deutsche Konsum REIT-AG

>> **Current major revitalisation projects:**

Location	Domcenter Greifswald
Space (sqm)	9,410
Vacancy	~ 37%
Project description	Fresh appearance by new facade, new space utilisation, new tenants and expansion of existing tenants
Investment volume	5 mEUR
Expected finalisation	Spring 2018

Location	Kirschbergcenter Hohenmölsen
Space (sqm)	7,797
Vacancy	~ 38%
Project description	Fresh appearance by new facade, new space utilisation, new tenants and expansion of existing tenants
Investment volume	3 mEUR
Expected finalisation	Spring/Summer 2018

Location	Kolumbuspassage Rostock
Space (sqm)	4,492
Vacancy	~ 12%
Project description	New concept and new grocery anchor tenant which improves the tenant mix
Investment volume	~ 1 mEUR
Expected finalisation	Summer 2018

Location	Lindencenter Stralsund
Space (sqm)	5,775
Vacancy	~ 27%
Project description	New space utilisation and improvement of tenant mix
Investment volume	~ 1 mEUR
Expected finalisation	Autumn 2018

Appendix IV
Case 1: Bitterfeld - Revitalisation of „BiTZ“ retail store

Deutsche Konsum REIT-AG

At purchase

Total rentable space (sqm)	16,466
Vacant space (sqm)	4,815 (29%)
Annualized rent (mEUR)	0.6
Major tenants	OBI, ALDI, DEICHMANN
WALT	4.5 years
Purchase price (mEUR)	4.5

progress

Revitalisation process:

1. **New utilisation** concept by DKR‘s AM and activation of unused land by **new construction** of REWE and DM store

2. **Prolongation** of rental contracts with remaining tenants after successful raising of the locations‘ attractiveness

3. Refurbishing old building and **increase of usability by implementing state-of-the-art rental areas** adapted to tenants needs

Results:

New attractive tenants REWE (15 years contract) and DM (12 years contract) and increased rental space. Investment of roughly 5.5m EUR.

OBI signed new 10 years contract and 15% rent increase,
ALDI remains at the location,
TEDI exercised prolongation option.

Major decrease of vacant space expected due to current positive negotiations with potential tenants. Annualised rent increase of 0,2m EUR expected (conservative calculation).

Now

Total rentable space (sqm)	19,515
Vacant Space (sqm)	5,745 (29%), Increase due terminated lease contract with a night club
Annualized rent (mEUR)	1.0
Major tenants	OBI, ALDI, REWE, DM, DEICHMANN
WALT	8.6 years
Fair value (mEUR) 30 Jun 2017	13.1

Appendix IV
Case 2: Ludwigslust - Extending the anchor of „Lindencenter“

Deutsche Konsum REIT-AG

At purchase

Total rentable space (sqm)	14,386
Vacant space (sqm)	930 (6.5%)
Annualized rent (mEUR)	1.5
Major tenants	SKY, INJOY, DEICHMANN, KIK
WALT	5.1 years
Purchase price (mEUR)	13.0

progress

Value-add measures:

1 At purchase through DKR the anchor tenant was about to leave the asset. Started **negotiations with anchor tenants** quickly.

2 **Vacancy almost completely reduced** by using the experience and the network of our asset management.

Results:

Prolongation of food retail anchor by 10 years with same conditions which increased the WALT significantly.

Almost 0% vacancy and increased rent income.

Now

Total rentable space (sqm)	14,386
Vacant Space (sqm)	117 (0.1%)
Annualized rent (mEUR)	1.6
Major tenants	FAMILA, INJOY, DEICHMANN, KIK
WALT	8.3 years
Fair value (mEUR) 30 Jun 2017	23.7

Appendix IV

Case 3: Greifswald - Vacancy reduction through new attractive concept

Deutsche Konsum REIT-AG

At purchase

Total rentable space (sqm)	17,136
Vacant space (sqm)	5,998 (35%)
Annualised rent (mEUR)	0.9
Major tenants	Fashion Store, Grocery, Cinema, Apartments, Others
WALT	< 3 years
Purchase price (mEUR)	8.5

progress

Revitalisation process:

1. At purchase the retail centre had an uncertain future stucking in a liquidation for years. Developed **new space concept** and **started negotiations** with anchor tenants quickly.

2. Pro-active search and presentation of **new attractive tenants**. Initiation of refurbishments and modernization of appearance and technical issues like fire protection.

3. Start of **refurbishment and modernisation** and ongoing **attraction of new tenants.**

Results:

Space expansion of food retail anchor and fashion store accompanied with lease expiries.

New leases have reduced the vacancy < 10% and increased annualised rent to 1.4m EUR. Duration of all new leases over 10 years.

New and attractive appearance of the centre. Vacancy almost completely reduced.

After rebuilding

Total rentable space (sqm)	17,136
Vacant Space (sqm)	<10%
Annualised rent (mEUR)	1.4
Major tenants	JESSKE / MANGO, HOEPPNER (Shoes), NAH & FRISCH (Grocery), Cinema, Others
WALT	> 10 years
Fair value (mEUR) 30 Jun 2017	9.9

Appendix V
DKRs current portfolio

Deutsche Konsum REIT-AG

DKR Portfolio										
#	Address		Use	Tenant	Rental space sqm	Vacancy %	Rent level €/sqm	Monthly rent € p.m.	Annual rent € p.a.	WALT years
1	Bad Oeynhausen, Mindener Straße 67/Alter Rehmer Weg 22		Local retail centre	NP, TEDi	4.590	2,1%	4,93	22.158	265.899	3,7
2	Bitterfeld, Brehnaer Straße 34		Local retail centre	OBI, REWE Markt, DM	19.707	29,9%	5,95	82.194	986.324	8,2
3	Erfurt, Gothaer Straße 22		Hypermarket	Real	19.750	0,0%	9,36	184.829	2.217.950	8,9
4	Ludwigslust, Am Marstall 2		Shopping Centre	Body & Balace, KiK	14.386	1,5%	9,11	129.152	1.549.821	7,4

Appendix V
DKRs current portfolio

Deutsche Konsum REIT-AG

DKR Portfolio										
#	Address		Use	Tenant	Rental space sqm	Vacancy %	Rent level €/sqm	Monthly rent € p.m.	Annual rent € p.a.	WALT years
5	Neumünster, Rendsburger Straße 16		DIY Store	tedox KG	4.630	0,0%	4,14	19.167	230.004	8,8
6	Altentreptow, Fritz-Reuter-Straße 13		Local retail centre	EDEKA, Netto	4.293	5,3%	9,01	36.642	439.707	5,2
7	Ueckermünde, Chaussee Straße 41-43		Discounter	Penny	1.586	0,0%	6,76	10.728	128.731	5,2
8	Eisenhüttenstadt, Gubener Straße 42		DIY Store	Fishbull, Getränke Reschke	1.253	2,7%	4,14	5.050	60.600	5,9

Appendix V
DKRs current portfolio

Deutsche Konsum REIT-AG

DKR Portfolio										
#	Address		Use	Tenant	Rental space sqm	Vacancy %	Rent level €/sqm	Monthly rent € p.m.	Annual rent € p.a.	WALT years
9	Bad Dürrenberg, Ostrauer Straße 5		Discounter	Pfennigpfeiffer	3.384	61,7%	3,78	4.900	58.800	2,8
10	Meißen, Berghaus Straße 7		DIY Store	toom	6.227	0,0%	3,97	24.734	296.808	6,8
11	Ehrenfriedersdorf, Gewerbegebiet an der B95		DIY Store	toom	5.500	0,0%	3,27	18.000	216.000	2,8
12	Adorf, Karlsgasse 28		Discounter	Thomas Philips	5.435	0,0%	1,56	8.500	102.000	2,5

Appendix V
DKRs current portfolio

Deutsche Konsum REIT-AG

DKR Portfolio										
#	Address		Use	Tenant	Rental space sqm	Vacancy %	Rent level €/sqm	Monthly rent € p.m.	Annual rent € p.a.	WALT years
13	Wandlitz, Bahnhofstraße 35-36		Local retail centre	Netto	1.608	0,0%	9,20	14.789	177.474	6,8
14	Marlow, Carl-Cossow-Straße 64		Discounter	Netto	1.046	0,0%	9,20	9.623	115.478	8,6
15	Halle, Hermann-Heidel-Straße 11		Discounter	Norma	1.072	18,7%	4,59	4.000	48.000	Unlimited
16	Warin, Burgstraße / Langestraße 12-14		Local retail centre	Norma	1.598	2,8%	6,53	10.146	121.747	1,9

Appendix V
DKRs current portfolio

Deutsche Konsum REIT-AG

DKR Portfolio										
#	Address		Use	Tenant	Rental space sqm	Vacancy %	Rent level €/sqm	Monthly rent € p.m.	Annual rent € p.a.	WALT years
17	Gräfenhainichen, Rosa-Luxemburg-Straße 47		Discounter	ALDI	1.087	0,0%	6,72	7.299	87.589	2,9
18	Bitterfeld-Wolfen, Anhaltstraße 70b/72		Local retail centre	Siemes Schuhcenter, Takko	5.822	12,5%	4,36	22.194	266.334	3,7
19	Krempe, Neuenbrooker Straße 37		Discounter	SKY	1.758	0,0%	7,38	12.980	155.758	2,3
20	Herrnhut, Löbauer Straße 45		Discounter	Penny, NKD	1.334	6,0%	6,70	8.400	100.800	2,5

Appendix V
DKRs current portfolio

Deutsche Konsum REIT-AG

DKR Portfolio										
#	Address		Use	Tenant	Rental space sqm	Vacancy %	Rent level €/sqm	Monthly rent € p.m.	Annual rent € p.a.	WALT years
21	Kleinwelka, Hoyerswerdaer Straße 136		Discounter	Penny	1.138	0,0%	11,47	13.050	156.600	9,6
22	Niesky, Am Bahnhof 8		Discounter	Penny	1.352	0,0%	5,18	7.000	84.000	2,4
23	Schwante, Dorfstraße 25		Discounter	Netto	1.046	0,0%	8,95	9.362	112.340	7,3
24	Berlin-Tempelhof, Manteuffelstraße 71		Discounter	Getränke Hoffmann	1.133	0,0%	5,59	6.336	76.030	4,5

Appendix V
DKRs current portfolio

Deutsche Konsum REIT-AG

DKR Portfolio										
#	Address		Use	Tenant	Rental space sqm	Vacancy %	Rent level €/sqm	Monthly rent € p.m.	Annual rent € p.a.	WALT years
25	Berlin-Konradshöhe, Habichtstraße 16		Discounter	Nahkauf (REWE)	580	0,0%	7,78	4.513	54.160	8,6
26	Ludwigsfelde, Albert-Tanneur-Straße 25		Local retail centre	Norma	4.484	0,0%	6,93	31.085	373.016	2,8
27	Rüdersdorf, Brückenstraße 12a/b		Local retail centre	EDEKA	2.783	0,0%	8,65	24.080	288.963	1,0
28	Guben, Karl-Marx-Straße 95		Discounter	Netto	1.181	0,0%	7,87	9.300	111.600	4,2

Appendix V
DKRs current portfolio

Deutsche Konsum REIT-AG

DKR Portfolio										
#	Address		Use	Tenant	Rental space sqm	Vacancy %	Rent level €/sqm	Monthly rent € p.m.	Annual rent € p.a.	WALT years
29	Leipzig, Merseburger Straße 255-263		Local retail centre	ALDI, BabyOne	23.382	8,3%	6,27	134.525	1.614.305	3,9
30	Rostock, Kolumbusring 58		Local retail centre	Vitalis-Zentrum, NKD	4.492	18,0%	4,73	17.433	209.192	1,2
31	Güstrow, Pferdemarkt 58 / Markt 2-3 / Hageböcker Straße 108		Local retail centre	NKD, Eggers Schuh	6.265	84,8%	13,29	12.656	151.868	4,1
32	Wernigerode, Ringstr. 31-37 Gustav-Petri-Straße		Local retail centre	EDEKA, Contipark	25.532	9,7%	2,89	66.546	798.552	2,4

Appendix V
DKRs current portfolio

Deutsche Konsum REIT-AG

DKR Portfolio										
#	Address		Use	Tenant	Rental space sqm	Vacancy %	Rent level €/sqm	Monthly rent € p.m.	Annual rent € p.a.	WALT years
33	Laucha, Am Stadtfeld 2		Discounter	NP	1.110	0,0%	8,52	9.455	113.457	4,0
34	Gröbers, Lange Straße 3		Discounter	NP	986	0,0%	9,09	8.966	107.597	4,0
35	Köthen, Edderitzer Straße 8		Discounter	NP	685	0,0%	10,33	7.075	84.896	4,0
36	Ermsleben, Neustadt 1a		Discounter	NP	678	0,0%	9,30	6.308	75.697	4,0

Appendix V
DKRs current portfolio

Deutsche Konsum REIT-AG

DKR Portfolio										
#	Address		Use	Tenant	Rental space sqm	Vacancy %	Rent level €/sqm	Monthly rent € p.m.	Annual rent € p.a.	WALT years
37	Goldbeck, Babener Straße 43		Discounter	NP	982	0,0%	8,80	8.640	103.676	3,9
38	Stendal, Nordwall 12b		Discounter	EDEKA	1.107	0,0%	10,67	11.813	141.750	4,1
39	Hohenmölsen, Wilhelm - Külz-Straße 8		Local retail centre	REWE, Rossmann	7.707	38,6%	6,28	29.712	356.539	4,3
40	Greifswald, Dompassage		Shopping Centre	Cinema, Dr. Hotz GmbH	13.321	45,9%	8,43	60.726	728.711	0,0

Appendix V
DKRs current portfolio

Deutsche Konsum REIT-AG

DKR Portfolio										
#	Address		Use	Tenant	Rental space sqm	Vacancy %	Rent level €/sqm	Monthly rent € p.m.	Annual rent € p.a.	WALT years
41	Krakow am See, Bahnhofsplatz 3		Discounter	EDEKA	3.474	5,3%	8,38	27.594	331.126	3,2
42	Franzburg, Abtshäger Straße 13		Local retail centre	EDEKA	1.320	0,0%	6,83	9.018	108.212	3,8
43	Verden, Holzmarkt 7-15		Local retail centre	EDEKA	7.128	2,7%	13,96	96.837	1.162.041	1,7
44	Pritzwalk, Rostocker Straße 1,2,3,7 und 8		Hypermarket	Real, Hagebaumarkt	15.157	0,0%	7,53	114.143	1.369.716	5,0

Appendix V
DKRs current portfolio

Deutsche Konsum REIT-AG

DKR Portfolio										
#	Address		Use	Tenant	Rental space sqm	Vacancy %	Rent level €/sqm	Monthly rent € p.m.	Annual rent € p.a.	WALT years
45	Ueckermünde, Haffring 24		Local retail centre	REWE, TEDI	4.620	44,0%	4,21	10.883	130.591	8,6
46	Kaltennordheim, Gartenstraße 2		Discounter	Tegut	927	0,0%	3,42	3.171	38.051	3,8
47	Kaltensundheim, Bergstraße 12		Discounter	Steffen Hepp	915	0,0%	4,87	4.458	53.500	5,5
48	Viernau, Mühlstraße 52		Discounter	Tegut	1.027	0,0%	4,30	4.420	53.040	4,9

Appendix V
DKRs current portfolio

Deutsche Konsum REIT-AG

DKR Portfolio										
#	Address		Use	Tenant	Rental space sqm	Vacancy %	Rent level €/sqm	Monthly rent € p.m.	Annual rent € p.a.	WALT years
49	Dautphe, Gladenbacher Straße 43		Discounter	REWE	1.600	0,0%	4,25	6.800	81.600	2,9
50	Schwedt, Platz der Befreiung 1		Local retail centre	DM, Woolworth	10.533	0,2%	5,23	54.978	659.740	2,5
51	Stralsund, Lindenallee 25		Local retail centre	Pharmacy, TEDI	5.882	27,1%	4,46	19.148	229.774	1,1
52	Aschersleben, Magdeburger Straße 32		Discounter	Norma	1.009	0,0%	10,18	10.273	123.270	2,8

Appendix V
DKRs current portfolio

Deutsche Konsum REIT-AG

DKR Portfolio										
#	Address		Use	Tenant	Rental space sqm	Vacancy %	Rent level €/sqm	Monthly rent € p.m.	Annual rent € p.a.	WALT years
53	Bergen, Harburger Straße 30		Local retail centre	EDEKA	6.393	0,0%	11,55	73.809	885.711	1,9
54	Drebkau, Drebkauer Hauptstraße 5		Discounter	NP	965	0,0%	5,18	5.000	60.000	4,9
55	Guben, Karl-Marx-Straße 96		Local retail centre	REWE, AWG	10.331	15,5%	8,19	71.451	857.411	4,2
56	Oer-Erkenschwick, Berliner Platz 14		Hypermarket	Kaufland	9.555	0,0%	10,99	105.000	1.260.000	12,0

Appendix V
DKRs current portfolio

Deutsche Konsum REIT-AG

DKR Portfolio										
#	Address		Use	Tenant	Rental space sqm	Vacancy %	Rent level €/sqm	Monthly rent € p.m.	Annual rent € p.a.	WALT years
57	Meißen, Schützestraße 1		Hypermarket	Kaufland, Gym	24.475	30,6%	6,10	103.505	1.242.063	3,1
58	Plauen, Morgenbergstraße 41		Hypermarket	Kaufland, WBS Training AG	24.115	34,1%	7,19	114.257	1.371.079	3,4
59	Tangerhütte, Neustädter Ring 78		Local retail centre	EDEKA	2.574	0,0%	5,36	13.800	165.600	4,6
60	Sondershausen, Beethovenstraße 9		Discounter	Tegut	1.100	0,0%	6,72	7.392	88.704	8,8

Appendix V
DKRs current portfolio

Deutsche Konsum REIT-AG

DKR Portfolio										
#	Address		Use	Tenant	Rental space sqm	Vacancy %	Rent level €/sqm	Monthly rent € p.m.	Annual rent € p.a.	WALT years
61	Eisenhüttenstadt, Karl-Marx-Straße 33		Discounter	Netto	1.153	0,0%	9,28	10.700	128.400	2,2
62	Limbach-Oberfrohna, Frohnbachstraße 59		Discounter	Diska	1.862	0,0%	7,89	14.702	176.427	5,1
63	Hettstedt, Luisenstraße 18 a - k		Local retail centre	Penny	2.616	1,8%	6,70	17.211	206.537	0,4
64	Kelbra, Jochstraße 2		Discounter	Penny	930	0,0%	6,45	6.000	72.000	2,8

Appendix V
DKRs current portfolio

Deutsche Konsum REIT-AG

DKR Portfolio										
#	Address		Use	Tenant	Rental space sqm	Vacancy %	Rent level €/sqm	Monthly rent € p.m.	Annual rent € p.a.	WALT years
65	Langenwolschendorf, Heinrich-Wobst-Straße 1		Local retail centre	REWE	3.072	0,0%	7,57	23.267	279.204	7,0
66	Schwerte, Hagener Straße 51		Discounter	Penny	1.200	0,0%	6,83	8.200	98.400	2,8
67	Finsterwalde-Massen, Ludwig-Erhard-Straße 5		DIY Store	OBI	11.072	0,0%	3,61	40.000	480.000	6,3
68	Jestetten, Schaffhauser Straße 8		Discounter	KiK, Tedi	1.296	0,0%	10,51	13.627	163.518	2,8

Appendix V
DKRs current portfolio

Deutsche Konsum REIT-AG

DKR Portfolio										
#	Address		Use	Tenant	Rental space	Vacancy	Rent level	Monthly rent	Annual rent	WALT
					sqm	%	€/sqm	€ p.m.	€ p.a.	years
69	Glauchau, Schönburgstraße 40		Discounter	Netto	1.153	0,0%	8,58	9.900	118.800	2,5
70	Zeulenroda, Heinrich-Wobst-Straße 2		DIY Store	Hagebaumarkt	5.250	0,0%	3,81	20.000	240.000	8,8
Portfolio in total as at 31.03.2018					**368.715**	**13,7%**		**2.133.607**	**25.603.289**	**5,2**

Appendix V
DKRs current portfolio

Deutsche Konsum REIT-AG

DKR Portfolio										
#	Address		Use	Tenant	Rental space sqm	Vacancy %	Rent level €/sqm	Monthly rent € p.m.	Annual rent € p.a.	WALT years
71	Weilheim, Lohgasse 4		Discounter	Netto	1.824	0,0%	4,83	8.810	105.717	3,3
72	Dierdorf, Königsberger Straße 12		Discounter	KiK, Fessnapf	1.391	0,0%	8,79	12.224	146.685	7,4
73	Berlin, Blankenburger Straße 145		Discounter	Netto	987	0,0%	12,71	12.548	150.577	5,8

Appendix V
DKRs current portfolio

Deutsche Konsum REIT-AG

DKR Portfolio										
#	Address		Use	Tenant	Rental space sqm	Vacancy %	Rent level €/sqm	Monthly rent € p.m.	Annual rent € p.a.	WALT years
74	Waldbröl, Kaiserstraße 36		Discounter	Rossmann	938	0,0%	6,30	5.911	70.935	#NV
75	Seebach, Am Rötelstein 3 / Dicelstraße 7		Discounter	Nahkauf (REWE)	1.120	2,8%	6,41	6.975	83.697	4,6
76	Freiberg, Abraham-von-Schönburg-Straße 3		Discounter	Netto	1.117	0,0%	10,55	11.785	141.421	3,2
77	Berlin, Buddestraße 36		Discounter	Netto	931	0,0%	18,05	16.801	201.618	5,8

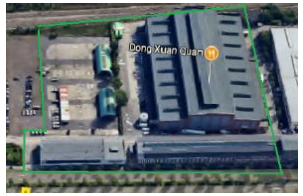
Appendix V
DKRs current portfolio

Deutsche Konsum REIT-AG

DKR Portfolio										
#	Address		Use	Tenant	Rental space sqm	Vacancy %	Rent level €/sqm	Monthly rent € p.m.	Annual rent € p.a.	WALT years
78	Niesky, Rothenburger Straße 23		Discounter	Penny	1.080	0,0%	9,87	10.656	127.872	13,2
79	Halberstadt, Breiter Weg 13		Local retail centre	black.de	2.406	57,1%	5,33	5.500	66.000	4,6
80	Elsterwerda - Elster Center, Lauchhammerstraße 60 /167		DIY Store, Hypermarket	REWE Center, toom	34.435	0,0%	4,30	148.236	1.778.836	7,3
81	Werdau, Stiftstraße 6-8		Hypermarket	Kaufland, Roller	39.390	5,0%	5,14	192.368	2.308.412	4,4

Appendix V
DKRs current portfolio

Deutsche Konsum REIT-AG

DKR Portfolio										
#	Address		Use	Tenant	Rental space sqm	Vacancy %	Rent level €/sqm	Monthly rent € p.m.	Annual rent € p.a.	WALT years
82	Weißwasser, Sachsendamm 32		Hypermarket	Kaufland, Hammer	13.228	0,0%	6,35	84.041	1.008.494	3,8
83	Torgelow, Pasewalker Straße 5-8		Local retail centre	OBI, SKY	7.519	0,0%	8,32	62.583	750.996	7,4
84	Leipzig, Maximilianallee 18-20		Local retail centre	Multiple tenants	7.986	0,0%	8,99	71.802	861.622	0,7
85	Unterwellenborn, Kronacher Straße 1,7		DIY Store	OBI	8.487	0,0%	5,11	43.333	520.000	5,8

Appendix V
DKRs current portfolio

Deutsche Konsum REIT-AG

DKR Portfolio										
#	Address		Use	Tenant	Rental space sqm	Vacancy %	Rent level €/sqm	Monthly rent € p.m.	Annual rent € p.a.	WALT years
86	Angermünde, Rudolf-Breitscheid-Straße 27		Discounter	Norma, Pharmacy	4.018	6,2%	6,69	25.209	302.508	1,6
87	Pfullingen, Römerstraße 166		Hypermarket	EDEKA C+C	4.892	0,0%	4,05	19.826	237.916	4,8
88	Sassnitz, Gewerbepark 9		DIY Store	Hagebaumarkt	3.343	0,0%	4,87	16.294	195.528	1,8
89	Bad Sachsa, Marktstraße 43/44		Local retail centre	ALDI	1.712	4,8%	8,28	13.496	161.954	3,9
Portfolio in total as at 15.05.2018					**505.519**	**10,7%**	**6,5**	**2.902.006**	**34.824.077**	**5,4**

Please note that in some cases vacany and rent level numbers comprise all uses as retail, apartments and parking and are therefore just averaging indications.

Glossary

Deutsche Konsum REIT-AG

>> **Calculation of financial figures:**

Financial KPI	Calculation
Average debt interest rate	Weighed average interest rates of financial instruments divided by nominal financial debt
EPRA NAV per share	Total equity modified according to EPRA guidelines divided by number of shares
FFO	Funds From Operations – Recurring and oneoff adjusted fund from the operation of the property portfolio
GAV	Gross Asset Value – Value of investment properties in the balance sheet
Initial yield	Annualised rental income divided by purchase price
Net-LTV	Net Loan-to-value - debt (financial liabilities minus cash) divided by GAV
Valuation multiple	Gross asset value divided by rental income
WALT	Weighed average lease terms of the portfolio remaining

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Unless otherwise specified all information is for the quarter ended 31 March 2018.