



FY 2020/2021 FINANCIAL RESULTS

1 OCTOBER 2020 – 30 SEPTEMBER 2021

16 December 2021

Deutsche
Konsum
REIT-AG



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Unless otherwise specified all information is for the period (“FY”) ended 30 September 2021.

HIGHLIGHTS

DKR with strong development despite pandemic – basic retail properties very sought after by investors

Operational business development very robust during crisis

- Rental income 69.7m EUR (up 24% y-o-y)
- FFO 41.2m EUR up 18% (in line with guidance 40m EUR – 41m EUR) / FFO per share 1.17 EUR up 11%
- FFO Run Rate as at 30 Sep 2021 c. 42m EUR (below guidance due to property sales, but still up by 5% y-o-y)
- L-f-L rental growth of 1.7%

DKRs property portfolio exceeded size of 1bn EUR

- Acquisition of 13 retail properties with a total investment volume of 120.2m EUR at an average yield of 9.1% - despite COVID
- Significant revaluation uplift (l-f-l) by c. 58m EUR
- Property portfolio (as of 30.09.2021) amounts to more than 1bn EUR with an annualised rent of c. 73m EUR

Capital recycling at attractive conditions to boost further growth

- Property sale of discounter store in Berlin-Pankow with a profit of 1.7m EUR completed (sale at a yield of 4.5% / acquired at 9.7%)
- Sale of eight properties at a volume of 70m EUR notarised to become effective in FY 2021/2022 (sale at 5.6% yield / acquired at 10.6%)
- Further sales at similar yields in the pipeline
- Strong acquisition pipeline at significantly higher yields

Solid balance sheet

- ICR at 6.1x EBITDA
- LTV at 53.2% / NAV per share 13.31 EUR up by 20%
- Average weighted debt costs at 1.90% (including unsecured debt)
- New senior secured loans taken at fixed interest rates between 1.05% and 1.77% per annum

Dividend / Guidance FY 2021/2022

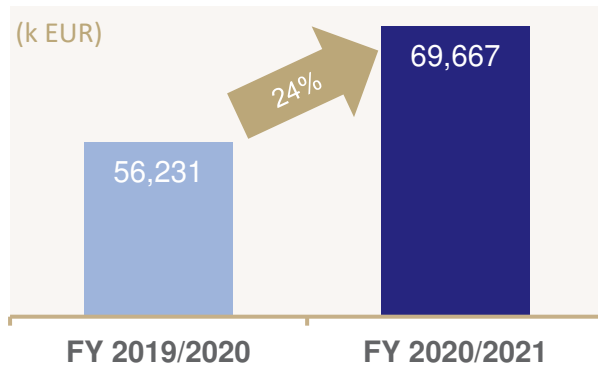
- Dividend proposal for FY 2020/2021 of 0.40 EUR per share (same as last year to take into account COVID)
- FFO guidance for the FY 2021/2022 of 40.0m EUR - 44.0m EUR
- Firepower fueled up to > 180m EUR for further acquisitions due to disposal gains

FINANCIAL KEY FIGURES

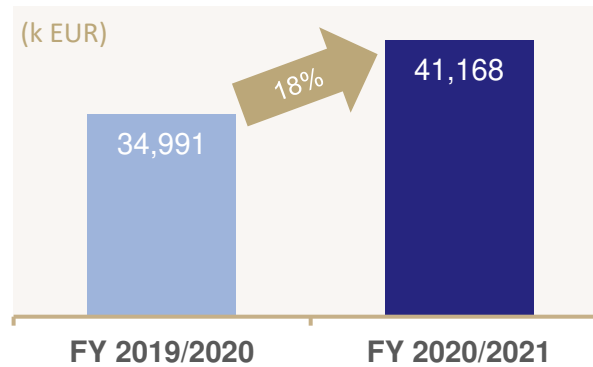
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Strong and accretive growth

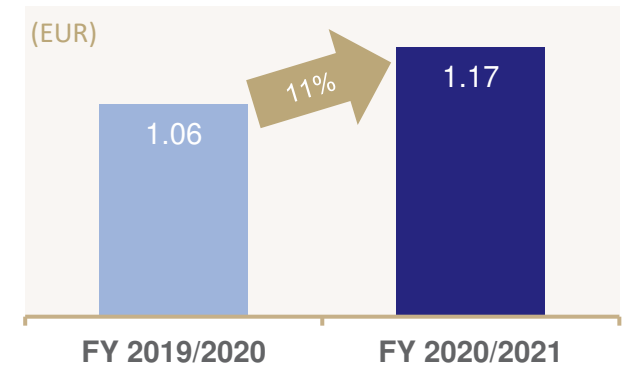
Rental income



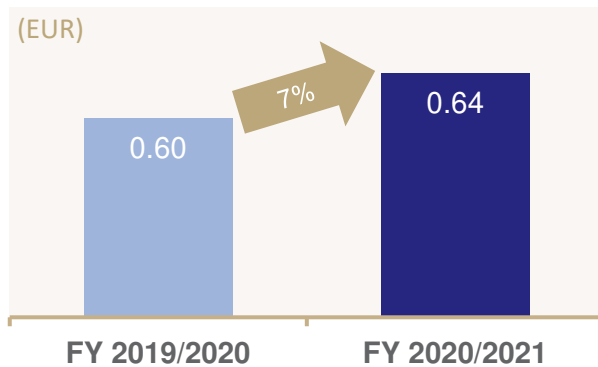
FFO



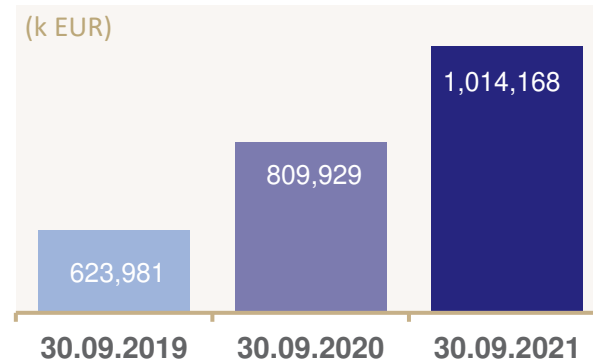
FFO per share



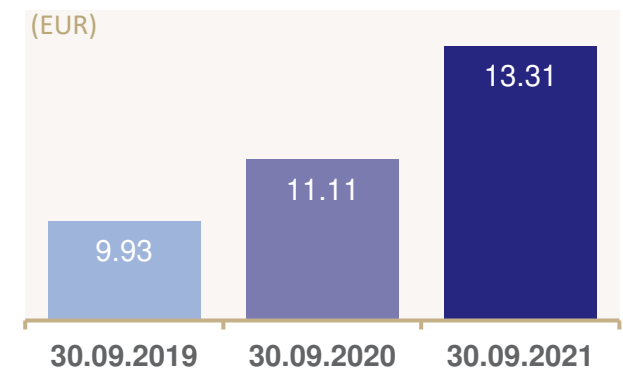
aFFO per share



Investment properties



NAV per share



Properties sold at attractive multiples with the aim to reinvest gains into new properties

>> Accretive selling of properties:

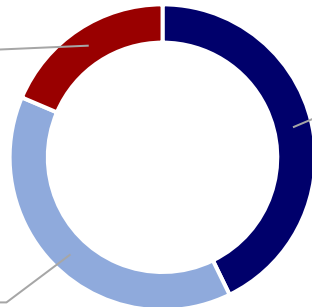
➤ Notarisation of disposal of eight properties for 69.8m EUR (5.6% yield):

- Properties in Verden, Bergen, Bad Harzburg, Niesky (Rothenburger Straße), Altentreptow, Krempe, Krakow am See (notarised end of Sep 2021) and
- Oer-Erkenschwick (notarised November 2021)
- Total size c. 37,000 sqm (c. 3% of DKRs entire portfolio)
- Annualised rent c. 3.9m EUR at 8.9 years WALT and occupancy rate of > 98%
- Properties were acquired individually between 2015 and 2019 at a yield of c. 10%
- Disposal profits will increase the dividend for the current FY 2021/2022 by additional 0.30 – 0.40 cents per share (based on current shares outstanding)

Use of disposal proceeds:

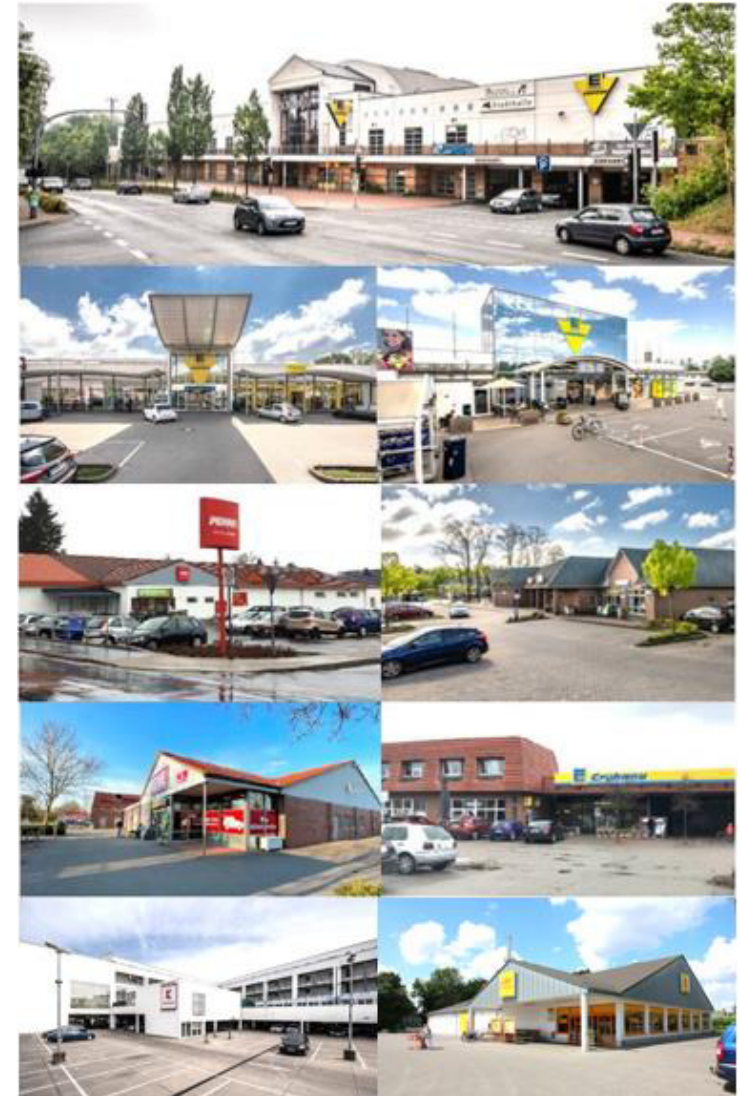
Dividend payment accord. G-REIT law: 13.0m EUR

Bank loans repaid: 27.0m EUR



Free cashflow (FCF) to be reinvested: 29.9m EUR

Free cashflow boosts DKRs firepower by up to 60m EUR (50% LTV target)



ACQUISITIONS POST FISCAL YEAR END

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Property acquisitions in the new FY 2021/2022

>> Acquisitions in Q1 2021/2022:



Location	Altenburg-Nobitz (Thuringia)	Schiffweiler (Saarland)	Castrop-Rauxel (Northrhine-Westphalia)	Bockau (Saxony)	Frauenstein (Saxony)	Freiberg (Saxony)	Rennerod (Rhineland-Palatinate)
Type	Retail park	Local retail centre	Local retail centre	Supermarket	Supermarket	Car maintenance	Furnishing house
Space (sqm)	18,567	2,990	13,750	741	992	325	1,428
Annualised rent (kEUR)	650	217	1.520	36	90	51	75
Main tenants	Marktkauf (EDEKA), ALDI, Poco, doctors	REWE	Kaufland, C&A, Deichmann, TEDI, pharmacy	Nah & gut (EDEKA)	EDEKA	Carglass	Jysk
WALT	5.2 years	10.1 years	6.9 years	1.3 years	13.2 years	1.5 years	5.0 years
Vacancy	8%	17%	4%	0%	0%	0%	0%
Initial yield	> 10.5%	> 8.9%	> 7.5%	> 8.5 %	> 7.7%	> 10.0%	> 8.2%
Transfer of ownership expected	January 2022	February 2022	February 2022	February 2022	February 2022	February 2022	February 2022

➤ Total rental space of c. 39,000 sqm and annual rent c. 2.6m EUR at an avg. initial yield 8.2%

PROPERTY PORTFOLIO

FY 2020/2021 acquisition results

>> Acquisitions closed in FY 2020/2021:



Locations

Stendal, Zerbst, Schöneck, Parchim, Neu-Anspach, Mölln, Wrestedt, Blankenstein, Freital, Zittau, Northeim, Frankfurt (Oder), Saarbrücken

Type

Groceries, food-anchored retail parks and neighborhood centres

Space (sqm)

c. 130,000

Annualised rent (m EUR)

10.9

Main tenants

Kaufland, Edeka, Norma, Rossmann, Woolworth, Jysk, healthcare tenants, apartments (> 70%) a. o.

WALT

> 5 years

Vacancy

13%

Initial yield

> 9.0%

Investment volume (m EUR)

120.2 (EUR 925 per sqm)

PROPERTY PORTFOLIO

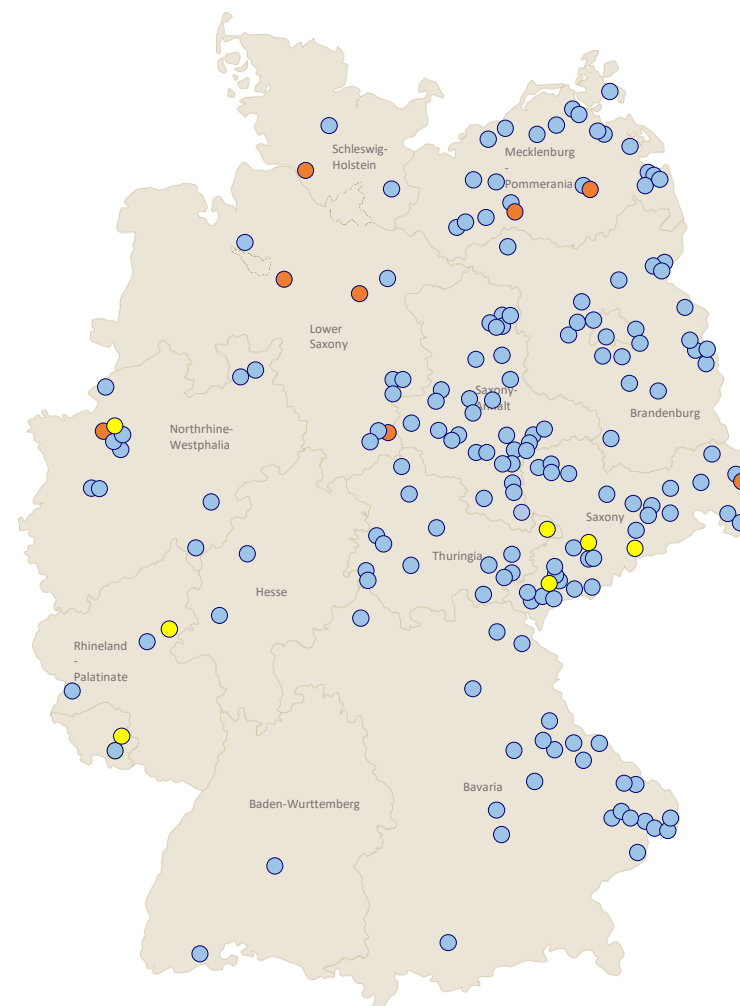
Proforma portfolio consists of 172 properties with approx. 1,023,000 sqm

>> Portfolio development within the last 24 months:

	30.09.2019	30.09.2020	30.09.2021	Pro Forma (incl. notarised disposals and acquisitions)
Number of properties	123	161	173	172
Rental space (sqm)	722.6	899.9	1,021.9	1,022.6
Total fair value (m EUR)	624.0	809.9	1,014.4	976.9
Fair value per sqm (EUR)*	863	900	993	955
Valuation multiple	12.8x	12.8x	13.9x	13.6x
Total annualised portfolio rent (m EUR)	48.7	63.1	72.9**	71.7**
In-place-rent per sqm per month (EUR)	6.23	6.48	6.66	6.56
Vacancy rate (%)	9.9	9.9	10.7	11.0
WALT (years)	5.6	5.4	5.5	5.3

* The cost of building new properties is usually more than 1,800 EUR per sqm

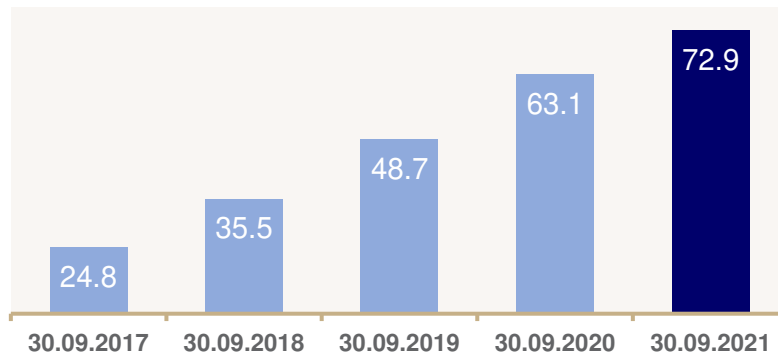
** excluding estimated parking fees of approx. 0.5m EUR per annum



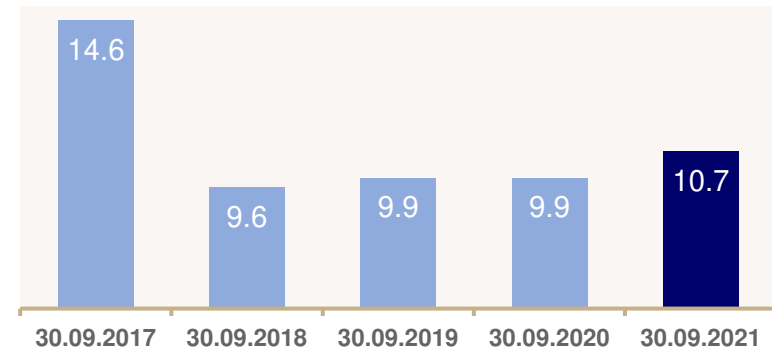
- Portfolio as at 30.09.2021 (173 properties)
- Notarised acquired assets as at 15.12.2021 (7 properties)
- Notarised sold assets as at 15.12.2021 (8 properties)

Steady portfolio growth and stable property KPIs

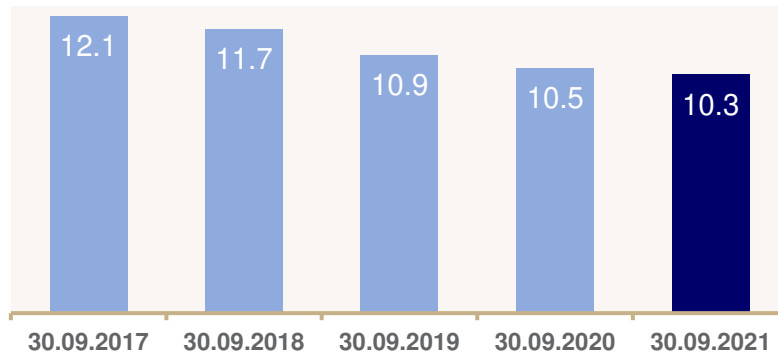
Annualised rent (m EUR)



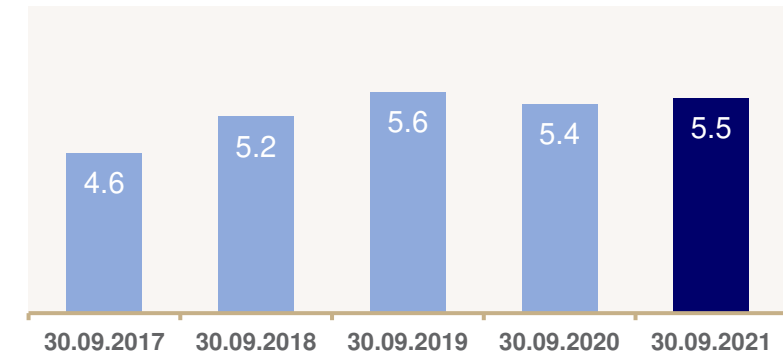
Vacancy (%)



Initial yield (%)



WALT (years)



Breakdown of letting performance in FY 2020/2021

>> Like-for-like (LFL)¹ letting performance:

	30-Sep-2021	30-Sep-2020	Change
Net rent/sqm/month (EUR)	6.50	6.39	1.7%
Vacancy (%)	9.13	9.53	-4.3%
WALT (years)	5.5	5.5	-0.3%

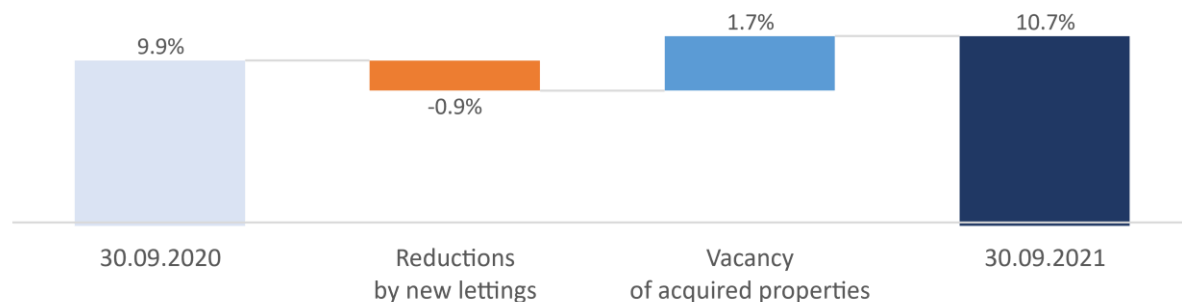
- Lfl-Rental growth mainly driven by new lettings and CPI linked rent increases
- Vacancy reductions achieved by new lettings

>> Letting performance by DKRs Asset Management:

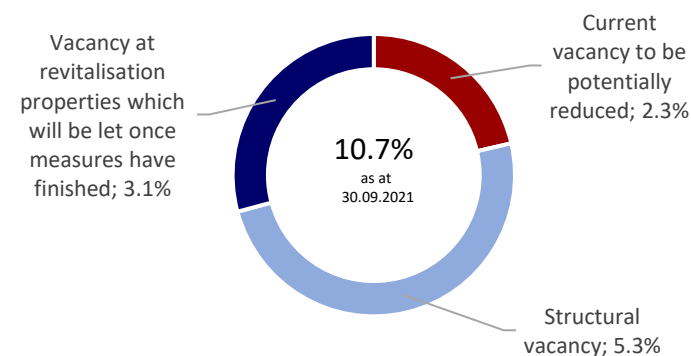
Number of new leases and lease prolongations	112
Vacancy reduction by new leases (sqm)	16,500 sqm
Rental space with lease prolongations (sqm)	66,200 sqm
Additional annual rent caused by new leases and prolongations	566k EUR
Average contractual gain in WALT	6.1 years

>> Vacancy breakdown:

Vacancy drivers in FY 2020/2021



Breakdown of vacant rental space

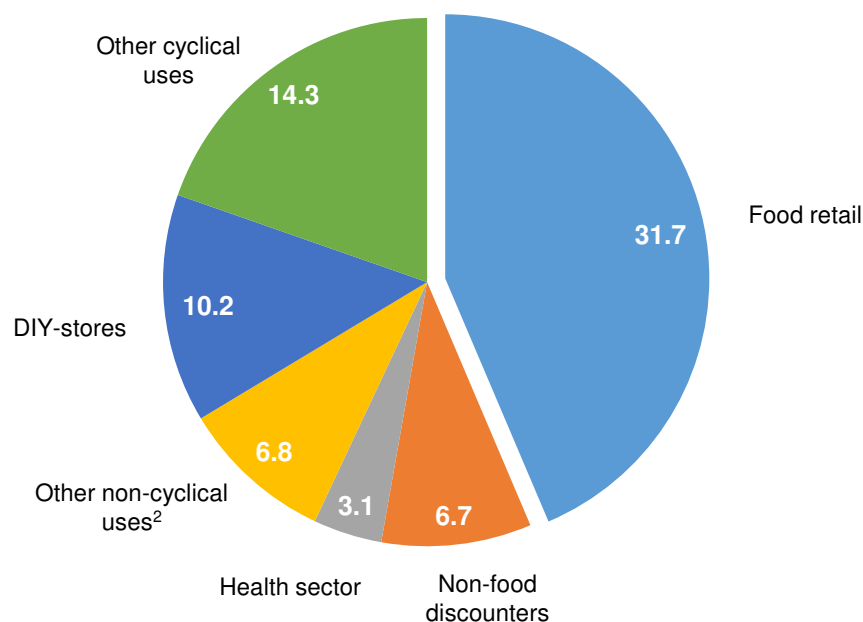


¹ Like-for-like (LFL) compares the same stable stock of properties which were in the portfolio at two different points of time. Property acquisitions and disposed properties are therefore excluded. Moreover properties with current revitalisation measures are also excluded since periodically increased vacancy due to the CAPEX measures would distort the results.

































TENANT STRUCTURE

66% Rent contribution from non-cyclical tenants (80% including DIY)

>> Rent contribution by tenant classification (m EUR)¹:



>> Rent contribution by major tenants¹:

Tenant group	Brands	Rent (m EUR)	WALT in years
Edeka Group	    	8.4	5.0
Schwarz Group	 	10.9	6.0
Rewe Group	  	4.1	5.8
Bartels-Langness Group		1.0	6.4
Metro Group		0.8	3.8
ALDI		0.8	6.1
Norma		0.8	3.0
Others	   	4.9	4.6
Food retail		31.7	5.4
Hellweg		4.2	10.5
Rewe Group		2.1	4.6
Tengelmann Group		1.7	2.8
Others		2.1	5.3
DIY stores		10.2	6.9
Tengelmann Group		0.9	6.6
H.H. Group	 	1.8	4.9
Others	      	4.0	4.5
Non-food discounters		6.7	4.9

¹ Annualised rent contribution of the portfolio as at 30 September 2021 (173 properties)

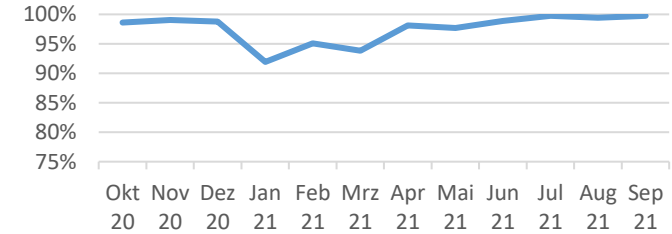
² Involves e.g. drug stores, bakeries, banks and apartments

Resilient and inflation-linked rental income

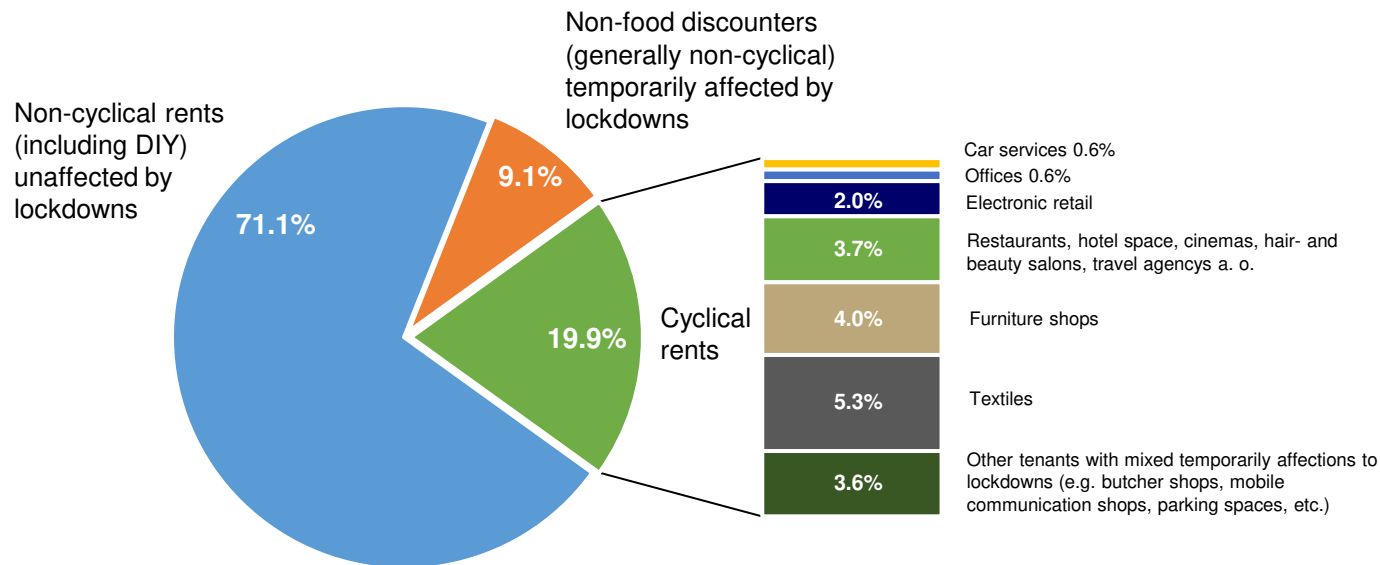
>> Strategy with focus to tenants with daily-needs supply pays off:

- Despite COVID lockdowns DKR with high monthly rent collection rates¹
- Dip in January due to strict lockdowns and fast rebound since February
- Lockdown-affected tenants amount to a low percentage of all rents (e.g. electronic retail, furnitures, textiles, restaurants, three cinema theatres)
- Almost 75% of rents are CPI-linked which preserves the value of rent cashflows in a potentially inflationary economic environment

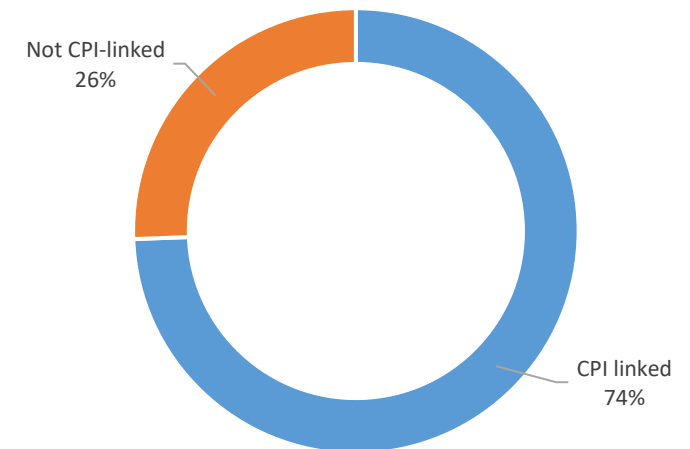
>> Rent collection during the pandemic:



>> Breakdown of rents regarding lockdown affection:



>> Share of CPI-linked rents:

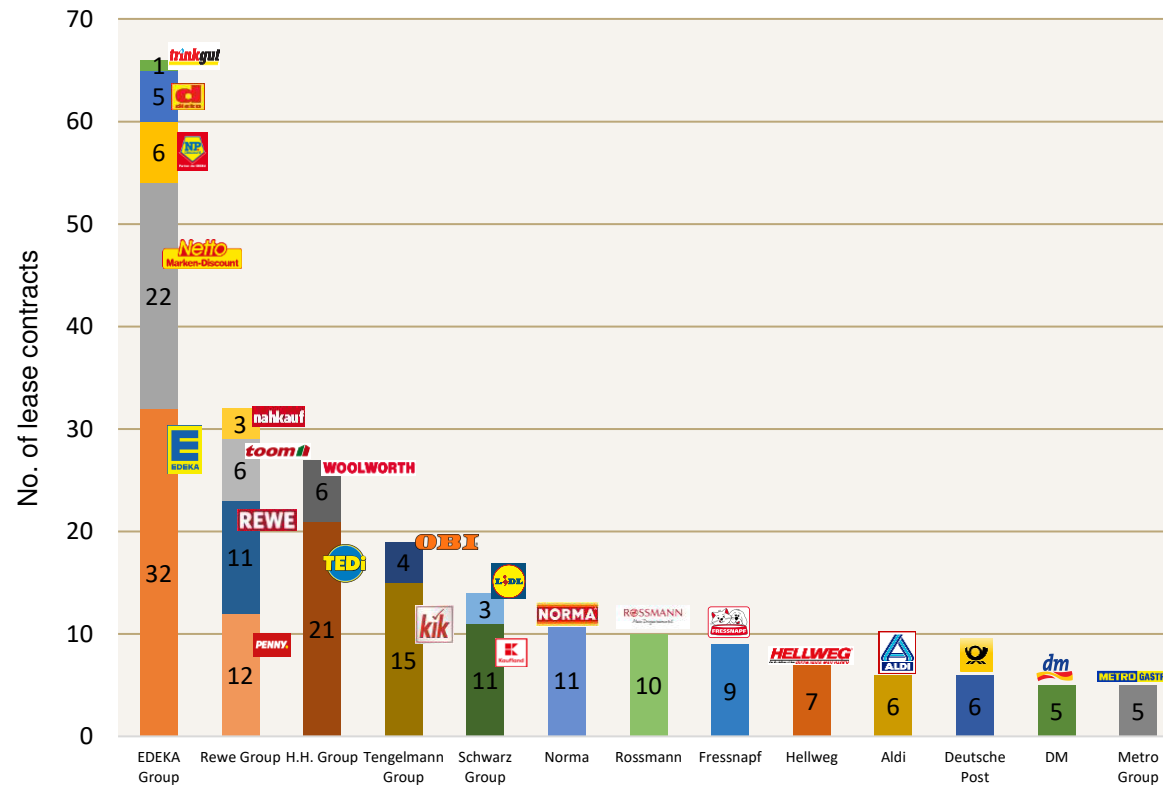


¹ Including conditional payments subject to later negotiations

TENANT STRUCTURE

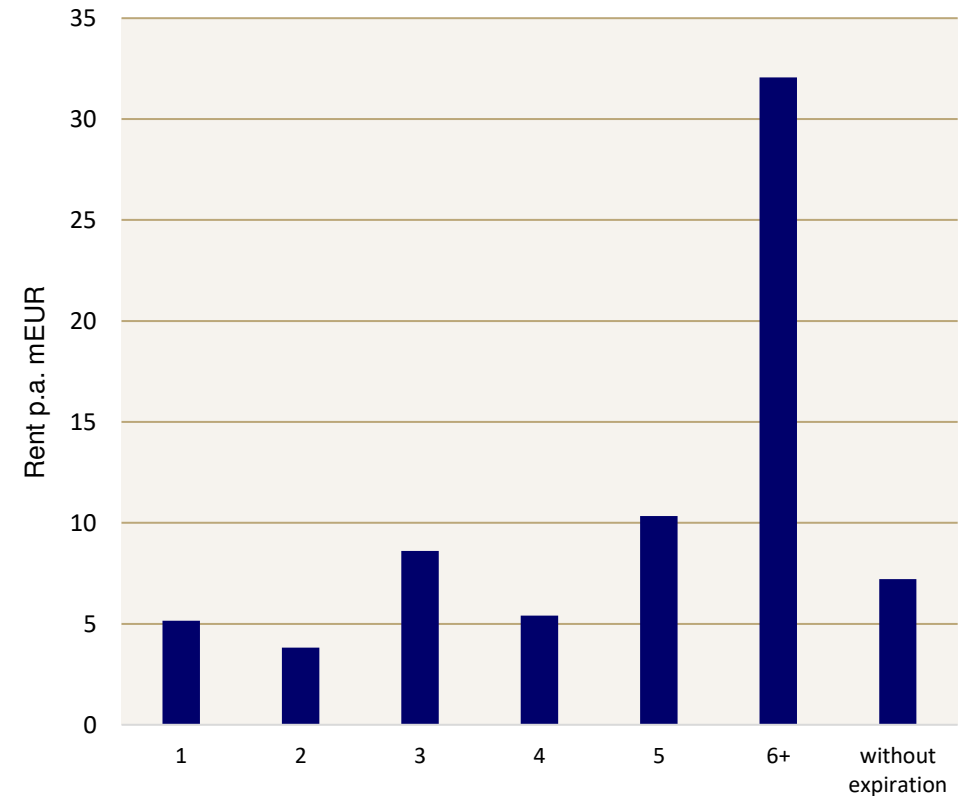
DKR is a reliable partner for the tenants

>> Number of leases with the same tenant group¹:



- Multiple leases with the same tenant strengthens DKRs position towards the tenants

>> Annualised rents allocated to years of lease contract maturities¹:



- WALT as at 30 September 2021: 5.5 years

¹ Based on the portfolio as at 30 September 2021 (173 properties)

Value-enhancing property improvements in FY 2020/2021

>> CAPEX measures FY 2020/2021:

Location / Property	Description of capex measures	CAPEX (m EUR)
Hohenmölsen, local retail centre „Kirschbergcenter“	Revitalisation and space optimisation of the whole centre. Main anchor tenant REWE with a new 12-year fresh lease complemented by new drugstore tenant Rossmann create new footfall to the centre. Measures majorly finished. At the moment onboarding of further new tenants.	5.1
Rostock, local retail centre „Kolumbuspassage“	Makeover of the whole interior of the centre by merging small vacant areas to a few large units which were let to the grocery chain Penny (REWE) as a new anchor tenant and also to the non-food discounter M&M which have signed fresh 15 years and 10 years leases. With these new anchors, the existing vacancy has dropped significantly and is expected to be reduced further as the footfall has risen.	2.5
Drebkau	Modernisation and extension of the previously vacant discounter and subsequent letting to Penny (REWE) with CPI-linked 15-year lease agreement.	1.3
Spiegelau	Modernisation and extension of the store, prolongation of the existing lease agreement with EDEKA for 15 years (CPI-linked) with a simultaneous rent increase of almost 60%.	1.9
Dompassage Greifswald	Vacant spaces in upper floors changed into apartments	1.3
Various other locations	Variety of multiple measures in order to keep properties attractive, to prolong leases or to reduce vacancy.	6.5
Total CAPEX investments		18.6

- Extensive revitalisation is only carried out in individual cases if it can increase value potential for the shareholders and if the investments are already backed by rental contracts. Therefore the yearly CAPEX investments depend on the number of projects being implemented.

Value-add by opportunistic property revitalisations

>> EXAMPLE: Discounter in Drebkau

>> Measures:

- Expansion of the existing building since previous tenant left the location
- Refurbishment of the facade
- Creation of a modern appearance
- New parking and outdoor spaces

>> Outcome:

- New anchor tenant Penny with CPI-linked 15 years contract plus further options
- Annualised rent more than doubled
- Expansion of rental space
- Significant valuation uplift achieved (+394%) with further potential

>> KPIs previous / after revitalisation:

	June 2017 (previously)	September 2021 (after)	%
Rental space (sqm)	965.0	1,158.0	+20.0
Annualised rent (k EUR)	60.0	135.6	+126.0
WALT (years)	2.7	14.9	+441.8
Vacancy	0.0%	0.0%	-
Purchase price (k EUR)	385	-	-
CAPEX Investments (k EUR)	-	1,343.7	-
Gross Yield (unlevered)	15.6%	7.8%	
Purchase price + Capex vs. fair value estimated ¹ (k EUR)	1,729	> 2.000e	> +18.0

¹ Not yet valued by the appraiser



Value-add by opportunistic property revitalisations

>> EXAMPLE: Discounter in Spiegelau

>> Measures:

- Expansion of the existing building
- Refurbishment and modern appearance
- New parking and outdoor spaces
- To be completed in early 2022

>> Outcome:

- New anchor tenant Edeka with CPI-linked 15 years contract plus further options
- Rent conditions significantly improved
- Fair value expected to increase massively with next regular valuation

>> KPIs previous / after revitalisation:

	June 2020 (previously)	January 2022 (after)	%
Rental space (sqm)	1,270.0	1,583.5	+24.7
Annualised rent (k EUR)	132.2	210.0	+58.9
WALT (years)	0.5	16.0	+3,100.0
Vacancy	0.0%	0.0%	-
Purchase price (k EUR)	1,300	-	-
CAPEX Investments (k EUR)	-	1,867	-
Gross Yield (unlevered)	10.2%	6.6%	
Purchase price + Capex vs. fair value estimated ¹ (k EUR)	3,167	> 3,500e	> +12.0

¹ Not yet valued by the appraiser



Value-add by opportunistic property revitalisations

>> EXAMPLE: Local retail centre “Kolumbuspassage Rostock”

>> Measures:

- Merge of small vacant shop units to large units
- New parking space
- Improvement of tenant mix
- Started in autumn 2020 / finished in January 2021

>> Outcome:

- Three new anchor tenants (grocery store Penny, KIK, MacGeiz discounters)
- Significant vacancy reduction
- Massive increase of rental income and lease lengths (WALT)
- Massive footfall increase
- Further upside potential by letting the current vacant areas
- Modern and fresh appearance

>> KPIs previous / after revitalisation:

	February 2017 (previously)	September 2021 (after)	%
Rental space (sqm)	4,492.0	4,747.0	+5.7
Annualised rent (k EUR)	244.0	385.6 ¹	+58.0
WALT (years)	1.3	9.4	+623.1
Vacancy	18.0%	12.1%	-32.8
Purchase price (k EUR)	2,350.0		-
CAPEX Investments (k EUR)	-	2,468.0	-
Gross Yield (unlevered)	10.4%	8.0%	
Purchase price + Capex vs. current fair value (k EUR)	4,818	6,000	+24.5

¹ Current in-place rent; up to 492 kEUR once fully let



VALUATION POTENTIAL OF THE PORTFOLIO

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Share price currently trades at 7.0 % yield

>> NAV impact from factor increases (c.p.) shows further upside potential:

	Annualised total portfolio rent (m EUR)	Hypothetical valuation multiple	Yield	Portfolio value (m EUR)	Net LTV	Net debt outstanding (m EUR)	NAV (m EUR)	Number of shares (m)	Hypothetical NAV per share (EUR)
Current portfolio as at 30.09.2021	72.9	13.9	7.2 %	1,014.2	53.2 %	539.8	468.0	35.16	13.31
Assumptions (Pro forma portfolio)	71.7	14.0	7.1 %	1,004.0	53.8 %	539.8	464.2	35.16	13.20
	71.7	14.5	6.9 %	1,039.9	51.9 %	539.8	500.0	35.16	14.22
	71.7	15.0	6.7 %	1,075.7	50.2 %	539.8	535.9	35.16	15.24
	71.7	15.5	6.5 %	1,111.6	48.6 %	539.8	571.8	35.16	16.26
	71.7	16.0	6.3 %	1,147.5	47.0 %	539.8	607.6	35.16	17.28
	71.7	16.5	6.1 %	1,183.3	45.6 %	539.8	643.5	35.16	18.30
	71.7	17.0	5.9 %	1,219.2	44.3 %	539.8	679.3	35.16	19.32

Current
trading level
of DKR
shares

¹ Assumptions are based on the current pro forma portfolio consisting of 172 assets with an annualised rent of 71.7m EUR

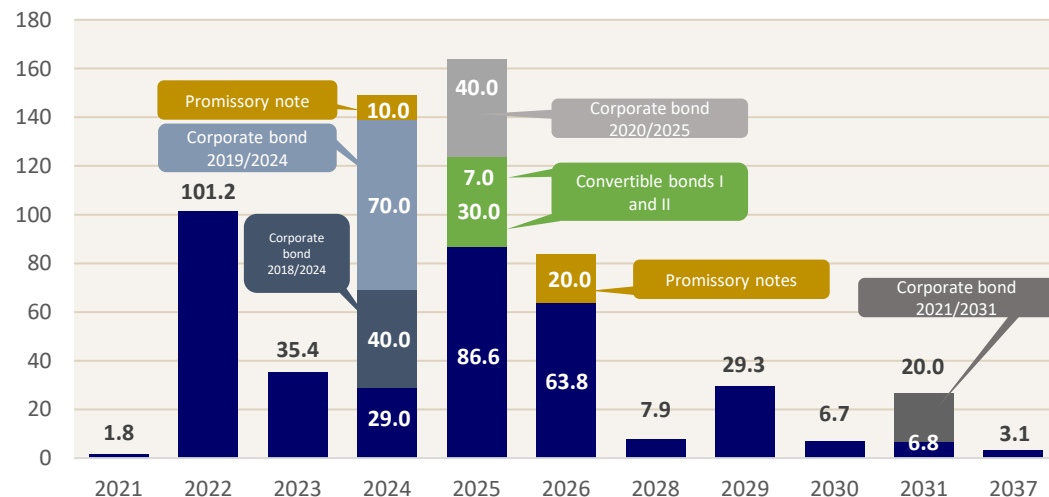
FINANCING

Solid debt structure with cost reduction potential

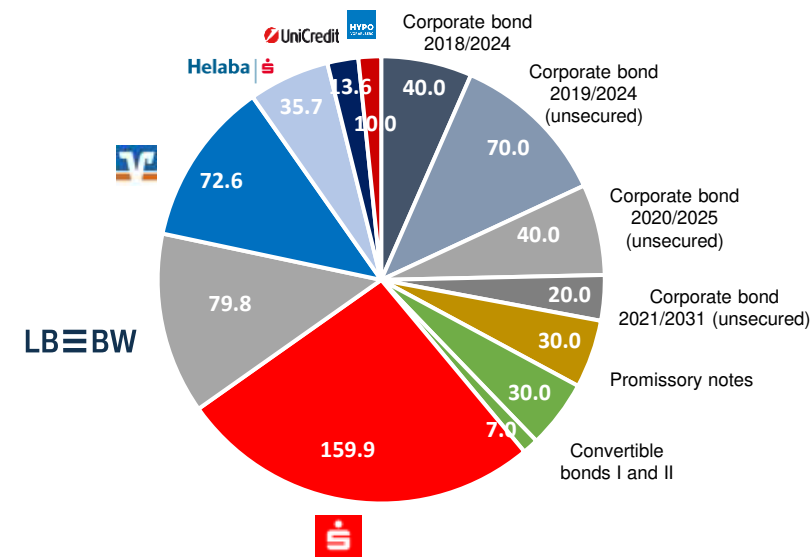
>> Financial KPIs:

	30.09.2021	30.09.2020	%
Total financial debt (loans + bonds), m EUR	609.3	527.7	15.5
Avg. loan interest, % p.a.	1.70	1.81	-6.0
Avg. total debt interest, % p.a.	1.90	1.91	-0.5
(Net-) LTV (%)	53.2	51.7	2.9
Average loan maturity (years)	3.6	4.0	-10.8
ICR (EBITDA excl. valuation / interest results)	6.1x	7.7x	-20.3
Rating secured senior debt (Scope)	„BBB“ (Investment grade)	„BBB“ (Investment grade)	-
Rating unsecured senior debt (Scope)	„BBB-“ (Investment grade)	„BBB-“ (Investment grade)	-

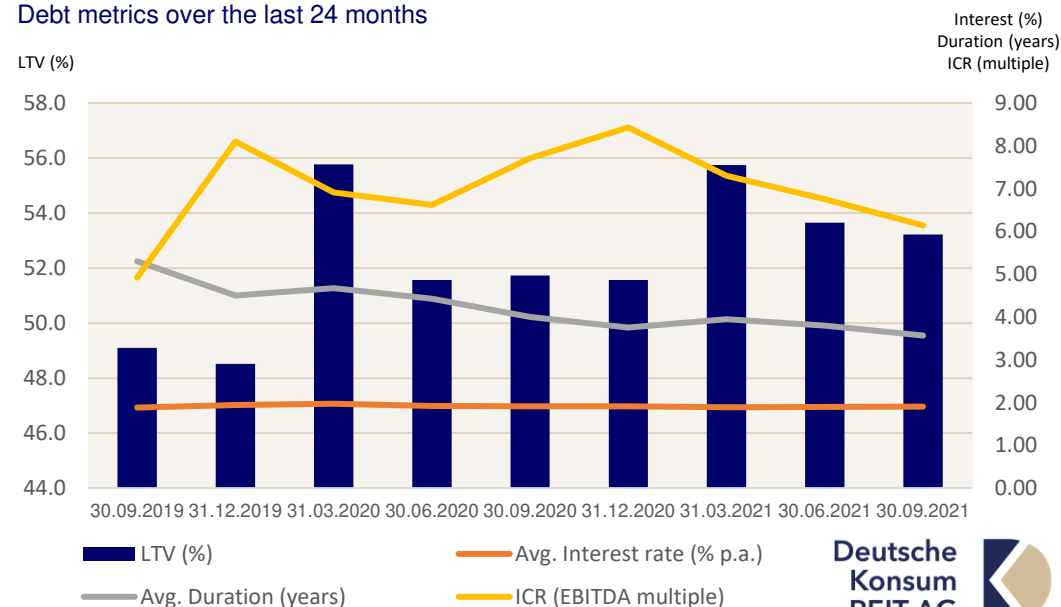
Loan allocation according to maturity of fixed interest rates (m EUR outstanding debt)



Debt allocation (m EUR outstanding debt)



Debt metrics over the last 24 months



FINANCIALS FY 2020/2021

Condensed IFRS balance sheet

	k EUR	30.09.2021	30.09.2020	k EUR	30.09.2021	30.09.2020	
Pro forma portfolio currently 977m EUR (including notarised acquisitions)	Assets			Equity and liabilities			
	Investment properties	944,019.6	809,928.6	Subscribed capital	35,155.9	35,155.9	
	Other non-current assets	285.1	19,941.1	Capital reserves	197,141.6	197,141.6	
	Deferred tax assets	0.0	0.0	Other reserves	723.4	723.4	
	Total non-current assets	944,304.7	829,869.7	OCI	0.0	0.0	
Contains VAT receivables and cash escrows as well as interest bearing short-term cash investments	Other current assets	78,198.0	98,982.0	Retained earnings	234,954.4	157,643.6	
	Cash position	652.7	209.1	Total equity	467,975.3	390,664.5	
	Total current assets	78,850.7	99,191.1	Bank liabilities	347,845.1	319,377.8	
Contains properties held for sale at sales prices minus costs	Non-current assets held for sale	70,148.3	6,669.3	Convertible bonds	36,457.7	36,308.6	
				Corporate bonds	171,561.8	151,092.9	Issue of a new 20.0m EUR bond in April 2021
				Other liabilities	9,811.7	9,577.6	
				Deferred tax liabilities	0.0	0.0	
				Total long-term liabilities	565,676.3	516,356.8	
				Bank liabilities	53,444.4	20,894.6	Increased bank liabilities due to new loans withdrawn
				Other financial liabilities	389.8	0.0	
				Other short-term liabilities	5,818.1	7,814.1	
				Total short-term liabilities	59,652.2	28,708.7	
	Total assets	1,093,303.8	935,730.1	Total equity and liabilities	1,093,303.8	935,730.1	

LTV and EPRA NAV/NTA

>> LTV (loan-to-value):

k EUR	30.09.2021	30.09.2020
Bank loans	401,289.4	340,272.3
Convertible bonds	36,457.7	36,308.6
Corporate bonds	171,561.8	151,092.9
Other short term borrowings	0.0	0.0
Total financial liabilities	609,308.9	527,673.8
- Cash position	-652.7	-209.1
- Property management accounts	-902.3	-1,242.5
- Short term interest bearing lendings	-67,908.0	-99,208.1
Net debt	539,845.9	427,014.1
Investment properties	944,019.6	809,928.6
Assets held for sale	70,148.3	0.0
Purchase prices paid into escrow	0.0	15,533.7
Properties	1,014,167.9	825,462.3
Net LTV	53.2%	51.7%

>> NAV/NTA per share:

k EUR	EPRA NAV (undiluted) 30.09.2021	Conversion effects of convertible bonds	EPRA NTA (diluted) 30.09.2021
Total equity	467,975.3		467,975.3
Conversion of convertible bonds	0.0	36,457.7	36,457.7
NAV	467,975.3	36,457.7	504,433.0
Number of shares	35,155.9	14,801.3	49,957.3
NAV per share (EUR)	13.31		10.10

k EUR	EPRA NAV (undiluted) 30.09.2020	Conversion effects of convertible bonds	EPRA NTA (diluted) 30.09.2020
Total equity	390,664.5		390,664.5
Conversion of convertible bonds	0.0	36,308.6	36,308.6
NAV	390,664.5	36,308.6	426,973.1
Number of shares	35,155.9	14,463.6	49,619.5
NAV per share (EUR)	11.11		8.60

Condensed IFRS income statement

k EUR			01.10.2020 – 30.09.2021	01.10.2019 – 30.09.2020	%
Rental income increased due to the property portfolio growth					
Rental income			69,667.0	56,230.7	23.9
Income from recharged operating costs			10,675.0	10,264.1	4.0
Operating expenses			-34,506.7	-26,568.2	29.9
Net rental income			45,835.3	39,923.6	14.8
Income from property disposal			3,300.0	4,095.0	-19.4
Expenses from property disposal			-2,720.0	-4,100.0	-33.7
Net result from property disposal			580.0	-5.0	>-100.0
Gains from fair value measurement of investment properties			57,760.9	3,864.3	>100.0
Other operating income			330.0	177.8	85.6
Personnel expenses			-1,222.4	-928.3	31.7
Depreciation of other assets			-12.5	-11.0	13.4
Impairment of receivables			-1,900.7	-1,347.1	41.1
Other operating expenses			-3,452.9	-2,985.3	15.7
EBIT			97,917.7	38,692.1	>100.0
Interest income			6,139.6	5,157.5	19.0
Interest expenses			-12,683.7	-9,675.4	31.1
EBT			91,373.6	34,174.2	>100.0
Taxes			-0.4	-0.4	2.4
Total period income			91,373.2	34,173.7	>100.0
Earnings per share (undiluted), EUR			2.60	1.03	>100.0
Earnings per share (diluted), EUR			1.84	0.73	>100.0

Split of net operating costs:

thereof (k EUR)	12M 2020/2021	12M 2019/2020
Non-recs	-9,976	-4,957
Maintenance	-5,000	-3,634
Property / Asset management	-7,112	-5,273
Non-periodic items	-1,744	-2,440
Total net operating expenses	-23,832	-16,304

Revaluation gains resulting from the regular external revaluation of the property portfolio as at 30 June 2021 including properties held for sale at sales prices

Impairments raised as a precaution

Interest gains resulting from interest bearing short-term lendings

FFO reconciliation

>> FFO/aFFO:

Contains non-cash items due to IFRS valuation of debt instruments (1.0m) and impairments of rent receivables due to COVID (2.6m) and valuation effects regarding running costs chargeable to tenants

Contains non-periodic items (1.7m) as well as other non-recurring items (mainly fees for the Secondary listing at the JSE 0.5m) and brokerage and refinancing fees

	01.10.2020	01.10.2019	%
k EUR	30.09.2021	30.09.2020	
Total period income	91,373.2	34,173.7	>100.0
+/- Income taxes	0.0	0.0	0.0
+ Depreciation of other assets	12.5	11.0	13.4
+/- Gain from remeasurement of investment properties	-57,760.9	-3,864.3	>100.0
Net result from property disposal	-580.0	5.0	>-100.0
Non-cash expenses / income	4,801.4	1,826.5	>100.0
Other non-recurring expenses	3,322.2	2,838.8	17.0
FFO	41,168.4	34,990.7	17.7
- Capex	-18,565.9	-15,104.4	22.9
aFFO	22,602.4	19,886.3	13.7
FFO per share (EUR), undiluted¹	1.17	1.06	10.9
aFFO per share (EUR), undiluted¹	0.64	0.60	7.1

Capex increase due to extensive revitalisation projects at various properties

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

Headline Earnings per share (HEPS) reconciliation according to JSE rules

>> HEPS:

k EUR	01.10.2020 30.09.2021	01.10.2019 30.09.2020	%
Total period income (undiluted)	91,373.2	34,173.7	>100.0
-/+ Revaluation gains / losses, IAS 40	-57,760.9	-3,864.3	>100.0
-/+ Revaluation gains / losses, IFRS 5	-580.0	5.0	>-100.0
Headline earnings (undiluted)	33,032.3	30,314.5	9.0
+ Interest expenses on convertible bonds	624.1	621.5	0.4
Headline earnings (diluted)	33,656.3	30,936.0	8.8
Headline earnings per share (HEPS), undiluted (EUR)	0.94	0.91	2.7
Headline earnings per share (HEPS), diluted (EUR)	0.67	0.65	3.7

OUTLOOK

FFO bridge FY 20/21 – FY 21/22

>> FFO guidance for FY 2021/2022:



➤ Currently high uncertainty of FFO guidance due to further potential disposals

>> Guidance for FY 2021/2022:

Date of guidance	16.12.2021
FFO (m EUR)	40.0 – 44.0

Dividends

>> Dividend distribution for the FY 2020/2021:

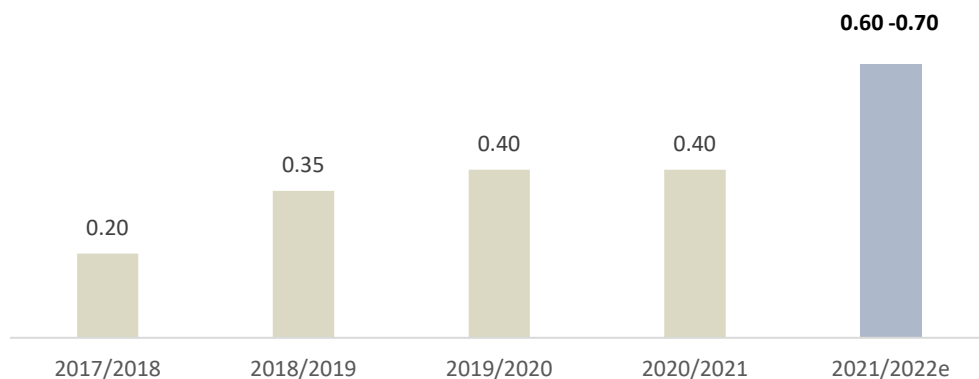
Dividend per share (EUR)*	0.40
Dividend payout (in relation to FFO)	34%
Ex-dividend date	11.03.2022
Payment date	15.03.2022

* Subject to the approval of the 2022 Annual General Meeting

>> Dividend policy:

- Distribution of a stable base dividend
- Steady increase of the regular dividend in the course of DKRs further growth planned
- Additional dividend in case of disposal gains in the FY when deals have been closed

>> Dividend history (EUR per share**):



** Based on 35,16m shares outstanding

Share information

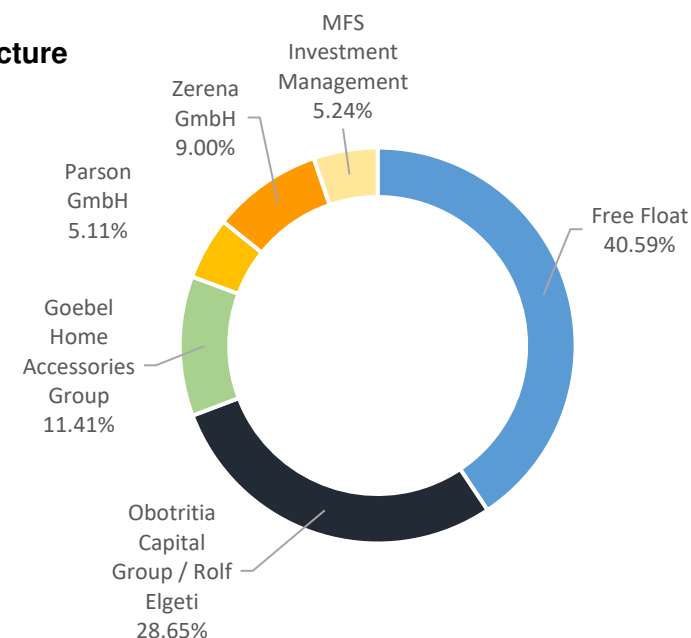
>> Basic Share Information

As at	30.09.2021
ISIN	DE000A14KRD3
Share price (Xetra, 14 December 2021)	EUR 13.95
Symbol	DKG
Shares outstanding	35,155,938
Share class	Bearer shares
Stock exchanges	XETRA, Frankfurt, Berlin, Johannesburg
Segment	Prime Standard
52w high/low (EUR)	16.55 / 12.70
Market Capitalisation	EUR 490m

>> Share Price Performance



>> Shareholder Structure



>> Analyst Coverage

Bank	Analyst	Target price	
Berenberg	Kai Klose	EUR 20.00	Buy
Jefferies	Thomas Rothaeusler, Sebastian Link	EUR 16.00	Hold
Warburg Research	Andreas Pläsier, Simon Stippig	EUR 17.80	Buy
Metzler	Stephan Bonhage	EUR 17.90	Buy
ODDO BHF	Manuel Martin	EUR 18.80	Outperform

Financial calendar and IR contact

>> Financial calendar

Date	
16.12.2021	Publication of the final annual statements/annual financial report for the financial year 2020/2021
14.02.2022	Publication of the quarterly statement for the first quarter of 2021/2022 financial year
10.03.2022	Annual General Meeting
12.05.2022	Publication of the half-yearly financial report of 2021/2022 financial year
11.08.2022	Publication of the quarterly statement for the third quarter of 2021/2022 financial year
20.12.2022	Publication of the final annual statements/annual financial report for the 2021/2022 financial year


>> IR contact:

Stefanie Frey
August-Bebel-Str. 68
14482 Potsdam

sf@deutsche-konsum.de
+ 49 (0331) 740 076 533



>> Roadshows / Investor meetings

Date		Country
10.02.2022	7. Hamburger Investorentag, Hamburg	

ESG

DKR has set up the following measures to enhance ESG conformity

Environmental	Social	Governance
<ul style="list-style-type: none"> • 148 of DKRs locations are currently being equipped with state-of-the-art charging points for electric vehicles • Framework agreement for the supply of renewable electricity for the portfolio concluded • Pilot projects to identify the potential of photovoltaic systems on own property roofs • Business trips and flights reduced to a minimum; replaced by virtual conferences and train if whenever possible • Extensive refurbishment of buildings in accordance with the latest stringent environmental legislation 	<ul style="list-style-type: none"> • International and diverse staff • Safe and ergonomic work places for employees • Flexible working time and home office facilities • Free drinks at work place etc. • Youth sponsorship of soccer academy of F.C. Hansa Rostock 	<ul style="list-style-type: none"> • High conformity to rules of German corporate governance codex • Management remuneration essentially based on long-term performance • Very transparent structure and reporting • Annual ESG-Report • EPRA Gold award in terms of industry standard reportings • Management board financially committed to the company on voluntary basis • Independent and diverse supervisory board members

Example: Roll-out of electric charging points at DKR's locations

>> Summary

- DKR is equipping 148 of its locations with state-of-the-art rapid charging infrastructure for electric vehicles
- The project is carried out in cooperation with German energy supplier EnBW
- Overall, up to 500 public charging points at well-frequented retail locations will be installed over the next months
- The project will increase the attractiveness of the commercial properties for tenants and their customers
- Contribution to climate protection: 100% certified green electricity flows at all charging points
- Since announced in late 2020 the first charging points have been installed



DKRs current Sustainability Report recently published

>> ESG reporting

- Sustainability Report for the calendar year 2020 recently published and now available on DKR's website in [English](#) and [German](#)
- DKR's Sustainability Report for the calendar year 2019 has been awarded with the EPRA sBPR Silver Award
- DKR was further awarded as one of the most improved European real estate companies in terms of ESG reporting



APPENDIX

HISTORICAL KPI DEVELOPMENT

Continuously high growth since inception

Financial year	2020/2021	2019/2020	2018/2019	2017/2018	2016/2017	2015/2016
Income statement						
Rental income (k EUR)	69,667	56,231	41,978	28,601	19,249	11,437
FFO (k EUR)	41,168	34,991	25,041	16,647	10,260	5,630
FFO per share (EUR)	1.17	1.06	0.84	0.62	0.46	0.37
Dividend per share (EUR)	0.40*	0.40	0.35	0.20	-	-
Recurring admin costs ratio (%)	4.4%	4.8%	5.6%	6.4%	6.1%	9.1%
Balance sheet key figures						
Investment properties (k EUR)	1,014,168**	809,929	619,881	418,707	275,434	147,823
Finance key figures						
(net) Loan-to-value (LTV) (%)	53.2%	51.7%	48.1%	51.2%	42.6%	49.3%
Average interest rate (all instruments) (%)	1.90%	1.91%	1.93%	1.87%	2.99%	3.34%
ICR (x EBITDA)	6.1	7.7	4.9	3.9	3.1	2.1
NAV per share (EUR)	13.31	11.11	9.93	7.70	6.25	3.93
Share information						
Share price (Balance sheet date) (EUR)	13.85	15.80	15.95	11.00	10.06	9.24
Portfolio key figures						
Number of assets	173	161	123	90	62	40
Rental space (sqm)	1,021,901	899,852	723,708	517,824	330,123	189,463

* Subject to the approval of the 2022 Annual General Meeting

** Including EUR 70,338k assets held for sale

Investment Highlights

>> Growing BASIC RETAIL investor – biggest niche player in Germany:



Retail property portfolio in established micro locations

- 173 retail properties
- > 1.0bn EUR GAV and 73m EUR annualised rents
- Initial yields > 10%
- Established micro locations in German cities



Defensive and solvent tenant mix

- Food-anchored and non-cyclical tenants for daily needs supply (BASIC RETAIL)
- Very solvent tenants
- Less negatively impacted by E-commerce
- Multiple leases with the same tenants are game changers and strengthen DKRs bargaining power



Stock exchange listed investor

- Prime Standard listing
- Significantly increased market cap
- High cashflows
- Mandatory dividend distribution
- Highest transparency standards



Solid and efficient funding

- Company and trade tax exemption due to REIT status
- 55% maximum LTV leverage
- Average costs of debt < 1.9% per annum
- Very lean administrative structure



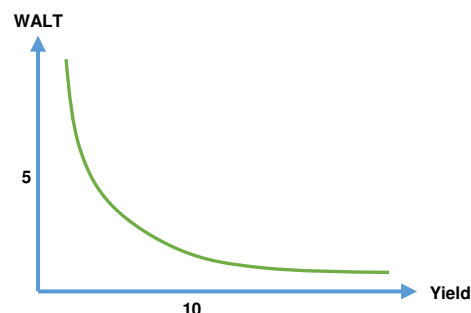
Investment approach

>> Growing BASIC RETAIL investor – biggest niche player in Germany:



Highly fragmented niche to be consolidated

- Niche of properties in a range between 1m EUR and 25m EUR, generally too big for private investors and too small for institutional investors
- Semi-professional market niche which DKR runs professionally
- Asset-wise acquisitions cheaper than portfolio deals



Accepting short WALTs

- DKR make use of the disproportionate decline in property prices compared to the decline in WALTs on the market
- Deep property analysis before acquisition



High-speed acquisition process

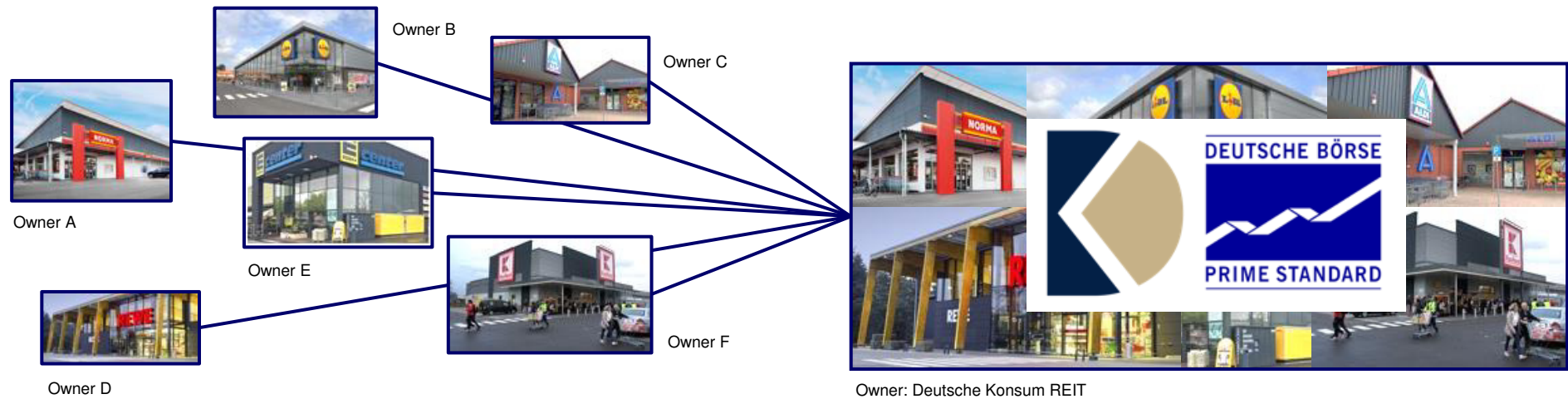
- DKR buys out of equity which is advantageous in the acquisition process
- Debt refinancing after acquisition



Value enhancing asset management

- Investing in properties if value enhancing
- DKR is a reliable partner to its tenants
- Vacancy reduction and rental period extensions
- Multiple leases with the same tenant increases DKRs bargaining power

Bundling single properties into an institutional asset class



- Strong and effective **risk diversification** of single properties by bundling them into a portfolio
- **Synergies and stronger position** towards tenants
- Significant funding advantages on a portfolio basis
- **Tax exemption** due to REIT-Status
- **Institutional** quality of the DKR share due to Prime Standard listing, dividend obligation and full transparency

Basic retail sector remains stable with best outlook

>> Market research according to 16. Retail Real Estate Report 2021/2022 by bulwiengesa / Hahn / CBRE¹:

4.1%

Growth of the
German retail
sector in 2020

39m
sqm

Total grocery
& drugstore
retail lease
area in
Germany

Company	Sales division (selection)	Stores			Sales area		Space productivity		Turnover	
		Operational type	No.	Change since 2019	Store average in sq m	Change since 2019	in € per sq m	Change since 2019	€	Change since 2019
ALDI	ALDI NORD	DC	2,205	0.00%	922	2.10%	6,790	3.03%	13,800,000,000	5.30%
	ALDI SÜD	DC	1,955*	1.10%	1,010*	1.80%	8,764	2.54%	17,300,000,000	5.50%
EDEKA	Netto	DC	4,260	-0.10%	802	0.60%	4,570	4.10%	15,600,000,000	4.60%
	EDEKA/E-aktiv/E-Neukauf	SM/SS	3,781	-2.20%	1,284	2.00%	4,870	9.44%	23,646,129,000	9.10%
	E-Center	SS/HM	457	-0.90%	3,247	0.20%	4,960	9.49%	7,352,633,000	8.60%
	Marktkauf	HM	102	-5.60%	5,865	0.20%	4,350	4.82%	2,602,595,000	-0.90%
Various	real	HM	269	-2.50%	6,922	-0.50%	4,220	2.18%	7,856,865,000	-0.90%
REWE Group	PENNY	DC	2,172	-1.00%	730	0.70%	5,550	5.31%	8,800,000,000	5.00%
	REWE (incl. Kaufpark)	SM/SS	3,626	-0.60%	1,522	0.70%	4,320	8.82%	23,820,266,000	9.00%
	REWE Center (incl. Kaufpark)	HM	35	-5.40%	6,536	0.30%	4,350	7.67%	994,636,000	2.10%
	Lidl	DC	3,226	0.60%	917	0.90%	9,570	7.53%	28,300,000,000	9.00%
Schwarz Gruppe	Kaufland	SS/HM	671	1.20%	4,352	0.10%	5,600	2.56%	16,350,000,000	3.90%
	Famila Nordost	HM	88	0.00%	3,698	0.40%	4,770	5.76%	1,551,090,000	6.10%
NORMA	NORMA	DC	1,326	0.80%	746	0.60%	4,040	8.02%	4,000,000,000	9.70%

DC = Discounter SS = Superstore
SM = Supermarket HM = Hypermarket

- Strong German economy and increasing consumption in the private sector underscores this growth
- Market share of DKR of <1.0 % in German grocery & drugstore retail sector
- „E-commerce remains as a platform for the non-food-sector¹“
- Expansion of stationary food retail continues
- DKRs main food retail tenants keep on growing

¹ The report can be found [here](#).

Basic retail resilient to E-Commerce (1)

>> Market research according to 16. Retail Real Estate Report 2021/2022 by bulwiengesa / Hahn / CBRE¹:

05 Online share of total turnover
Figures in %

	Food	Drugstore products
2018	1	1.5
2019	1.1	1.7
2020	1.6	2.3

Source: HDE Online Monitor 2021.

fig. 1

10 Top 5 in food retail in 2020

	Turnover in € billion	Change since previous year
EDEKA	63.9	3.3 %
Schwarz Gruppe	44.7	7.1 %
REWE Group	42.9	5.4 %
ALDI	31.1	5.4 %
METRO GROUP inkl. C&C	11.3	-14.9 %

Source: bulwiengesa from information provided by TradeDimension.

fig. 2

Results of the statistical data:

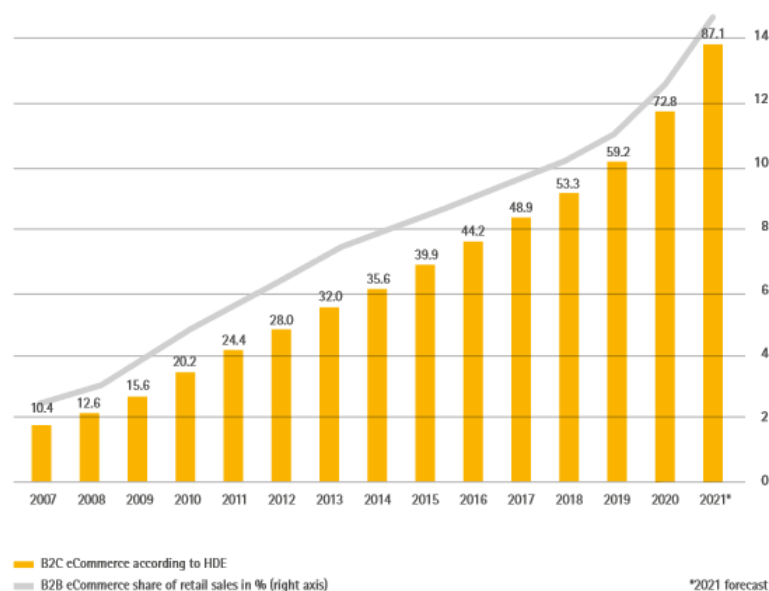
- Food sector and other goods of daily needs (basic retail) are resilient to E-Commerce which has a market share of < 2.5 % (fig. 1)
- German stationery food retailers continue a very robust overall growth (fig. 2)

¹ The report can be found [here](#).

Basic retail resilient to E-Commerce (2)

>> Market research according to 16. Retail Real Estate Report 2021/2022 by bulwiengesa / Hahn / CBRE¹:

04 Development of online retail sales from 2007 to 2021
Figures in € billion



Source: HDE, including forecast for 2021.

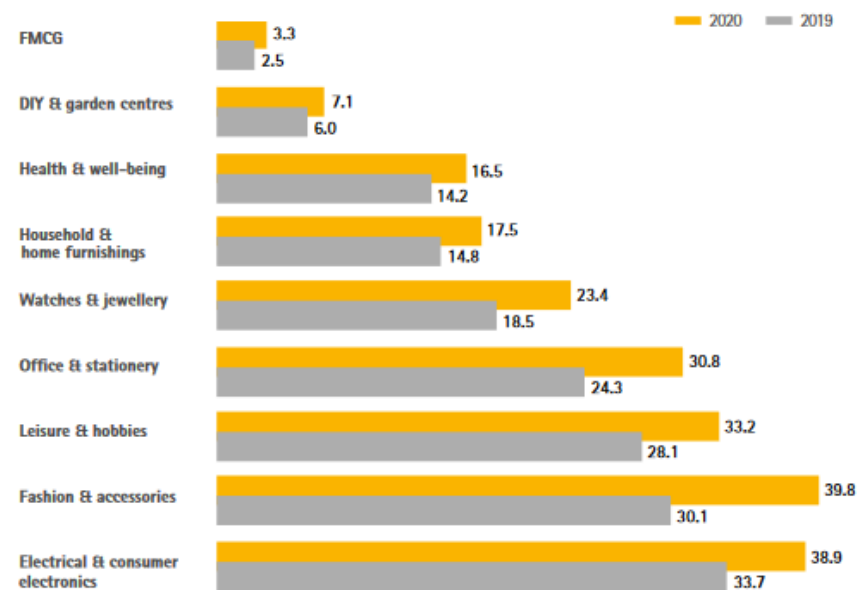
fig. 3

Results of the statistical data:

- Recently increased annual growth rate of total E-Commerce (fig. 3)
- E-Commerce growth mainly driven by the non-food sector (fig. 4)

¹ The report can be found [here](#).

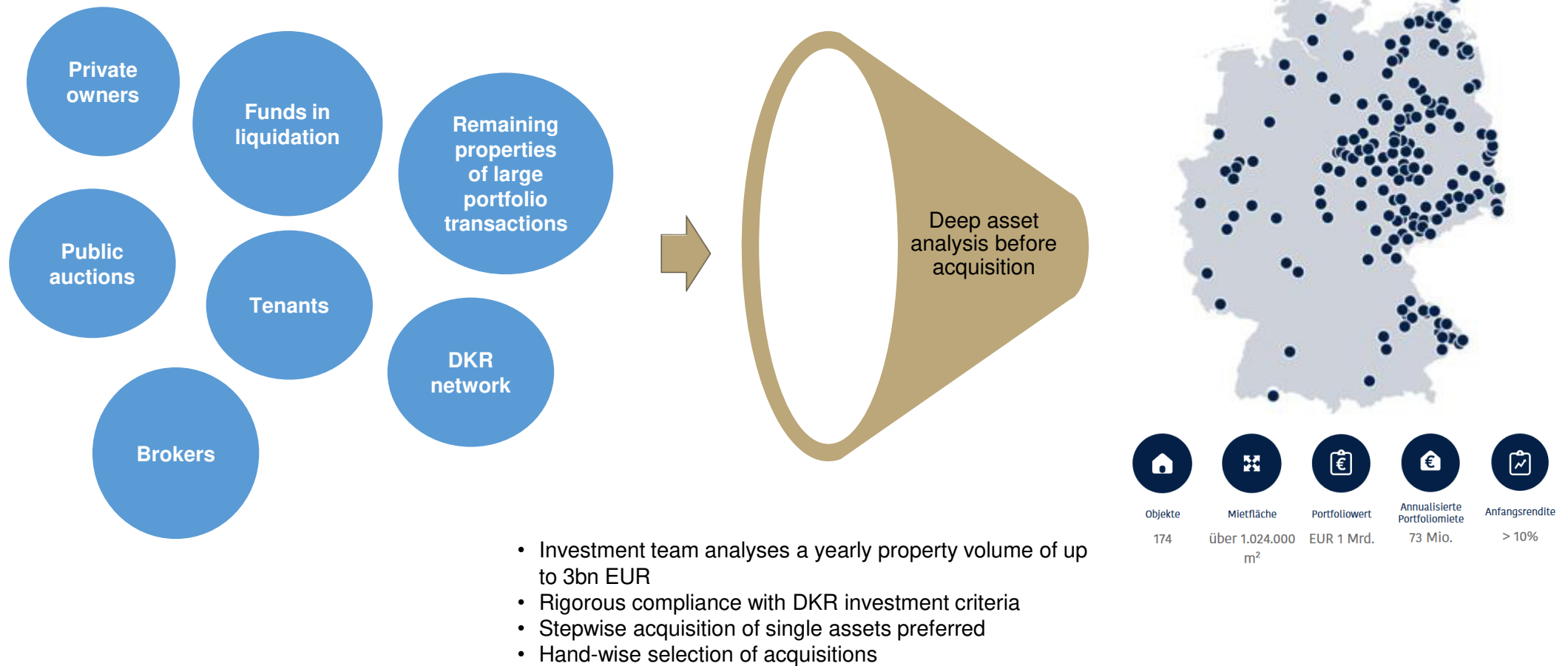
13 Share of total sales attributable to online sales by retail segment in 2020 and 2019
Figures in %



Source: HDE 2021

fig. 4

Sourcing process for retail properties



Experienced and committed management



Alexander Kroth (CIO)

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

In July 2017 Alexander was appointed as CIO. Alexander is personally and financially committed to DKR.

Rolf Elgeti (CEO)

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

Rolf also previously 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.

Christian Hellmuth (CFO)

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

In July 2017 Christian was appointed as CFO. Christian is personally and financially committed to DKR.



Strong external property partners

>> DKRs main external management partners:

Asset Manager

Elgeti Brothers GmbH

Property Manager



GV Nordost
Verwaltungsgesellschaft mbH



Appraiser

CBRE

Technical Property Developer



IT and Management Software Providers



DKRs detailed property portfolio



4	DKR 004	Am Merold 2, 10389 Ludwigshafen	Local retail centre	Facility, K&M	14,303	0.0%	9.08	128,000	1,340,000	9.8
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DKRs portfolio as at 30 September 2021

#	Company ID	Address	Use	Tenant	Net area sqm	Vacancy %	Net rent €/sqm	Monthly rent €	Annual rent €	W/L
5	DKR 005	Hendelstraße 16, 24124 Neumünster	DTT store	Indesco	4,100	0.0%	4.14	16,972	203,664	5.3
6	DKR 006	Friedrichstraße 15, 13057 Altesse	Local retail centre	EDKA, Netto	4,204	0.0%	9.08	38,099	457,188	7.5
7	DKR 007	Chausseestraße 41-43, 13123 Lichtenrade	Discount	Penny	1,086	0.0%	8.84	9,604	115,248	2.3
8	DKR 008	Salmer Straße 42, 10963 Friedrichshagen	DTT store	Discount, Sparmarkt, Lidl, Aldi Fliesen	1,203	2.7%	4.79	5,751	68,775	5.2

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Deutsche Konsum REIT-AG

DKRs portfolio as at 30 September 2021

#	Company ID	Address	Use	Tenant	Net area sqm	Vacancy %	Net rent €/sqm	Monthly rent €	Annual rent €	W/L
9	DKR 009	Chausseestraße 1, 14071 Reddewitz	Discount	Penny	3,384	17.3%	1.38	4,669	56,028	4.3

Please find DKR's current portfolio in a detailed overview online under the following link:

[DKR property portfolio overview as at 30 September 2021](#)