



HERZLICH WILLKOMMEN

EDEKA

Immer Mittwochs
im EDEKA im City Center

9M 2019/2020 RESULTS

1 OCTOBER 2019 – 30 JUNE 2020

13 August 2020

Deutsche
Konsum
REIT-AG



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Unless otherwise specified all information is for the period (“9M”) ended 30 June 2020.

HIGHLIGHTS

Strong growth combined with declining refinancing costs and resilient rental income

Strong portfolio growth

- Acquisition of 43 retail properties with a total investment volume of 182 mEUR at an average yield of 9.3%
- (Proforma) portfolio now generates annualised rents of 65 mEUR with a book value of c. 830 mEUR
- Acquisition pipeline filled and transactions in progress

FFO margin increase +2% / High rent collection rate of 98%

- Rental Income up by 34%
- FFO up by 37% (margin increase by 2%) / FFO per share up by 24%
- Vacancy increased to 11.3% due to the last acquisitions of properties with over-average vacancies
- WALT increased slightly by 0.1 years to 5.7 years
- Between May and August 2020 the monthly rent collection rate was 96% to 98%

Solid financial structure

- Successful 10% capital increase on 19 May 2020 at 16 EUR ps with net proceeds of 50.3 mEUR
- LTV at 51.6%
- ICR at 6.6x EBITDA
- Average costs of debt at 1.92% (including unsecured debt)
- Latest secured bank loans signed at fixed interest rates between 1.35% and 1.69% per annum

Guidance confirmed

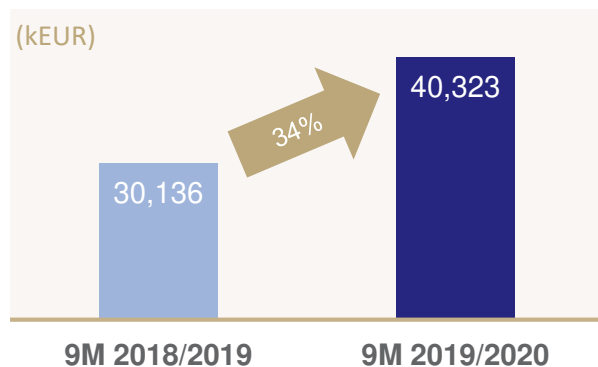
- FFO guidance of 34 mEUR - 36 mEUR (for the FY 2019/2020)
- FFO Run Rate (to be achieved as at 30-Sep-2020) of EUR 40.0m – EUR 42.0
- Dividend of 0.55 EUR/ps

FINANCIAL KEY FIGURES

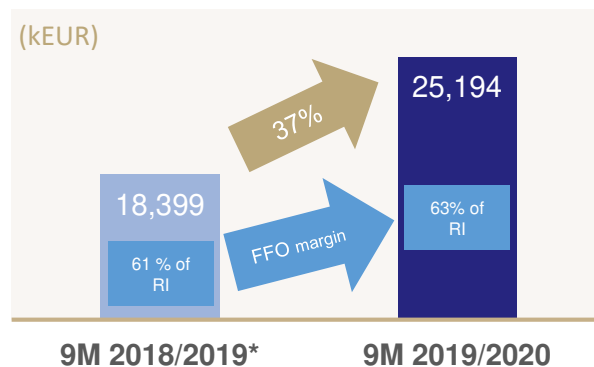
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Consistent growth

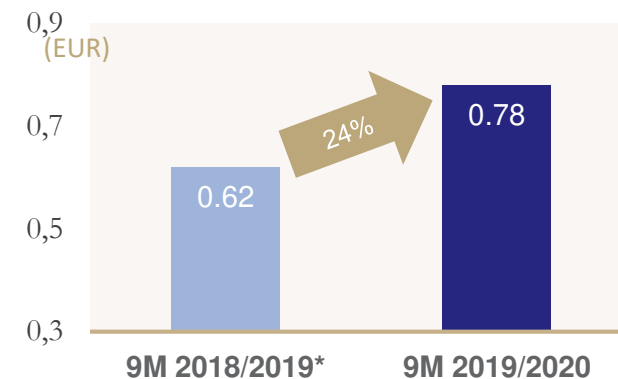
Rental income



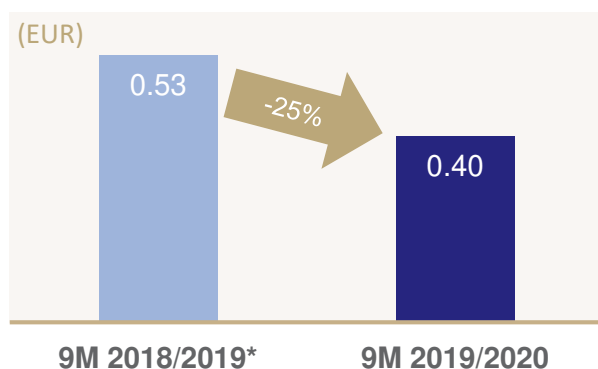
FFO



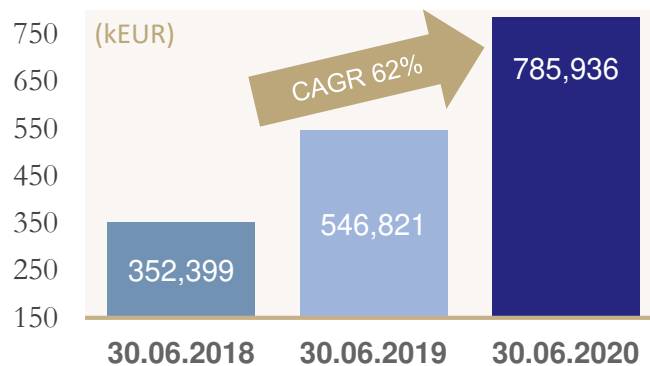
FFO per share



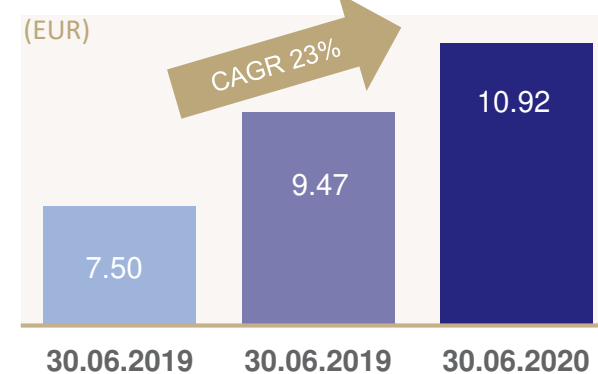
aFFO per share



Investment properties



EPRA NAV per share



* 9M 2018/2019 figure adjusted by a non recurring effect of kEUR 761 which resulted from a higher billing of running costs in the prior year

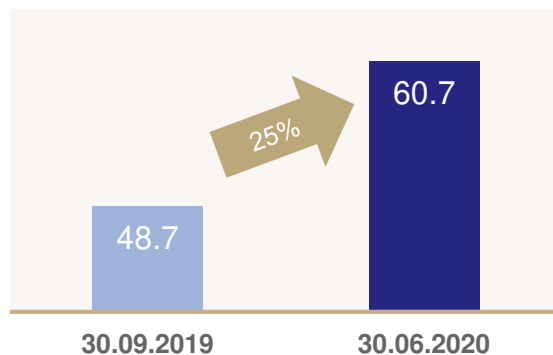
PROPERTY PORTFOLIO

PROPERTY PORTFOLIO

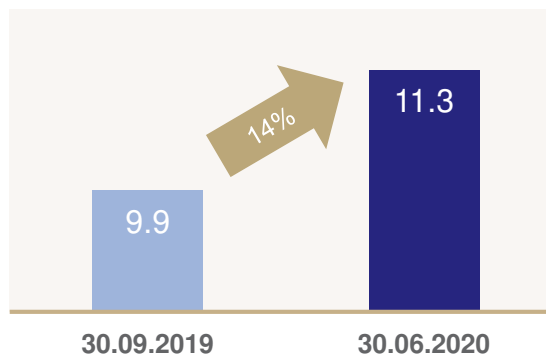
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Key portfolio figures as at 30 June 2020

Annualised rent (mEUR)



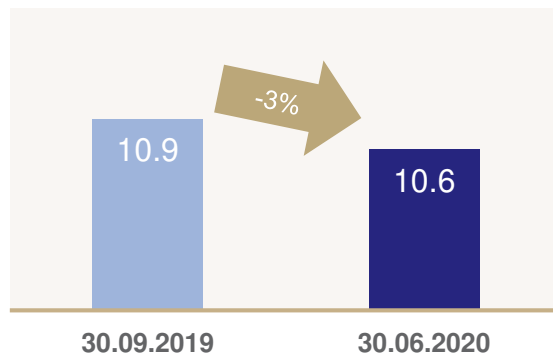
Vacancy (%)



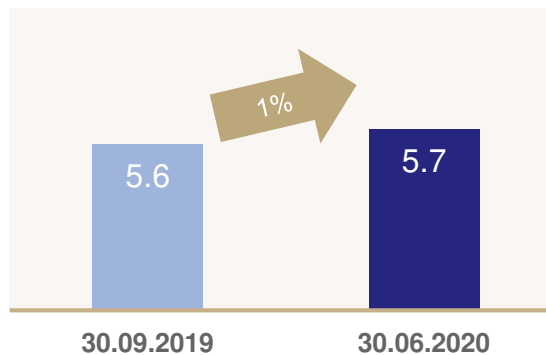
>> Portfolio snapshot:

- Key portfolio figures based on 139 properties accounted as at 30.06.2020
- Increase of vacancy results from the latest acquisitions with higher vacant space e.g. Eisenhüttenstadt, Gera and Grimma which we clearly consider as additional rent potential

Initial yield (%)



WALT (years)



Acquisition overview: High acquisition volume in 9M 2019/2020 with more deals to come

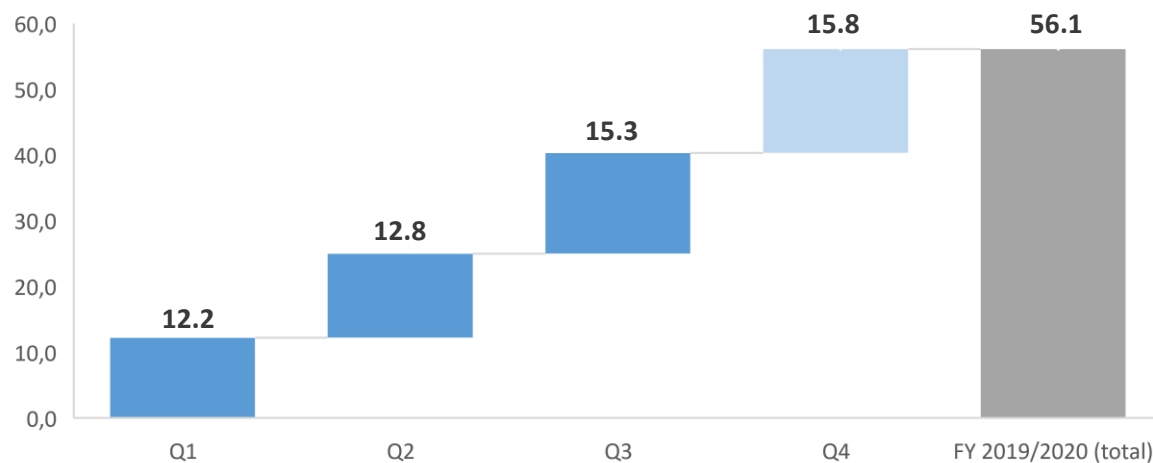
>> Acquisitions notarised since 1 October 2019:

- 43 retail properties with about 200,000 sqm
- Total investment volume of 182 mEUR
- Acquired rents of 17.0 mEUR
- Average yield of 9.3%
- 70% food-anchored properties

>> Pipeline for new acquisitions remain strong:

- Acquisition pipeline currently EUR > 100m at a multiple of approx. 10.0x annual rent
- Thereof more than 65% of rents from food anchored retailers

>> Expected Rental Income to grow within the next quarter when transfers of ownership of notarised acquisitions occurred (mEUR)*:

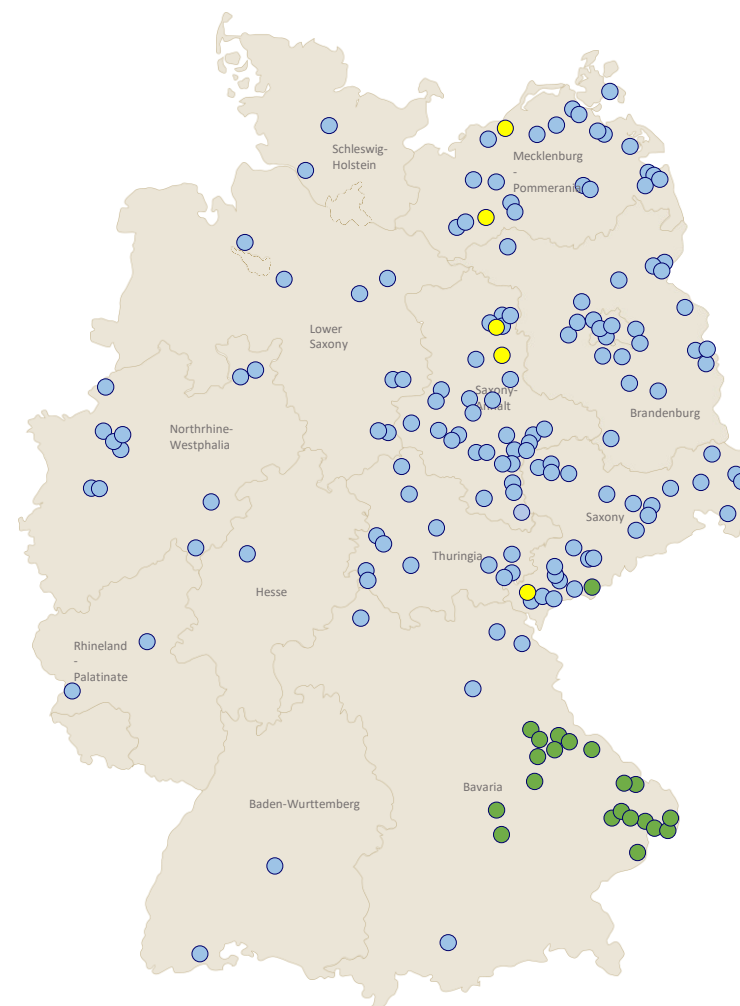


* Based on estimated dates of ownership transfers of the acquired properties

Proforma portfolio consists of 165 properties with > 930,000 sqm

>> Portfolio development within the last 24 months:

	30.09.2018	30.09.2019	30.06.2020	Pro Forma (including notarised properties)
Number of properties	90	123	139	165
Rental space (sqm)	517.8	722.6	870.5	936.3
Total fair value (mEUR)	418.7	624.0	785.9	832.4
Fair value per sqm (EUR)	809	863	903	889
Valuation multiple	11.8x	12.8x	12.9x	12.8x
Total annualised portfolio rent (mEUR)	35.5	48.7	60.7	65.1
In-place-rent per sqm per month (EUR)	6.32	6.23	6.55	6.49
Vacancy rate (%)	9.6	9.9	11.3	10.8
WALT (years)	5.2	5.6	5.7	5.6



- Portfolio as at 30.06.2020 (139 properties)
- Acquired assets with transfer of ownership occurred past 30.06.2020 (21 properties)
- Notarised assets as at 13.08.2020 (5 properties)

Selection of last property acquisitions (1)

>> Latest acquisitions:



Location

Stendal (Saxony-Anhalt)

Type

Retail park

Space (sqm)

19,800

Annualised rent (kEUR)

1,267

Main tenants

Dänisches Bettenlager, tedox (DIY), Roller, development area

WALT

c. 7 years

Vacancy

0%

Initial yield

> 9.3%

Transfer of ownership expected

September 2020

Selection of last property acquisitions (2)

>> Latest acquisitions:



Location	Rövershagen (Mecklenburg-Pommerania)
Type	Grocery discounter situated in a retail agglomeration
Space (sqm)	2,200
Annualised rent (kEUR)	214
Main tenants	Penny (REWE), Bakery, Beverage store
WALT	c. 6 years
Vacancy	0%
Initial yield	> 8.5%
Transfer of ownership expected	September 2020

Selection of last property acquisitions (3)

>> Latest acquisitions:



Location	Zerbst (Sachsen-Anhalt)
Type	Retail centre
Space (sqm)	2,550
Annualised rent (kEUR)	218
Main tenants	Netto (Edeka), Action, Takko, Bakery
WALT	c. 5 years
Vacancy	0%
Initial yield	> 8.7%
Transfer of ownership expected	September 2020

Selection of last property acquisitions (4)

>> Latest acquisitions:



Location	Schöneck (Saxony)
Type	Grocery discounter
Space (sqm)	1,386
Annualised rent (kEUR)	86
Main tenants	Diska (EDEKA), Beverage store
WALT	c. 4 years
Vacancy	0%
Initial yield	> 19%
Transfer of ownership expected	September 2020

Selection of last property acquisitions (5)

>> Latest acquisitions:

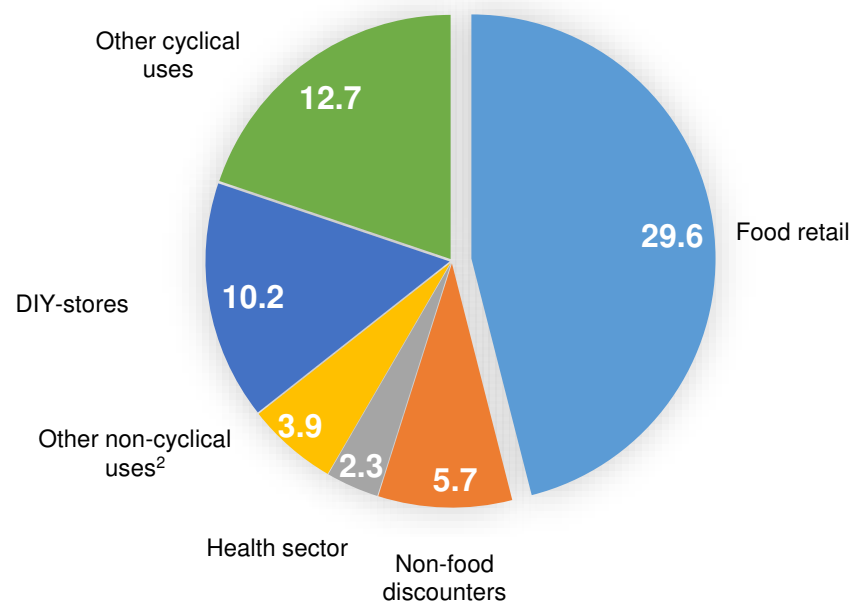


Location	„Parchim Center“ Parchim (Mecklenburg-Pommerania)
Type	Retail centre
Space (sqm)	13,000
Annualised rent (kEUR)	810
Main tenants	Norma, Kik, TEDI, Deichmann, Dänisches Bettenlager, others
WALT	c. 4 years
Vacancy	12%
Initial yield	> 8.2%
Transfer of ownership expected	October 2020

































TENANT STRUCTURE

65% Rent contribution from non-cyclical tenants (80% including DIY)

>> Rent contribution by tenant classification (mEUR)¹:



>> Rent contribution by major tenants¹:

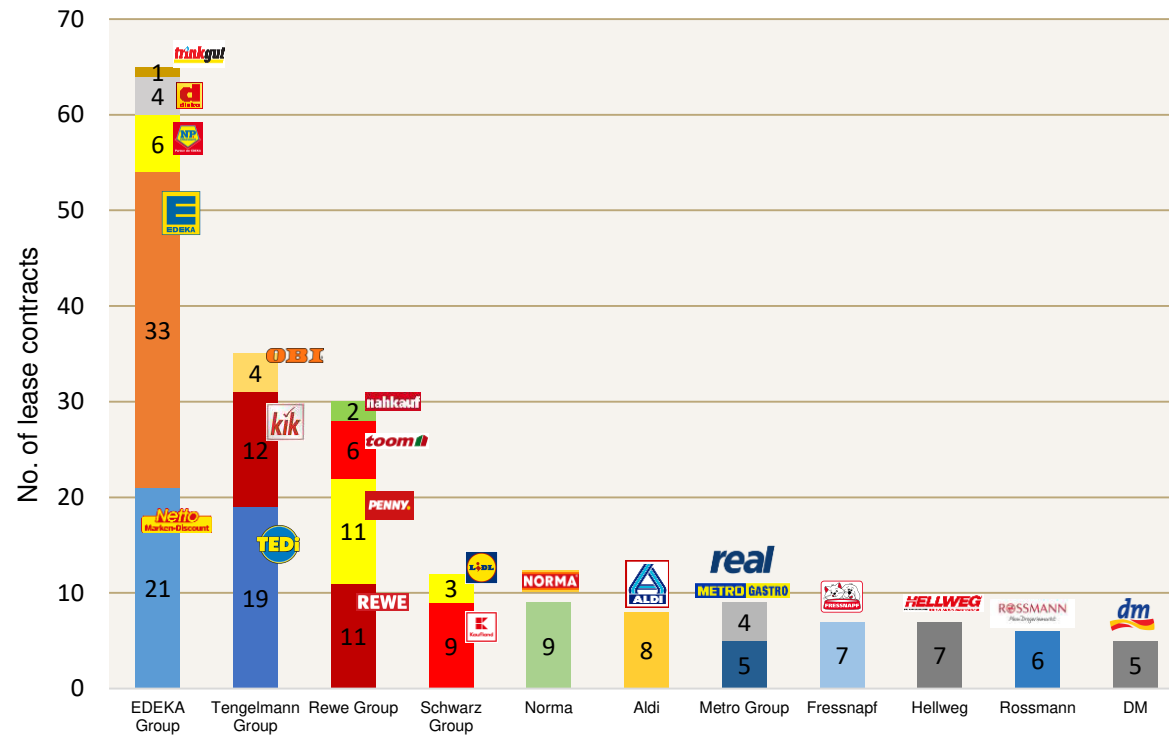
Tenant group	Brands	Rent (mEUR)	WALT in years
Edeka Group	    	8.5	5.6
Schwarz Group	 	9.6	4.6
Metro Group	 	4.6	5.4
Rewe Group	  	3.6	6.6
Bartels-Langness Group		1.0	7.6
ALDI		0.9	7.0
Norma		0.6	4.5
Others	  	0.8	3.9
Food retail		29.6	5.4
Hellweg		4.2	11.6
Rewe Group		2.1	5.5
Tengelmann Group		1.7	3.9
Others		2.2	4.7
DIY stores		10.2	7.7
Tengelmann Group	 	1.5	4.7
Others	       	4.2	5.0
Non-food discounters		5.7	4.9

¹ Annualised rent contribution of the pro forma portfolio (164 properties) as at 10 August 2020 – before acquisition of Parchim Center

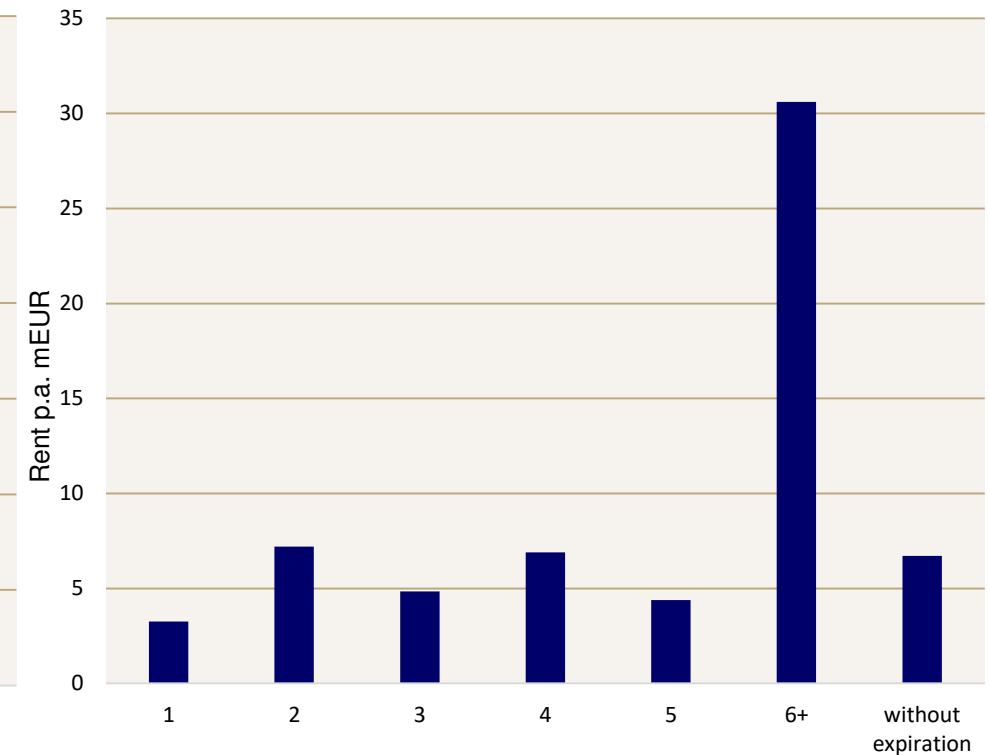
² Involves e.g. drug stores, bakeries, banks and apartments

DKR becomes a reliable partner for the tenants

>> Number of leases with the same tenant group¹:



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



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

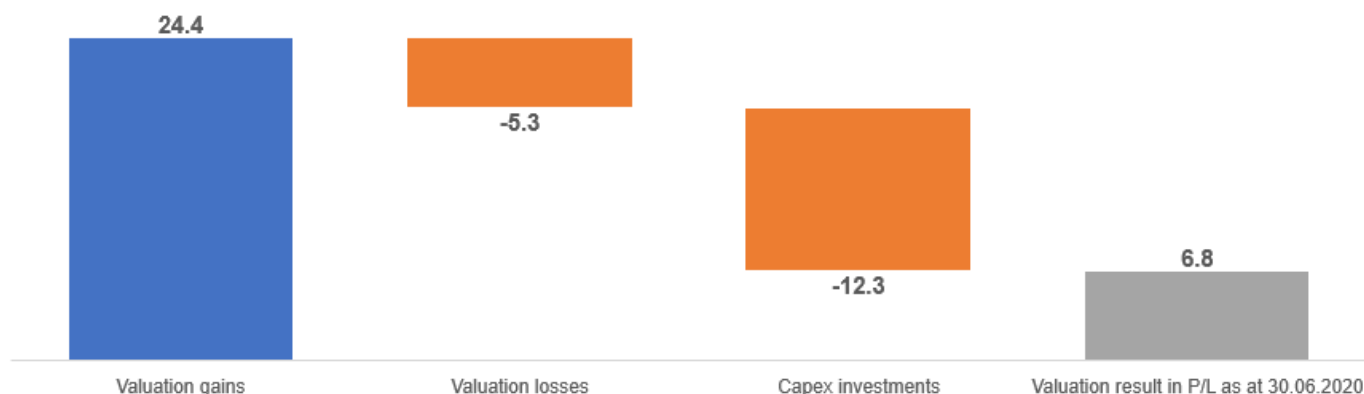
- WALT as at 30 June 2020: 5.7 years

¹ Based on the proforma portfolio as at 10 August 2020 – before acquisition of Parchim Center

Moderate valuation uplift of 0.9%

>> Key valuation results:

- Valuation as at 30 June 2020 conducted by CBRE Berlin
- In total moderate valuation uplift balance of 6.8 mEUR or 0.9%
- Portfolio as at 30 June 2020 valued at 12.9x times annual rent or 7.8% yield
- Valuation uplifts totaling 24.4 mEUR which were generated by the asset management but also reflects a slight yield compression
- Slight COVID-19 impairments at two centres (Domcenter Greifswald, Coens-Galerie Grevenbroich) of 3.6 mEUR due to temporary rent reductions to affected tenants and / or new vacancies in the Corona context
- Capex investments totaling 12.3 mEUR invested in 9M 2019/2020 were fully covered by the valuation
- Valuation uplifts consequently come from properties which are under DKRs management for a longer period



CAPEX measures lift up property values

>> Major capex measures in 9M 2019/2020 (examples):

Location / Property	Description of capex measures	CAPEX (mEUR)
Grevenbroich, Retail centre „Montanushof“	DKR had modernised, enlightened and improved the existing old parking garage which is essential for the property and most of the big chain tenants like Kaufland which is frequented by their customers. Therefore we have fulfilled main requirements of the tenants to prolong their leases. Moreover DKR has invested in a vacant area on an upper floor in order to let 2,100 sqm to FitX which is a big German gym chain with a 10.5 years fresh rental contract.	2.8
Hohenmölsen, retail centre „Kirschbergcenter“	Step-by-step revitalisation and space optimisation of the whole neighborhood centre in order to prolong the rental contract with the main tenants REWE (12 years) and to onboard new tenants to the centre like Rossmann, TEDI and many others which will drastically reduce vacancy and increase the rental income of the centre.	1.1
Leipzig, retail centre „Löwenpark“	Construction of a new building for the tenant Hammer (DIY) which result in a new 12 year lease at very favourable conditions. This will reduce vacancy and increase rental income and attractiveness of the whole retail agglomeration.	1.1
Guben, retail centre, „Neiße Center“	DKR has managed a rental space expansion by 650 sqm for the existing tenant ALDI within the building by merging their existing space with vacant areas around. Therefore the lease contract was prolonged by 12 years at favourable conditions.	1.1
Niesky, Penny grocery discounter store	DKR has expanded rental space by 200 sqm for the tenant Penny (REWE) in order to get a new 15 year fresh lease contract at more favourable conditions.	0.4
Rostock, retail centre „Kolumbuspassage“	DKR started an extensive 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 MäcGeiz which have signed fresh 15 years and 10 years leases. With these new anchors the existing vacancy has dropped significantly yet and will expectedly be reduced further once the footfall will rise after completion.	0.3
Various other locations	Variety of multiple measures in order to keep properties attractive and prolong leases or reduce vacancy.	5.5
Total Capex investments		12.3

VALUATION POTENTIAL OF THE PORTFOLIO

Share price currently trades at a 6.9% yield

>> NAV impact from factor increases (c.p.) shows 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 30.06.2020	60.7	12.9	7.7%	785.9	51.6%	414.5	383.7	35.156	10.92
Assumptionist (Pro forma portfolio) ¹	65.1	13.0	7.7%	846.3	49%	414.5	431.8	35.156	12.28
	65.1	13.5	7.4%	878.9	47%	414.5	464.3	35.156	13.21
	65.1	14.0	7.1%	911.4	45%	414.5	496.9	35.156	14.13
	65.1	14.5	6.9%	944.0	44%	414.5	529.4	35.156	15.06
	65.1	15.0	6.7%	976.5	42%	414.5	562.0	35.156	15.98
	65.1	15.5	6.5%	1,009.1	41%	414.5	594.5	35.156	16.91
	65.1	16.0	6.3%	1,041.6	40%	414.5	627.1	35.156	17.84

Current
trading level
of DKR
shares

¹ Assumptions are based on the current pro forma portfolio consisting of 165 assets with an annualised rent of 65.1 mEUR

FINANCING

Conservative and efficient debt structure

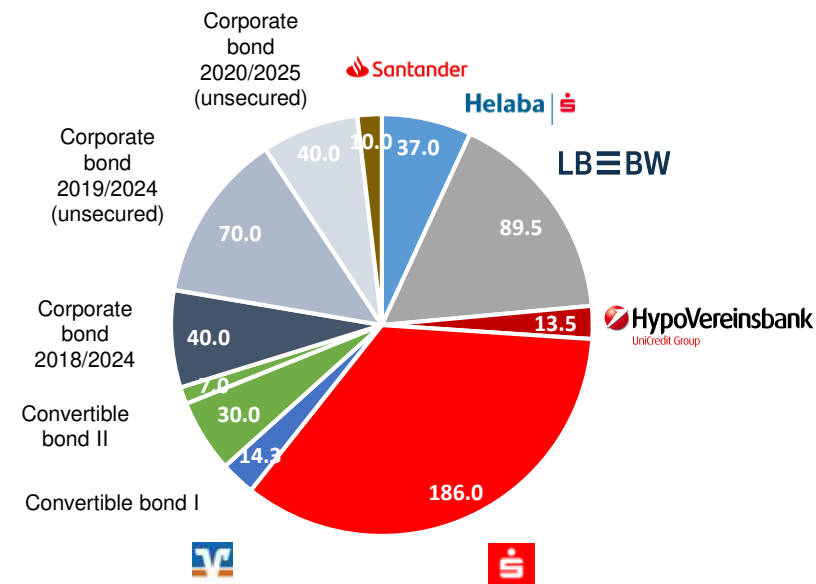
>> Financial KPIs:

	30.06.2020	30.09.2019	%
Total financial debt (loans + bonds), mEUR	509.6	354.1	+44
Avg. loan interest, % p.a.	1.83	1.94	-6
Avg. total debt interest, % p.a.	1.92	1.93	-1
(Net-) LTV (%)	51.6	48.1	+7
Average loan maturity (years)	4.4	4.7	-6
ICR (EBITDA excl. valuation / interest results)	6.6x	4.9x	+34
Rating secured senior debt (Scope)	„BBB“ (Investment grade)	„BBB“ (Investment grade)	-
Rating unsecured senior debt (Scope)	„BBB-“ (Investment grade)	„BBB-“ (Investment grade)	-

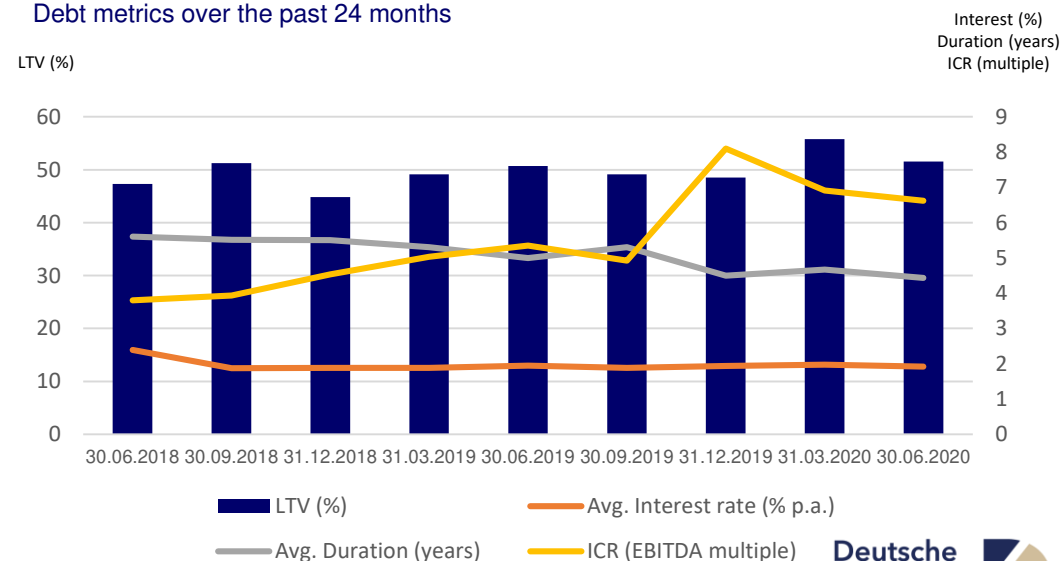
Loan allocation according to maturity of fixed interest rates (mEUR initial nominal debt)



Debt allocation (mEUR initial nominal debt)



Debt metrics over the past 24 months



FINANCIALS 9M 2019/2020

Condensed IFRS balance sheet

	kEUR	30.06.2020	30.09.2019	kEUR	30.06.2020	30.09.2019	
Pro forma portfolio currently mEUR 830 (including the latest notarised acquisitions)	Assets				Equity and liabilities		
	Investment properties	785,935.6	619,881.3	Subscribed capital	35,155.9	31,959.9	
	Other non-current assets	30,892.5	8,393.1	Capital reserves	197,141.6	150,023.0	
	Deferred tax assets	0.0	0.0	Other reserves	723.4	723.4	
Advanced payments for properties with transfer after balance sheet date	Total non-current assets	816,828.1	628,274.4	OCI	0.0	0.0	
	Other current assets	89,762.0	25,947.4	Retained earnings	150,713.5	134,655.8	
	Cash position	3,677.4	25,639.3	Total equity	383,734.4	317,362.2	
Contains VAT receivables and cash escrows as well as interest bearing short-term cash investments	Total current assets	93,439.4	51,586.7	Bank liabilities	303,586.7	195,509.0	Increased bank liabilities due to new loans withdrawn
	Non-current asset held for sale	0.0	4,100.0	Convertible bonds	36,271.7	36,162.1	
Sold asset Buddestraße in Berlin				Corporate bonds	150,695.6	110,878.3	Issue of a new mEUR 40.0 bond in March 2020
				Other liabilities	8,932.2	8,609.7	
				Deferred tax liabilities	0.0	0.0	
				Total long-term liabilities	499,486.3	351,159.0	
				Bank liabilities	19,006.1	11,489.7	
				Other financial liabilities	0.0	0.0	
				Other short-term liabilities	8,040.7	3,950.2	
				Total short-term liabilities	27,046.8	15,439.9	
	Total assets	910,267.5	683,961.1	Total equity and liabilities	910,267.5	683,961.1	

LTV and EPRA NAV

>> LTV (loan-to-value):

kEUR	30.06.2020	30.09.2019
Bank loans	322,592.7	206,998.7
Convertible bonds	36,271.7	36,162.1
Corporate bonds	150,695.6	110,878.3
Other short term borrowings	0.0	0.0
Total financial liabilities	509,560.1	354,039.0
- Cash position	-3,677.4	-25,639.3
- Property management accounts	-2,459.3	-3,256.3
- Short term interest bearing lendings	-88,889.0	-24,755.0
Net debt	414,534.5	300,388.5
Investment properties	785,935.6	619,881.3
Asset held for sale	0.0	4,100.0
Purchase prices paid into escrow	17,871.5	16.6
Properties	803,807.1	623,997.9
Net LTV	51.6%	48.1%

>> EPRA NAV:

kEUR	30.06.2020	30.09.2019
Total equity	383,734.4	317,362.2
Conversion of convertible bonds	0.0	0.0
NAV	383,734.4	317,362.2
Fair value of derivative instruments	-	-
Deferred taxes	-	-
EPRA NAV	383,734.4	317,362.2
Number of shares	35,155,939	31,959,944
EPRA NAV per share (EUR), undiluted	10.92	9.93

Condensed IFRS income statement

	kEUR	01.10.2019 – 30.06.2020	01.10.2018 – 30.06.2019	%
Rental income has mainly increased in the course of the property portfolio growth	Rental income	40,322.9	30,136.0	
	Income from recharged operating costs	8,739.2	4,289.3	
	Operating expenses	-20,129.2	-11,130.3	
Contains non-periodic items of 1,478 kEUR	Net rental income	28,932.8	23,295.0	
	Income from property disposal	4,095.0	975.0	
	Expenses from property disposal	-4,100.0	-658.1	
	Net result from property disposal	-5.0	316.9	
Valuation gains from the regular property revaluation as at 30.06.2020	Gains from fair value measurement of investment properties	6,798.4	32,351.0	
	Other operating income	121.8	442.3	
	Personnel expenses	-756.6	-526.9	
	Depreciation of other assets	-8.1	-0.8	
	Impairment of receivables	-870.4	0.0	
	Other operating expenses	-3,329.5	-1,582.2	
	EBIT	30,883.5	54,295.4	
Interest gains resulting from interest bearing short-term lendings	Interest income	3,209.8	1,202.9	
	Interest expenses	-6,849.6	-5,305.2	
	EBT	27,243.6	50,193.1	
	Taxes	0.0	0.0	
	Total period income	27,243.6	50,193.1	
	Earnings per share (undiluted), EUR	0.84	1.70	
	Earnings per share (diluted), EUR	0.59	1.18	

According to IFRS 9 rules the COVID-induced deferrals of April rents were impaired. DKR expects the majority of those receivables as valuable and collectible past the crisis and therefore recognise them as one-off.

Contains one-offs of 1,867 kEUR resulting from arrangement fees for the bond emission in March 2020 and other financial instruments withdrawn

FFO reconciliation

>> FFO/aFFO:

Contains non-cash items due to IFRS valuation of convertible bonds and short term receivables (impairment of deferred rents which are expected to be collected past crisis)

Contains non-periodic items of 1,448 kEUR as well as other non-recurring items of 1,887 kEUR (mainly arrangement fees for bond emission and other financial instruments)

	01.10.2019	01.10.2018	%
kEUR	30.06.2020	30.06.2019	
Total period income	27,243.6	50,193.1	
+/- Income taxes	0.0	0.0	
+ Depreciation of other assets	8.1	0.8	
+/- Gain from remeasurement of investment properties	-6,798.4	-32,035.1	
Net result from property disposal	5.0	-316.9	
Non-cash expenses / income	1,391.5	918.3	
Other non-recurring expenses	3,344.7	714.7	
FFO	25,194.5	19,158.9	
- Capex	-12,333.4	-2,873.6	
aFFO	12,861.1	16,285.3	
FFO per share (EUR), undiluted¹	0.40	0.65	
aFFO per share (EUR), undiluted¹	0.27	0.55	

Capex increase mainly due to extensive property revitalisations in Grevenbroich, Rostock, Hohenmölsen, Guben and Leipzig

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

OUTLOOK

Guidance confirmed

>> Current guidance for FY 2019/2020:

Date of guidance	14.05.2020	update	13.08.2020
FFO (EUR m)	34.0 – 36.0	➡	34.0 – 36.0
FFO Run Rate as per 30- Sep-2020 (EUR m)	40.0 – 42.0	➡	40.0 – 42.0
Dividend (EUR per share)	0.55	➡	0.55
Net-LTV	50.0	➡	50.0

APPENDIX

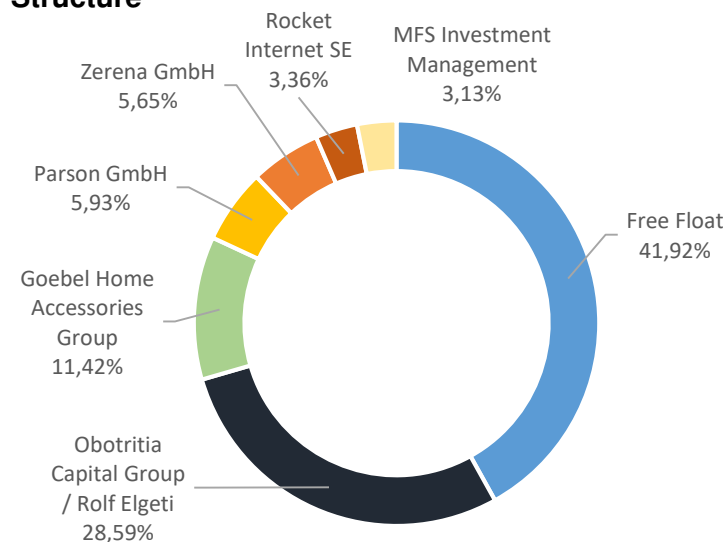
>> Basic Share Information

As at	11.08.2020
ISIN	DE000A14KRD3
Share price (Xetra, 11-August-2020)	EUR 15.70
Symbol	DKG
Shares outstanding	35,155,938
Share class	Bearer shares
Stock exchanges	XETRA, Frankfurt, Berlin
Segment	Prime Standard
52w high/low (EUR)	19.25 / 12.80
Market Capitalisation	EUR 552mn

>> Share Price Performance



>> Shareholder Structure



>> Coverage by Analysts

Bank	Analyst	Target price	
Berenberg	Kai Klose	EUR 20.00	Buy
Bankhaus Lampe	Dr. Georg Kanders	EUR 18.50	Buy
ODDO BHF	Manuel Martin	EUR 18.80	Buy

>> Financial calendar

Date	
13.08.2020	Publication of the quarterly statement for the third quarter of 2019/2020 financial year
17.12.2020	Publication of the final annual statements/annual financial report for the financial year 2019/2020

>> Roadshows / Investor meetings

Date		Country
19.08.2020	Bankhaus Lampe Summer Conference, virtual event	
20.08.2020	15th HSBC European Real Estate Conference, virtual event	
20.08.2020	5. Hamburger Investorentag – HIT, Hamburg	
03.09.2020	Commerzbank Corporate Conference, virtual event	
21.09.2020	Berenberg and Goldman Sachs Ninth German Corporate Conference, virtual event	
21.09.2020	Baader Investment Conference, virtual event	
17.11.2020	Deutsches Eigenkapitalforum, virtual event	

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Investment Highlights

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



Retail property portfolio in established micro locations

- 165 retail properties
- > 0.8bn EUR GAV and 64mEUR 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 negative impact 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 admin structure

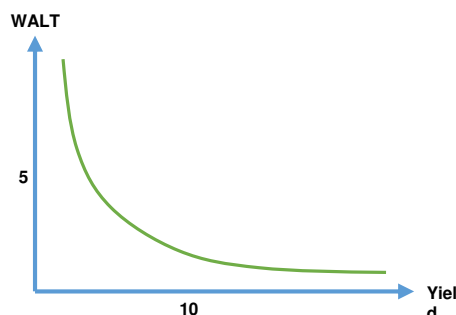
Investment approach

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



Highly fragmented niche to be consolidated

- Niche of properties in a range between 1 mEUR and 25 mEUR 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 of property prices compared to the decline of the WALT on the market
- Deep property analysis before acquisition



High-speed acquisition process

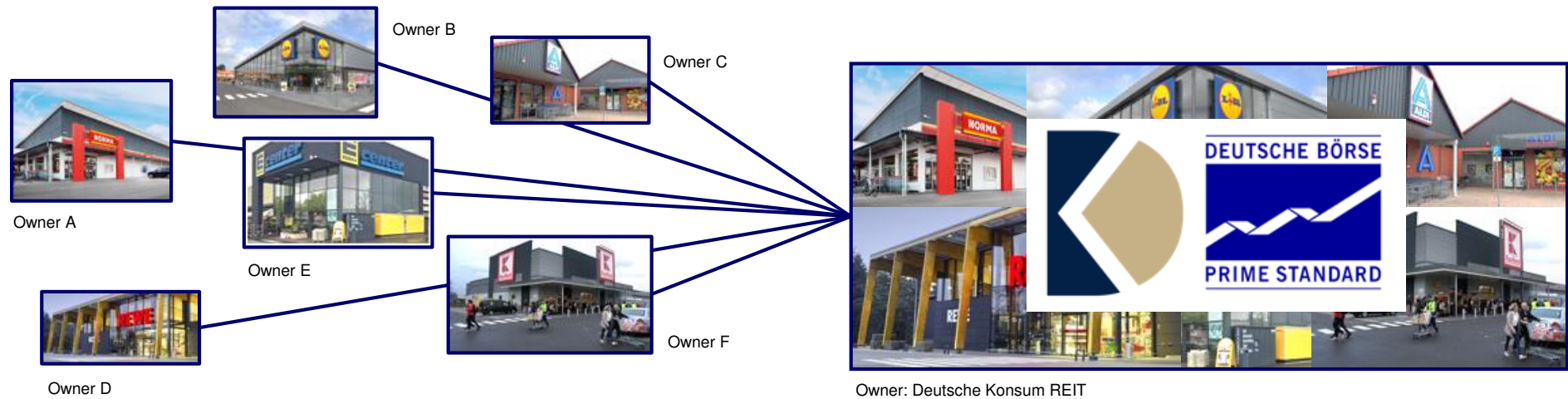
- DKR buys out of equity which is advantageous in the acquisition process
- Debt refinancing after acquisition



Value enhancing asset management

- Investing in properties if value enhancing
- DKR as a reliable partner of the tenant
- Vacancy reduction and rental contract prolongations
- Multiple leases with the same tenant increase DKRs 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 portfolios 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 14. Retail Real Estate Report Germany 2019/2020 by bulwiengesa / Hahn / CBRE¹:

4.1 %

Growth of the
stationery
retail in 2018

125m
sqm

Total retail
lease area in
Germany

- Strong German economy and increasing consumption in the private sector underscores this growth

- Market share of DKR of 0.7% (900k sqm)
- „E-commerce remains as a platform for the non-food-sector¹“

Company	Sales channel (selection)	Stores		Sales area		Space productivity (gross)		Turnover	
		No.	Change since 2017	Avg. per store in sq m	Change since 2017	€/sq m	Change since 2017	€ million	Change since 2017
EDEKA	Netto	4,235	1.1 %	792	1.5 %	4,250	-0.1 %	14,247	2.4 %
	EDEKA	3,749	1.1 %	1,243	1.4 %	4,460	-0.5 %	20,786	2.0 %
	E-Center	447	2.3 %	3,243	1.6 %	4,600	2.0 %	6,666	6.0 %
	MARKTKAUF	115	-10.2 %	5,770	2.0 %	4,090	-1.9 %	2,713	-10.2 %
METRO GROUP	Real	278	-2.1 %	6,989	0.8 %	4,170	-1.7 %	8,102	-3.0 %
REWE Group	PENNY	2,195	0.3 %	722	0.9 %	5,170	1.5 %	8,191	2.7 %
	REWE	3,566	3.5 %	1,498	0.7 %	4,010	0.0 %	21,420	4.2 %
	REWE Center*	37	2.8 %	6,616	3.3 %	4,050	0.7 %	993	7.1 %
Schwarz-Group	Lidl	3,193	0.5 %	898	3.4 %	7,400	0.0 %	21,226	3.9 %
	Kaufland	663	0.8 %	4,341	-0.1 %	4,930	-0.2 %	14,177	0.4 %
Bartels-Langness	famila Nordost	87	1.2 %	3,682	1.4 %	4,450	-0.7 %	1,425	1.8 %

- Expansion of stationary food retail continues
- DKRs main food retail tenants keep on growing

¹ https://www.hahnag.de/index.php?eID=tx_nawsecuredl&u=0&g=0&t=1573572208&hash=c3deec9fb2485046feb45ffe97d7b48f3ac6d545&file=media/hahn/Downloads_PDF/Publikationen/Research/Hahn_Retail_Real_Estate_Report_2019_web.pdf

Basic retail resilient to E-Commerce (1)

>> Market research according to 14. Retail Real Estate Report Germany 2019/2020 by bulwiengesa / Hahn / CBRE¹:

05. Online Shares of Total Turnover in the Food and Drugstore Segments in 2016 – 2018

Food and delicatessen products



Drugstore products (paper hygiene products, washing, cleaning and detergent products)



Source: HDE

fig. 3

10. Top 5 Food Retailers

	Turnover in € billion	Growth in turnover since 2017 in %
EDEKA	58.48	3.5
Schwarz Group	39.85	3.2
REWE Group	39.80*	12.4*
ALDI	30.14	1.2
METRO GROUP incl. C&C	13.47	-1.1

* Special effect due to first-time consolidation of REWE Dortmund

Source: bulwiengesa, TradeDimensions

fig. 4

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 % (fig. 3)
- German stationery food retailers continue a very robust overall growth (fig. 4)

¹ https://www.hahnag.de/index.php?eID=tx_nawsecuredl&u=0&g=0&t=1573572208&hash=c3deec9fb2485046feb45ffe97d7b48f3ac6d545&file=media/hahn/Downloads_PDF/Publikationen/Research/Hahn_Retail_Real_Estate_Report_2019_web.pdf

Basic retail resilient to E-Commerce (2)

>> Market research according to 14. Retail Real Estate Report Germany 2019/2020 by bulwiengesa / Hahn / CBRE¹:

04. Development of Online Sales in Germany

Figures in € billion

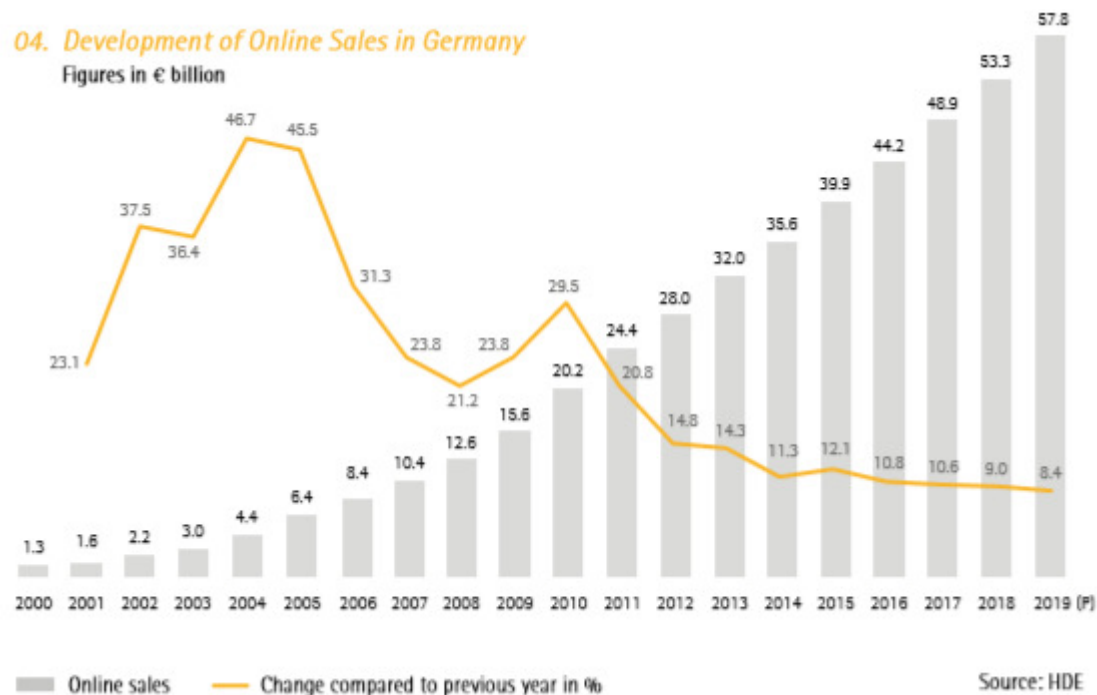


fig. 1

14. Shares of Total Turnover generated Online by Segment in 2017 and 2018

Figures in %



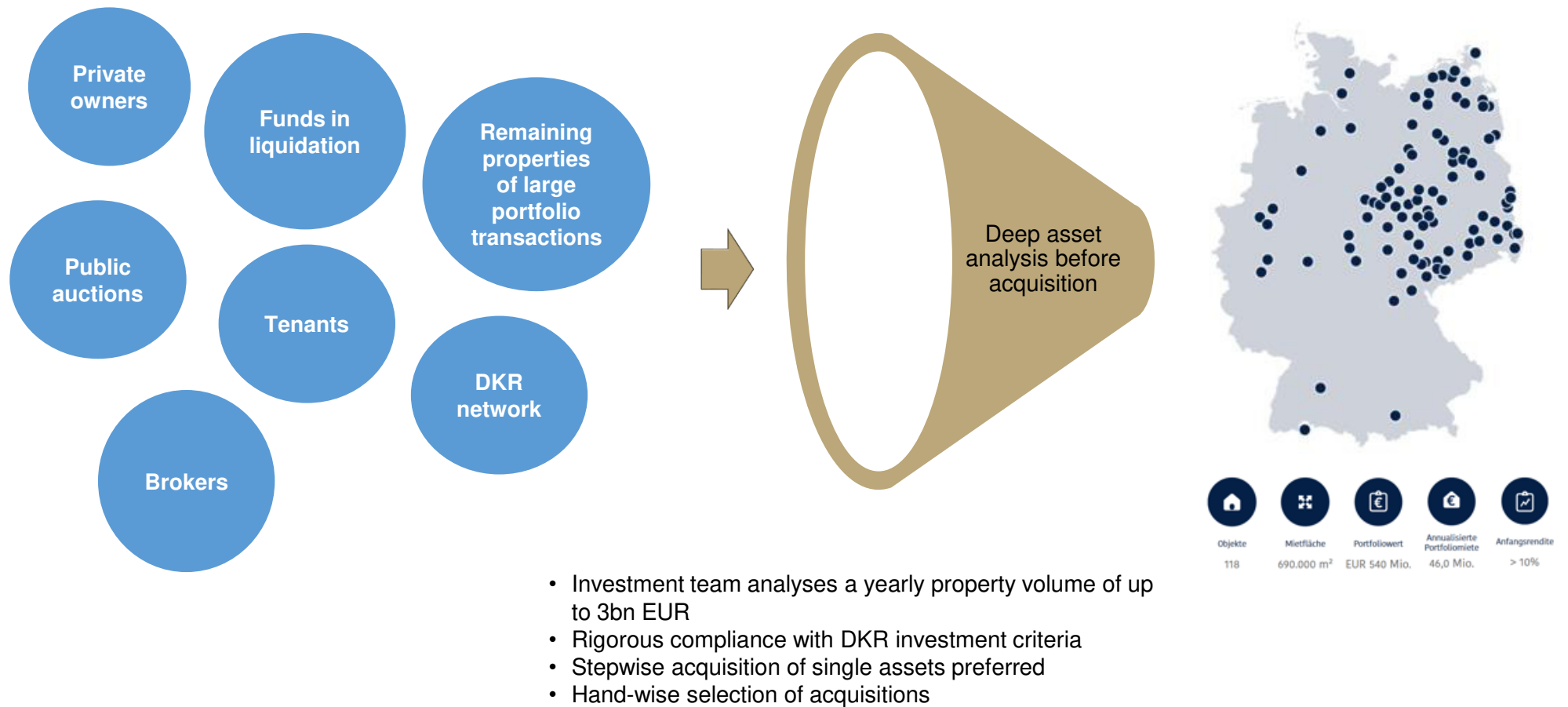
fig. 2

Results of the statistical data:

- Yearly growth rate of total E-Commerce swings declined below 9%
- E-Commerce growth mainly driven by the non-food sector (see fig. 1 & 2)

¹ https://www.hahnag.de/index.php?eID=tx_nawsecuredl&u=0&g=0&t=1577114124&hash=c6d609940db5b21b2dc753389f0a29e0acf9c734&file=media/hahn/Downloads_PDF/Publikationen/Research/HAHN-RRER2019-englisch-WEB.pdf

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. 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. Alexander is personally and financially committed to DKR.

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.

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. 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



Real estate portfolio
(Pro forma including notarised properties)
30 June 2020

Deutsche Konsum REIT-AG

DKRs portfolio as at 30 June 2020

#	Address	Type	Target	Actual	Yield	Realised	Market	Actual	Market
				value	%	value	value	value	value
1	100% (100%)	Real estate	100%	100%	100%	100%	100%	100%	100%
2	100% (100%)	Real estate	100%	100%	100%	100%	100%	100%	100%
3	100% (100%)	Real estate	100%	100%	100%	100%	100%	100%	100%
4	100% (100%)	Real estate	100%	100%	100%	100%	100%	100%	100%

DKRs portfolio as at 30 June 2020

#	Address	Type	Target	Actual	Yield	Realised	Market	Actual	Market
				value	%	value	value	value	value
1	100% (100%)	Real estate	100%	100%	100%	100%	100%	100%	100%
2	100% (100%)	Real estate	100%	100%	100%	100%	100%	100%	100%
3	100% (100%)	Real estate	100%	100%	100%	100%	100%	100%	100%
4	100% (100%)	Real estate	100%	100%	100%	100%	100%	100%	100%

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

[DKR property portfolio overview as at 30 June 2020 plus latest acquisitions](#)