



Q1 2019/2020 RESULTS

1 OCTOBER 2019 – 31 DECEMBER 2019

13 February 2020

Deutsche
Konsum
REIT-AG



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Unless otherwise specified all information is for the quarter ended 31 December 2019.

HIGHLIGHTS

Acquisitions already exceeded total prior year's investment volume

Strong portfolio growth ahead

- Already acquired 44 retail properties with a total investment volume of 170 mEUR at an average yield of 9.2%
- (Proforma) portfolio now generates annualised rents of 64.4 mEUR with a book value of c. 800 mEUR
- Acquisition pipeline remains strong

Operational business stable and accretive

- Rental Income up by 28%
- FFO up by 33% / FFO per share up by 21%
- Vacancy slightly increased by 0.3% to 10.2% mainly due to started revitalization in Rostock, Guben and Grevenbroich
- WALT stable at 5.5 years due to various lease prolongations

Financial structure solid with decreasing costs of debt

- ICR up to 8.1x EBITDA
- LTV stable at 48.5%
- Average costs of debt at 1.91% (including unsecured debt)
- Latest secured bank loans signed at fixed interest rates between 1.35% and 1.60% per annum

Guidance increased

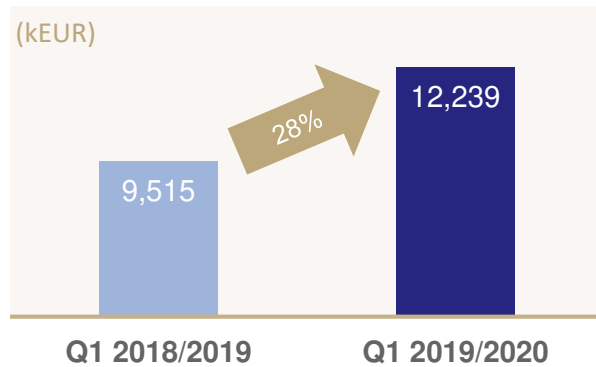
- Due to the high acquisition volume the guidance for FFO Run Rate (to be achieved as at 30-Sep-2020) has been increased to EUR 40.0m – EUR 42.0

FINANCIAL KEY FIGURES

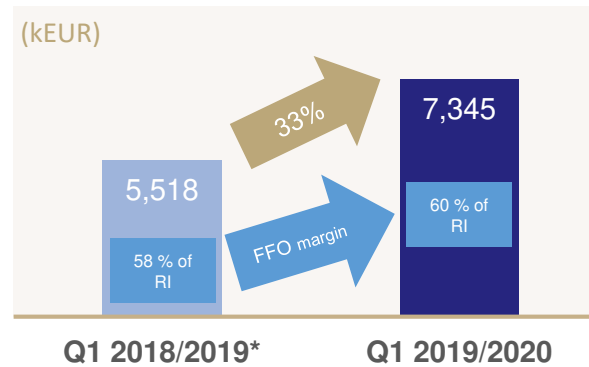
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Consistent growth

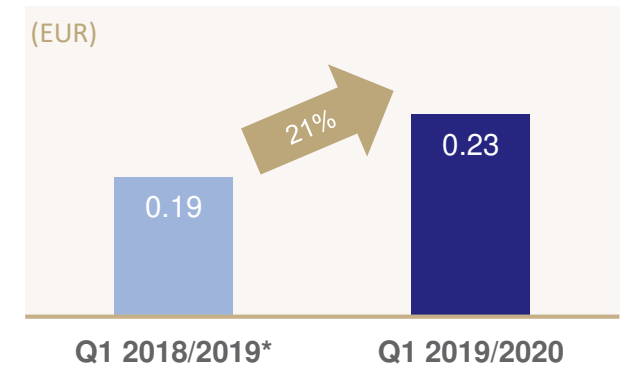
Rental income



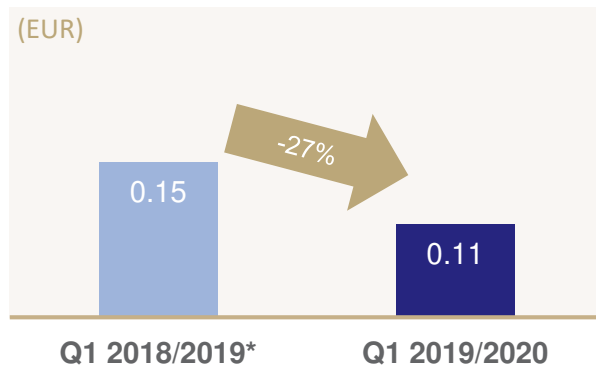
FFO



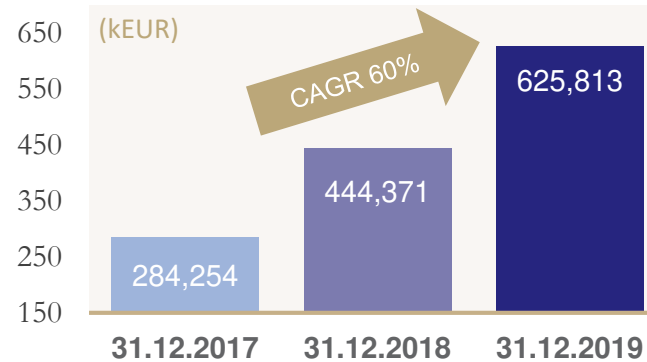
FFO per share



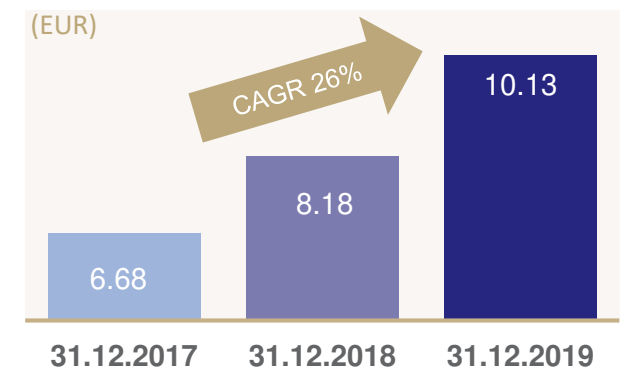
aFFO per share



Investment properties



EPRA NAV per share



* Q1 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

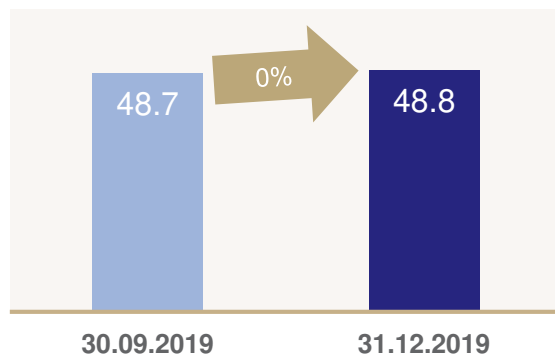
PROPERTY PORTFOLIO

PROPERTY PORTFOLIO

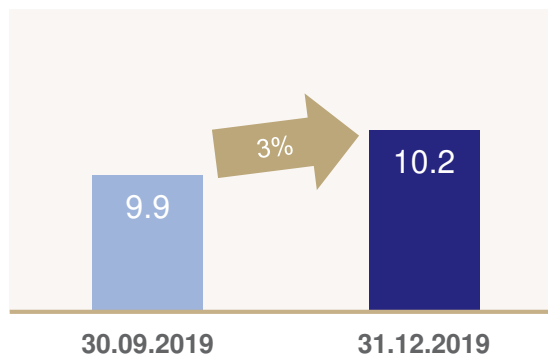
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Key portfolio figures as at 31 December 2019

Annualised rent (mEUR)



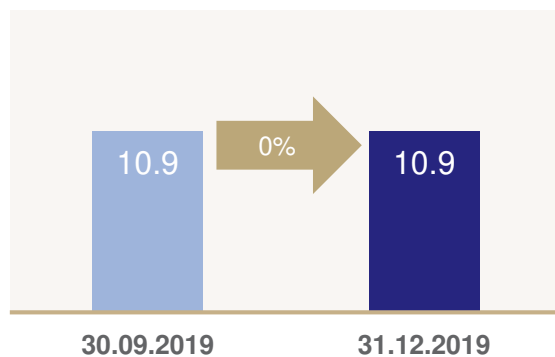
Vacancy (%)



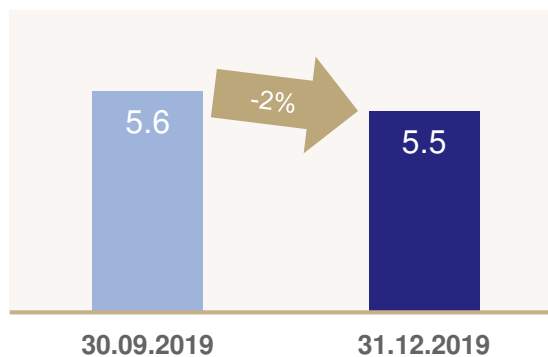
>> Portfolio snapshot:

- Key portfolio figures based on 125 properties accounted as at 31.12.2019
- Recent high acquisition volume not yet included

Initial yield (%)



WALT (years)

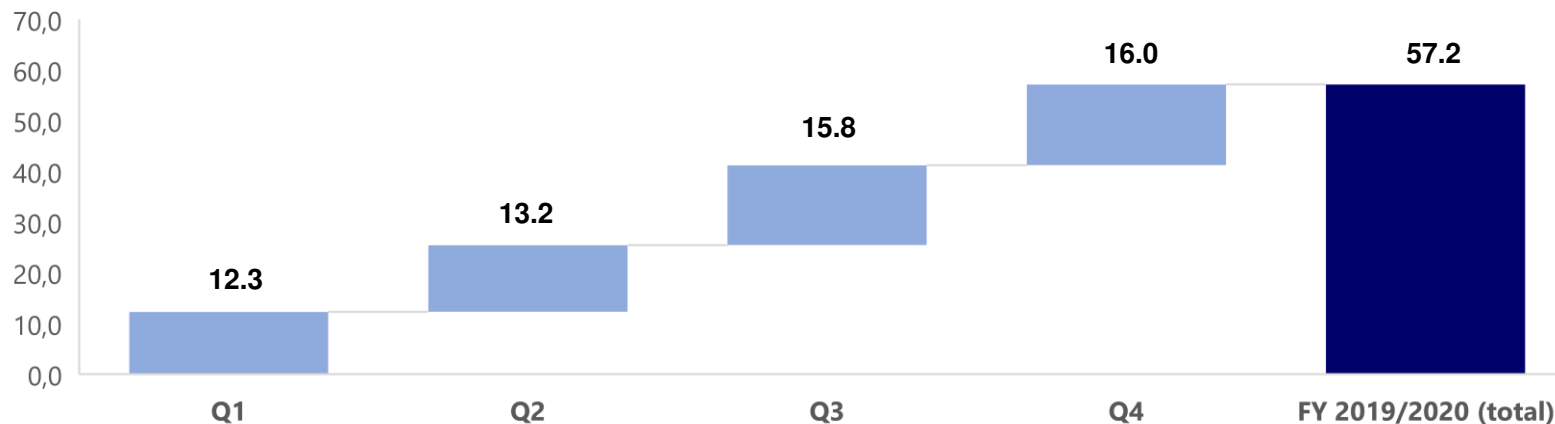


Acquisition overview: Very strong acquisition volume in the new FY 2019/2020

>> Acquisitions notarised since 1 October 2019 FY 2019/2020:

- 44 retail properties with about 180,000 sqm
- Total investment volume of 170 mEUR
- Acquired rents of 15.6 mEUR
- Average yield of 9.2%
- 70% food-anchored properties

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



- DKR's current acquisition pipeline remains very strong what could translate into further acquisitions shortly

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



Selection of last property acquisitions (1)

>> Acquisitions at the beginning of the new FY 2019/2020:



| Location | „PEP“ Grimma (Saxony) |
|--------------------------------|--------------------------------------|
| Type | Retail centre |
| Space (sqm) | 15,500 |
| Annualised rent (kEUR) | 1,600 |
| Main tenants | Kaufland, Rossmann, NKD, Zoo, Others |
| WALT | c. 4 years |
| Vacancy | 11% |
| Initial yield | > 11% |
| Transfer of ownership expected | April 2020 |

Selection of last property acquisitions (2)

>> Acquisitions at the beginning of the new FY 2019/2020:



| Location | „City Center“ Eisenhüttenstadt (Brandenburg) |
|--------------------------------|---|
| Type | Retail centre |
| Space (sqm) | 28,900 |
| Annualised rent (kEUR) | 2,100 |
| Main tenants | Edeka, Penny, Rossmann, Woolworth, Hammer, Others |
| WALT | c. 6 years |
| Vacancy | 35% |
| Initial yield | c. 8% |
| Transfer of ownership expected | April 2020 |

Selection of last property acquisitions (3)

>> Acquisitions at the beginning of the new FY 2019/2020:



Location

„Bavaria“ Portfolio consisting of 27 grocery stores throughout Bavaria*

Type

Grocery stores in the towns of Beratzhausen, Cham, Chamerau, Falkenstein, Fürstenstein, Gangkofen, Ingolstadt, Kempten, Kissing, Lam, Lenggries, Neunburg, Obertraubling, Pfaffenhausen, Pocking, Rinnach, Ruderting, Salzweg, Scheyern, Schöllnach, Spiegelau, Untergriesbach, Viechtach, Wald, Wegscheid, Windorf and Sehmatal (Saxony)

Space (sqm)

37,000

Annualised rent (kEUR)

2,930

Main tenants

Edeka (> 90%), Others

WALT

c. 5 years

Vacancy

4%

Initial yield

> 8%

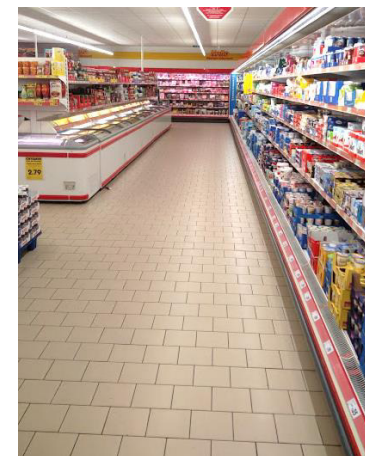
Transfer of ownership expected

April 2020

* One market located in Saxony

Selection of last property acquisitions (4)

>> Acquisitions at the beginning of the new FY 2019/2020:

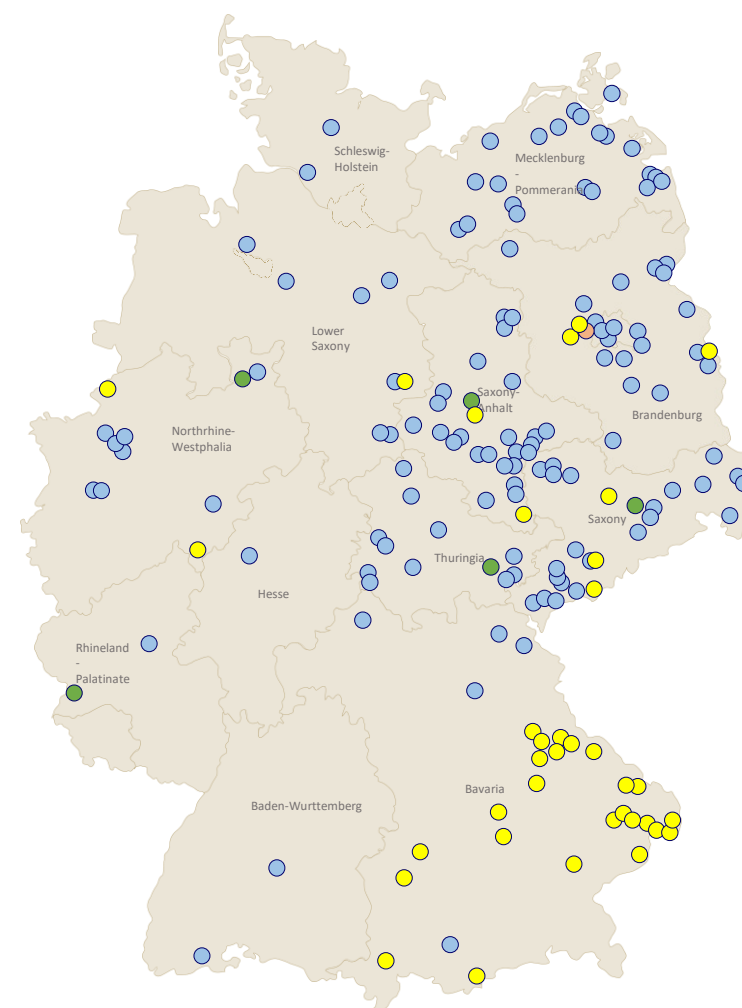


| Location | Schönwalde-Glien (Brandenburg) |
|--------------------------------|--------------------------------|
| Type | Grocery discounter |
| Space (sqm) | 1,100 |
| Annualised rent (kEUR) | 130 |
| Main tenants | Netto (Edeka) |
| WALT | c. 4 years |
| Vacancy | 0% |
| Initial yield | > 8% |
| Transfer of ownership expected | April 2020 |

Proforma portfolio consists of 166 properties with > 900,000 sqm

>> Portfolio development within the last 24 months:

| | 30.09.2018 | 30.09.2019 | 31.12.2019 | Pro Forma (including notarised properties) |
|--|------------|------------|------------|---|
| Number of properties | 90 | 123 | 125 | 166 |
| Rental space (sqm) | 517.8 | 722.6 | 725.7 | 904.1 |
| Total fair value (mEUR) | 418.7 | 624.0 | 624.0 | 795.0 |
| Fair value per sqm (EUR) | 809 | 863 | 863 | 879 |
| Valuation multiple | 11.8x | 12.8x | 12.8x | 12.3x |
| Total annualised portfolio rent (mEUR) | 35.5 | 48.7 | 48.7 | 64.4 |
| In-place-rent per sqm per month (EUR) | 6.32 | 6.23 | 6.23 | 6.61 |
| Vacancy rate (%) | 9.6 | 9.9 | 10.2 | 10.1 |
| WALT (years) | 5.2 | 5.6 | 5.5 | 5.3 |



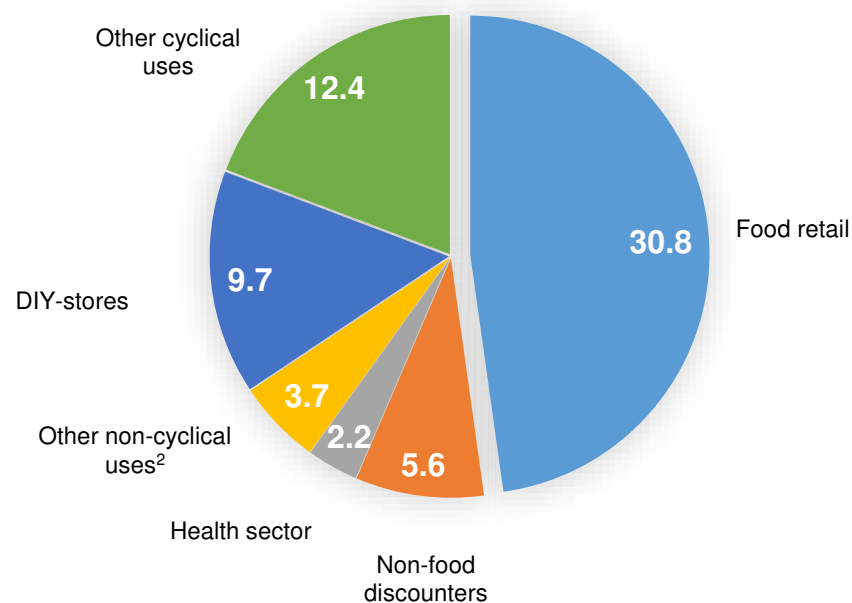
- Portfolio as at 31.12.2019 (125 properties)
- Acquired assets with transfer of ownership occurred past 31.12.2019 (5 properties)
- Notarised assets as at 12.02.2020 (37 properties)
- Sold asset with ownership transfer outstanding (1 property)

TENANT STRUCTURE

































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65% Rent contribution from non-cyclical tenants

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



>> Rent contribution by major tenants¹:

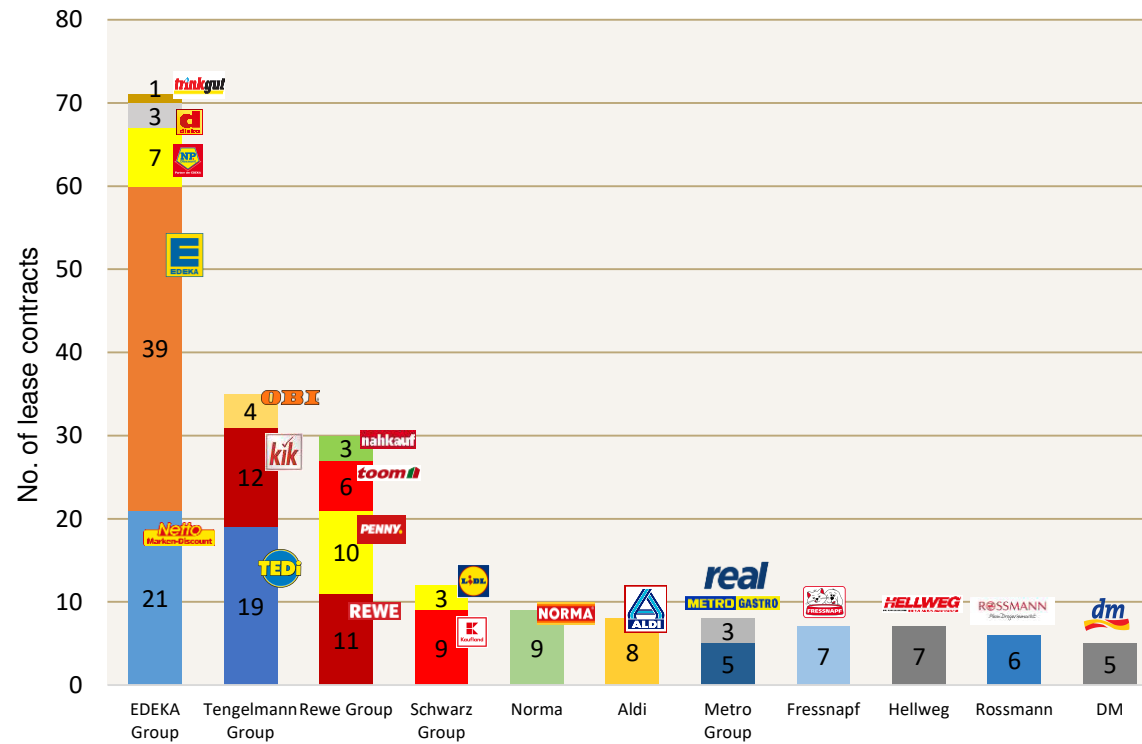
| Tenant group | Brands | Rent (mEUR) | WALT in years |
|-----------------------------|---|-------------|---------------|
| Edeka Group |      | 9.9 | 6.0 |
| Schwarz Group |   | 9.6 | 5.0 |
| Metro Group |   | 4.6 | 5.9 |
| Rewe Group |    | 3.4 | 6.5 |
| Bartels-Langness Group |  | 1.0 | 8.0 |
| ALDI |  | 0.9 | 5.0 |
| Norma |  | 0.6 | 5.0 |
| Others |    | 0.8 | 4.3 |
| Food retail | | 30.8 | 5.7 |
| Hellweg |  | 4.2 | 12.0 |
| Rewe Group |  | 2.1 | 5.9 |
| Tengelmann Group |  | 1.7 | 4.4 |
| Others |  | 1.7 | 5.2 |
| DIY stores | | 9.7 | 8.2 |
| Tengelmann Group |   | 1.6 | 4.9 |
| Others |     | 4.0 | 4.8 |
| |     | | |
| Non-food discounters | | 5.6 | 4.8 |

¹ Annualised rent contribution of the pro forma portfolio (166 properties) as at 12 February 2020

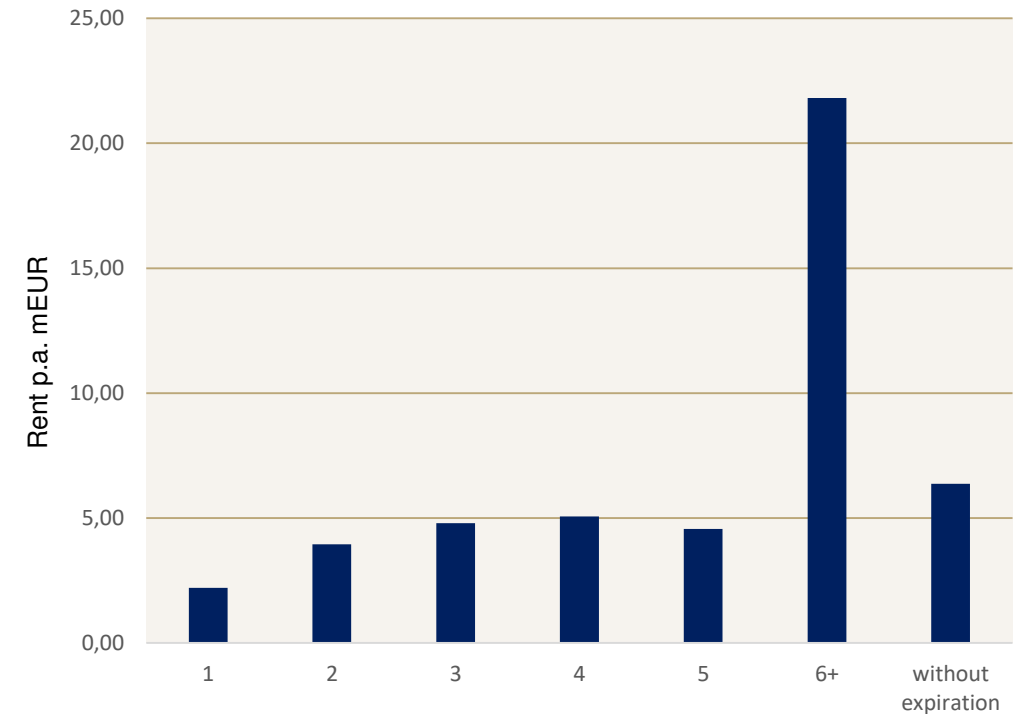
² Involves e.g. drug stores, bakeries, banks and apartments

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 31 December 2019: 5.5 years

¹ Based on the proforma portfolio as at 12 February 2020

VALUATION POTENTIAL OF THE PORTFOLIO

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Share price currently trades at a 8.0% 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 31.12.2019 | 48.8 | 12.8 | 7.8% | 625.8 | 48.5% | 310.9 | 323.8 | 31,960 | 10.13 | |
| Assumptionist (Pro forma portfolio) ¹ | 64.4 | 12.5 | 8.0% | 805.0 | 39% | 310.9 | 494.1 | 31,960 | 15.46 | Current trading level of DKR shares |
| | 64.4 | 13.0 | 7.7% | 837.2 | 37% | 310.9 | 526.3 | 31,960 | 16.47 | |
| | 64.4 | 13.5 | 7.4% | 869.4 | 36% | 310.9 | 558.5 | 31,960 | 17.48 | |
| | 64.4 | 14.0 | 7.1% | 901.6 | 34% | 310.9 | 590.7 | 31,960 | 18.48 | |
| | 64.4 | 14.5 | 6.9% | 933.8 | 33% | 310.9 | 622.9 | 31,960 | 19.49 | |
| | 64.4 | 15.0 | 6.7% | 966.0 | 32% | 310.9 | 655.1 | 31,960 | 20.50 | |
| | 64.4 | 15.5 | 6.5% | 998.2 | 31% | 310.9 | 687.3 | 31,960 | 21.51 | |

¹ Assumptions are based on the current pro forma portfolio consisting of 166 assets with an annualised rent of 64.4 mEUR

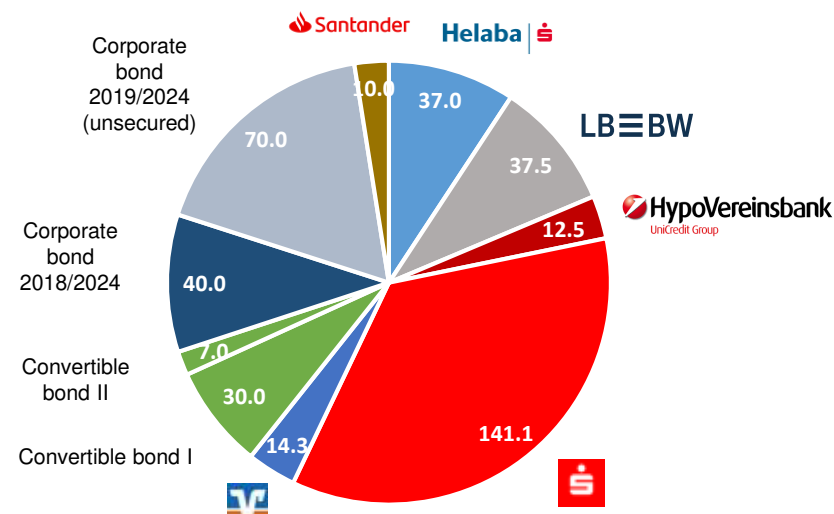
FINANCING

Conservative and efficient debt structure

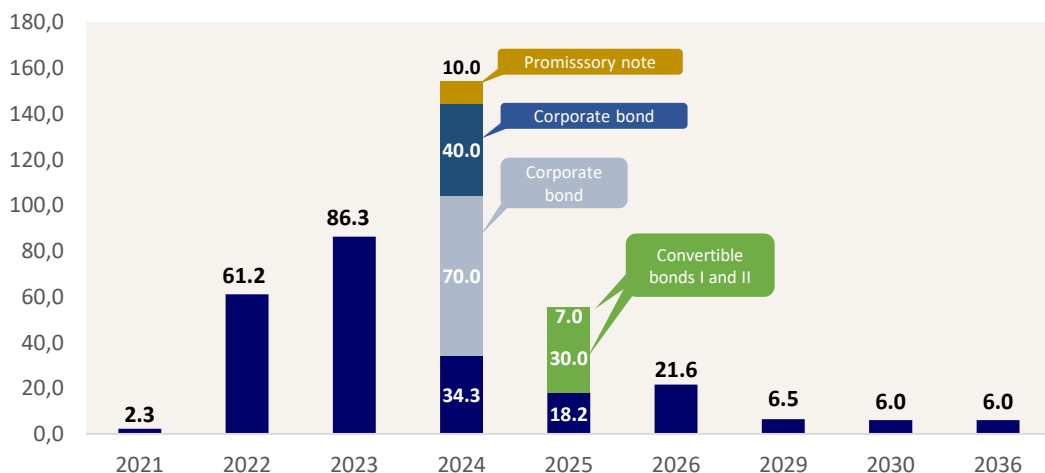
>> Financial KPIs:

| | 31.12.2019 | 30.09.2019 | % |
|--|------------------------------|------------------------------|-----|
| Total financial debt (loans + bonds), mEUR | 382.0 | 354.1 | +8 |
| Avg. loan interest, % p.a. | 1.91 | 1.94 | -2 |
| Avg. total debt interest, % p.a. | 1.94 | 1.93 | +1 |
| (Net-) LTV (%) | 48.5 | 48.1 | +1 |
| Average loan maturity (years) | 4.5 | 4.7 | -4 |
| ICR (EBITDA excl. valuation / interest results) | 8.1x | 4.9x | +65 |
| Rating secured senior debt (Scope) | „BBB“ (Investment grade) | „BBB“ (Investment grade) | - |
| Rating unsecured senior debt (Scope) | „BBB-“ (Investment grade) | „BBB-“ (Investment grade) | - |

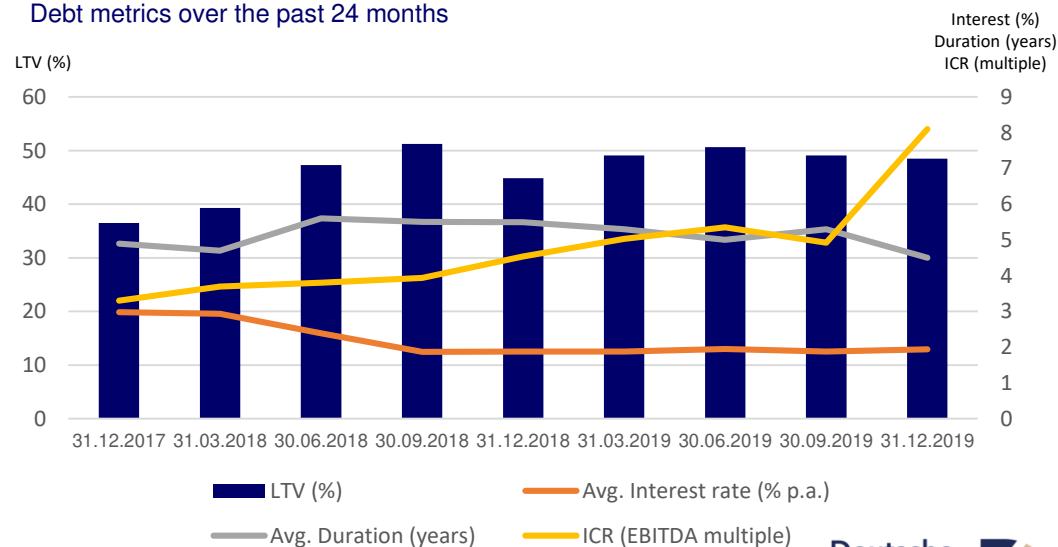
Debt allocation (mEUR initial nominal debt)



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



Debt metrics over the past 24 months



FINANCIALS Q1 2019/2020

Condensed IFRS balance sheet

Pro forma
portfolio currently
mEUR 795
(including the
latest notarised
acquisitions)

Contains VAT
receivables and
cash escrows as
well as interest
bearing short-
term cash
investments

Sold asset
Buddestraße in
Berlin

| kEUR | 31.12.2019 | 30.09.2019 | kEUR | 31.12.2019 | 30.09.2019 |
|---------------------------------|------------------|------------------|-------------------------------------|------------------|------------------|
| Assets | | | Equity and liabilities | | |
| Investment properties | 625,813.4 | 619,881.3 | Subscribed capital | 31,959.9 | 31,959.9 |
| Other non-current assets | 22,537.6 | 8,393.1 | Capital reserves | 150,018.3 | 150,023.0 |
| Deferred tax assets | 0.0 | 0.0 | Other reserves | 723.4 | 723.4 |
| Total non-current assets | 648,351.0 | 628,274.4 | OCI | 0.0 | 0.0 |
| Other current assets | 63,793.0 | 25,947.4 | Retained earnings | 141,050.1 | 134,655.8 |
| Cash position | 2,744.0 | 25,639.3 | Total equity | 323,751.7 | 317,362.2 |
| Total current assets | 66,536.9 | 51,586.7 | Bank liabilities | 221,023.9 | 195,509.0 |
| Non-current asset held for sale | 4,100.0 | 4,100.0 | Convertible bonds | 36,198.5 | 36,162.1 |
| | | | Corporate bonds | 111,478.4 | 110,878.3 |
| | | | Other liabilities | 8,609.7 | 8,609.7 |
| | | | Deferred tax liabilities | 0.0 | 0.0 |
| | | | Total long-term liabilities | 377,310.5 | 351,159.0 |
| | | | Bank liabilities | 13,284.9 | 11,489.7 |
| | | | Other financial liabilities | 0.0 | 0.0 |
| | | | Other short-term liabilities | 4,640.7 | 3,950.2 |
| | | | Total short-term liabilities | 17,925.6 | 15,439.9 |
| Total assets | 718,987.9 | 683,961.1 | Total equity and liabilities | 718,987.9 | 683,961.1 |

Increased bank
liabilities due to
new loans
withdrawn and
refinancing of
short term
loans

LTV and EPRA NAV

>> LTV (loan-to-value):

| kEUR | 31.12.2019 | 30.09.2019 |
|--|------------------|------------------|
| Bank loans | 234,308.8 | 206,998.7 |
| Convertible bonds | 36,198.5 | 36,162.1 |
| Corporate bonds | 111,478.4 | 110,878.3 |
| Other short term borrowings | 0.0 | 0.0 |
| Total financial liabilities | 381,985.8 | 354,039.0 |
| - Cash position | -2,744.0 | -25,639.3 |
| - Property management accounts | -3,069.6 | -3,256.3 |
| - Short term interest bearing lendings | -65,296.5 | -24,755.0 |
| Net debt | 310,875.7 | 300,388.5 |
| Investment properties | 625,813.4 | 619,881.3 |
| Asset held for sale | 4,100.0 | 4,100.0 |
| Purchase prices paid into escrow | 10,844.3 | 16.6 |
| Properties | 640,757.7 | 623,997.9 |
| Net LTV | 48.5% | 48.1% |

>> EPRA NAV:

| kEUR | 31.12.2019 | 30.09.2019 |
|--|------------------|------------------|
| Total equity | 323,751.7 | 317,362.2 |
| Conversion of convertible bonds | 0.0 | 0.0 |
| NAV | 323,751.7 | 317,362.2 |
| Fair value of derivative instruments | - | - |
| Deferred taxes | - | - |
| EPRA NAV | 323,751.7 | 317,362.2 |
| Number of shares | 31,959,944 | 31,959,944 |
| EPRA NAV per share (EUR), undiluted | 10.13 | 9.93 |

Condensed IFRS income statement

Rental income has mainly increased in the course of the property portfolio growth

| kEUR | 01.10.2019 – 31.12.2019 | 01.10.2018 – 31.12.2018 | % |
|--|----------------------------|----------------------------|---------------|
| Rental income | 12,238.9 | 9,515.2 | 28.6 |
| Income from recharged operating costs | 2,478.8 | 1,775.4 | 39.6 |
| Operating expenses | -6,258.0 | -3,558.4 | -75.9 |
| Net rental income | 8,459.7 | 7,732.2 | 9.4 |
| Income from property disposal | 0.0 | 975.0 | -100.0 |
| Expenses from property disposal | 0.0 | -602.3 | 100.0 |
| Net result from property disposal | 0.0 | 372.7 | -100.0 |
| Gains from fair value measurement of investment properties | 0.0 | 0.0 | 0.0 |
| Other operating income | 13.7 | 74.8 | -81.7 |
| Personnel expenses | -248.4 | -133.7 | -85.8 |
| Depreciation of other assets | -0.5 | -0.3 | -69.0 |
| Impairment of receivables | -300.8 | -384.0 | 21.7 |
| Other operating expenses | -628.8 | -528.1 | -19.1 |
| EBIT | 7,295.0 | 7,133.6 | 2.3 |
| Interest income | 1,083.0 | 475.6 | 127.7 |
| Interest expenses | -1,983.7 | -2,048.3 | 3.2 |
| EBT | 6,394.3 | 5,560.9 | 15.0 |
| Taxes | 0.0 | 0.0 | 0.0 |
| Total period income | 6,394.3 | 5,560.9 | 15.0 |
| Earnings per share (undiluted), EUR | 0.20 | 0.20 | 2.3 |
| Earnings per share (diluted), EUR | 0.14 | 0.15 | -6.0 |

Interest gains resulting from interest bearing short-term lendings of unused cash amounts

Contains one-offs of 198 kEUR

FFO reconciliation

>> FFO/aFFO:

| | 01.10.2019 | 01.10.2018 | % |
|--|----------------|----------------|--------------|
| kEUR | 31.12.2019 | 31.12.2018 | |
| Total period income | 6,394.3 | 5,560.9 | 15.0 |
| +/- Income taxes | 0.0 | 0.0 | 0.0 |
| + Depreciation of other assets | 0.5 | 0.3 | 69.0 |
| +/- Gain from remeasurement of investment properties | 0.0 | 0.0 | 0.0 |
| Net result from property disposal | 0.0 | -372.7 | -100.0 |
| Non-cash expenses / income | 368.8 | 664.3 | -44.5 |
| Other non-recurring expenses | 581.6 | 426.7 | 36.3 |
| FFO | 7,345.1 | 6,279.5 | 17.0 |
| - Capex | -3,827.2 | -1,148.1 | >-100.0 |
| aFFO | 3,517.9 | 5,131.4 | -31.4 |
| FFO per share (EUR), undiluted¹ | 0.23 | 0.22 | 4.0 |
| aFFO per share (EUR), undiluted¹ | 0.11 | 0.18 | -39.0 |

Contains non-cash items due to IFRS valuation of convertible bonds and short term receivables

Contains non-periodic items of 384 kEUR as well as brokerage fees of 119 kEUR and other non-recurring items

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

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

OUTLOOK

Guidance increased

>> Current guidance for FY 2019/2020:

| Date of guidance | 18.12.2019 | update | 13.02.2020 |
|--|-------------|--------|-------------|
| FFO (EUR m) | 34.0 – 36.0 | ➡ | 34.0 – 36.0 |
| FFO Run Rate as per 30- Sep-2020 (EUR m) | 38.0 – 40.0 | ➡ | 40.0 – 42.0 |
| Dividend (EUR per share) | 0.55 | ➡ | 0.55 |
| Net-LTV | 50.0 | ➡ | 50.0 |

>> Due to the very high acquisition volume DKR has increased the range of the FFO Run Rate to EUR 40m – EUR 42m

APPENDIX

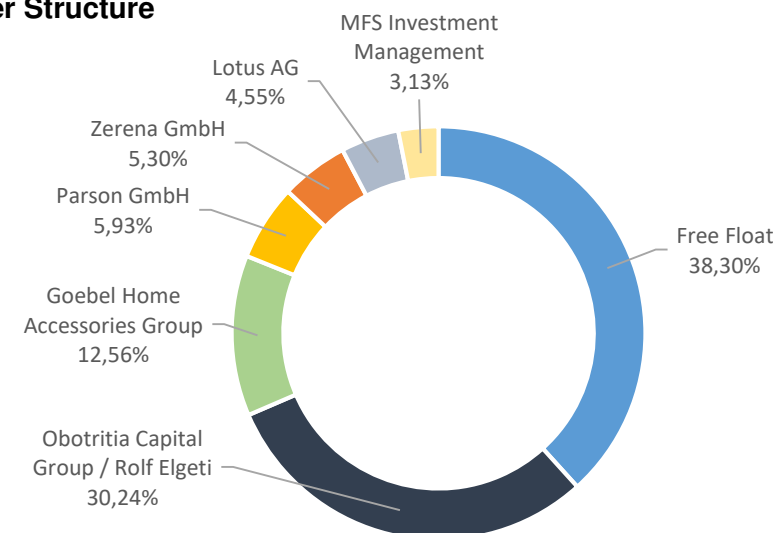
>> Basic Share Information

| As at | 12.02.2020 |
|----------------------------------|--------------------------|
| ISIN | DE000A14KRD3 |
| Share price (Xetra, 12-Feb-2020) | EUR 16.00 |
| Symbol | DKG |
| Shares outstanding | 31,959,944 |
| Share class | Bearer shares |
| Stock exchanges | XETRA, Frankfurt, Berlin |
| Segment | Prime Standard |
| 52w high/low (EUR) | 17.00 / 10.95 |
| Market Capitalisation | EUR 511mn |

>> Share Price Performance



>> Shareholder Structure



>> Coverage by Analysts

| Bank | Analyst | Target price | |
|----------------|-------------------|--------------|-----|
| Berenberg | Kai Klose | EUR 18.90 | Buy |
| Bankhaus Lampe | Dr. Georg Kanders | EUR 18.50 | Buy |
| ODDO BHF | Manuel Martin | EUR 18.50 | Buy |

>> Financial calendar

| Date | |
|------------|---|
| 13.02.2020 | Publication of the quarterly statement for the first quarter of 2019/2020 financial year |
| 05.03.2020 | Annual General Meeting, Berlin |
| 14.05.2020 | Publication of the half-yearly financial report of 2019/2020 financial year |
| 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 |

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>> Roadshows

| Date | | Country |
|------------|--|---|
| 24.02.2020 | Roadshow, Frankfurt/Main |  |
| 10.03.2020 | Prior Capital Market Conference, Dreieich-Götzenhain |  |
| 25.03.2020 | Bankhaus Lampe Deutschlandkonferenz, Baden-Baden |  |
| 02.04.2020 | Commerzbank Real Estate Forum, London |  |
| 22.09.2019 | Baader Investment Conference, Munich |  |

Investment Highlights

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



Retail property portfolio in established micro locations

- 166 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



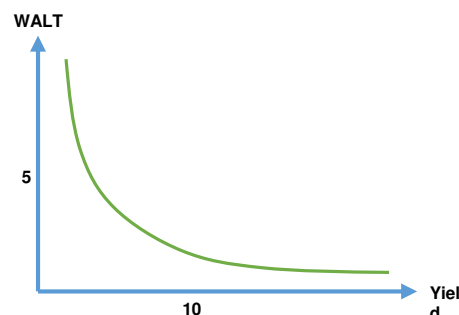
Investment approach

>> 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

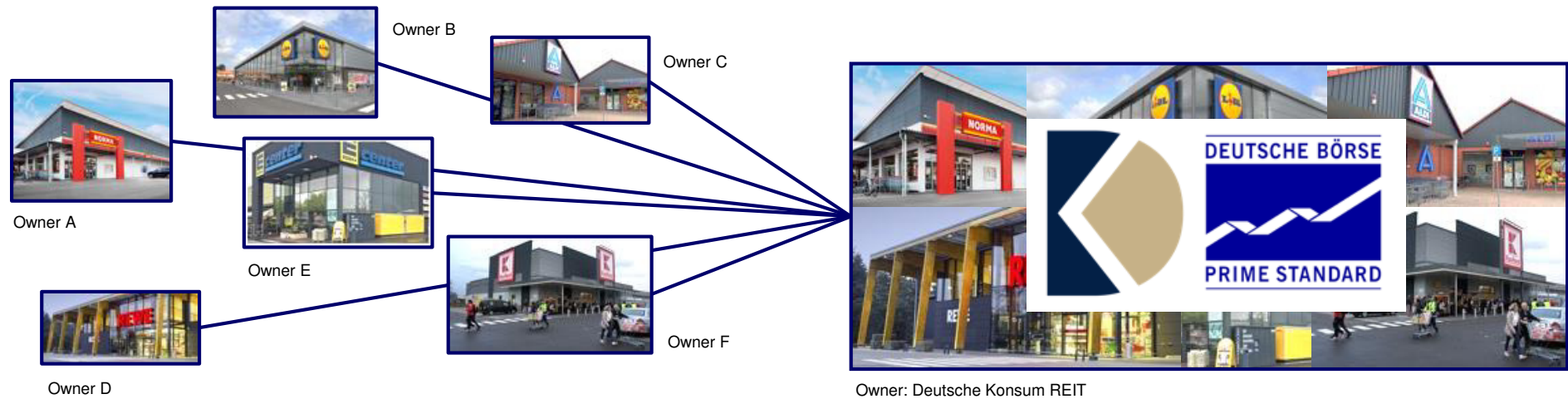
- DKR buys out of equity which is advantageous in the acquisition process
- Debt refinancing after acquisition



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

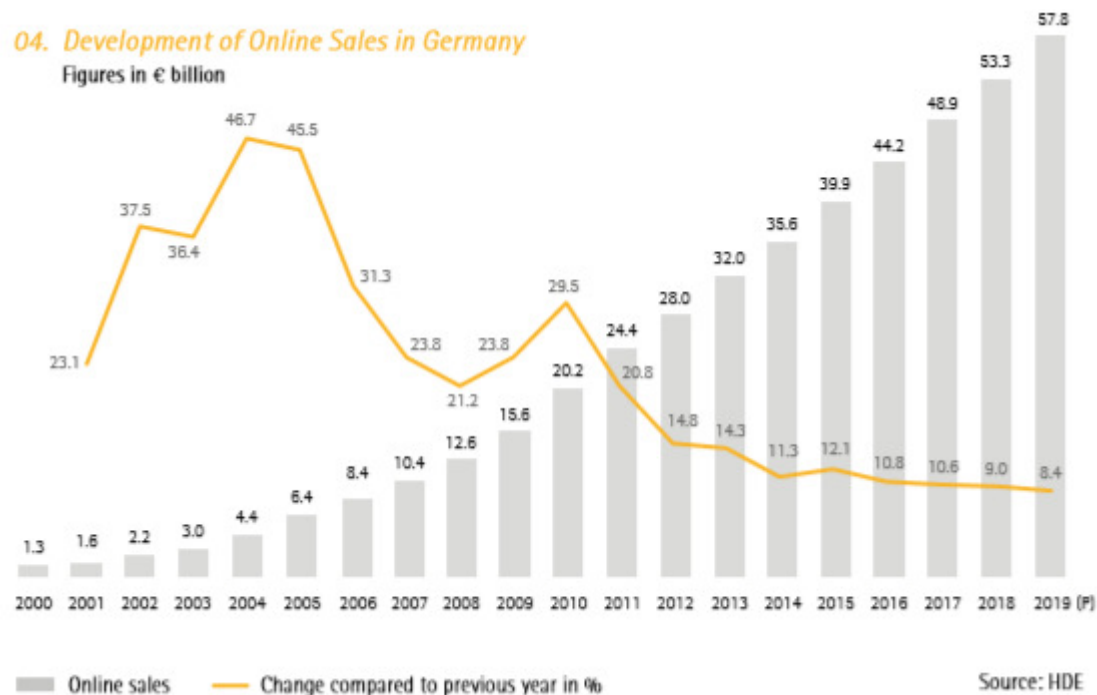


fig. 1

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

Figures in %



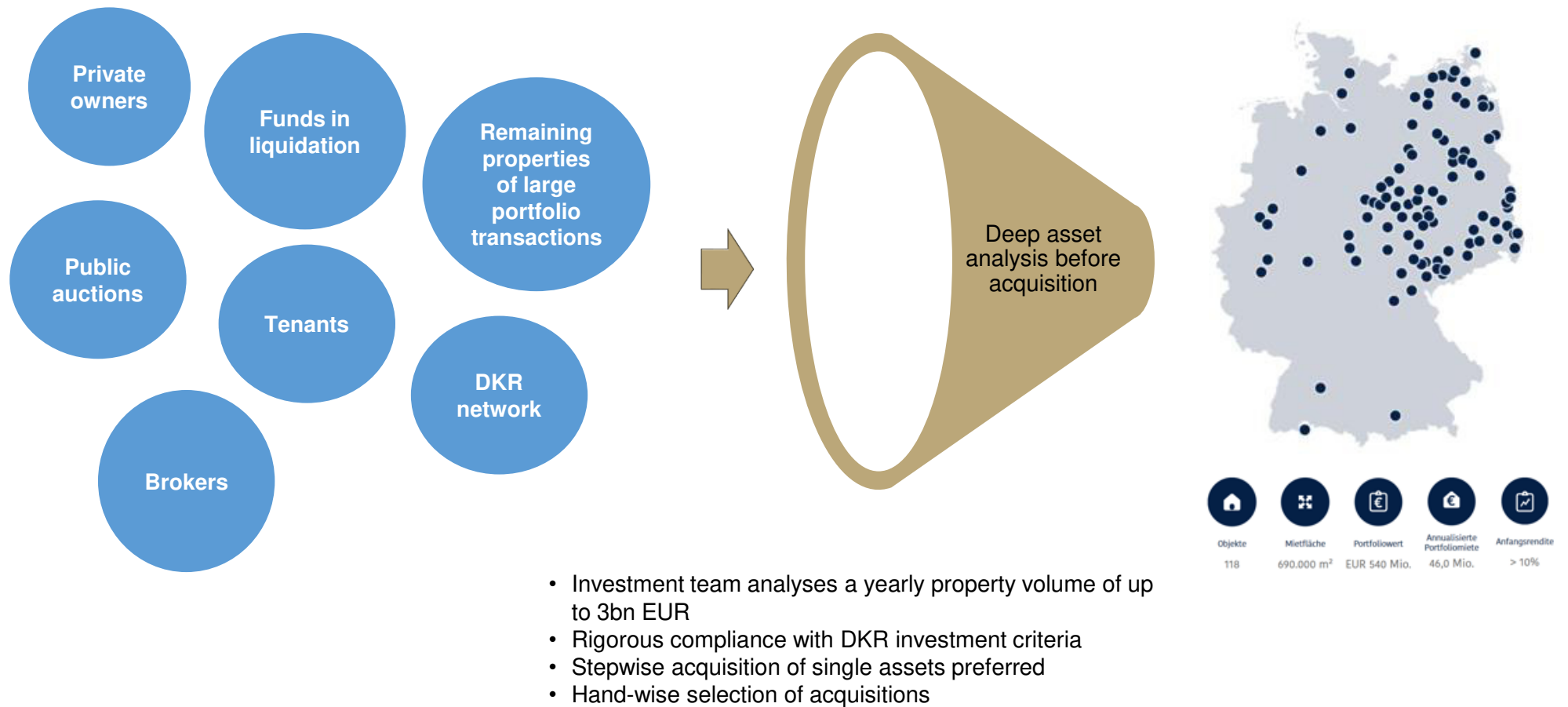
fig. 2

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



DKRs portfolio as at 31 December 2019

| 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 | Retail park | NP, TEDI | 4.590 | 22,2% | 5,91 | 21.099 | 253.183 | 2,4 |
| 2 | BITZ Bitterfelder Fachmarktzentrum, Brehmer Straße 34 | Retail park | OBI, REWE Markt, DM | 19.707 | 19,5% | 5,56 | 88.152 | 1.057.825 | 7,7 |
| 3 | Erfurt, Gothaer Straße 22 | Hypermarket | Real, toom | 19.750 | 0,0% | 6,34 | 125.200 | 1.502.400 | 11,1 |
| 4 | Lindencenter Ludwigslust, Am Marstall 2 | Local retail centre | Familia, KIK | 14.379 | 0,8% | 9,08 | 129.543 | 1.554.521 | 6,3 |

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

[DKR property portfolio overview as at 31 Dec 2019 plus latest acquisitions](#)