

**PRESS RELEASE****DIOK RealEstate AG Ends 2019 with Surge in Earnings after Dynamic Growth**

- Portfolio value more than triples at 205.6 million euros
- Rise in EBIT to c. 40.7 million euros (previous year: c. 3.4 million euros)
- Consolidated income of c. 29.9 million euros (previous year: c. 1.5 million euros)
- Real estate holdings of Cologne-based company at least to double in 2020 financial year

**Cologne, 16 March 2020** – For DIOK RealEstate AG, a company specialising in office real estate in secondary locations in Germany, 2019 was a year of dynamic growth that resulted in a massive increase in earnings. The ground for the planned growth was laid through the massive expansion of the real estate portfolio. As at 31 December 2019, the investment properties had a combined value of c. 205.6 million euros, having more than tripled since the prior-year balance sheet date (31 December 2018: c. 63.9 million euros) as a result of the acquisitions undertaken in the course of the year. They brought the number of real estate assets held by DIOK up from 7 to 15 office properties. The dynamic growth of the real estate portfolio is also reflected in the development of DIOK's total assets. These rose to c. 214.9 million euros as at 31 December 2019, a year-end total more than three times as high as it had been a year earlier (31 December 2018: c 71.2 million euros).

**Continued Portfolio Expansion Causes Fast Growth in Earnings and Profits**

The brisk growth of the real estate portfolio was matched by a massive increase in revenues from property management to c. 7.1 million euros by the end of 2019, up from c. 2.2 million euros the previous year. The net income from property management added up to c. 5.4 million euros (2018: c. 1.3 million euros). With c. 40.7 million euros in earnings before interest and tax (EBIT), DIOK accomplished an increase that represents more than eleven times the prior-year figure. Similarly, the consolidated income of c. 29.9 million euros was roughly twenty times the prior-year result.

**Daniel L. Grosch, Member of the Board of Diok:** "We achieved all of our objectives during the 2019 financial year, and intend to keep following our growth trajectory consistently in 2020. At the least, we plan to double the size of our real estate inventory before the end of the year. The results of 2019 highlight our ability to identify new investment opportunities even in a market environment generally paced by fierce competition among buyers, and to keep enlarging our real estate portfolio. The acquisition

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performance of DIOK is the result of our superior market access and our network, on the one hand, but is also owing to our focus on high-yield properties in the size band of c. 5 to 25 million euros, on the other hand. With this acquisition profile, we operate in a segment whose investment volumes exceed the limits of high-net-worth private investors while being too small for most of the major international real estate investors.”

**More details:** [www.diok-realestate.de](http://www.diok-realestate.de)

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### **About Diok RealEstate AG**

Diok RealEstate AG (DIOK) is a property company based in Cologne that specialises in German office real estate. The company’s business focuses on setting up an attractive portfolio of office properties in good to excellent micro-environments of tier two cities. Labour-intensive activities have been outsourced in their entirety to third parties while remaining subject to DIOK’s supervision and control. As an active portfolio and asset manager, DIOK thus achieves a steady capital growth and a positive cash flow from day one. In the medium term, DIOK intends to use its well-filled acquisition pipeline to build up a real estate portfolio worth 1 billion euros. As at the balance sheet date of 31 December 2019, the value of the real estate portfolio totalled c. 205.6 million euros. The 2018/2023 corporate bond with the ISIN [DE000A2NBY22](#) that DIOK RealEstate AG issued in September 2018 is traded on the regulated unofficial market (Open Market) of the Frankfurt Stock Exchange.