

PRESS RELEASE

DIOK RealEstate AG Takes out Financing Arrangements Totalling 24 Million Euros, Decreasing Interest Burden

- Both financing arrangements have a ten-year maturity
- Annual interest burden lowered by c. 410,000 euros

Cologne, 18 May 2020 – Diok RealEstate AG (DIOK) just obtained a loan over 20.5 million euros from a major German insurance company to refinance the acquisition of a company that dates back to December 2019. The new loan has a maturity of ten years and an interest rate of 1.54 percent p.a. It takes the place of a financing arrangement that already existed at the time of the entity's acquisition. In addition to the long fixed-interest period at a level of 1.54 percent p.a., the new financing arrangement reduces the company's interest burden by c. 410,000 euros annually.

In a separate development, a loan over 3.5 million euros was taken out from Volksbank Bielefeld-Gütersloh for the property in Minden. This financing arrangement, too, has a maturity of 10 years, while its interest rate is 1.26 percent p.a.

Markus Drews, Member of the Board of Diok, said: "The two financing arrangements represent another important step in the implementation of our strategic goal to lower the average interest expenses of Diok RealEstate AG considerably in the long run. We are planning to negotiate additional long-term loans, and to finalise refinancing arrangements. Also of advantage at this point is that our target market, meaning office properties in secondary locations, has proven absolutely crisis-resistant. Against this background, banks and insurance companies are perfectly willing to underwrite the financing of our assets. Even in the current pandemic-affected market environment, we therefore have reliable finance partners by our side who consistently help us implement our strategy."

More details: 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 secondary 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.