



Deutsche Wohnen AG

» **Q1 2015 results**

Conference Call, 20 May 2015

» Agenda

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» Highlights Q1 2015

Financials		
In EUR	Q1 2015	yoy
FFO I (after minorities) ¹⁾	71.3m	(+21%)
FFO I/share ²⁾	0.24	(+14%)
FFO II (incl. disposals)	80.6m	(+8%)
FFO II/share ²⁾	0.27	(+4%)
	Q1 2015	ytd
EPRA NAV per share ³⁾ (diluted)	18.83	(+1.1%)
LTV	50.4%	(-0.6pp)

Corporate development		
In EUR	Q1 2015	FY 2014
Corporate expenses		
Total personnel, general and administrative expenses	18.7m	90.5m
Cost ratio		
Corporate expenses/gross rental income	11.8%	14.4%
Costs per unit p.a.		
Corporate expenses/avg. units in period	502	604

Operational development		
In EUR	Q1 2015	yoy
NOI letting	122.0m	(+0.7%)
L-f-I rental growth (entire letting portfolio)	2.5%	(-0.9pp)
Rent increase potential (entire letting portfolio)	21.2%	(+0.3pp)
Rent increase potential (Core ⁺)	24.3%	(-0.3pp)
Vacancy rate	2.3%	(-0.3pp)
NOI nursing	3.8m	(-9.5%)
Occupancy nursing	96.2%	0.2pp
NOI disposals⁴⁾	8.7m	(-42.0%)
Gross margin	34.7%	(+6.9pp)
Disposal cost ratio	7.0%	(+3.5pp)
Free cash flow impact	22.8m	(-49.4%)

¹⁾ Considering mainly guarantee dividend of EUR 1.40 p.a. per outstanding GSW shares at accounting date

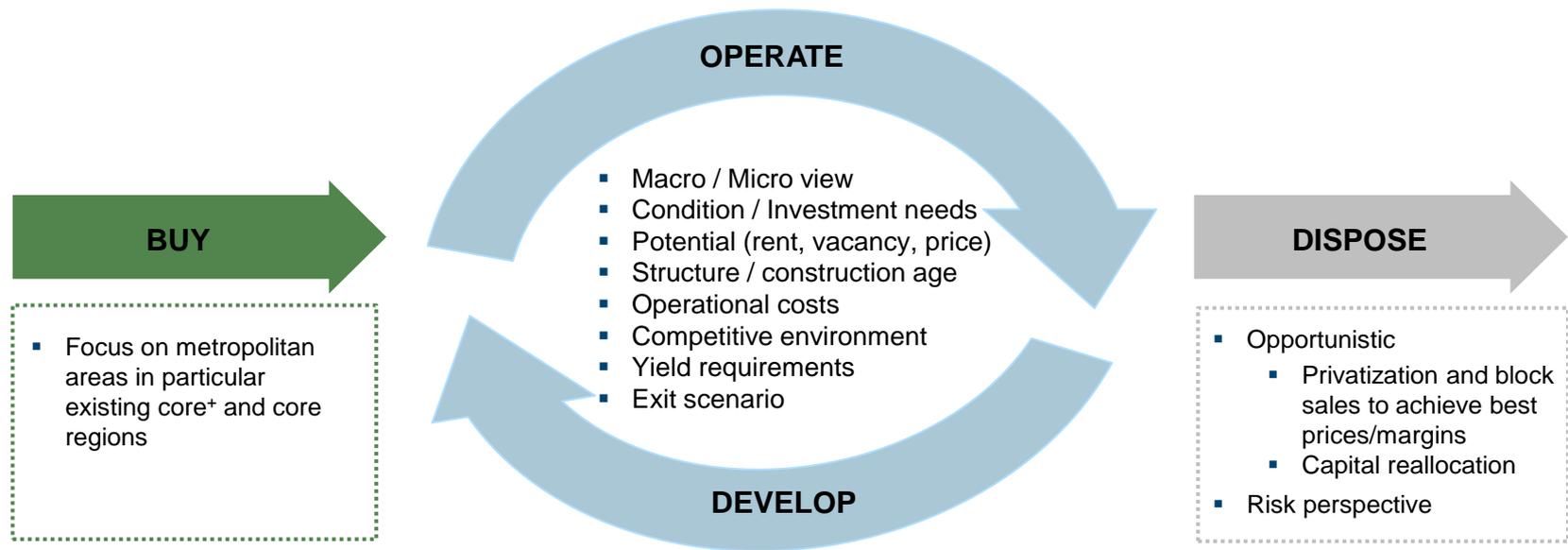
²⁾ Based on weighted average shares outstanding (Q1 15: 294.68m)

³⁾ Based on 326.6m shares

⁴⁾ Earnings from disposals less related personnel and administrative expenses

» Portfolio

» Ongoing Portfolio optimization



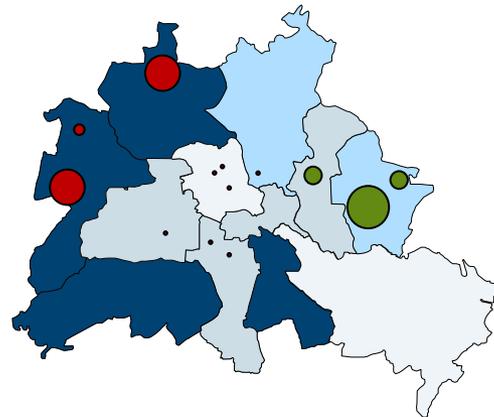
Residential as of 31/03/2015					Residential pro-forma	
Strategy cluster	Residential units	% of total units	Sales	Acquisitions	Residential units	% of total units
Total	146,850	100	-7,624	8,210	147,436	100
Core+	127,731	87	-7,193	7,465	128,003	87
• Operate	98,306	67	0	7,465	105,771	72
• Develop	17,061	12	0	0	17,061	12
• Dispose	12,364	8	-7,193	0	5,171	4

» Realized Berlin transactions

Block sales¹

Residential units	6,240
Sales volume (EUR m)	411
Price per sqm (EUR m)	956
Vacancy	4.0%
Multiple (in place rent)	15.0x

- Reduction of over-allocation in Reinickendorf/Spandau and less attractive years of construction
- Below average technical condition
- Capex backlog and maintenance needs
- Below average rent potential (~50% rent restricted units)
- Higher operational costs



DW units > 3,000 > 5,000 >8,000 >10,000

Purchases outside Berlin in 2015

- Total purchase price EUR ~60m
- 480 units in Braunschweig in a strong Core region with further upside potential
- 270 units in Magdeburg, premium locations with perfect fit to our existing portfolio

Acquisitions¹

Residential units	~7,500
Purchase volume (EUR m)	~570
Price per sqm (EUR m)	~1,200
Vacancy	1.7%
Multiple (in place rent)	20.0x

- Three major transactions in competitive environment
- Improvement of quality due to above average technical condition and low maintenance risks
- Investments of 270 EUR/sqm by former owners
- Ideal addition to existing portfolio
- Mostly mid-level locations according to the "Berlin Mietspiegel", favourably located to public transport
- Significant rent potential, no rent restricted units

- Disposals and acquisitions with a positive impact on strategic clustering in Core+: Dispose cluster decreases from c. 12,400 units to c. 5,200 units, Operate segment increases from c. 98,300 units to c. 105,800 units

¹⁾ Expected closing in 2015, signing partially in 2014

» Sales and Acquisitions

Sales		Units	EUR m	EUR/sqm	Margin
Core+	Privatization ¹⁾	1,141	109	1,426	41%
	Institutional sales ¹⁾	6,427	426	953	9%
Core		198	13	947	21%
None-core		419	22	781	29%

Including 5,750 units of residential block sale in Berlin, signed in 2014 with closing at beginning of Q2 2015

- Privatization (condominiums) to achieve significant book margins and cash flow contribution

Acquisitions	Cluster	Units	EUR/m	EUR/sqm	Multiple
Acquired ¹⁾	Core+	7,950	642	1,270	20.3x
	Core	741	57	1,021	14.8x
Current pipeline	Mainly Core+	10,000	~1,800	900 -1,500	~16-20x

Price - development 2014 - 2015 in Core+: 10-15%

Thereof c. 6,500 units signed in 2015

Price (EUR/sqm)	1,180
Purchase price (net, EUR m)	496
Multiple (in place rent)	19.4x
Rent potential	21%
Vacancy	2.6%
EBITDA contribution (p.a, EUR m)	20.4

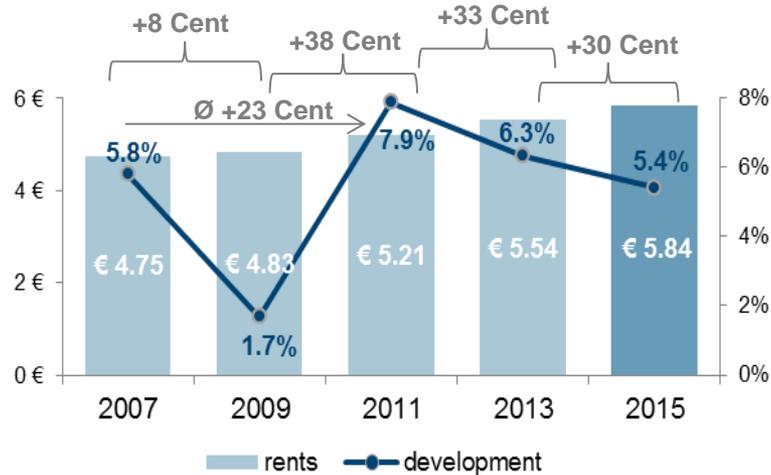
- Acquisitions in growth markets with significant EBITDA contribution and higher value potential

¹⁾ Expected closing in 2015, signing partially in 2014

» Berlin „Mietspiegel“

Development of Berlin „Mietspiegel“

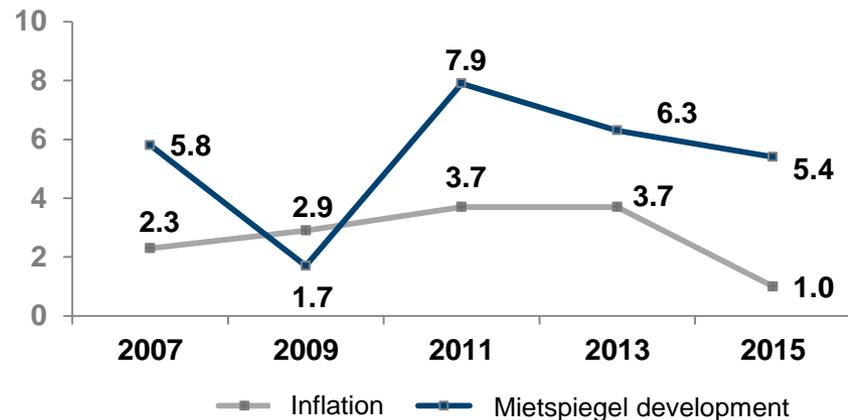
Rent (EUR/sqm/month)



Source: Berlin Mietspiegel of relevant years

Development of inflation¹⁾ and Berlin Mietspiegel

(in % two-year period)



1) In Germany

Source: IMF World Economic Outlook, April 2015

- Mietspiegel does not reflect the real market development
- Even though Berlin Mietspiegel is above inflation in contrast to the rent development in Germany which is below inflation of on average 1.7% p.a. since 2007
- Absolute rent increase corresponds with average of previous years
- Outcome to be analysed depending on various attributes

» Financials

» Strong earnings and cash contributions from letting

	in EUR m	Q1 2015	Q1 2014	
Earnings from letting: + EUR 0.8m (+0.6%)	Current gross rental income	158.9	157.0	In-place rent: Q1 15: EUR 5.73/sqm/month
	Non-recoverable expenses	(3.6)	(3.2)	
	Rental loss	(1.8)	(2.5)	
	Maintenance	(19.0)	(17.2)	Maintenance¹⁾ Q1 15: EUR 8.25/sqm (Q1 14: EUR 7.38/sqm) additional EUR 15.7m for modernization (EUR 7.9m in Q1 14)
	Others	(2.0)	(2.4)	
	Earnings from Residential Property Management	132.5	131.7	
	Personnel, general and administrative expenses	(10.5)	(10.6)	
	Net Operating Income (NOI)	122.0	121.1	NOI increased by EUR 0.9m (0.7%) despite lower portfolio base
	NOI margin	76.8%	77.1%	
	NOI in EUR/sqm/month	4.41	4.33	
Cash flow + EUR 0.9m (+0.7%)	in EUR m	Q1 2015	Q1 2014	
	Net operating income (NOI)	122.0	121.1	
	Cash interest expenses	(34.8)	46.0	w/o EUR 0.4m for nursing and assisted living in Q1 2015
	Cash flow from portfolio after cash interest expenses	87.2	75.1	
	Interest cover ratio	3.51	2.63	

» Benchmark EBITDA margin among the peer group

in EUR m	Q1 2015	Q1 2014	EBITDA margins	Q1 2015	Q1 2014
Earnings from Residential Property Management	132.5	131.7	adj. EBITDA/gross rents	77.2%	80.7%
Earnings from Disposals	9.3	15.8	adj. EBITDA excl. disposals/gross rents	71.3%	70.6%
Earnings from Nursing and Assisted Living	3.8	4.2			
Segment contribution margin	145.6	151.7			
Corporate expenses	(18.7)	(22.8)			
Other operating expenses/income	(7.9)	(4.4)			
EBITDA	119.0	124.5			
One-offs	3.6	2.2			
EBITDA (adjusted)	122.6	126.7			

Further improvements of EBITDA margins will occur with full realization of takeover synergies

Adj. EBITDA

- Slightly decreased by EUR ~4.0m mainly attributable to decreased earnings from disposals of EUR ~6.5m

Margins

- EBITDA margins underline the strengths of the portfolio and the operating platform

» Efficiency leadership

	DW before GSW	DW incl. GSW						
	2013	2013 pro forma	2014	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015
No. of units	90,270	150,219	147,105	148,797	148,035	146,822	147,105	146,850
Gross rental income ¹⁾ (EUR m)	353.5	589.7	626.3	157.0	156.4	155.9	157.0	158.9
Corporate expenses (EUR m)	(48.1)	(102.2)	(90.5)	(22.8)	(23.0)	(21.0)	(23.7)	(18.7)
Cost ratio in % of gross rental income	13.6%	17.3%	14.4%	14.5%	14.7%	13.5%	15.1%	11.8%

- **Core+ focus and a concentrated portfolio are key drivers for an excellent cost ratio**
- **Positive cost ratio development underpins scalable business model**
- **Cost ratio target of 12% in 2016**

¹⁾ Contractual rents w/o utility charges

» IFRS result

in EUR m	Q1 2015	Q1 2014
EBITDA (adjusted)	122.6	126.7
Depreciation	(1.3)	(1.6)
At equity valuation	(0.4)	0.0
Financial result (net)	(30.0)	(52.0)
EBT (adjusted)	91.7	73.1
One-off costs for transactions and financing	(9.0)	0.0
Restructuring & Reorganization	(0.0)	(2.2)
Valuation SWAP and convertible bonds	(109.9)	(16.7)
EBT	(27.2)	54.2
Current taxes	(5.5)	(3.3)
Deferred taxes	(11.5)	(5.4)
IFRS result	(44.2)	45.5
<i>Profit attributable to the shareholders of the parent company</i>	<i>(47.1)</i>	<i>44.3</i>
Earnings per share in EUR ¹⁾	(0.16)	0.15

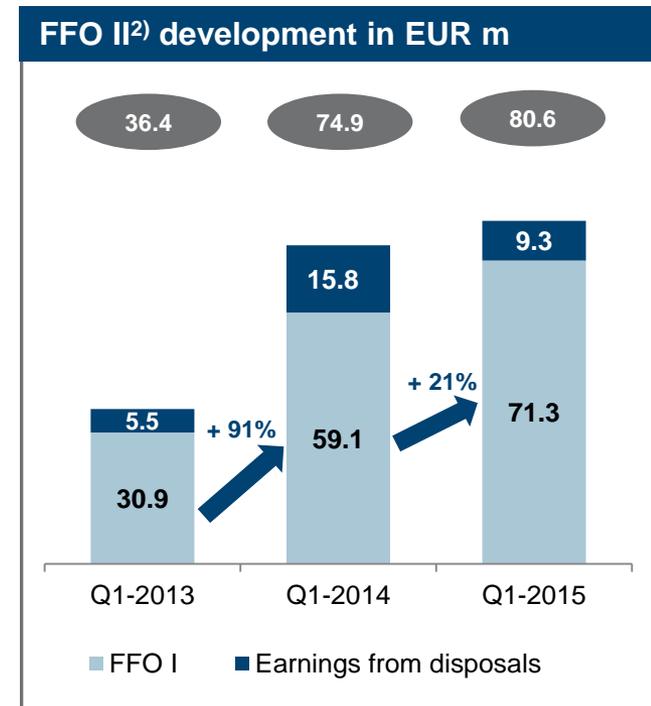
in EUR m	Q1 2015	Q1 2014
Interest expenses	(35.2)	(47.1)
Non-cash interest expenses	5.0	(5.2)
	(30.2)	(52.3)
Interest income	0.2	0.3
Financial result (net)	(30.0)	(52.0)

Thereof EUR +3.1m from valuation of derivatives and EUR 113.0m from convertible bonds

Market value of convertible bonds (31/03/2015): EUR 861.1m

» FFO I per share performance +14.3% (yoy)

in EUR m	Q1 2015	Q1 2014
Profit	(44.2)	45.5
Earnings from Disposals	(9.3)	(15.8)
Depreciation	1.3	1.6
Valuation SWAP and convertible bonds	109.9	16.7
One-off costs for transactions and financing	9.0	0.0
Non-cash financial expenses	(5.0)	5.2
Deferred taxes	11.5	5.4
Restructuring & Reorganization expenses	0.0	2.2
FFO attributable to non-controlling interest	(1.9)	(1.7)
FFO I²⁾	71.3	59.1
Earnings from Disposals	9.3	15.8
FFO II²⁾	80.6	74.9
FFO I per share in EUR¹⁾	0.24	0.21
FFO II per share in EUR¹⁾	0.27	0.26



- FFO I per share development: **+14.3%** (yoy)

¹⁾ Based on weighted average shares outstanding (Q1 15: 294.7m; Q1 14: 286.2m)
²⁾ After minorities

» EPRA NAV

in EUR m	31/03/2015	31/12/2014
Equity (before non-controlling interests)	4,655.3	4,692.9
Fair values of derivative financial instruments	144.3	144.9
Deferred taxes (net)	496.5	488.2
EPRA NAV I (undiluted)	5,296.1	5,326.0
<i>Shares outstanding in m</i>	<i>294.90</i>	<i>294.26</i>
EPRA NAV I per share in EUR (undiluted)	17.96	18.10
Effects from conversion of CB 2013 and 2014	855.1	743.1
EPRA NAV II (diluted)	6,151.2	6,069.1
<i>Shares diluted in m</i>	<i>326.61</i>	<i>325.97</i>
EPRA NAV II per share in EUR (diluted)	18.83	18.62

in EUR m	31/03/2015	31/12/2014
EPRA NAV (undiluted)	5,296.1	5,326.0
Goodwill GSW	(535.1)	(535.1)
Adjusted NAV (undiluted)	4,761.0	4,790.9
<i>Shares outstanding in m</i>	<i>294.90</i>	<i>294.26</i>
Adjusted NAV per share in EUR (undiluted)	16.14	16.28

» **Financing**

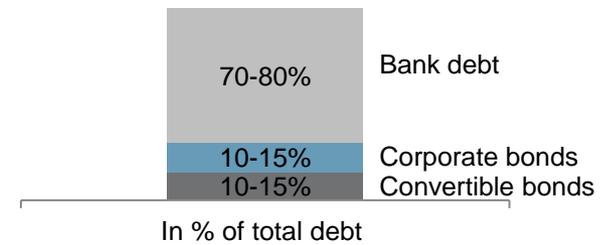
» Optimization of capital structure

LTV reduction

- LTV reduction intended
- **New LTV target of 40-45%**
- How to achieve the LTV target:
 - New acquisitions mainly financed by equity
 - Debt paydown of c. EUR 350m intended

Diversification of financing structure

- Placement of corporate bond intended
- Targeted debt structure:



Extension of loan maturities

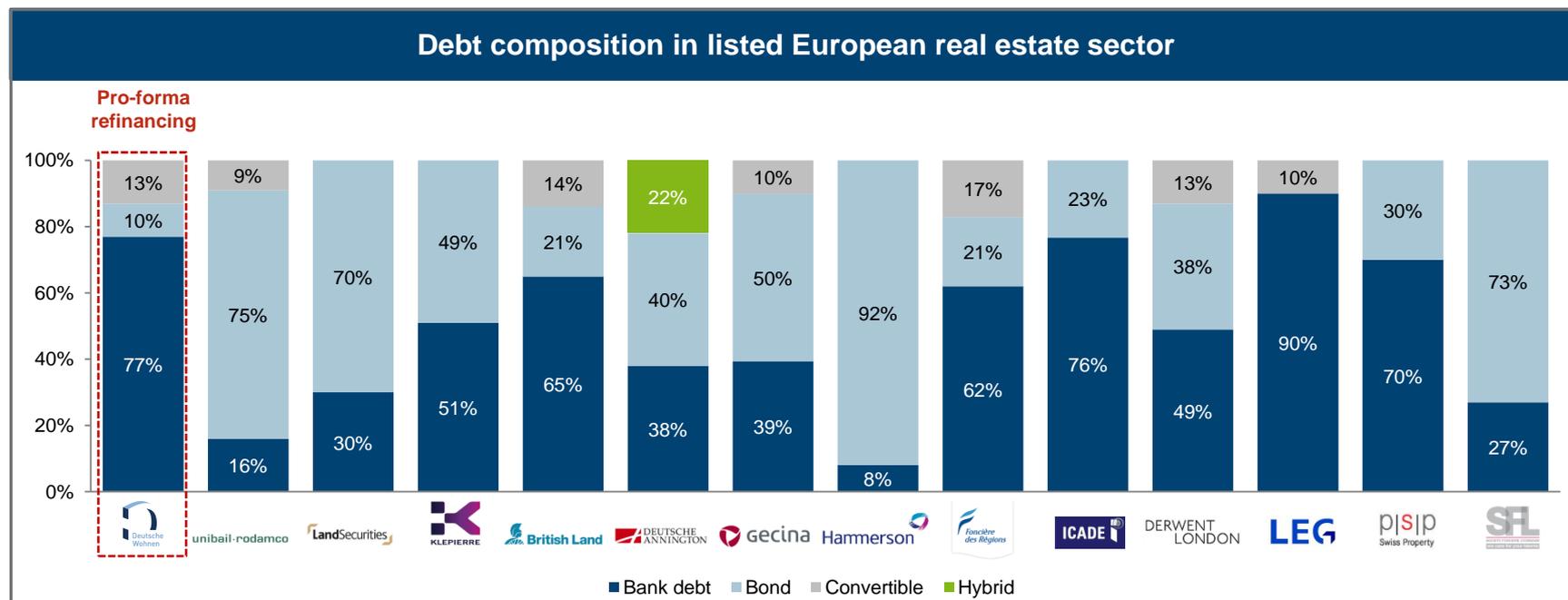
- Planned extension of average loan maturity to >10 years

Overall target

- Long term positioning across real estate cycles
- Quality approach with intended rating upgrade

- **Realization depending on market conditions in the upcoming weeks and months**

» Financing structure of European real estate peers

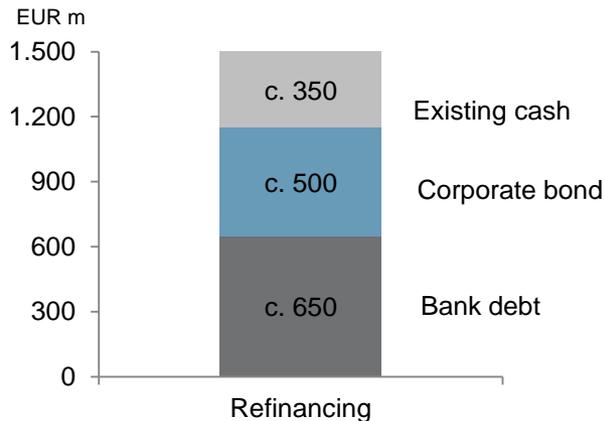


Market Cap (EUR m)	7,223	24,936	14,074	14,057	12,097	11,061	7,916	7,402	6,056	5,883	5,197	4,240	4,016	2,003
Net debt (EUR m)	4,968	12,821	5,734	3,025	4,584	6,100	3,823	3,102	8,893	5,736	1,878	2,830	1,883	1,662
Rating	BBB+/Baa1	A/A1	AA/AA	A-/nr	BBB+/nr	BBB/nr	BBB/Baa1	nr/Baa2	BBB-/nr	BBB+/nr	BBB/nr	nr/Baa1	BBB+/nr	BBB-/nr
LTV	50.4%	37.0%	33.6%	37.6%	29.0%	49.7%	36.7%	34.0%	46.1%	38.2%	24.0%	47.3%	28.9%	33.4%

Sources: Bloomberg, company information

» Overview of intended refinancing

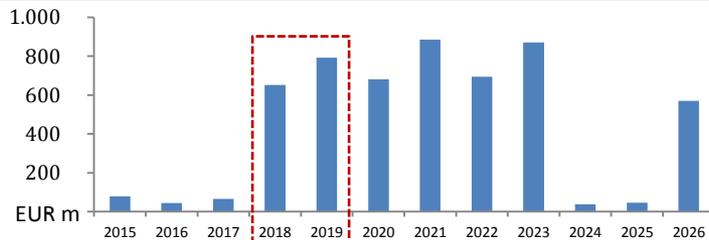
Total volume and sources



Terms and conditions

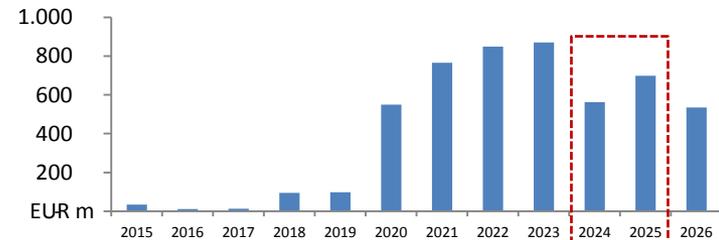
- Refinancing/repayment of outstanding bank debt of EUR ~1.5 bn in total
- Mainly existing debt maturing in 2018/19 to 2021
- Loans scheduled for refinancing with average interest rate of c. 3.4% p.a. and amortization of c. 1.6% p.a.
- Maturities for new financing foreseen to be around 10 years
- Hedging ratio to be maintained at 85%

As at 31 Mar 15 - before refinancing



- Total debt volume: EUR 5.4bn
- Avg. cost of debt: 2.35%
- Avg. loan amortization: 1.09%
- Avg. weighted maturity: 8.6 years
- LTV: 50.4%

As at 31 Mar 15 - after refinancing (pro forma)



- Total debt volume: EUR ~5.1bn
- Avg. cost of debt: < 2.0%
- Avg. loan amortization: < 0.8%
- Target maturity: ~ 10 years
- LTV target: < 45%

» Improvement of Rating intended

After execution of the intended measurements, financial parameters should develop as follows:

Ratios	2014	2015 pro forma	2016e
EBITDA interest cover ratio ¹⁾	2.2x	>3.0x	~4.0x
Fixed charge coverage ²⁾	2.4x	~3.5x	~4.0x
Debt/(debt + equity)	51.9%	40-45%	~40%
Debt/total assets	48.9%	40-45%	~40%
LTV	51.0%	40-45%	~40%



The expected positive development should have positive implications for Deutsche Wohnen's credit quality

» Guidance & Outlook

» Guidance 2015 – upside from acquisitions and financing

1

FFO I target: EUR >250m

base case (after minorities)

Add-ons	Impact 2015	Full year impact
Signed acquisitions ¹⁾	~10m	~20m
Refinancing potential ²⁾	10-15m	~30m
Potential future acquisitions		

2

LTV target range 40-45% in 2015/16

¹⁾ 2015 impact depending on transfer of risks and rewards and realization of capital measures.

²⁾ Depending on market conditions in the upcoming weeks and months.

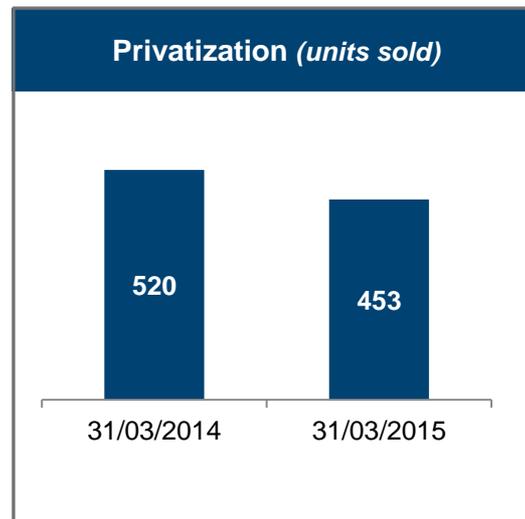
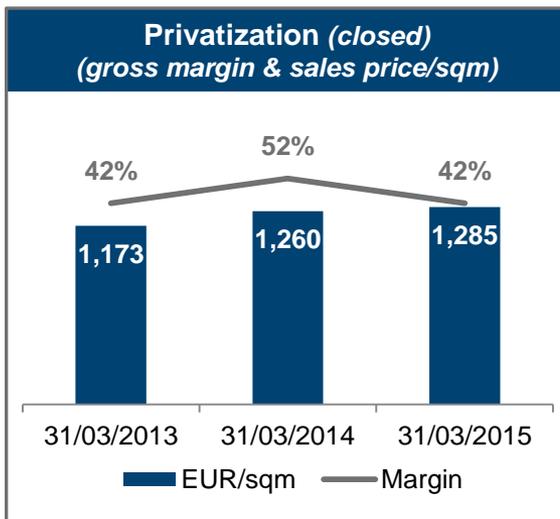
» Q & A

» Appendix

» Strong disposal business

Closed in EUR m	Q1 2015	Q1 2014
Sales proceeds	49.7	86.4
Cost of sales	(3.5)	(3.0)
Net sales proceeds	46.2	83.4
Carrying amounts of assets sold	(36.9)	(67.6)
Earnings from Disposals	9.3	15.8

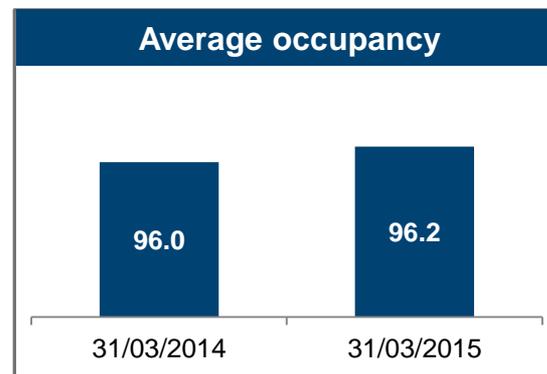
- Free cash flow from sales activities of EUR 22.8m (453 closed privatization units and 108 closed units institutional sales)



» Nursing and Assisted Living

in EUR m	Q1 2015	Q1 2014
Income		
Nursing	12.9	13.7
Living	1.5	1.5
Other	1.9	1.6
Total income	16.3	16.8
Costs		
Nursing and corporate expenses	(4.3)	(4.4)
Staff expenses	(8.2)	(8.2)
Total costs	(12.5)	(12.6)
Earnings from Nursing and Assisted Living (NOI)	3.8	4.2
Cash interest expenses	(0.4)	(1.1)
FFO contribution	3.4	3.1

31/03/2015	Facilities	Places
Greater Berlin	12	1,442
Saxony	7	475
Others	2	257
In total	20	2,048



- 18 of 20 facilities are owned by Deutsche Wohnen with fair value of the properties of EUR 144.8m
- Starting from 2015 Deutsche Wohnen holds 49% of the nursing business (future FFO impact EUR c. -3m)

» Cash flow creation

EUR m	Q1 2015	Q1 2014
FFO I ¹⁾	71.3	59.1
FFO disposals	9.3	15.8
FFO II	80.6	74.9
+ Δ CF disposals ²⁾	13.4	29.4
- Regular amortization	-15.9	-21.3
- Capex	-15.7	-7.9
Corporate Free Cash Flow	62.4	75.1
<i>Per share</i>	<i>0.21</i>	<i>0.26</i>

¹⁾ After minorities (guaranteed dividend x number of outstanding GSW shares)

²⁾ Book value (sold) ./ Sales related debt repayment

» Overview of portfolio as at 31 March 2015

31/03/2015	Residential units #	Area ¹⁾ K sqm	In-place rent ²⁾ EUR/sqm/month	New letting rent ³⁾ EUR/sqm/month	Vacancy %	Fair Value ⁴⁾ (FV) EUR m	Share in terms of FV %	FV ⁵⁾ EUR/sqm	Multiple in-place rent	Yield %	Multiple market rent	Yield %
Strategic core and growth regions	143,473	8,709	5.78	7.03	2.1	9,657	98.5%	1,076	15.6	6.4	13.3	7.5
Core⁺	127,731	7,716	5.83	7.25	2.0	8,845	90.2%	1,111	15.9	6.3	13.5	7.4
Core	15,742	993	5.37	5.93	3.0	813	8.3%	803	12.7	7.9	11.5	8.7
Non-core	3,377	223	4.83	4.77	7.9	144	1.5%	620	11.7	8.5	10.4	9.6
Total	146,850	8,932	5.73	7.00	2.3	9,801	100%	1,065	15.5	6.5	13.3	7.5

- Dynamic Core⁺ regions comprise 87% of total units
- Attractive spread between multiples of in-place rent and market rent offering further potential for NAV-growth
- Very successful on-going disposal of non-core portfolio

¹⁾ Only residential area

²⁾ Contractually owed rents from rented apartments divided by rented area

³⁾ Contractually owed rent for newly concluded contracts for units not subject to rent control effective in 2014 respectively (letting portfolio)

⁴⁾ Fair Value including residential, commercial and parking spaces

⁵⁾ Fair Value divided by residential and commercial area

» Portfolio split and strategic focus for investment decisions

Strategy cluster	Residential ¹⁾ units	Area K sqm	% of total units	In-place rent ²⁾ 31/03/2015 EUR/sqm/month	Rent Potential ³⁾ in %	Vacancy 31/03/2015 in %	Multiple in-place rent	Multiple market rent
Total	146,850	8,932	100	5.73	21.2	2.3	15.5	13.3
Strategic core and growth regions	143,473	8,709	98	5.75	21.7	2.1	15.6	13.3
Core⁺	127,731	7,716	87	5.80	24.3	2.0	15.9	13.5
• Operate	98,306	5,908	67	5.88	23.5	1.4	16.0	13.7
• Develop	17,061	970	12	5.54	29.7	3.0	16.2	12.8
• Dispose	12,364	838	8	5.48	--	5.5	15.4	13.3
Core	15,742	993	11	5.36	10.5	3.0	12.7	11.5
• Operate	13,917	870	9	5.37	10.5	2.9	12.7	11.5
• Dispose	1,825	123	1	5.29	--	3.7	12.5	11.5
Non-core	3,377	223	2	4.81	-1.2	7.9	11.7	10.4
<i>Thereof Clean-up</i>	261	17	0	5.24	-	17.1	11.2	9.2

- Strategic clustering ensures investment allocation towards the right assets with highest return expectations

¹⁾ Only residential area

²⁾ Contractually owed rent from rented apartments divided by rented area

³⁾ Unrestricted residential units (letting portfolio); rent potential = New-letting rent compared to in-place rent (letting portfolio)

» Like-for-like overview of portfolio as at 31 March 2015

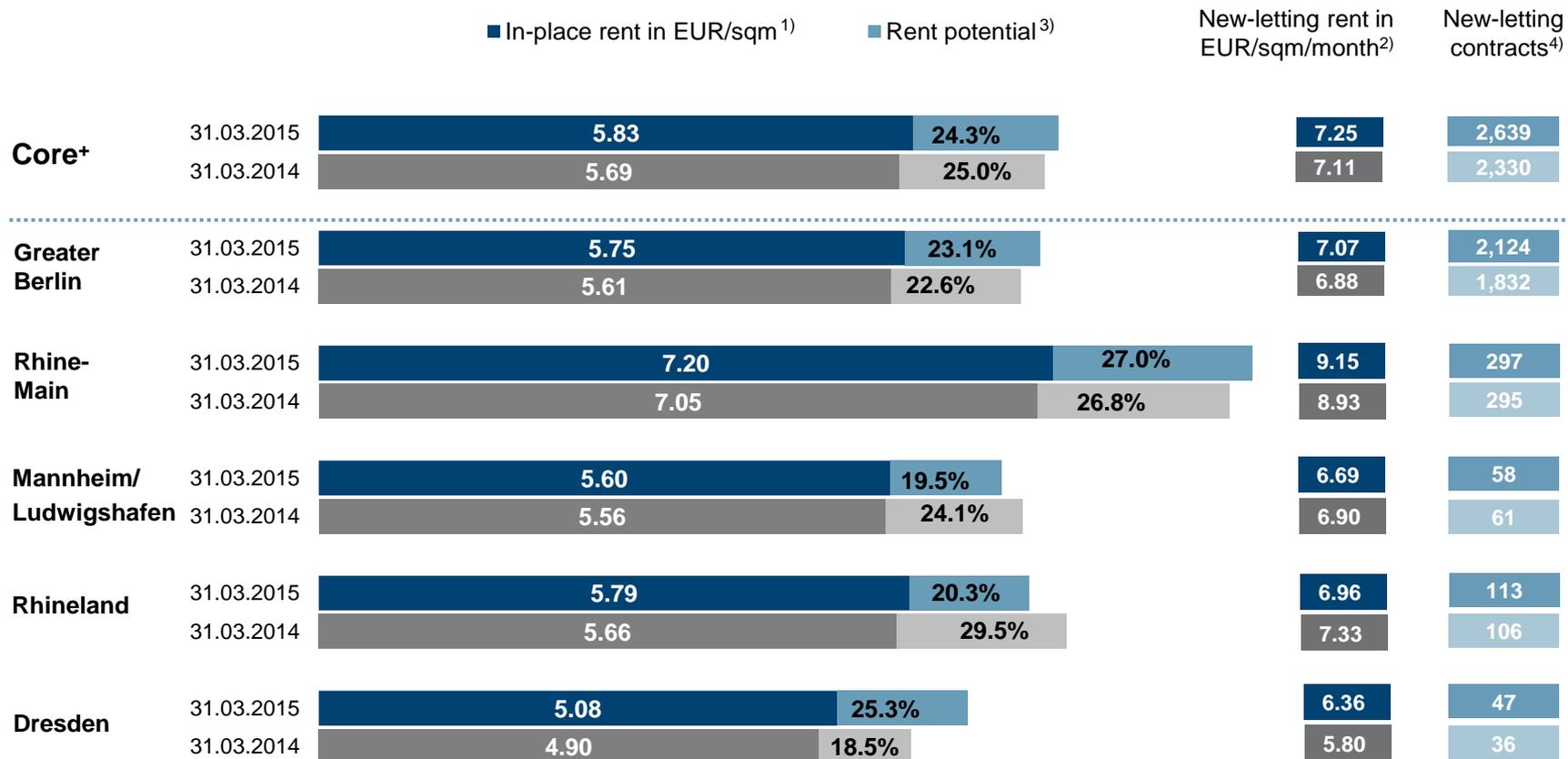
In-place rent (like-for-like) and vacancy (like-for-like) letting portfolio¹⁾

Like-for-like 31/03/2015	Residential units #	In-place rent ²⁾ 31/03/2015 EUR/sqm/month	In-place rent ²⁾ 31/03/2014 EUR/sqm/month	Δ in % yoy	Vacancy 31/03/2015 in %	Vacancy 31/03/2014 in %	Δ in % yoy
Letting portfolio	128,066	5.78	5.64	2.5%	1.8%	2.0%	-12.4%
Core*	114,151	5.83	5.69	2.4%	1.6%	1.8%	-9.8%
Greater Berlin	95,342	5.75	5.61	2.5%	1.7%	1.8%	-7.1%
Rhine-Main	7,882	7.25	7.05	2.9%	1.5%	2.0%	-25.8%
Mannheim/Ludwigshafen	4,495	5.60	5.56	0.9%	0.7%	1.2%	-38.4%
Rhineland	4,264	5.78	5.66	2.1%	1.6%	1.7%	-7.3%
Dresden	2,168	4.95	4.90	1.0%	1.7%	2.0%	-12.9%
Core	13,915	5.37	5.20	3.1%	2.9%	3.8%	-23.0%
Hanover/Brunswick	8,101	5.42	5.20	4.1%	2.4%	3.6%	-32.9%
Magdeburg	2,099	5.23	5.19	0.8%	4.4%	5.1%	-13.6%
Kiel/Lübeck	1,128	5.24	5.17	1.5%	3.5%	4.2%	-16.4%
Halle/Leipzig	1,606	5.19	5.11	1.5%	2.8%	3.6%	-22.5%
Erfurt	609	5.89	5.55	6.2%	2.5%	0.9%	167.8%
Others	372	5.26	5.20	1.1%	6.4%	5.0%	28.0%
Total	145,514	5.72	5.59	2.4%	2.3%	2.3%	-1.1%

¹⁾ Cluster block sale of strategic core and growth regions allocated to letting portfolio

²⁾ Contractually owed rent from rented apartments divided by rented area

» Dynamic rent potential in Core+ regions (letting portfolio)



- Current tenant turnover: ~7% annualized in Core+ regions

¹⁾ Contractually owed rent from rented apartments divided by rented area

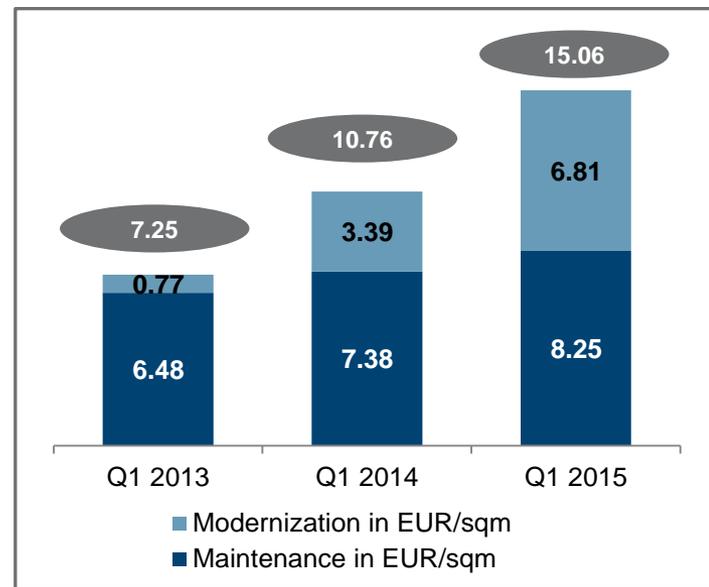
²⁾ Contractually owed rent for newly concluded contracts for units not subject to rent control effective in 2014 respectively

³⁾ Rent potential = New-letting rent compared to in-place rent

⁴⁾ Newly concluded contracts for units not subject to rent control effective in Q1 2015 respectively

» Focused and sustainable investments into the portfolio

EUR m	Q1 2015	Q1 2014
Maintenance	19.0	17.2
Modernization	15.7	7.9
Total	34.7	25.1
Total EUR/sqm¹⁾	15.06	10.76
Capitalization rate	45.2%	31.5%



We continue targeting a sustainable level for maintenance and modernization on the basis of portfolio analysis to ensure our targeted quality standards and value creation

¹⁾ Based on the quarterly average area

» Balance sheet

Assets

in EUR m	31/03/2015	31/12/2014
Investment properties	9,757.1	9,611.0
Other non-current assets	599.1	600.6
Derivatives	0.0	0.0
Deferred tax assets	354.6	351.7
Non current assets	10,710.8	10,563.3
Land and buildings held for sale	60.4	58.1
Trade receivables	33.9	17.7
Other current assets	451.9	410.7
Cash and cash equivalents	562.4	396.4
Current assets	1,108.6	882.9
Total assets	11,819.4	11,446.2

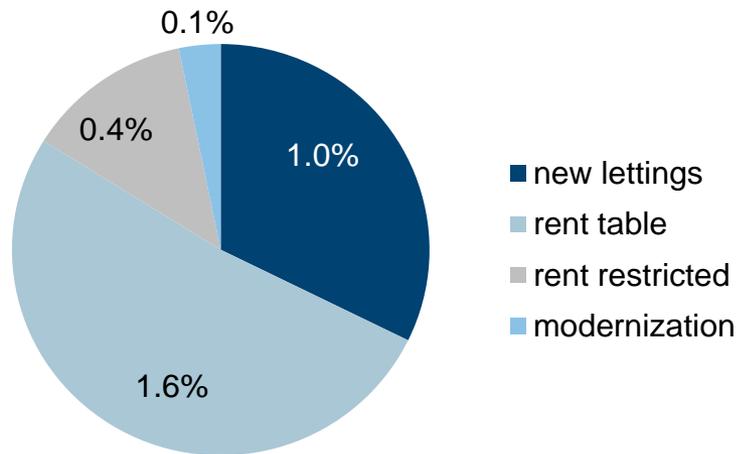
Equity and Liabilities

in EUR m	31/03/2015	31/12/2014
Total equity	4,846.0	4,876.1
Financial liabilities	4,669.6	4,779.0
Convertibles	861.1	748.7
Tax liabilities	37.2	46.1
Deferred tax liabilities	568.6	557.9
Derivatives	144.3	145.0
Other liabilities	692.6	293.4
Total liabilities	6,973.4	6,570.1
Total equity and liabilities	11,819.4	11,446.2

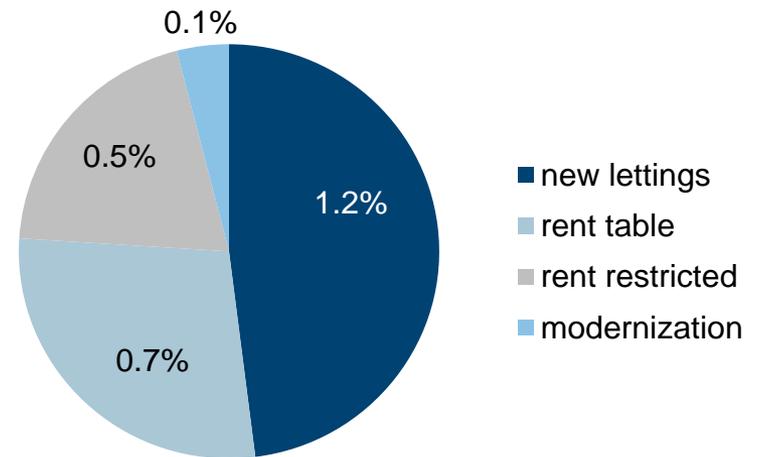
- Investment properties represent ~ 83% of total assets
- Strong cash position and existing credit rating give comfort for potential acquisition opportunities
- LTV reduced to 50.4% (FY-2014: 51.0%)

» The drivers of rental growth

FY 2013: split of 3.1% rental growth¹⁾



FY 2014: split of 2.5% rental growth¹⁾



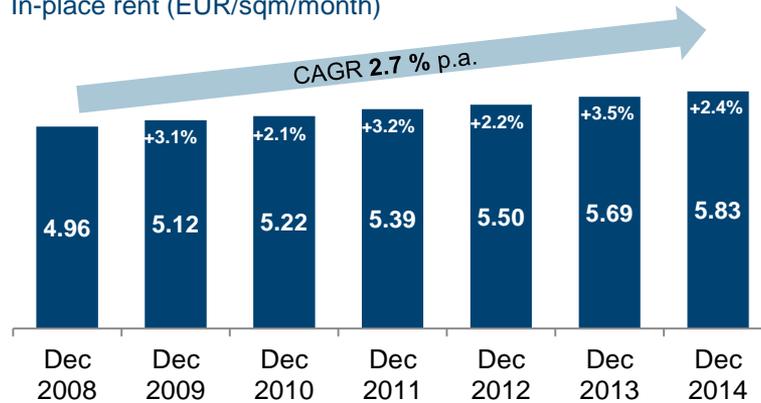
- After adjusting “Berlin Mietspiegel effect” in 2013 stable rental growth in 2014
- In a year without Berlin Mietspiegel, new lettings make up ~50% of rental growth
- Annualized rent increases of EUR 14.8m (2013: EUR 17.5m/~50% from Mietspiegel)
- Attractive ROI of ~17% for re-lettings (capex and maintenance) leading to 1.2% rental growth

¹⁾ Overall rental growth (not like for like)

» Strong like-for-like development

Letting Strategic Core and growth regions

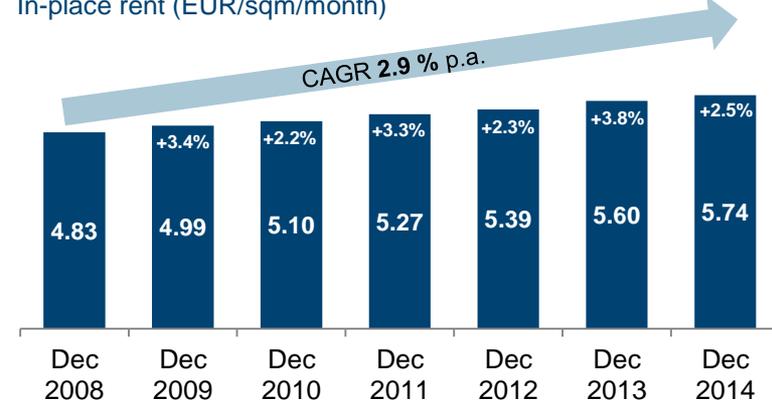
In-place rent (EUR/sqm/month)



Comprises ~ 71,800 units under management since Dec 2008

Letting Portfolio Greater Berlin

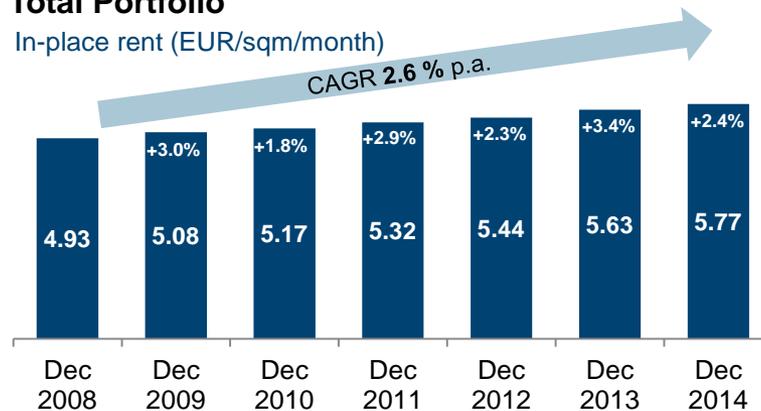
In-place rent (EUR/sqm/month)



Comprises ~ 57,400 units under management since Dec 2008

Total Portfolio

In-place rent (EUR/sqm/month)



Comprises ~ 82,800 units under management since Dec 2008

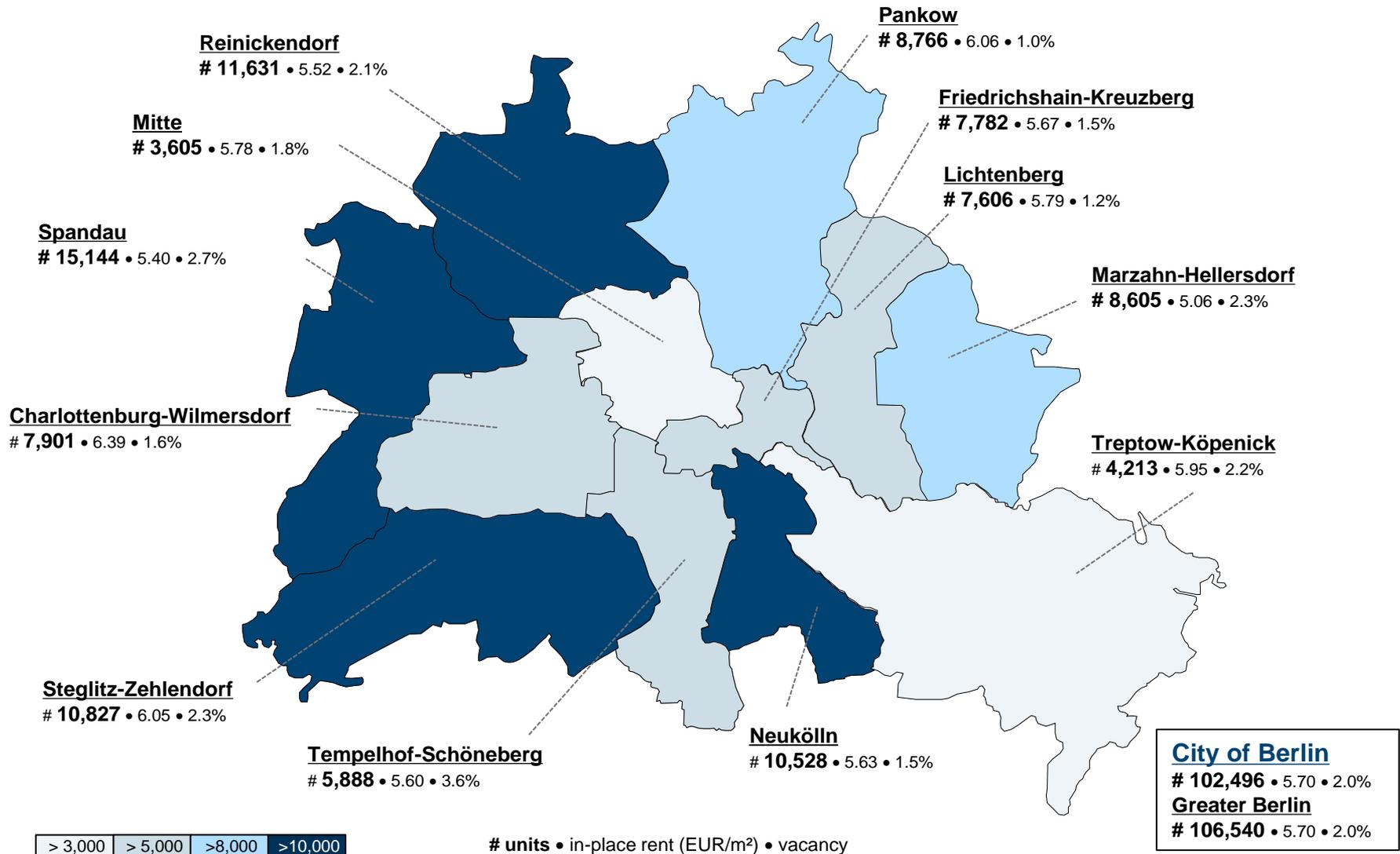
Development of Berlin "Mietspiegel"

Rent (EUR/sqm/month)



Source: Berlin Mietspiegel of relevant years

» The Berlin-Portfolio at a glance as at 31 March 2015



» Disclaimer

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