



Deutsche Wohnen AG

» **H1 2013 results**

Conference Call, 13 August 2013

» Agenda

- 1 **Key figures H1/2013**
- 2 **Development of business segments / financial performance and position**
- 3 **Status on acquisitions - What we have accomplished in 2013 so far -**
- 4 **Updated guidance 2013**
- 5 **Q & A**

» **Key figures H1/2013**

» Key figures H1/2013

Results (y-o-y)

| | | |
|--|---------------------|--------------------------------|
| • Adjusted EBT | EUR 69.3m | + 86% |
| • Recurring FFO (w/o disposals) | EUR 60.6m | + 85% |
| • Recurring FFO (w/o disposals) | EUR 0.38 per share | + 23% ¹⁾ |
| • EPRA NAV | EUR 12.79 per share | + EUR 0.31 per share vs Dec 12 |
| • LTV | 55.8% | |

Residential Property Management (y-o-y)

| | | |
|--|-------------------|------------------------------|
| • Strategic core and growth regions (letting portfolio) | | |
| • In-place rent | EUR 5.56 per sqm | like-for-like: + 2.6% |
| • Vacancy | 2.3% | |
| • Core+ regions (letting portfolio) | | |
| • In-place rent | EUR 5.72 per sqm | like-for-like: + 2.8% |
| • New-letting rent ²⁾ | EUR 7.57 per sqm | |
| • Rent potential ²⁾ | 26.7% | |
| • NOI | EUR 126.6m | + 62% |

Disposals (y-o-y)

| | | |
|--|---|--------------|
| • Earnings from Disposals | EUR 12.3m | + 35% |
| • Closed | 621 units in privatisation; 397 units in inst. sales as at 30/06/2013 | |
| • Signed (incl. overhang 2012) | 882 units in privatisation; 1,063 units in inst. sales as at 30/06/2013 | |
| • Additionally signed after 30/06/2013 | ~135 units in privatisation; ~460 units in inst. sales | |

Acquisitions

- In total acquisition of ~ 10,700 units; transaction volume of EUR 592m³⁾
- In-place rent multiple of 14.1x or 820⁴⁾ EUR/sqm
- FFO yield of ~ 8% pre-tax

» **Development of business segments / financial performance and position**

» Adjusted EBITDA increased by ~ EUR 49m / + 58% (y-o-y)

| in EUR m | H1/2013 | H1/2012 |
|---|--------------|--------------|
| Earnings from Residential Property Management | 139.3 | 86.6 |
| Earnings from Disposals | 12.3 | 9.1 |
| Earnings from Nursing and Assisted Living | 6.5 | 4.9 |
| Segment contribution margin | 158.1 | 100.6 |
| Corporate expenses | -22.2 | -16.1 |
| Other operating expenses/income | -2.9 | 19.7 |
| EBITDA | 133.0 | 104.2 |
| One-off income due to settlement with RREEF | 0.0 | -20.0 |
| EBITDA (adjusted) | 133.0 | 84.2 |

| Corporate expenses in EUR m | H1/2013 | H1/2012 |
|--|--------------|--------------|
| Staff expenses | -13.3 | -10.3 |
| <i>Holding function</i> | -4.7 | -3.4 |
| <i>Disposals</i> | -1.0 | -1.1 |
| <i>Property Management</i> | -7.6 | -5.8 |
| General and administration expenses | -6.7 | -5.8 |
| Sub-total | -20.0 | -16.1 |
| Property Management (external management BauBeCon) | -2.2 | 0.0 |
| In total | -22.2 | -16.1 |

» Status quo of integration: accomplished and well on track

- Total staff and G&A expenses ~ 13% of current gross rental income already in 2013 -

| <i>accomplished</i> | |
|---|--------------------------------------|
| Major acquisitions | 2013 June |
| BauBeCon | Full integration of ~ 23,400 units ✓ |
| Hanover, Brunswick, Central Germany, Greater Berlin | Full integration of ~ 5,100 units ✓ |
| Berlin | Full integration of ~ 5,200 units ✓ |

- New service points in Magdeburg, Hanover, Brunswick and Berlin-Hellersdorf have been established
 - 93 employees of 99 new employees in total have already been hired
 - > Projected total staff expenses of 99 new employees of ~ EUR 4.5m (full-year effect)
 - IT-migration: Migration/alegnation the different systems into SAP completed
- Exploiting economies of scale of existing platform leads to a total cost ratio¹⁾ of Deutsche Wohnen of ~ 13% already in financial year 2013 (FY 2012: ~ 17%)

| Well on track | 2013/ 2014 | |
|---|-------------|--|
| Greater Berlin | 6,900 units | Property management by third party until 31/12/2013 Full integration in H1/2014 |
| Greater Berlin | 900 units | Already fully integrated in May 2013 ✓ |
| Greater Berlin, Rhineland, Hanover and others | 1,000 units | To be fully integrated by October 2013 |

1) Cost ratio = total corporate expenses (total staff and G&A expenses in relation to current gross rental income)

a) Segment – Residential Property Management

» Strong earnings and cash contributions from letting

| | | in EUR m | | H1/2013 | H1/2012 |
|---|--|----------|--|--------------|--------------|
| Earnings from letting: + EUR 52.7m | Current gross rental income | | | 168.1 | 103.7 |
| | Non-recoverable expenses | | | -2.8 | -2.1 |
| | Rental loss | | | -2.1 | -0.8 |
| | Maintenance | | | -21.3 | -12.6 |
| | Others | | | -2.6 | -1.6 |
| | Earnings from Residential Property Management | | | 139.3 | 86.6 |
| | Personnel and general and administration expenses | | | -12.7 | -8.4 |
| | Net Operating Income (NOI) | | | 126.6 | 78.2 |
| NOI/sqm/month -3.8% | NOI Margin | | | 75.3% | 75.4% |
| | NOI in EUR per sqm and month ¹⁾ | | | 4.06 | 4.22 |
| | Δ | | | -3.8% | |
| | | in EUR m | | H1/2013 | H1/2012 |
| Cash flow + 86.8% | Net Operating Income (NOI) | | | 126.6 | 78.2 |
| | Cash interest expenses | | | -54.3 | -39.5 |
| | Cash flow from portfolio after cash interest expenses | | | 72.3 | 38.7 |
| | Interest ratio | | | 2.33 | 1.98 |

→ **Maintenance (extrapolated full-year)**
in H1/13: EUR 8.19 sqm
(H1/12: EUR 8.17 sqm)
additional EUR 5.7m for modernisation in H1/13

- NOI increased by EUR 48.4m (62%) due to higher current gross rental income of EUR 64.4m while costs increased by only EUR 16m
- NOI/sqm/month decreased by 3.8% y-o-y due to structural changes in our portfolio; i.e. largely attributable to lower in-place rents of the acquisitions
- NOI-margin kept constant at ~ 75%, despite integration of new acquisitions

1) Based on average quarterly floor space w/o consideration of consolidated companies as at 30/06/2013

» Portfolio overview: 96% of total Fair Value is located in strategic core and growth regions

| 30/06/2013 | Residential units # | Share in terms of units % | Area k sqm | Fair Value EUR m | Share in terms of Fair Value % | Fair Value EUR/sqm | Multiple in-place rent | Multiple market rent |
|--|------------------------|------------------------------|---------------|---------------------|-----------------------------------|-----------------------|------------------------|----------------------|
| Total | 89,441 | 100% | 5,468 | 5,152 | 100% | 914 | 14.1 | 12.1 |
| Strategic core and growth regions | 84,137 | 94% | 5,129 | 4,960 | 96% | 938 | 14.2 | 12.3 |
| Letting portfolio | 77,727 | 87% | 4,704 | | | | | |
| Privatisation | 6,410 | 7% | 425 | | | | | |
| Core⁺ | 58,827 | 66% | 3,523 | 3,676 | 71% | 1,009 | 14.7 | 12.5 |
| Letting portfolio | 54,704 | 61% | 3,251 | | | | | |
| Privatisation | 4,123 | 5% | 272 | | | | | |
| Core | 25,310 | 28% | 1,606 | 1,284 | 25% | 782 | 12.9 | 11.7 |
| Letting portfolio | 23,023 | 26% | 1,453 | | | | | |
| Privatisation | 2,287 | 3% | 153 | | | | | |
| Non-core | 5,304 | 6% | 338 | 193 | 4% | 553 | 10.9 | 9.2 |
| Disposal | 2,154 | 2% | 140 | | | | | |
| Other | 3,150 | 4% | 198 | | | | | |

- Further expansion of our Core+ regions from 62% (Mar 13) to 66% (Jun 13) of total units/ 71% of fair value
- Multiple market rent in Core+ regions at 12.5x illustrates the inherent upside potential
- For detailed information on the regions please refer to page 36

» Overview of portfolio as at 30 June 2013

| 30/06/2013 | Residential units # | Share in terms of units % | Area k sqm | In-place rent ¹⁾ EUR/sqm | Vacancy % | Commercial units # | Parking spaces # |
|--|------------------------|------------------------------|---------------|--|--------------|-----------------------|---------------------|
| Total | 89,441 | 100% | 5,468 | 5.51 | 3.0% | 1,121 | 22,165 |
| Strategic core and growth regions | 84,137 | 94% | 5,129 | 5.56 | 2.6% | 1,067 | 20,470 |
| Letting portfolio | 77,727 | 87% | 4,704 | 5.56 | 2.3% | 977 | 17,812 |
| Privatisation | 6,410 | 7% | 425 | 5.53 | 5.5% | 90 | 2,658 |
| Core⁺ | 58,827 | 66% | 3,523 | 5.71 | 2.0% | 862 | 10,520 |
| Letting portfolio | 54,704 | 61% | 3,251 | 5.72 | 1.7% | 774 | 8,548 |
| Privatisation | 4,123 | 5% | 272 | 5.62 | 5.2% | 88 | 1,972 |
| Core | 25,310 | 28% | 1,606 | 5.21 | 4.0% | 205 | 9,950 |
| Letting portfolio | 23,023 | 26% | 1,453 | 5.19 | 3.8% | 203 | 9,264 |
| Privatisation | 2,287 | 3% | 153 | 5.38 | 5.9% | 2 | 686 |
| Non-core | 5,304 | 6% | 338 | 4.78 | 9.9% | 54 | 1,695 |
| Disposal | 2,154 | 2% | 140 | 4.73 | 13.8% | 38 | 660 |
| Other | 3,150 | 4% | 198 | 4.81 | 7.3% | 16 | 1,035 |

- The increase in vacancy in our core regions especially in the letting portfolio in the Hanover/Brunswick/Magdeburg region from 4.3% (Mar 13) to 5.4% (Jun 13) is temporary and attributable to the transfer of the property management from Prelios to Deutsche Wohnen → development is within our expectations
- For detailed information on the regions please refer to page 36

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

» Compelling like-for-like rental growth y-o-y in our Core+ regions

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

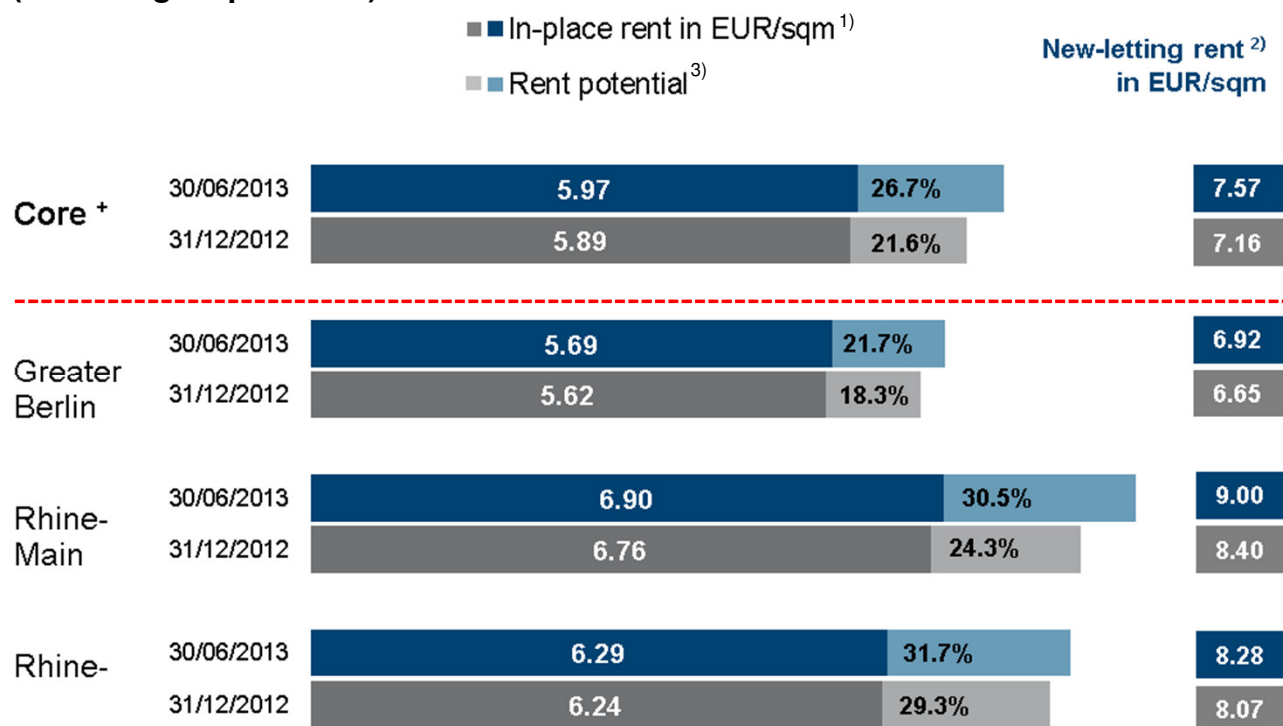
| (like-for-like) | Residential units | In-place rent ¹⁾ EUR/sqm | | Δ in % y-o-y | Vacancy in % | |
|--|-------------------|--|-------------|-----------------|-----------------|-------------|
| | | 30/06/2013 | 30/06/2012 | | 30/06/2013 | 30/06/2012 |
| Strategic core and growth regions (letting portfolio) | 42,328 | 5.86 | 5.71 | 2.6% | 1.6% | 1.4% |
| Core+ | 34,179 | 6.00 | 5.84 | 2.8% | 1.5% | 1.3% |
| Greater Berlin | 25,184 | 5.71 | 5.56 | 2.6% | 1.3% | 1.0% |
| Rhine-Main | 7,839 | 6.89 | 6.69 | 3.1% | 1.9% | 2.1% |
| Rhineland | 1,156 | 6.29 | 6.17 | 1.9% | 1.1% | 1.5% |
| Core | 8,149 | 5.32 | 5.23 | 1.7% | 1.9% | 1.8% |
| Hanover/Brunswick/Magdeburg | 0 | -- | -- | -- | -- | -- |
| Rhine Valley South | 4,652 | 5.46 | 5.34 | 2.4% | 1.6% | 1.6% |
| Rhine Valley North | 2,798 | 5.12 | 5.08 | 0.9% | 1.3% | 1.5% |
| Central Germany | 174 | 6.10 | 6.08 | 0.3% | 2.1% | 3.5% |
| Others | 525 | 4.89 | 4.87 | 0.4% | 8.5% | 5.3% |
| Privatisation | 2,707 | 5.65 | 5.60 | 1.0% | 5.6% | 2.1% |
| Non-core | 1,744 | 4.88 | 4.82 | 1.2% | 6.0% | 6.5% |
| Total | 46,779 | 5.81 | 5.67 | 2.4% | 1.9% | 1.6% |

- Strong rental growth in our strategic core and growth regions
 - › **Core+ regions** with strong rental growth (l-f-l) - even in a twelve month-period with very limited ‚Mietspiegel‘-effect - and a very low vacancy rate → **‘stars‘**
 - › **Core regions** with moderate rental growth (l-f-l) and also a very low vacancy rate → **‘cash cows‘**

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

» Rent potential up to 27% in Core+ regions (letting portfolio)

Rent potential (excluding acquisitions)



- The increase in our actually achieved new-letting rent/our rent potential clearly demonstrates the accelerating demand-based dynamic in our Core+ regions

- 1) Contractually owed rent from rented apartments divided by rented area
- 2) Contractually owed rents for newly concluded contracts for units not subject to rent control effective in 2012 and 2013 respectively
- 3) Rent potential = New-letting rent compared to in-place rent

» New-letting rent development for BauBeCon regions fully integrated by end of 2012 within our expectations

Development of new-letting rents in BauBeCon regions fully integrated in Deutsche Wohnen organisation by end of 2012

| | New-letting rent 2012 ¹⁾ | New-letting rent 2013 ²⁾ | Δ | Actual in-place rent ³⁾ | Rent potential ⁴⁾ |
|----------------------------------|-------------------------------------|-------------------------------------|------|------------------------------------|------------------------------|
| | in EUR/sqm | in EUR/sqm | in % | in EUR/sqm | in % |
| Core ⁺ Greater Berlin | 6.19 | 7.47 | 21% | 5.73 | 30% |
| Core Magdeburg | 5.09 | 5.33 | 5% | 5.17 | 3% |
| Core Central Germany | 5.16 | 5.20 | 1% | 4.89 | 6% |

- The BauBeCon portfolios in Greater Berlin, Magdeburg and Central Germany have been fully integrated in our organisation by end of 2012
- The actual achieved new-letting rents after full integration, i.e. actual achieved new-letting rents in 2013 show a strong development to new-letting rents in 2012

- 1) Contractually owed rents for newly concluded contracts for units not subject to rent control effective in 2012; mainly managed by Prelios
- 2) Contractually owed rents for newly concluded contracts for units not subject to rent control effective in 2013 respectively; completely managed by Deutsche Wohnen
- 3) Contractually owed rent from rented apartments divided by rented area
- 4) Rent potential = New-letting rent compared to in-place rent

b) Segment – Disposals

» Very strong privatisation business & successful non-core disposals

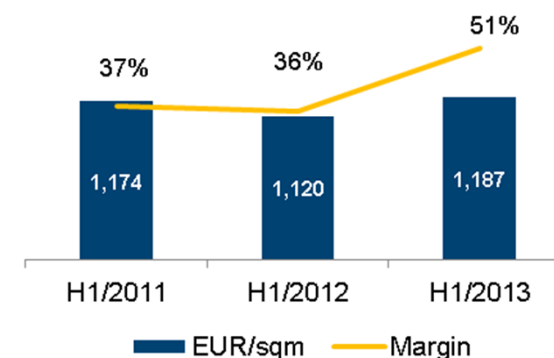
| H1/2013 signed | Units | Transaction volume | Fair Value | Gross margin | |
|-------------------------|-------|--------------------|------------|--------------|-----|
| | # | EUR m | EUR m | EUR m | % |
| Privatisation | 882 | 67.7 | 44.8 | 22.9 | 51% |
| Institutional sales | 1,063 | 37.4 | 33.4 | 4.0 | 12% |
| <i>thereof non-core</i> | 1,034 | 30.0 | 29.2 | 0.8 | 3% |
| | 1,945 | 105.1 | 78.2 | 26.9 | 34% |

- **Privatisation** (i.e. sales of individual apartments)
 - › In 2013, 525 units signed (w/o overhang from 2012 of 357 units)
 - › Additional 135 units already signed after cut-off date
 - › 72% of our current privatisation units are sold ¹⁾
- **Institutional sales:**
 - › As at 30/06/2013: > 1,100 non-core units signed; additional ~ 460 units already signed after cut-off date

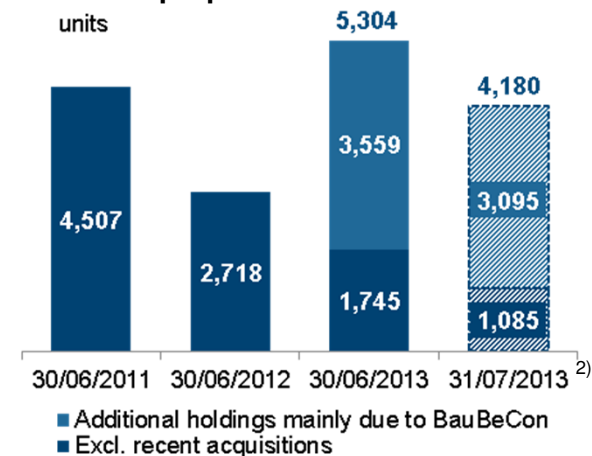
| Closed in EUR m | H1/2013 | H1/2012 |
|--------------------------------|-------------|-------------|
| Sales proceeds | 62.8 | 82.5 |
| Cost of sales | -3.8 | -6.0 |
| Net sales proceeds | 59.0 | 76.5 |
| Fair Value | -46.7 | -67.4 |
| Earnings from Disposals | 12.3 | 9.1 |

- **Number of disposals closed in H1/2013: 1.018, thereof**
 - › Privatisation: 621 units
 - › Institutional sales: 397 units (thereof 368 non-core units)

Privatisation signed
(gross margin & sales price in EUR/sqm)



Non-core properties



1) Based on today's not yet closed owner communities (WEG's)
 2) Including signed disposals after 30/06/2013

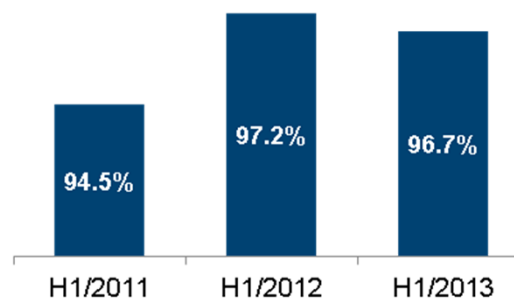
c) Segment – Nursing and Assisted Living

» Nursing and Assisted Living - increasing EBITDA contribution

| in EUR m | H1/2013 | H1/2012 |
|--|--------------|--------------|
| Income | | |
| Nursing | 25.0 | 17.1 |
| Living | 1.0 | 1.0 |
| Other | 2.0 | 1.7 |
| Total income | 28.0 | 19.8 |
| Costs | | |
| Nursing and corporate expenses | -7.2 | -5.2 |
| Staff expenses | -14.3 | -9.7 |
| Total costs | -21.5 | -14.9 |
| Earnings from Nursing and Assisted Living | 6.5 | 4.9 |
| Attributable current interest expenses | -1.7 | -1.1 |
| | 4.8 | 3.8 |

- 17 of 20 facilities are owned by Deutsche Wohnen with Fair Value of the properties of EUR 117.3m
- Transfer of risks and rewards of four facilities in Berlin (425 places) took place in Q1/2013
- Acquisition of one facility with ~ 250 beds in Berlin, transfer of risks and rewards expected in H2/2013

Average occupancy



| | Facilities | Places |
|-----------------|------------|--------------|
| Greater Berlin | 11 | 1,193 |
| Saxony | 7 | 475 |
| Others | 2 | 257 |
| In total | 20 | 1,925 |

d) Others

» Adjusted EBT increased by ~ 86% (y-o-y)

| in EUR m | H1/2013 | H1/2012 |
|--|--------------|---------------------------|
| EBITDA (adjusted) | 133.0 | 84.2 ²⁾ |
| Depreciation | -2.7 | -1.4 |
| Financial result (net) | -61.0 | -45.5 |
| EBT (adjusted) | 69.3 | 37.3 |
| One-off income due to settlement with RREEF | 0.0 | 20.0 |
| One-off financing costs for BauBeCon transaction | 0.0 | -3.8 |
| Valuation SWAP | 0.0 | -0.1 |
| EBT | 69.3 | 53.4 |
| Current taxes | -5.6 | -7.9 |
| Deferred taxes | -13.5 | -8.6 |
| Profit | 50.2 | 36.9 |
| Earnings per share ¹⁾ | 0.31 | 0.35 |

| in EUR m | H1/2013 | H1/2012 |
|-------------------------------|--------------|--------------|
| Interest expenses | -56.0 | -40.6 |
| Non-cash interest expenses | -5.5 | -5.6 |
| | -61.5 | -46.2 |
| Interest income | 0.5 | 0.7 |
| Financial result (net) | -61.0 | -45.5 |

- **Adj. EBITDA** increased by ~ EUR 49m mainly attributable to an increase of earnings from letting ~ EUR 53m and from disposals ~ EUR 3m
- **Interest expenses** only increased due to acquisitions, partly compensated by lower average interest rates from 4.05% (Jun 12) to 3.5% (Jun 13)
- **Current taxes** affected by non-cash taxes of EUR 1m due to capital increases 2013

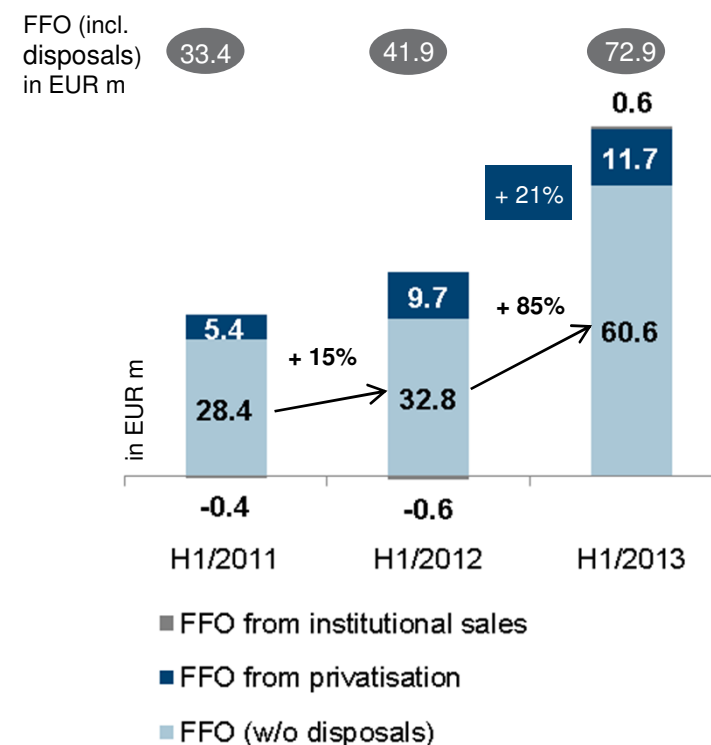
| Non-cash interest expenses | H1/2013 |
|----------------------------------|-------------|
| in EUR m | |
| Low-interest bearing liabilities | -3.3 |
| Liabilities from EK 02 taxes | -1.0 |
| Employee benefit liability | -1.1 |
| DB 14 | -0.1 |
| Total | -5.5 |

- 1) Based on average shares outstanding (H1/13: 159.78m; H1/12: 105.82m)
- 2) Adjusted by one-off income due to settlement with RREEF (EUR 20m)
- 3) Adjusted by one-off financing costs for BauBeCon transaction (EUR 3.8m)

» Strong recurring FFO per share performance +23%²⁾ (y-o-y)

| in EUR m | H1/2013 | H1/2012 |
|--|-------------|-------------|
| Profit | 50.2 | 36.9 |
| Earnings from Disposals | -12.3 | -9.1 |
| Depreciation | 2.7 | 1.4 |
| Valuation SWAP | 0.0 | 0.1 |
| One-off income due to settlement with RREEF | 0.0 | -20.0 |
| One-off financing costs for BauBeCon transaction | 0.0 | 3.8 |
| Non-cash financial expenses | 5.5 | 5.6 |
| Deferred taxes | 13.5 | 8.6 |
| Tax benefit from capital increase | 1.0 | 5.5 |
| FFO (w/o disposals) | 60.6 | 32.8 |
| FFO from privatisation | 11.7 | 9.7 |
| FFO (incl. privatisation) | 72.3 | 42.5 |
| FFO from institutional sales | 0.6 | -0.6 |
| FFO (incl. disposals) | 72.9 | 41.9 |

| | | |
|--|-------------|---------------------------|
| FFO (w/o disposals) per share ¹⁾ | 0.38 | 0.31 ²⁾ |
| FFO (incl. disposals) per share ¹⁾ | 0.46 | 0.40 ²⁾ |



1) Based on average shares outstanding (H1/13: 159.78m; H1/12: 105.82m)
 2) Under consideration of scrip adjustment for capital raise in June 2012

e) Balance sheet

» Balance sheet – Assets

| in EUR m | 30/06/2013 | 31/12/2012 | |
|----------------------------------|----------------|----------------|--------------------------------|
| Investment properties | 5,178.7 | 4,614.6 | → Increase due to acquisitions |
| Other non-current assets | 40.0 | 24.1 | |
| Derivatives | 4.3 | 0.0 | |
| Deferred tax assets | 64.1 | 80.7 | |
| Non current assets | 5,287.1 | 4,719.4 | |
| Land and buildings held for sale | 107.7 | 39.1 | |
| Trade receivables | 12.0 | 20.8 | |
| Other current assets | 108.9 | 38.0 | → |
| Cash and cash equivalents | 105.5 | 90.6 | |
| Current assets | 334.1 | 188.5 | |
| Total assets | 5,621.2 | 4,907.9 | |

| Trade receivables in EUR m | | 30/06/2013 |
|----------------------------|--|------------|
| Rental business | | 9.1 |
| Disposals | | 1.8 |
| Other | | 1.1 |

| Other current assets in EUR m | | 30/06/2013 |
|----------------------------------|--|------------|
| Non current assets held for sale | | 27.0 |
| Income tax receivables | | 1.8 |
| Other inventories | | 3.0 |
| Other assets ¹⁾ | | 77.1 |

- EUR 106m available credit lines in addition to cash at-hand

1) Thereof EUR 71m temporary increase due to acquisitions

» Balance sheet – Equity and Liabilities

| in EUR m | 30/06/2013 | 31/12/2012 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|--------------------|---|--|-----------------|-------------------|----------|----------|-------------------|------------|------------|---------------------------------|--|-------|-----------------------------|-----|------------|-------|------------|--------------|----------------------------------|--------------------|--|--|---|----------------------------|------------|-------------------|------|----------|------|------------|------|---------------------------------|------|-------|-----|-----------------------|---------|---------|-----------------|------|------|--------------------------|-------|-------|-------------|-------|-------|-------------------|-------|-------|-------------------------------------|----------------|----------------|--|
| Total equity | 1,963.7 | 1,609.7 | <table border="1"> <thead> <tr> <th>Equity in EUR m</th> <th>30/06/2013</th> </tr> </thead> <tbody> <tr> <td>+ Profit</td> <td>50.2</td> </tr> <tr> <td>+ Cash flow hedge</td> <td>32.4</td> </tr> <tr> <td>+ Pensions</td> <td>0.4</td> </tr> <tr> <td>+ Net proceeds (less tax effect) from capital increase</td> <td>297.0</td> </tr> <tr> <td>+ Non-controlling interests</td> <td>7.8</td> </tr> <tr> <td>- Dividend</td> <td>-33.8</td> </tr> <tr> <td>LTV</td> <td>55.8%</td> </tr> <tr> <td>Δ Derivative liabilities:</td> <td>EUR m -37.5</td> </tr> <tr> <td></td> <td></td> <td> <table border="1"> <thead> <tr> <th>Other liabilities in EUR m</th> <th>30/06/2013</th> </tr> </thead> <tbody> <tr> <td>Trade liabilities</td> <td>76.9</td> </tr> <tr> <td>Pensions</td> <td>53.6</td> </tr> <tr> <td>Provisions</td> <td>12.6</td> </tr> <tr> <td>Other liabilities ¹⁾</td> <td>96.7</td> </tr> <tr> <td>DB 14</td> <td>5.2</td> </tr> </tbody> </table> </td> </tr> <tr> <td>Financial liabilities</td> <td>3,069.6</td> <td>2,768.6</td> </tr> <tr> <td>Tax liabilities</td> <td>70.2</td> <td>63.6</td> </tr> <tr> <td>Deferred tax liabilities</td> <td>157.7</td> <td>143.3</td> </tr> <tr> <td>Derivatives</td> <td>115.0</td> <td>152.5</td> </tr> <tr> <td>Other liabilities</td> <td>245.0</td> <td>170.2</td> </tr> <tr> <td>Total equity and liabilities</td> <td>5,621.2</td> <td>4,907.9</td> <td></td> </tr> </tbody> </table> | Equity in EUR m | 30/06/2013 | + Profit | 50.2 | + Cash flow hedge | 32.4 | + Pensions | 0.4 | + Net proceeds (less tax effect) from capital increase | 297.0 | + Non-controlling interests | 7.8 | - Dividend | -33.8 | LTV | 55.8% | Δ Derivative liabilities: | EUR m -37.5 | | | <table border="1"> <thead> <tr> <th>Other liabilities in EUR m</th> <th>30/06/2013</th> </tr> </thead> <tbody> <tr> <td>Trade liabilities</td> <td>76.9</td> </tr> <tr> <td>Pensions</td> <td>53.6</td> </tr> <tr> <td>Provisions</td> <td>12.6</td> </tr> <tr> <td>Other liabilities ¹⁾</td> <td>96.7</td> </tr> <tr> <td>DB 14</td> <td>5.2</td> </tr> </tbody> </table> | Other liabilities in EUR m | 30/06/2013 | Trade liabilities | 76.9 | Pensions | 53.6 | Provisions | 12.6 | Other liabilities ¹⁾ | 96.7 | DB 14 | 5.2 | Financial liabilities | 3,069.6 | 2,768.6 | Tax liabilities | 70.2 | 63.6 | Deferred tax liabilities | 157.7 | 143.3 | Derivatives | 115.0 | 152.5 | Other liabilities | 245.0 | 170.2 | Total equity and liabilities | 5,621.2 | 4,907.9 | |
| Equity in EUR m | 30/06/2013 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| + Profit | 50.2 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| + Cash flow hedge | 32.4 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| + Pensions | 0.4 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| + Net proceeds (less tax effect) from capital increase | 297.0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| + Non-controlling interests | 7.8 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| - Dividend | -33.8 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| LTV | 55.8% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Δ Derivative liabilities: | EUR m -37.5 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | <table border="1"> <thead> <tr> <th>Other liabilities in EUR m</th> <th>30/06/2013</th> </tr> </thead> <tbody> <tr> <td>Trade liabilities</td> <td>76.9</td> </tr> <tr> <td>Pensions</td> <td>53.6</td> </tr> <tr> <td>Provisions</td> <td>12.6</td> </tr> <tr> <td>Other liabilities ¹⁾</td> <td>96.7</td> </tr> <tr> <td>DB 14</td> <td>5.2</td> </tr> </tbody> </table> | Other liabilities in EUR m | 30/06/2013 | Trade liabilities | 76.9 | Pensions | 53.6 | Provisions | 12.6 | Other liabilities ¹⁾ | 96.7 | DB 14 | 5.2 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other liabilities in EUR m | 30/06/2013 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Trade liabilities | 76.9 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Pensions | 53.6 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Provisions | 12.6 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other liabilities ¹⁾ | 96.7 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| DB 14 | 5.2 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Financial liabilities | 3,069.6 | 2,768.6 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Tax liabilities | 70.2 | 63.6 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Deferred tax liabilities | 157.7 | 143.3 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Derivatives | 115.0 | 152.5 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other liabilities | 245.0 | 170.2 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total equity and liabilities | 5,621.2 | 4,907.9 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| in EUR m | 30/06/2013 | 31/12/2012 |
|---------------------------|------------|------------|
| EPRA NAV | 2,159.9 | 1,824.4 |
| EPRA NAV per share in EUR | 12.79 | 12.48 |
| Shares outstanding | 168.91 | 146.14 |

- EPRA NAV per share rose to EUR 12.79 as at 30 June 2013
- increase of ~ EUR 0.31 per share since Dec 12 despite dividend pay-out of EUR 0.21 per share

1) Thereof EUR 71m temporary increase due to acquisitions

» LTV at 55.8%; low average interest rate: 3.5%

Debt structure ¹⁾

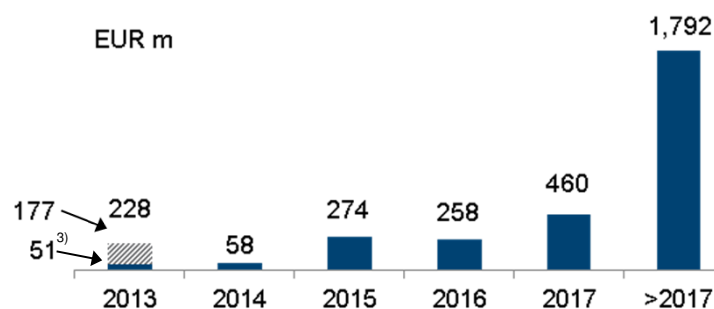
Financial liabilities in EUR m

| | |
|----------------|---------|
| Mark-to-market | 3,069.6 |
| LTV (%) | 55.8% |
| Nominal value | 3,171.0 |
| LTV (%) | 57.7% |

Debt service ²⁾

- Average interest rate: ~ 3.5%
- Average mandatory redemption p.a.: ~ 1.7%
- Average weighted maturity: ~ 7.5 years
- Interest rate fixed or hedged: ~ 85%

Long-term maturities profile ¹⁾



⌘ Long-term refinancing took place at the beginning of July 2013

- 1) As at 30 June 2013
- 2) Under consideration of long-term refinancing, which took place in the beginning of July 2013
- 3) Including accrued interest payable

- » **Status on acquisitions**
 - **What have we accomplished in 2013 so far -**

» Accretive bold-on acquisitions with a focus on our Core+ regions already done in 2013

Expanding in our strategic core and growth regions

Over the last six months we have already acquired **~10,700** units with a transaction volume of ~ EUR **592m**¹⁾ incl. Nursing and Assisted Living.

| Residential units | | # |
|-----------------------------|-------------------------|---------|
| Core+ | Berlin ³⁾ | ~ 7,800 |
| | Dresden | ~ 1,900 |
| | Greater Berlin, Potsdam | ~ 500 |
| | Rhineland | ~ 215 |
| Core | Hanover | ~ 180 |
| | Others | ~ 105 |
| Nursing and Assisted Living | | places |
| | | # |
| | Berlin | ~ 250 |

KPIs residential portfolios:

- Current gross rental income overall of ~ EUR 40.0m
- In-place rent multiple of 14.1x or ~ 820 EUR /sqm²⁾
- Annualised FFO yield (pre-tax) of ~ 8%
- LTV of ~ 55%

KPIs Nursing & Assisted Living:

- Transaction volume ~ EUR 29.7m
- Earnings contribution of ~ EUR 2.2m p.a.
- FFO yield (pre-tax) of ~ 12.5%

» Updated guidance 2013

» **New guidance 2013 - FFO (w/o disposals)**

As a result of a successful first half year 2013 and in light of our recent acquisitions we increase our recurring FFO guidance by 10%:

Increased guidance for FFO (w/o disposals) from EUR 100m to **EUR 110m** for 2013

» Q & A

» Appendix

» **Additional acquisitions**

» Details on latest acquisitions of ~ 2,900 units

| | |
|---|---|
| Transaction volume in EUR m | 148 ¹⁾ |
| Units (residential) | ~ 2,900 |
| Area (residential) in k sqm | 172 |
| In-place rent (residential) EUR/sqm p.m. | 5.00 |
| Vacancy (residential) | 3.3% |
| Net initial yield ²⁾ | 6.9% |
| Rent potential ³⁾ | ~ 14% |
| In-place rent multiple | 14.6x ~ EUR 810 sqm ⁴⁾ |
| Annualised FFO yield (pre-tax) | > 7% |
| Financing | ~ 55% LTV |
| Location | 90% in Core ⁺ regions: Greater Berlin, Potsdam Dresden and Rhineland 10% in Core regions: Hanover and others |

1) Incl. 4.7% ancillary costs

2) Current gross rental income divided by gross purchase price

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

4) Based on purchase price

» Details on acquisition of ~ 7,800 units in Greater Berlin

| | |
|---|--------------------------------------|
| Transaction volume in EUR m | 414 ¹⁾ |
| Units (residential) | ~7,800 |
| Area (residential) in k sqm | 473 |
| In-place rent (residential) EUR/sqm p.m. | 5.10 |
| Vacancy (residential) | 1.9% |
| Closing | June 2013 (accomplished) |
| Net initial yield ²⁾ | 7.2% |
| Rent potential ³⁾ | > 15% |
| In-place rent multiple | 13.9x ~ EUR 820 sqm ⁴⁾ |
| Annualised FFO yield (pre-tax) | ~ 8% |
| Financing | ~ 55% |
| Location | ~ 95% in the city of Berlin |

1) Incl. 1.4% ancillary costs

2) Current gross rental income divided by gross purchase price

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

4) Based on purchase price

» Details on regions of portfolio as at 30 June 2013

| 30/06/2013 | Residential units | Share in terms of units | Area | In-place rent ¹⁾ | Vacancy | Commercial units | Parking spaces |
|--|-------------------|-------------------------|--------------|-----------------------------|-------------|------------------|----------------|
| | # | % | k sqm | EUR/sqm | % | # | # |
| Total | 89,441 | 100% | 5,468 | 5.51 | 3.0% | 1,121 | 22,165 |
| Strategic core and growth regions | 84,137 | 94% | 5,129 | 5.56 | 2.6% | 1,067 | 20,470 |
| Core⁺ | 58,827 | 66% | 3,523 | 5.71 | 2.0% | 862 | 10,520 |
| Greater Berlin | 48,029 | 54% | 2,864 | 5.47 | 1.6% | 647 | 4,861 |
| Letting portfolio | 45,112 | 50% | 2,678 | 5.49 | 1.5% | 624 | 4,243 |
| Privatisation | 2,917 | 3% | 186 | 5.25 | 3.8% | 23 | 618 |
| Rhine-Main | 9,187 | 10% | 552 | 6.85 | 3.2% | 178 | 4,948 |
| Letting portfolio | 8,140 | 9% | 481 | 6.92 | 2.6% | 121 | 3,993 |
| Privatisation | 1,047 | 1% | 71 | 6.33 | 8.1% | 57 | 955 |
| Rhineland | 1,611 | 2% | 107 | 6.37 | 3.2% | 37 | 711 |
| Letting portfolio | 1,452 | 2% | 92 | 6.30 | 2.6% | 29 | 312 |
| Privatisation | 159 | 0% | 15 | 6.85 | 6.4% | 8 | 399 |
| Core | 25,310 | 28% | 1,606 | 5.21 | 4.0% | 205 | 9,950 |
| Hanover/Brunswick/Magdeburg | 10,913 | 12% | 704 | 5.21 | 5.5% | 107 | 2,751 |
| Letting portfolio | 10,032 | 11% | 646 | 5.15 | 5.4% | 106 | 2,416 |
| Privatisation | 881 | 1% | 58 | 5.87 | 6.3% | 1 | 335 |
| Rhine Valley South | 4,897 | 5% | 305 | 5.47 | 1.9% | 43 | 3,364 |
| Letting portfolio | 4,654 | 5% | 290 | 5.46 | 1.6% | 43 | 3,188 |
| Privatisation | 243 | 0% | 15 | 5.60 | 8.8% | | 176 |
| Rhine Valley North | 2,922 | 3% | 189 | 5.14 | 1.8% | 3 | 2,097 |
| Letting portfolio | 2,798 | 3% | 181 | 5.12 | 1.3% | 3 | 1,954 |
| Privatisation | 124 | 0% | 8 | 5.64 | 11.9% | | 143 |
| Central Germany | 3,777 | 4% | 227 | 5.05 | 3.5% | 44 | 1,179 |
| Letting portfolio | 3,777 | 4% | 227 | 5.05 | 3.5% | 44 | 1,179 |
| Privatisation | | | | | | | |
| Others ²⁾ | 2,801 | 3% | 181 | 5.00 | 4.8% | 8 | 559 |
| Letting portfolio | 1,762 | 2% | 110 | 5.06 | 5.4% | 7 | 527 |
| Privatisation | 1,039 | 1% | 71 | 4.91 | 3.9% | 1 | 32 |
| Non-core | 5,304 | 6% | 338 | 4.78 | 9.9% | 54 | 1,695 |
| Disposal | 2,154 | 2% | 140 | 4.73 | 13.8% | 38 | 660 |
| Other | 3,150 | 4% | 198 | 4.81 | 7.3% | 16 | 1,035 |

- 1) Contractually owed rents from rented apartments divided by rented area
2) Mainly Kiel/Luebeck

» Overview of portfolio as at 30 June 2012 (for reconciliation)

| 30/06/2012 | Residential units | Share in terms of units | Area | In-place rent ¹⁾ | Vacancy | Commercial units | Parking spaces |
|--|-------------------|-------------------------|--------------|-----------------------------|-------------|------------------|----------------|
| | # | % | k sqm | EUR/sqm | % | # | # |
| Total | 49,099 | 100% | 2,979 | 5.65 | 2.2% | 465 | 14,856 |
| Strategic core and growth regions | 46,381 | 94% | 2,811 | 5.70 | 2.0% | 457 | 13,454 |
| Letting portfolio | 42,530 | 87% | 2,560 | 5.71 | 1.5% | 442 | 11,916 |
| Privatisation | 3,851 | 8% | 251 | 5.60 | 6.8% | 15 | 1,538 |
| Core⁺ | 37,685 | 77% | 2,256 | 5.81 | 1.8% | 389 | 7,573 |
| Letting portfolio | 34,359 | 70% | 2,039 | 5.83 | 1.4% | 374 | 6,447 |
| Privatisation | 3,326 | 7% | 217 | 5.61 | 6.4% | 15 | 1,126 |
| Core | 8,696 | 18% | 554 | 5.25 | 2.5% | 68 | 5,881 |
| Letting portfolio | 8,171 | 17% | 520 | 5.23 | 2.0% | 68 | 5,469 |
| Privatisation | 525 | 1% | 34 | 5.51 | 9.2% | 0 | 412 |
| Non-core | 2,718 | 6% | 169 | 4.80 | 7.5% | 8 | 1,402 |
| Disposal | 1,162 | 2% | 72 | 4.56 | 11.5% | 8 | 579 |
| Other | 1,556 | 3% | 97 | 4.97 | 4.8% | 0 | 823 |

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

» Details on regions of portfolio as at 30 June 2012 (for reconciliation)

| 30/06/2012 | Residential units # | Share in terms of % | Area k sqm | In-place rent ¹⁾ EUR/sqm | Vacancy % | Commercial units # | Parking spaces # |
|--|---------------------------|---------------------------|---------------|---|--------------|--------------------------|------------------------|
| Total | 49,099 | 100% | 2,979 | 5.65 | 2.2% | 465 | 14,856 |
| Strategic core and growth regions | 46,381 | 94% | 2,811 | 5.70 | 2.0% | 457 | 13,454 |
| Core⁺ | 37,685 | 77% | 2,256 | 5.81 | 1.8% | 389 | 7,573 |
| Greater Berlin | 27,653 | 56% | 1,651 | 5.52 | 1.5% | 284 | 2,728 |
| Letting portfolio | 25,331 | 52% | 1,503 | 5.56 | 1.1% | 269 | 2,347 |
| Privatisation | 2,322 | 5% | 148 | 5.20 | 5.9% | 15 | 381 |
| Rhine-Main | 8,875 | 18% | 534 | 6.66 | 2.8% | 104 | 4,671 |
| Letting portfolio | 7,871 | 16% | 464 | 6.68 | 2.2% | 104 | 3,926 |
| Privatisation | 1,004 | 2% | 69 | 6.51 | 7.2% | | 745 |
| Rhineland | 1,157 | 2% | 72 | 6.17 | 1.5% | 1 | 174 |
| Letting portfolio | 1,157 | 2% | 72 | 6.17 | 1.5% | 1 | 174 |
| Privatisation | | | | | | | |
| Core | 8,696 | 18% | 554 | 5.25 | 2.5% | 68 | 5,881 |
| Hanover/Brunswick/Magdeburg | -- | -- | -- | -- | -- | -- | -- |
| Letting portfolio | -- | -- | -- | -- | -- | -- | -- |
| Privatisation | -- | -- | -- | -- | -- | -- | -- |
| Rhine Valley South | 4,999 | 10% | 313 | 5.34 | 2.4% | 44 | 3,431 |
| Letting portfolio | 4,661 | 9% | 291 | 5.34 | 1.8% | 44 | 3,213 |
| Privatisation | 338 | 1% | 22 | 5.44 | 10.5% | | 218 |
| Rhine Valley North | 2,979 | 6% | 193 | 5.11 | 1.8% | 3 | 2,154 |
| Letting portfolio | 2,798 | 6% | 181 | 5.08 | 1.5% | 3 | 1,960 |
| Privatisation | 181 | 0% | 12 | 5.65 | 7.0% | | 194 |
| Central Germany | 174 | 0% | 12 | 6.08 | 3.5% | 19 | 293 |
| Letting portfolio | 174 | 0% | 12 | 6.08 | 3.5% | 19 | 293 |
| Privatisation | | | | | | | |
| Others | 544 | 1% | 37 | 4.86 | 5.6% | 2 | 3 |
| Letting portfolio | 538 | 1% | 36 | 4.86 | 5.5% | 2 | 3 |
| Privatisation | 6 | 0% | 0 | 5.22 | 10.2% | | |
| Non-core | 2,718 | 6% | 169 | 4.80 | 7.5% | 8 | 1,402 |
| Disposal | 1,162 | 2% | 72 | 4.56 | 11.5% | 8 | 579 |
| Other | 1,556 | 3% | 97 | 4.97 | 4.8% | | 823 |

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

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