

DEUTSCHE WOHNEN SE

Interim Financial Report 2024 H1



DEUTSCHE
WOHNEN



Key Figures

Financial Key Figures in € million	H1 2023*	H1 2024	Change in %	12M 2023
Adjusted EBITDA Total (continued operations)*	328.2	324.9	-1.0	634.8
Adjusted EBITDA Rental	325.0	314.2	-3.3	638.1
Adjusted EBITDA Value-add	1.8	8.0	>100	10.6
Adjusted EBITDA Recurring Sales	1.2	1.0	-16.7	1.3
Adjusted EBITDA Development*	0.2	1.7	>100	-15.2
Adjusted EBITDA from discontinued operations	24.2	25.1	3.7	44.6
Adjusted EBT (continuing operations)*	277.1	281.4	1.6	546.1
Adjusted EBT (continuing operations) per share in €**	0.70	0.71	1.6	1.38
Adjusted EBT (continuing operations) after minorities	275.4	280.5	1.9	539.3
Adjusted EBT (continuing operations) after minorities per share in €**	0.69	0.71	1.9	1.36
Income from fair value adjustments of investment properties*	-2,175.1	-518.5	-76.2	-3,722.2
Earnings before tax (EBT)*	-1,991.7	-264.4	-86.7	-3,419.3
Profit for the period	-1,391.1	-202.8	-85.4	-2,761.1
Operating Free Cash-Flow	82.0	263.0	>100	267.2
Cash flow from operating activities	143.8	327.3	>100	384.8
Cash flow from investing activities	416.9	293.4	-29.6	291.3
Cash flow from financing activities	-527.0	-246.2	-53.3	-658.9
Total Sum of Maintenance, Modernization, Portfolio Investments and New Construction	193.2	200.1	3.6	448.6
thereof for maintenance measures*	67.3	74.2	10.3	149.0
thereof for modernization & portfolio investments*	50.6	50.5	-0.2	114.4
thereof for new construction*	75.3	75.4	0.1	185.2

Key Balance Sheet Figures/Financial Covenants in € million	Dec. 31, 2023	Jun. 30, 2024	Change in %
Fair value of the real estate portfolio	24,461.1	24,083.7	-1.5
NAV	16,976.6	16,676.1	-1.8
NAV per share in €***	42.77	42.01	-1.8
LTV (%)	30.4	30.0	-0.4 pp
Net debt/EBITDA	12.3x	12.3x	-0.0x
ICR	6.8x	5.4x	-1.4x

Non-financial Key Figures	H1 2023	H1 2024	Change in %	12M 2023
Number of own apartments	140,168	140,195	0.0	139,847
Number of apartments sold	27	284	>100	374
thereof Recurring Sales	27	31	14.8	57
thereof Non Core/other	-	253	-	317
Number of new apartments completed	93	732	>100	328
thereof own apartments	93	539	>100	113
thereof apartments for sale	-	193	-	215
Vacancy rate (in %)	1.9	1.7	-0.2 pp	1.5
Monthly in-place rent in €/m ²	7.55	7.80	3.3	7.72
Organic rent increase (in %)	1.7	3.7	2.0 pp	3.4
Number of employees (as of June 30/Dec. 31)*	794	693	-12.7	796

* Previous year's values (2023) adjusted to current key figure and segment definition.

** Based on the weighted average number of shares carrying dividend rights.

*** Based on the shares carrying dividend rights on the reporting date.

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Interim Group Management Report – Business Development in the First Half-Year of 2024

Overview

- > Ongoing positive rent trend in the core Rental business, with high customer satisfaction levels and virtually full occupancy.
- > Higher real estate transaction volumes and bottoming out of real estate values in the 2nd quarter.
- > Successful sale of Care business portfolios.

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Deutsche Wohnen SE on the Capital Market

Shares in Deutsche Wohnen

The assessment of interest rate trends remained the dominant topic on the stock markets in the first half of 2024. To date, the expectation of imminent interest-rate cuts in the USA and Europe which was prevalent in the fourth quarter of 2023 has not been borne out. While the ECB met expectations by cutting its key rate by 25 basis points on June 6, 2024, market expectations regarding the timing and scope of further rate cuts has been pushed back further. In addition to ongoing geopolitical risks, interest rate trends are also likely to play a key role on the capital markets in the second half of the year.

The SDAX rose slightly by 2.6% in the first six months of 2024. The European real estate sector, however, was on a downward trajectory in the first six months of the year due to its strong negative correlation with interest rates and government bonds, closing the first half of the year having lost 5.2% on the closing price for 2023.

In this environment and exacerbated by a low volume of tradable shares, shares in Deutsche Wohnen lost 25% in the first six months of 2024, trading at € 17.96 at the end of the second quarter.

We are still observing an ever-wider gap between capital market expectations on the one hand, and what remains an attractive market situation for residential real estate on the other. The residential property markets in which we operate are characterized by a high level of excess demand.

As a result, we remain confident that the fundamental conditions in our markets will ensure positive development in the long run. Besides the favorable relationship (from an owner's point of view) between supply and demand in urban regions, the relevant factors here include, above all, structural momentum on the revenue side as well as support from the key megatrends.

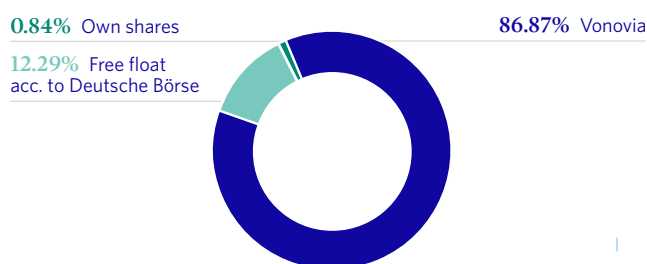
The company's market capitalization amounted to around € 7.2 billion as of June 30, 2024.

Shareholder Structure

The chart displayed below shows the voting rights pursuant to Sections 33 and 34 of the German Securities Trading Act (WpHG) as notified by the shareholders in relation to the current share capital. It is important to note that the number of voting rights reported could have changed within the respective thresholds without triggering an obligation to notify the company.

Vonovia SE holds 86.87% of the shares in Deutsche Wohnen as of June 30, 2024. On June 30, 2024, 12.3% of Deutsche Wohnen's shares were in free float as defined by Deutsche Börse. The underlying [voting rights notifications](#) and corresponding financial instruments reported by shareholders or other instruments pursuant to Sections 38, 39 WpHG can be found online.

Major Shareholders (as of June 30, 2024)



Annual General Meeting

At the Annual General Meeting held on May 6, 2024, the shareholders of Deutsche Wohnen SE approved all items on the agenda by a large majority. A total of around 96% of the share capital entitled to voting rights was represented at the Annual General Meeting, which was once again held as a virtual event. The main shareholder is Vonovia SE with a stake of just under 87%. The detailed voting results will be published at

<https://ir.deutsche-wohnen.com/websites/dewohnen/English/3600/annual-general-meetings.html>.

Share Information (as of June 30, 2024)

Total number of shares	400,296,988
Thereof treasury shares	3,362,003
Share capital	€ 400,296,988
ISIN	DE000A0HN5C6
WKN	A0HN5C
Ticker symbol	DWNI
Share class	Bearer shares
Official Market	General Standard, Frankfurt Stock Exchange, Xetra
Indices	SDAX, EPRA/NAREIT, STOXX® Europe 600, GPR 250

Economic Development in the First Half of 2024

Key Events During the Reporting Period

The core Rental business was characterized by a high level of demand for rental apartments and a positive rent trend in the first half of 2024. With a vacancy rate of 1.7% at the end of the first half of 2024 (H1 2023: 1.9%), Deutsche Wohnen's residential real estate portfolio was virtually fully occupied.

To date, the overall conditions for the other operating segments have been virtually unchanged in the 2024 reporting period by comparison with the past fiscal year. The slight cut in the ECB key rate in June 2024 is likely to favor future transactions, particularly in the Recurring Sales and Development segments.

With regard to Deutsche Wohnen's efforts to sell off its Care segment, sales contracts for six properties were concluded successfully. The sale of its discontinued operations is still expected to be completed by December 31, 2024.

Furthermore, Deutsche Wohnen successfully concluded a notarized sales contract for around 1,089 residential units and six commercial units on July 26, 2024. The purchase price of around € 160 million is slightly higher than the carrying amounts of the properties sold recognized at the time of the negotiations.

The Annual General Meeting held on May 6, 2024, resolved to pay a dividend for the 2023 fiscal year in the amount of € 0.04 per share. The total amount of the dividend distributed in cash came to € 15,877,399.40.

From the 2024 fiscal year onwards, a modified management system has been introduced. This uses the Adjusted EBT indicator and is thus more clearly focused on profitability and internal financing. The Adjusted EBT will be used as a basis for a reconciliation to the Operating Free Cash-Flow (OFCF) as the leading indicator of internal financing. This operating free cash flow is a measure of the Group's operational capacity to generate cash surpluses and, as a result, of its internal financing power.

Development of the Economic Environment

According to the Federal Statistical Office (Destatis), the German economy started 2024 with slight GDP growth (GDP in first quarter of 2024 +0.2% compared with the previous quarter) after still reporting negative growth at the end of 2023. Exports and investment delivered positive impetus for economic output, but private consumer spending failed to mount a recovery. According to the Kiel Institute for the World Economy (IfW), the economic recovery is making only sluggish progress. Despite the upward trajectory, business and consumer sentiment remain lackluster. As the year progresses, rising real disposable income levels and stronger international business, among other factors, are expected to stimulate economic activity. For 2024, GDP growth of 0.2% is forecast for Germany (IfW Kiel). In Berlin, Investitionsbank Berlin (IBB) is forecasting GDP growth of around 2% in 2024. This will be helped along by factors including a moderate recovery in consumption on the back of higher real wages.

The labor market is unable to escape the combination, for example, of a sluggish economic recovery and restrained consumption. Consequently, the German Federal Employment Agency reported yet another increase in unemployment and underemployment in Germany in June 2024. The reported demand for new employees also slowed further. The unemployment rate based on the total civilian labor force rose by 0.3 percentage points year-on-year in June 2024 to 5.8%. In Berlin, the unemployment rate came to 9.5% in June 2024, which is approximately 0.6 percentage points more than in the previous year. The average unemployment rate expected in 2024 is 5.9% for Germany (IfW Kiel).

Measured based on the consumer price index (CPI), inflation in Germany came in at 2.2% year-on-year in June 2024, according to Destatis. This signals a drop in the inflation rate compared with the beginning of the year. DB Research reports that inflation has hit the current cyclical low point. Base effects were the main factor responsible for the drop in inflation in the first half of 2024. Core inflation, however, is still sitting at around the 3% mark year-on-year in both

Germany and the euro area, above the 2% target. The average CPI increase expected in 2024 is 2.2% for Germany (IfW Kiel). Consumer prices in Berlin were up by 1.6% year-on-year in June 2024.

In a quest to make a timely return to its 2% medium-term inflation target, the European Central Bank (ECB) raised key rates in several steps in 2023 to 4.50%. June 2024 saw the ECB begin to loosen the monetary reins somewhat, when it lowered its key interest rate by 25 basis points to the current level of 4.25%. According to the Kiel Institute for the World Economy (IfW), further interest rate moves could follow as the year progresses. In this overall environment, interest rates for construction in Germany remained considerably higher at the start of 2024 than before the interest rate turnaround of 2022.

The real estate market is painting a mixed picture: On the residential real estate market, price expectations on both the seller and buyer side are slowly converging, and prices are on the rise again in some places. The real estate investment market remains subdued for the time being, with transaction volumes in the residential segment rising of late. The situation for project developers remains a challenging one. At the same time, according to Savills, the underlying conditions on the rental housing market are very good from the perspective of owners and investors alike. In many locations, there is a considerable need to catch up, and need for additional apartments, in the residential construction sector, and the demand for housing looks set to continue to rise. A further drop in vacancy rates and an increase in market rents is expected. Quoted rents continued to increase across Germany; empirica reports that they were 5.6% higher on average over all years of construction in the second quarter of 2024 (new construction 5.8%) than in the same quarter of the previous year. According to DB Research, new contract rents are expected to grow by around 5% in the current year, and rents for existing contracts by around 2.2%. Quoted rents in Berlin increased significantly and, according to Value AG, were 20.3% higher in the second quarter of 2024 than in the same quarter of the previous year, for example in the existing apartments segment. As real estate financing remains expensive, IBB expects more people to remain on the rental market in Berlin for the time being. The demand for residential space remains high.

Since house prices peaked in 2022, they have cooled down considerably in Germany. The average price drop had come to a virtual standstill by the end of the first six months of the year. The empirica price index for condominiums (all years of construction) was 3.6% lower in the second quarter of 2024 compared to the same period of the previous year. In a quarter-on-quarter comparison, however, the decline only came in at 0.4%. Other market observers are reporting that prices for existing apartments (Immowelt) and condominiums (Europace) are already up slightly on the prior-year levels on average at the midpoint of the year. In the new construction segment, the empirica price index for condominiums was up by 1.9% year-on-year in the second quarter of 2024. According to specialists from Helaba, prices are likely to stabilize in 2024, whereas Immowelt experts predict that prices will rise over the remainder of the year. According to Value AG, while quoted prices for existing condominiums in Berlin were still down by 0.5% in the second quarter of 2024 compared to the same quarter of the previous year, prices were up slightly (1.4%) in a quarter-on-quarter comparison. The prices for newly built apartments virtually stagnated here in both a year-on-year (-0.1%) and quarter-on-quarter (0.3%) comparison.

The population in Germany rose again in 2023 and is expected to increase further. There is still a shortage of apartments in many large cities and urban areas. Construction activity, however, is expected to drop. Residential construction is in a difficult phase due to the combination of higher interest rates, less favorable financing conditions and increased construction costs. In the current circumstances, new construction developments are barely viable in commercial terms. According to Destatis, 294,400 apartments were completed in Germany in 2023, a figure that was down by 0.3% as against the previous year. An updated estimate released by DB Research suggests that the figure could drop back to 260,000 in 2024. The German federal government had set itself the goal of building 400,000 new apartments per year in Germany. According to JLL, the declining volume of new construction will further increase the excess demand on the rental apartment markets in particular. In Berlin, too, the population is likely to have grown again in 2023 and German Federal Institute for Research on Building, Urban Affairs and Spatial Development (BBSR) predicts that it will continue to grow. According to IBB, there is particular demand in Berlin for affordable medium-sized apartments.

Official statistics report that just under 16,000 apartments were completed in Berlin in 2023, whereas IBB estimates that at least 20,000 new apartments would have to be built every year. The capital's potential growth could be hindered if residential construction activity is not increased significantly.

In terms of transaction volume, the German residential investment market was still subdued overall in the first half of 2024. CBRE put the volume at to € 2.8 billion, 10% lower than in the same period of the previous year. It attributes the decline to the general drop in the capital values realized and the quality of properties traded. Meanwhile, the second quarter brought a marked revival compared with the first quarter of 2024. The biggest net buyer was the public sector, followed by asset and fund managers. CBRE reports that the lion's share of transaction activity was in Berlin. The transaction volume in the German capital came to just under € 1.7 billion. Average prime yields for the country's top 7 cities remained stable at 3.4% in the second quarter. As far as 2024 as a whole is concerned, CBRE expects a transaction volume of at least € 5 billion. The volume is being increasingly determined by sales through funds and listed residential real estate companies due to a need for refinancing.

Housing policy developments in Germany in the first half of 2024 included more changes to the German Buildings Energy Act (GEG) and to the Federal Funding for Efficient Buildings (BEG). On January 1, 2024, for example, a GEG amendment came into force aimed at increasing the proportion of renewable energies in heating systems and at reducing emissions. At the same time, a new directive on the Federal Funding for Efficient Buildings (BEG) came into force to support the replacement of old fossil-fuel heating systems with environmentally friendly systems by subsidizing the associated investment costs. After the "Climate-friendly new construction" promotional program had been closed to applicants at the end of 2023, the German state-owned development bank KfW started accepting applications for subsidized loans again in February 2024. At the beginning of July 2024, part of the funds were also released for the planned promotional program for climate-friendly new construction in the low-price segment, a move that is designed to create incentives for the construction of apartments in the lower and middle price segments. In March of this year, declining balance depreciation was also adopted for newly constructed apartments in the context of the

German Growth Opportunities Act (Wachstumschancengesetz). This applies for a limited period to newly constructed residential buildings and apartments, or those acquired in the year of completion provided that construction work starts between October 1, 2023, and September 30, 2029. The KfW "Jung kauft alt" (Young buys old) promotional program will come into force in the summer of 2024, the aim being to promote the purchase of old buildings in need of renovation. In April 2024, the government coalition partners agreed to extend the rent cap by a period three years. They explain that they currently still need to consult on the corresponding draft legislation. The German government is implementing the introduction of a new non-profit housing structure with the Cabinet decision on the 2024 Annual Tax Act in June of this year. Companies that make a commitment to affordable rents in the long run will benefit from tax incentives. An agreement reached in December on the reform of the EU Buildings Directive provides for, among other things, the reduction of energy consumption in residential buildings. The EU is waiving the obligation to refurbish poorly insulated private residential buildings. The new version of the Directive came into force at the end of May 2024. Early June saw the Berlin State Government adopt a draft bill for the Faster Building Act (Schneller-Bauen-Gesetz). It is designed to speed up planning, permit and construction processes and improve the overall conditions for construction within the capital.

Results of Operations

Overview

Overall, Deutsche Wohnen's business development was consistent with expectations in the first half of 2024.

Core business in the Rental segment was characterized by high demand for rental apartments and positive rental price development. The Value-add segment posted a marked increase in earnings. Earnings contributions from Recurring Sales and Development were both in the low single-digit millions, on a par with the previous year. The overall conditions are expected to improve slightly now that real estate values on the market appear to be bottoming out.

Any analysis of the figures reported has to consider the fact that the prior-year figures are reported based on the current segmentation to facilitate a comparison.

The sale of the Care business activities was initiated by the Management Board of Deutsche Wohnen and this segment is still expected to be sold before December 2024. Accordingly, the majority of the Care segment is presented as a discontinued operation. A small part of the original Care segment (25 properties operated by third parties) was transferred to the Rental segment and generated € 11.5 million in segment revenue in the first half of 2024 (H1 2023: € 12.2 million).

The overview below shows the key figures for the company's results of operations, as well as their reconciliation to the performance indicator Adjusted EBT:

Adjusted EBT

in € million	H1 2023*	H1 2024	Change in %	12M 2023
Revenue in the Rental segment	402.3	412.7	2.6	811.4
Expenses for maintenance	-44.5	-52.1	17.1	-91.7
Operating expenses in the Rental segment	-32.8	-46.4	41.5	-81.6
Adjusted EBITDA Rental	325.0	314.2	-3.3	638.1
Revenue in the Value-add segment	13.4	13.8	3.0	29.0
thereof external revenue	12.9	13.2	2.3	26.7
thereof internal revenue	0.5	0.6	20.0	2.3
Operating expenses in the Value-add segment	-11.6	-5.8	-50.0	-18.4
Adjusted EBITDA Value-add	1.8	8.0	>100	10.6
Revenue in the Recurring Sales segment	6.3	9.8	55.6	12.8
Fair value of properties sold adjusted to reflect effects not relating to the period from assets held for sale in the Recurring Sales segment	-4.6	-8.1	76.1	-10.3
Adjusted result Recurring Sales	1.7	1.7	0.0	2.5
Selling costs in the Recurring Sales segment	-0.5	-0.7	40.0	-1.2
Adjusted EBITDA Recurring Sales	1.2	1.0	-16.7	1.3
Revenue from disposal of Development to sell properties	147.8	5.9	-96.0	155.0
Cost of Development to sell	-138.7	-5.9	-95.7	-142.0
Gross profit Development to sell	9.1	-	-100.0	13.0
Rental revenue Development	1.7	1.8	5.9	3.0
Operating expenses in the Development segment	-10.6	-0.1	-99.1	-31.2
Adjusted EBITDA Development*	0.2	1.7	>100	-15.2
Adjusted EBITDA Total (continuing operations)*	328.2	324.9	-1.0	634.8
Adjusted net financial result	-38.5	-32.2	-16.4	-67.3
Intragroup profit/-losses	-	-	-	-
Straight-line Depreciation**	-12.6	-11.3	-10.3	-21.4
Adjusted EBT (continuing operations)	277.1	281.4	1.6	546.1
Adjusted EBT (continuing operations) per share in €***	0.70	0.71	1.6	1.38
Minorities	1.7	0.9	-47.1	6.8
Adjusted EBT (continuing operations) after minorities	275.4	280.5	1.9	539.3
Adjusted EBT (continuing operations) after minorities per share in €***	0.69	0.71	1.9	1.36

* Previous year's values (2023) adjusted to current key figure and segment definition.

** Depreciation on concessions/property rights/licenses, self-developed software, self-used real estate, technical equipment and machinery, as well as other equipment/operating and business equipment.

*** Based on the weighted average number of shares carrying dividend rights.

As of June 30, 2024, Deutsche Wohnen had a workforce of 693 employees (June 30, 2023: 794) in its continuing operations.

As of the end of the second quarter of 2024, Deutsche Wohnen managed a portfolio comprising 140,195 of its own residential units (end of the second quarter of 2023: 140,168), 25,736 garages and parking spaces (end of the second quarter of 2023: 25,793) and 2,517 commercial units (end of the second quarter of 2023: 2,557).

Details on Results of Operations by Segment

Rental Segment

At the end of June 2024, the portfolio in the Rental segment had a vacancy rate of 1.7% (H1 2023: 1.9%), meaning that it was once again virtually fully occupied.

The segment revenue in the Rental segment increased by 2.6% (H1 2023: 2.2%) from € 402.3 million in the first six months of 2023 to € 412.7 million in the first six months of 2024.

Organic rent growth (twelve-month rolling) totaled 3.7% (H1 2023: 1.7%). This is the result of **like-for-like rent increases** of 3.2% (H1 2023: 1.6%) and a 0.5% (H1 2023: 0.1%) increase in rent resulting from the construction of new apartments and the addition of stories to existing properties.

The average monthly in-place rent within the Rental segment at the end of June 2024 came to € 7.80 per m² compared to € 7.55 per m² at the end of June 2023.

The overview below provides details on maintenance, modernization and new construction.

Maintenance, Modernization and New Construction

in € million	H1 2023	H1 2024	Change in %	12M 2023
Expenses for maintenance	44.5	52.1	17.1	91.7
Capitalized maintenance	22.8	22.1	-3.1	57.3
Maintenance measures	67.3	74.2	10.3	149.0
Modernization & Portfolio Investments	50.6	50.5	-0.2	114.4
New construction (to hold)	75.3	75.4	0.1	185.2
Modernization, Portfolio Investments and New Construction	125.9	125.9	-	299.6
Total Sum of Maintenance, Modernization, Portfolio Investments and New Construction	193.2	200.1	3.6	448.6

Operating expenses in the Rental segment in the first half of 2024 were up by 41.5% on the figures for the first half of 2023, from € 32.8 million to € 46.4 million. All in all, the **Adjusted EBITDA Rental** came to € 314.2 million in the first half of 2024, down by 3.3% on the prior-year value of € 325.0 million.

Value-add Segment

Our business activities in the **Value-add segment** showed positive year-on-year development in the first six months of the 2024 fiscal year.

All in all, revenue from the Value-add segment came to € 13.8 million in the 2024 reporting period, up by 3.0% on the value of € 13.4 million seen in the first six months of 2023. External revenue from our Value-add activities with our end customers in the first six months of 2024 rose by 2.3% by comparison with the first six months of 2023, from € 12.9 million to € 13.2 million. Group revenue rose by 20.0% in the first six months of 2024 from € 0.5 million in the first six months of 2023 to € 0.6 million.

Operating expenses in the Value-add segment in the first six months of 2024 were down on the figures for the first six months of 2023, from € 11.6 million to € 5.8 million. This is due, among other factors, to the inclusion, for the first time, of other financial income resulting from the delayed collection of profits from the investments in AVW GmbH & Co. KG, Hamburg, in the first half of 2024 in connection with housing-related services in the Value-add segment.

Adjusted EBITDA Value-add came to € 8.0 million in the first six months of 2024, up very considerably on the figure of € 1.8 million reported for the first six months of 2023.

Recurring Sales Segment

In the first half of 2024, income from the disposal of properties in the Recurring Sales segment came to € 9.8 million and 31 (H1 2023: 27) apartments sold, up on the value for the first half of 2023 (€ 6.3 million). In the first six months of 2024, the fair value step-up came to 21.4%, down considerably on the value of 36.6% seen in the first half of 2023.

Selling costs in the Recurring Sales segment came in at € 0.7 million in the first half of 2024, up by 40.0% on the value of € 0.5 million seen in the first half of 2023. **Adjusted EBITDA Recurring Sales** came in at € 1.0 million in the first half of 2024, down on the value of € 1.2 million seen in the first half of 2023.

Moreover, in the first six months of 2024, 253 residential units from the Non-core/Other portfolio (H1 2023: 0) were sold as part of our portfolio adjustment measures, with proceeds totaling € 89.0 million (H1 2023: € 0.0 million). The fair value step-up for Non-core/Other disposals came to -1.2% in the 2024 reporting period (H1 2023: 0.0%).

Development Segment

In the Development to sell area, a total of 193 units were completed in the 2024 reporting period (H1 2023: 0 units). In the first half of 2024, income from the disposal of Development to sell properties amounted to € 5.9 million (H1 2023: € 147.8 million). The resulting gross profit for Development to sell came to € 0.0 million in the first half of 2024 (H1 2023: € 9.1 million).

Development operating expenses came to € 0.1 million in the first half of 2024, down very considerably on the value of € 10.6 million seen in the first half of 2023 due to lower depreciation and amortization recognized on real estate inventories.

The **Adjusted EBITDA for the Development segment** amounted to € 1.7 million in the first half of 2024 (H1 2023: € 0.2 million).

Adjusted EBT

The **Adjusted EBITDA Total for continuing operations** amounted to € 324.9 million in the first six months of 2024 and was thus 1.0% lower than the prior-year value of € 328.2 million in the first six months of 2023.

Reconciliations

The **adjusted net financial result** changed from € -38.5 million in the first six months of 2023 to € -32.2 million in the first six months of 2024.

Reconciliation of Adjusted Net Financial Result

in € million	H1 2023	H1 2024	Change in %	12M 2023
Income from non-current securities and non-current loans	22.6	33.6	48.7	58.6
Other interest and similar income from affiliated companies	10.3	5.4	-47.6	18.0
Interest received and similar income	1.1	4.4	>100	3.3
Interest expense from non-derivative financial liabilities	-78.9	-87.0	10.3	-165.3
Swaps (current interest expense for the period)	6.3	11.4	81.0	17.1
Income from investments	0.1	-	-100.0	0.7
Adjusted net financial result	-38.5	-32.2	-16.4	-67.3
Accrued interest	-24.2	-50.4	>100	-26.7
Net cash interest	-62.7	-82.6	31.7	-94.0

Scheduled depreciation and amortization fell from € 12.6 million in the first six months of 2023 to € 11.3 million in the first six months of 2024.

Overall, **Adjusted EBT for continuing operations** came to € 281.4 million in the first six months of 2024, compared to € 277.1 million in the first six months of 2023.

In the first six months of 2024 **profit for the period** came to € -202.8 million (H1 2023: € -1,391.1 million).

The reconciliation of the profit for the period to Adjusted EBT (continuing operations) is as follows:

Reconciliation of Profit for the Period/Adjusted EBT/Adjusted EBITDA

	H1 2023*	H1 2024	Change in %	12M 2023
Profit for the period	-1,391.1	-202.8	-85.4	-2,761.1
Profit from discontinued operations	5.1	21.6	>100	333.5
Profit from continuing operations	-1,396.2	-181.2	-87.0	-2,427.6
Income taxes	595.5	-83.2	-	-991.7
Earnings before tax (EBT)	-1,991.7	-264.4	-86.7	-3,419.3
Non-recurring items	3.9	-3.9	-	17.0
Net income from fair value adjustments of investment properties	2,175.1	518.5	-76.2	3,722.2
Non-scheduled depreciation/value-adjustments (incl. impairment of financial assets)	65.4	16.6	-74.6	111.2
Valuation effects and special effects in the financial result	11.2	-0.9	-	37.6
Net income from investments accounted for using the equity method	12.1	18.4	52.1	75.1
Earnings contribution from non-core/other sales	0.5	4.9	>100	2.0
Period adjustments from assets held for sale	0.6	-7.8	-	0.3
Adjusted EBT (continuing operations)	277.1	281.4	1.6	546.1
Straight-line depreciation	12.6	11.3	-10.3	21.4
Adjusted net financial result	38.5	32.2	-16.4	67.3
Intragroup profit/-losses	-	-	-	-
Adjusted EBITDA Total (continuing operations)	328.2	324.9	-1.0	634.8

* Previous year's values (2023) adjusted to current key figure and segment definition.

The reconciliation of Adjusted EBT (continuing operations) to Operating Free Cash-Flow is as follows:

Reconciliation of Adjusted EBT/Operating Free Cash-Flow

in € million	H1 2023	H1 2024	Change in %	12M 2023
Adjusted EBT (continuing operations)	277.1	281.4	1.6	546.1
Straight-line depreciation	12.6	11.3	-10.3	21.4
Change in net current assets (working capital) according to the cash flow statement (adjusted for special payment effects)	-149.2	18.2	-	-219.9
Carrying amount of recurring sales assets sold	4.6	8.1	76.1	10.3
Capitalized maintenance	-22.8	-22.1	-3.1	-57.3
Dividends and payouts to non-controlling shareholders (minorities)	-4.7	-4.8	2.1	-6.2
Income tax payments according to cash flow statement (w/o taxes on non-core sales)	-35.6	-29.1	-18.3	-27.2
Operating Free Cash-Flow	82.0	263.0	>100	267.2

Assets

Consolidated Balance Sheet Structure

	Dec. 31, 2023		Jun. 30, 2024	
	in € million	in %	in € million	in %
Non-current assets	24,066.4	88.5	23,058.6	86.6
Current assets	3,119.6	11.5	3,561.9	13.4
Total assets	27,186.0	100.0	26,620.5	100.0
Equity	13,998.2	51.5	13,804.5	51.8
Non-current liabilities	12,394.3	45.6	10,963.5	41.2
Current liabilities	793.5	2.9	1,852.5	7.0
Total equity and liabilities	27,186.0	100.0	26,620.5	100.0

The main development in **non-current assets** is the decline in investment properties of € 522.1 million, largely on account of the write-down performed. The value of non-current financial assets accounted for using the equity method had fallen by € 18.4 million as of June 30, 2024, mainly due to earnings adjustments. In addition, non-current financial assets fell by € 331.7 million from € 561.6 million to € 229.9 million due to the premature repayment of the loan granted to Vonovia SE in the amount of € 320.0 million in May 2024.

Within **current assets**, real estate inventories increased by € 30.2 million, from € 752.6 million to € 782.8 million. Current financial assets rose by € 57.1 million from € 686.1 million to € 743.2 million due to the granting of new loans to QUARTERBACK Immobilien AG in the amount of € 30.0 million and the reclassification of loans from non-current to current assets.

Cash and cash equivalents rose to € 526.5 million as against € 157.1 million as of December 31, 2023.

As of June 30, 2024, the gross asset value (GAV) of Deutsche Wohnen's property assets came to € 24,275.0 million. This corresponds to 91.2% of total assets, compared to € 24,658.4 million or 90.7% at the end of 2023.

Total equity dropped by € 193.7 million from € 13,998.2 million to € 13,804.5 million, largely as a result of the profit for the period of € -202.8 million.

The **equity ratio** comes to 51.9% as of June 30, 2024, compared with 51.5% at the end of 2023.

Liabilities fell by € 371.8 million from € 13,187.8 million to € 12,816.0 million. The amount of non-current non-derivative financial liabilities fell by € 1,278.3 million from € 8,248.3 million to € 6,970.0 million. Current non-derivative financial liabilities rose by € 1,180.7 million from € 234.0 million to € 1,414.7 million.

Deferred tax liabilities fell by € 107.5 million from € 3,799.4 million to € 3,691.9 million.

Net Assets (NAV)

At the end of June 2024, the NAV came to € 16,676.2 million, down by 1.8% on the value of € 16,976.6 million seen at the end of 2023.

NAV per share fell from € 42.77 at the end of 2023 to € 42.01 at the end of June 2024.

Net Tangible Assets (NAV)

in € million	Dec. 31, 2023	Jun. 30, 2024	Change in %
Total equity attributable to Deutsche Wohnen shareholders	13,611.1	13,431.9	-1.3
Deferred tax in relation to fair value gains of investment properties *	3,398.6	3,284.8	-3.3
Fair value of financial instruments	-32.6	-40.2	23.3
Intangibles	-0.5	-0.4	-20.0
NAV	16,976.6	16,676.1	-1.8
NAV per share in €	42.77	42.01	-1.8

* Proportion of hold portfolio.

Fair Values

Major market developments and valuation parameters that have an impact on the fair values of Deutsche Wohnen are assessed on an ongoing basis. This revaluation led to a net loss from the measurement of the investment properties of € -518.5 million for the first six months of 2024 (H1 2023: € -2,175.1 million).

The recognition and valuation of investment properties are explained in detail in the consolidated financial statements for 2023.

Financial Position

Cash Flow

The Group cash flow is as follows:

Key Data from the Statement of Cash Flows

in € million	H1 2023	H1 2024
Cash flow from operating activities	143.8	327.3
Cash flow from investing activities	416.9	293.4
Cash flow from financing activities	-527.0	-246.2
Net changes in cash and cash equivalents	33.7	374.5
Cash and cash equivalents at the beginning of the period (excl. discontinued operation)	184.3	157.1
Cash and cash equivalents at the beginning of the period from discontinued operations	-	44.4
Cash and cash equivalents at the beginning of the period (incl. discontinued operation)	184.3	201.5
Cash and cash equivalents at the end of the period (incl. discontinued operation)	218.0	576.0
Less Cash and cash equivalents of discontinued operation	-	49.5
Cash and cash equivalents at the end of the period	218.0	526.5

The cash flow from **operating activities** came to € 327.3 million for the first six months of 2024, compared with € 143.8 million for the first six months of 2023, mainly due to proceeds from the disposal of real estate inventories.

The cash flow from **investing activities** shows net proceeds of € 293.4 million for the first six months of 2024, as against net proceeds of € 416.9 million for the first six months of 2023. This figure includes payments for the acquisition of

investment properties of € 178.0 million (H1 2023: € 110.3 million). It also includes, with the opposite effect, proceeds from the premature repayment of the loan granted to Vonovia SE in the amount of € 320.0 million in the first six months 2024.

The cash flow from **financing activities** in the amount of € -246.2 million (H1 2023: € -527.0 million) includes pay-

ments for regular and unscheduled repayments on financial liabilities in the amount of € 121.8 million (H1 2023: € 408.5 million). Interest paid in the first six months of 2024 amounted to € 92.8 million (H1 2023: € 90 million).

Net changes in **cash and cash equivalents** came to € 374.5 million.

in € million	Dec. 31, 2023	Jun. 30, 2024	Change in %
Non-derivative financial liabilities	8,518.0	8,384.7	-1.6
Cash and cash equivalents	-201.6	-576.0	>100
Net debt	8,316.4	7,808.7	-6.1
Sales receivables	-495.9	-300.1	-39.5
Adjusted net debt	7,820.5	7,508.6	-4.0
Fair value of the real estate portfolio	24,461.1	24,083.7	-1.5
Loans to companies holding immovable property and land	1,134.3	823.2	-27.4
Shares in other real estate companies	160.1	140.1	-12.5
Adjusted fair value of the real estate portfolio	25,755.5	25,047.0	-2.8
LTV	30.4%	30.0%	-0.4 pp
Net debt*	7,821.0	7,508.6	-4.0
Adjusted EBITDA total**	634.8	610.4	-3.8
Net debt/EBITDA multiple	12.3x	12.3x	-0.0x

* Average over 5 quarters.

** Total over 4 quarters.

The financial covenants have been fulfilled as of the reporting date.

in € million	Threshold	Dec. 31, 2023	Jun. 30, 2024	Change in %
Total financial debt/		8,316.4	7,808.7	-6.1
Total assets		27,186.0	26,620.5	-2.1
LTV	< 60.0%	30.6%	29.3%	-1.3 pp
LTM Adjusted EBITDA/		634.8	610.4	-3.8
LTM Net Cash Interest		94.0	113.8	21.1
ICR	> 1.8x	6.8x	5.4x	-1.4x

Opportunities and Risks

In addition to the opportunities and risks set out in the 2023 Annual Report, there were essentially no changes in the assessment of the overall risk position at the end of the first half of 2024.

The value thresholds for risks with an impact on profit were adjusted accordingly in line with the switch in the management system from Group FFO to Adjusted EBT:

- > in **category 1, low amount of loss**, from € 1.5-12 million to € 1.5-15 million,
- > in **category 2, noticeable amount of loss**, from € 12-45 million to € 15-54 million,
- > in **category 3, substantial amount of loss**, from € 45-112.5 million to € 54-135 million,
- > in **category 4, high amount of loss**, from € 112.5-225 million to € 135-270 million, and
- > in **category 5, very high amount of loss**, from >€ 225 million to >€ 270 million.

The number of overall risks fell from 73 at the end of 2023 to 72 at the end of the first six months of 2024.

There are currently no indications of any (red) risks that could pose a threat to the company's existence, and – as things stand at present – no such risks are expected to arise in the future.

The number of amber risks came to nine at the end of the first half of 2024, as at the end of 2023. The assessments regarding the potential amount of loss categories and the expected probabilities of occurrence are unchanged as against the assessment last published in the 2023 Annual Report.

The following nine amber risks were identified at the end of the first six months of 2024:

“Future market development leads to a drop in property values” with a potential amount of loss affecting the balance sheet of € 720-1,800 million and an expected probability of occurrence of 5-39%.

“Development sale risk” with a potential amount of loss with an impact on profit and loss of € 135-270 million (previously € 112.5-225 million) and an expected probability of occurrence of 40-59%.

“Unfavorable interest rate developments” with a potential amount of loss with an impact on profit and loss of € 135-270 million (previously € 112.5-225 million) and an expected probability of occurrence of 5-39%.

“Deteriorating residential property market situation” with a potential amount of loss with an impact on profit and loss of € 135-270 million (previously € 112.5-225 million) and an expected probability of occurrence of 5-39%.

“Amendment to the Hazardous Substances Ordinance” with an unchanged substantial potential amount of loss and an expected probability of occurrence of 60-95%.

“Development project cost risk” with a potential amount of loss with an impact on profit and loss of € 54-135 million (previously € 45-112.5 million) and an expected probability of occurrence of 5-39%.

“Failure to fulfill obligations (from bonds, secured loans, transactions)” with a potential amount of loss with an impact on profit and loss of >€ 270 million (previously >€ 225 million) and an expected probability of occurrence of <5%.

“Service provider/default risk Deutsche Wohnen” with a potential amount of loss with an impact on profit and loss of >€ 270 million (previously >€ 225 million) and an expected probability of occurrence of <5%.

“Amendments to the German Real Estate Transfer Tax Act (Grunderwerbsteuergesetz) due to share deals” with a potential amount of loss with an impact on profit and loss of >€ 270 million (previously >€ 225 million) and an expected probability of occurrence of <5%.

Business Outlook

The forecast was based on the accounting principles used in the consolidated financial statements, with the adjustments described elsewhere in the management report being made. The forecast does not take account of any larger acquisitions of real estate portfolios.

Our forecast for the 2024 fiscal year is based on determined and updated corporate planning for the Deutsche Wohnen Group as a whole and considers current business developments, possible opportunities and risks, as well as the effects of the conflict in the Middle East and the war in Ukraine. It also includes the key overall macroeconomic developments and the economic factors that are relevant to the real estate industry and our corporate strategy. Further information is provided in the sections entitled Development of the Economy and the Industry and Fundamental Information About the Group. Beyond this, the Group's further development remains exposed to general opportunities and risks (see chapter on Opportunities and Risks).

We expect the price increases on the construction and commodity markets, in particular, continue to have a moderate impact on Deutsche Wohnen and our customers. While these will have a direct impact on ancillary expenses, they will also have an indirect effect on all areas of the economy due to general price increases. We also expect prices for construction materials to remain high, which will affect our construction projects as well. Unchanged high interest rates and inflation continue to create increased volatility on the equity and debt capital markets, also due to, or exacerbated by, the war in Ukraine and the conflict in the Middle East. We therefore assess the overall economic situation and developments on an ongoing basis, particularly with regard to the return requirements for investment and divestment decisions.

All in all, we expect Adjusted EBITDA Total to be on a par with the previous year. The rise in interest rates over the last two years is resulting in a marked increase in borrowing costs and the associated adjusted net financial result. Based on stable depreciation and amortization, we therefore expect Adjusted EBT to be slightly below the previous year's

level. Both key figures are influenced to a considerable degree by the sales risks on the transaction market.

In addition, we expect the value of our company to increase further and, as a result, predict a slight increase in NAV per share, leaving any further market-related changes in property value out of the equation.

Based on the investments we plan to make in our real estate portfolio, we expect the CO₂ intensity of our portfolio to be down slightly year-on-year in 2024.

Berlin, July 29, 2024

The Management Board

Condensed Interim Consolidated Financial Statements

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Consolidated Income Statement

in € million	Notes	Jan. 1-Jun. 30, 2023 (adjusted)	Jan. 1-Jun. 30, 2024	Apr. 1- Jun. 30, 2023 (adjusted)	Apr. 1- Jun. 30, 2024
Revenue from property letting		655.7	653.3	327.8	327.2
Other revenue from property management		41.6	34.8	21.3	15.6
Revenue from property management	B5	697.3	688.1	349.1	342.8
Income from disposal of properties		2.1	98.8	-	31.4
Carrying amount of properties sold		-2.1	-97.9	-	-30.9
Revaluation of assets held for sale		-	7.6	-	8.1
Profit from the disposal of properties	B6	-	8.5	-	8.6
Revenue from disposal of real estate inventories		152.0	5.9	148.5	5.9
Cost of sold real estate inventories		-141.9	-5.9	-139.2	-5.9
Profit from disposal of real estate inventories	B7	10.1	-	9.3	-
Net income from fair value adjustments of investment properties	B8	-2,175.1	-518.5	-1,071.6	-518.5
Capitalized internal expenses		0.1	0.5	0.1	0.3
Cost of materials	B9	-303.8	-305.4	-141.9	-153.4
Personnel expenses		-28.3	-15.8	-13.6	-5.3
Depreciation and amortization		-64.8	-16.3	-58.9	-10.5
Other operating income	B10	35.3	31.3	17.6	24.5
Impairment losses on financial assets		-0.3	-25.1	-0.3	-1.9
Net income from the derecognition of financial assets measured at amortized cost		-1.4	0.7	-1.9	0.5
Other operating expenses	B11	-99.1	-65.1	-68.2	-37.4
Net income from investments accounted for using the equity method		-12.1	-18.4	-12.0	-18.4
Interest income	B12	35.5	45.7	15.9	22.9
Interest expenses	B13	-81.2	-76.4	-38.4	-39.8
Other financial result	B14	-3.9	1.8	-3.9	1.8
Earnings before tax		-1,991.7	-264.4	-1,018.7	-383.8
Income taxes		595.5	83.2	299.1	114.8
Profit for the period of continuing operations		-1,396.2	-181.2	-719.6	-269.0
Profit for the period of discontinued operations		5.1	-21.6	-3.7	-33.1
Profit for the period		-1,391.1	-202.8	-723.3	-302.1
Attributable to:					
Deutsche Wohnen's shareholders		-1,357.9	-193.0	-704.9	-290.8
Non-controlling interests		-33.2	-9.8	-18.4	-11.3
Earnings per share of continuing operations (diluted) in €		-3.43	-0.46	-1.77	-0.68
Earnings per share of continuing operations (basic) in €		-3.43	-0.46	-1.77	-0.68
Earnings per share total (diluted) in €		-3.42	-0.49	-1.78	-0.73
Earnings per share total (basic) in €		-3.42	-0.49	-1.78	-0.73

Consolidated Statement of Comprehensive Income

in € million	Jan. 1 - Jun. 30, 2023	Jan. 1 - Jun. 30, 2024	Apr. 1 - Jun. 30, 2023	Apr. 1 - Jun. 30, 2024
Profit for the period	-1,391.1	-202.8	-723.3	-302.1
Change in unrealized gains/losses	-2.6	2.5	1.1	1.0
Taxes on the change in unrealized gains/losses	0.8	-0.7	-0.3	-0.3
Profit on cash flow hedges	-1.8	1.8	0.8	0.7
Items which will be recognized in profit or loss in the future	-1.8	1.8	0.8	0.7
Change in actuarial gains/losses, net	-1.8	-0.5	-1.0	3.0
Tax effect	0.2	-0.5	0.1	-0.1
Profit on actuarial gains and losses from pensions and similar obligations	-1.6	-1.0	-0.9	2.9
Items which will not be recognized in profit or loss in the future	-1.6	-1.0	-0.9	2.9
Other comprehensive income	-3.4	0.8	-0.1	3.6
Total comprehensive income	-1,394.5	-202.0	-723.4	-298.5
Attributable to:				
Deutsche Wohnen shareholders	-1,361.2	-192.3	-705.1	-287.2
thereof from continuing operations	-1,365.4	-167.9	-700.8	-255.8
thereof from discontinued operations	4.2	-24.4	-4.3	-31.4
Non-controlling interests	-33.3	-9.8	-18.3	-11.4

Consolidated Balance Sheet

in € million	Notes	Dec. 31, 2023	Jun. 30, 2024
Assets			
Intangible assets		0.5	0.4
Property, plant and equipment		151.5	150.8
Investment properties	D16	23,021.5	22,499.4
Financial assets	D17	561.6	229.9
Investments accounted for using the equity method	D18	126.3	107.9
Other assets		203.9	69.1
Deferred tax assets		1.1	1.1
Total non-current assets		24,066.4	23,058.6
Inventories		2.7	2.4
Trade receivables		140.3	28.2
Financial assets	D17	686.1	743.2
Other assets		391.1	419.0
Income tax receivables		145.6	105.1
Cash and cash equivalents		157.1	526.5
Real estate inventories		752.6	782.8
Assets held for sale	D19	74.0	277.2
Assets of discontinued operations	D19	770.1	677.5
Total current assets		3,119.6	3,561.9
Total assets		27,186.0	26,620.5

in € million	Notes	Dec. 31, 2023	Jun. 30, 2024
Equity and liabilities			
Subscribed capital		396.9	396.9
Capital reserves		4,174.7	4,174.7
Retained earnings		9,034.6	8,853.7
Other reserves		4.9	6.6
Total equity attributable to Deutsche Wohnen shareholders		13,611.1	13,431.9
Non-controlling interests		387.1	372.6
Total equity		13,998.2	13,804.5
Provisions		63.9	52.5
Trade payables		2.6	2.7
Non-derivative financial liabilities	E20	8,248.3	6,970.0
Derivatives		7.7	2.8
Lease liabilities	E21	91.3	86.2
Liabilities to shareholders		181.0	154.7
Other liabilities		0.1	2.7
Deferred tax liabilities		3,799.4	3,691.9
Total non-current liabilities		12,394.3	10,963.5
Provisions		90.4	84.4
Trade payables		174.7	149.7
Non-derivative financial liabilities	E20	234.0	1,414.7
Lease liabilities	E21	13.8	13.7
Liabilities to shareholders		9.5	5.0
Current income taxes		92.1	64.4
Other liabilities		37.0	45.3
Liabilities of discontinued operations	D19	142.0	75.3
Total current liabilities		793.5	1,852.5
Total liabilities		13,187.8	12,816.0
Total equity and liabilities		27,186.0	26,620.5

Consolidated Statement of Cash Flows

in € million	Notes	Jan. 1 - Jun. 30, 2023	Jan. 1 - Jun. 30, 2024
Profit for the period		-1,391.1	-202.8
Net income from fair value adjustments of investment properties	B8	2,175.8	540.7
Revaluation of assets held for sale	B6	-	-7.6
Depreciation and amortization		84.0	40.5
Interest expenses/income and other financial result	B12/B13/B14	50.2	32.5
Income taxes		-596.8	-84.1
Profit on the disposal of investment properties	B6	-	2.2
Results from disposals of other non-current assets		-5.7	-
Other expenses/income not affecting cash		12.2	26.2
Change in working capital		-149.2	18.2
Income tax paid		-35.6	-38.5
Cash flow from operating activities		143.8	327.3
Proceeds from disposals of investment properties and assets held for sale		2.2	179.8
Proceeds from disposals of other assets		1,012.2	323.0
Payments for investments in investment properties	D16	-110.3	-178.0
Payments for investments in other assets		-514.4	-41.6
Interest received		27.2	10.2
Cash flow from investing activities		416.9	293.4

in € million	Notes	Jan. 1 - Jun. 30, 2023	Jan. 1 - Jun. 30, 2024
Cash paid to shareholders of Deutsche Wohnen SE		-15.9	-15.9
Cash paid to non-controlling interests		-4.7	-4.8
Cash repayments of financial liabilities	E20	-408.5	-121.8
Cash repayments of lease liabilities	E21	-7.9	-7.7
Payments in connection with the disposal of shares in non-controlling interests		-	-3.2
Interest paid		-90.0	-92.8
Cash flow from financing activities		-527.0	-246.2
Cash and cash equivalents at the beginning of the period (excl. discontinued operation)		184.3	157.1
Cash and cash equivalents at the beginning of the period from discontinued operations	D19	-	44.4
Cash and cash equivalents at the beginning of the period		184.3	201.5
Net changes in cash and cash equivalents		33.7	374.5
Cash and cash equivalents at the end of the period (incl. discontinued operation)		218.0	576.0
Less Cash and cash equivalents of discontinued operation	D19	-	49.5
Cash and cash equivalents at the end of the period		218.0	526.5

Consolidated Statement of Changes in Equity

in € million	Subscribed capital	Capital reserves	Retained earnings	Other reserves	
				Equity instruments at fair value in other comprehensive income	Cash flow hedges
As of Jan. 1, 2024	396.9	4,174.7	9,034.6	-3.5	8.4
Profit for the period			-193.0		
Changes in the period			-1.0		1.7
Other comprehensive income			-1.0		1.7
Total comprehensive income			-194.0		1.7
Dividend distributed by Deutsche Wohnen SE			-15.9		
Changes recognized directly in equity			29.0		
As of Jun. 30, 2024	396.9	4,174.7	8,853.7	-3.5	10.1
As of Jan. 1, 2023	396.9	4,174.7	11,715.6	-3.5	15.9
Profit for the period			-1,357.9		
Changes in the period			-1.5		-1.8
Other comprehensive income			-1.5		-1.8
Total comprehensive income			-1,359.4		-1.8
Dividend distributed by Deutsche Wohnen SE			-15.9		
Changes recognized directly in equity			1.1		
As of Jun. 30, 2023	396.9	4,174.7	10,341.4	-3.5	14.1

	Equity attributable to Deutsche Wohnen shareholders	Non-controlling interests	Total equity
	13,611.1	387.1	13,998.2
	-193.0	-9.8	-202.8
	0.7	0.1	0.8
	0.7	0.1	0.8
	-192.3	-9.7	-202.0
	-15.9		-15.9
	29.0	-4.8	24.2
	13,431.9	372.6	13,804.5
	16,299.6	475.5	16,775.1
	-1,357.9	-33.2	-1,391.1
	-3.3	-0.1	-3.4
	-3.3	-0.1	-3.4
	-1,361.2	-33.3	-1,394.5
	-15.9		-15.9
	1.1	-4.9	-3.8
	14,923.6	437.3	15,360.9

Notes

Section (A): Principles of the Consolidated Financial Statements

1 General Information

Deutsche Wohnen SE is based in Germany and is entered in the Commercial Register of Berlin-Charlottenburg under HRB 190322 B. The company has its registered office at Mecklenburgische Strasse 57, 14197 Berlin.

The interim consolidated financial statements as of June 30, 2024, were prepared in line with the International Financial Reporting Standards (IFRS) as they are to be applied in the European Union for interim financial statements in accordance with IAS 34. They include the company and its subsidiaries.

In accordance with IAS 34, the scope of Deutsche Wohnen's interim consolidated financial statements as of June 30, 2024, is condensed compared with the consolidated financial statements as of December 31, 2023.

2 Accounting Policies

Recognition and measurement, as well as the explanatory information and notes, are generally based on the same recognition and measurement methods that were used to prepare the consolidated financial statements for the 2023 fiscal year. There were no seasonal or economic influences that had an impact on Deutsche Wohnen's business activities in the reporting period.

The operating business was stable as expected.

The new standards and interpretations to be applied as of January 1, 2024, do not have any material effects on Deutsche Wohnen's consolidated financial statements.

For detailed information on the effects in the 2023 fiscal year, please refer to Section (A) Principles of the Consolidated Financial Statements in Deutsche Wohnen's published 2023 Annual Report.

3 Adjustment to Prior-year Figures

Disclosure of the Care Segment

As part of a strategic review of the Care segment, the management decided to discontinue these business activities and sell off this segment in the 2023 fiscal year. Endeavors to sell the Care segment have begun and it is expected to have been sold before December 2024.

The criteria for presentation as a disposal group held for sale are met. At the same time, the criteria for definition as a discontinued operation are also met. Accordingly, the majority of the segment is presented separately in the balance sheet as a disposal group held for sale/discontinued operation, and the results from the discontinued operation are shown separately in the income statement. Pursuant to IFRS 5, retrospective adjustments were made to presentation in the income statement; IFRS 5 does not provide for the restatement of the prior-year figures in the balance sheet.

The share of revenue from nursing care properties that are not part of the disposal group was reclassified from "Other revenue from property management" to "Revenue from property letting," since these properties will make a long-term contribution to revenue in the Rental segment by being let to third parties. The other adjustments represent the profit share attributable to the disposal group to be hived off.

Intra-Group transactions were eliminated from the consolidated financial results in full. The eliminations were allocated to continuing operations and discontinued operations so as to take account of the decision not to continue these transactions after the disposal, as the Management Board considers this type of presentation to be useful.

For this purpose, Deutsche Wohnen has eliminated the revenue, and the associated expenses, resulting from transactions with continuing operations generated prior to the reclassification in the result from continuing operations, since no services will be exchanged between the continuing operations and the discontinued operation after the sale.

Income Statement

The table below illustrates the changes as against the prior-year presentation in the income statement:

in € million	Jan. 1- Jun. 30, 2023	Adjustment	Jan. 1-Jun. 30, 2023 (adjusted)	Apr. 1- Jun. 30, 2023	Adjustment	Apr. 1-Jun. 30, 2023 (adjusted)
Revenue from property letting	643.8	11.9	655.7	322.1	5.7	327.8
Other revenue from property management	185.5	-143.9	41.6	94.5	-73.2	21.3
Revenue from property management	829.3	-132.0	697.3	416.6	-67.5	349.1
Income from the disposal of properties	2.1	-	2.1	-	-	-
Carrying amount of properties sold	-2.1	-	-2.1	-	-	-
Revaluation of assets held for sale	-	-	-	-	-	-
Profit from the disposal of properties	-	-	-	-	-	-
Revenue from disposal of real estate inventories	152.0	-	152.0	148.5	-	148.5
Cost of sold real estate inventories	-141.9	-	-141.9	-139.2	-	-139.2
Profit from disposal of real estate inventories	10.1	-	10.1	9.3	-	9.3
Net income from fair value adjustments of investment properties	-2,175.8	0.7	-2,175.1	-1,072.3	0.7	-1,071.6
Capitalized internal expenses	0.1	-	0.1	0.1	-	0.1
Cost of materials	-331.6	27.8	-303.8	-156.7	14.8	-141.9
Personnel expenses	-109.0	80.7	-28.3	-53.6	40.0	-13.6
Depreciation and amortization	-84.0	19.2	-64.8	-76.5	17.6	-58.9
Other operating income	46.8	-11.5	35.3	21.0	-3.4	17.6
Impairment losses on financial assets	-0.3	-	-0.3	-0.3	-	-0.3
Net income from the derecognition of financial assets measured at amortized cost	-1.3	-0.1	-1.4	-1.9	-	-1.9
Other operating expenses	-109.9	10.8	-99.1	-73.0	4.8	-68.2
Net income from investments accounted for using the equity method	-12.1	-	-12.1	-12.0	-	-12.0
Interest income	35.5	-	35.5	15.9	-	15.9
Interest expenses	-81.8	0.6	-81.2	-38.7	0.3	-38.4
Other financial result	-3.9	-	-3.9	-3.9	-	-3.9
Earnings before tax	-1,987.9	-3.8	-1,991.7	-1,026.0	7.3	-1,018.7
Income taxes	596.8	-1.3	595.5	302.7	-3.6	299.1
Profit for the period of continuing operations	-1,391.1	-5.1	-1,396.2	-723.3	3.7	-719.6
Profit for the period of discontinued operations	-	5.1	5.1	-	-3.7	-3.7
Profit for the period	-1,391.1	-	-1,391.1	-723.3	-	-723.3
Attributable to:						
Deutsche Wohnen's shareholders	-1,357.9	-	-1,357.9	-704.9	-	-704.9
Non-controlling interests	-33.2	-	-33.2	-18.4	-	-18.4
Earnings per share (diluted) in €	-3.42	-	-3.42	-1.78	-	-1.78
Earnings per share (basic) in €	-3.42	-	-3.42	-1.78	-	-1.78

Segment Report

As part of a strategic review of the Care segment at the end of the 2023 fiscal year, the management decided to discontinue these business activities and sell off this segment. Endeavors to sell the Care segment have now begun and it is expected to have been sold before December 2024. A small

part of the segment, with a fiscal year volume of € 24.0 million in segment revenue, was transferred to the Rental segment in 2023. Specifically, this relates to rental income for 25 properties operated by third parties. The previous year's figures were adjusted accordingly:

in € million	Rental	Value-add	Recurring Sales	Development	Care	Segments total	Other*	Consolidation*	Group
Jan. 1-June 30, 2023 Changes									
Segment revenue	12.2			-41.5	-143.9	-173.2	-0.3	41.5	-132.0
thereof external revenue	12.2	0.1		0.1	-143.9	-131.5	-0.3	-0.2	-132.0
thereof internal revenue		-0.1		-41.6		-41.7		41.7	
Carrying amount of assets sold							-		
Revaluation from disposal of assets held for sale									
Expenses for maintenance	-				2.6	2.6			
Cost of development to sell									
Cost of development to hold				44.5		44.5		-44.5	
Operating expenses	-1.1		-0.1		106.1	104.9	-14.8	-	
Ancillary costs							15.1		
Adjusted EBITDA Total	11.1		-0.1	3.0	-35.2	-21.2	-0.0	-3.0	-24.2
Non-recurring items									-
Period adjustments from assets held for sale									-
Income from investments/ amortization in other real estate companies/other									-
Net income from fair value adjustments of investment properties									0.7
Depreciation and amortization (incl. depreciation on financial assets)									19.1
Net income from investments accounted for using the equity method									-
Income from other investments									-
Interest income									-
Interest expenses									0.6
Other financial result									-
EBT									-3.8
Income taxes									-1.3
Profit from continuing operations									-5.1
Profit from discontinued operations									5.1
Profit for the period									-

* The revenue for the Rental, Value-add, Recurring Sales and Development segments constitutes income that is regularly reported to the Management Board as the chief operating decision-maker and that reflects Deutsche Wohnen's sustainable business. The revenue/costs in the "Other" and "Consolidation" columns are not part of the Management Board's segment management.

4 Subsequent Events

Deutsche Wohnen successfully concluded a notarized sales contract for around 1,089 residential units and six commercial units on July 26, 2024. The purchase price of around € 160.0 million is slightly higher than the carrying amounts of the properties sold recognized at the time of the negotiations.

Section (B): Profit for the Period

5 Revenue from Property Management

in € million	Jan. 1-Jun. 30, 2023 (adjusted)	Jan. 1-Jun. 30, 2024
Rental income	404.0	414.5
Ancillary costs	251.7	238.8
Revenue from property letting	655.7	653.3
Other revenue from property management	41.6	34.8
	697.3	688.1

Other revenue from property management includes income of € 20.3 million (H1 2023: € 27.6 million) from the allocation of costs to Vonovia Group companies.

6 Profit on the Disposal of Properties

in € million	Jan. 1-Jun. 30, 2023 (adjusted)	Jan. 1-Jun. 30, 2024
Income from the disposal of properties	-	6.6
Carrying amount of properties sold	-	-5.7
Profit from the disposal of investment properties	-	0.9
Income from the sale of assets held for sale	2.1	92.2
Retirement carrying amount of assets held for sale	-2.1	-92.2
Change in value from properties sold	-	7.6
Profit from the disposal of assets held for sale	-	7.6
	-	8.5

The fair value adjustment of residential properties held for sale, for which a purchase contract had been signed but transfer of title had not yet taken place, led to a gain of

€ 7.6 million as of June 30, 2024 (H1 2023: € - million). (For more information, please refer to chapter [D25] Investment Properties in the 2023 Annual Report).

7 Profit on Disposal of Real Estate Inventories

Revenue from the disposal of real estate inventories comprises € 5.9 million (H1 2023: € 90.4 million) in time-related revenue together with € 0.0 million (H1 2023: € 61.6 million) in period-related revenue.

8 Net Income from Fair Value Adjustments of Investment Properties

The measurement of the investment properties led to a valuation loss as of June 30, 2024, of € -518.5 million (H1 2023: € -2,175.1 million) (see explanatory information in chapter [D16] Investment Properties).

The recognition and valuation of investment properties are explained in detail in the consolidated financial statements for 2023.

9 Cost of Materials

in € million	Jan. 1-Jun. 30, 2023 (adjusted)	Jan. 1-Jun. 30, 2024
Expenses for ancillary costs	248.9	239.2
Expenses for maintenance and modernization	44.7	52.2
Other cost of purchased goods and services	10.2	14.0
	303.8	305.4

10 Other Operating Income

Other operating income includes the reversal of impairments on Development to hold projects in the amount of € 9.4 million (H1 2023: € - million) on which impairment losses were recognized last year. The item includes the reversal of impairments on Development to sell properties in the amount of € 3.9 million (H1 2023: € - million).

11 Other Operating Expenses

Other operating expenses largely include cost allocations by Vonovia group companies of € 44.5 million (H1 2023: € 49.3 million).

Other operating expenses also include impairment losses on Development to sell properties in the amount of € 1.3 million (H1 2023: € 8.6 million).

12 Interest Income

in € million	Jan. 1-Jun. 30, 2023 (adjusted)	Jan. 1-Jun. 30, 2024
Income from non-current securities and non-current loans	22.6	33.6
Other interest and similar income from affiliated companies	10.3	5.4
Interest received and similar income	1.1	4.4
Other interest and similar income	1.5	2.3
	35.5	45.7

The income from non-current securities and non-current loans primarily includes income from loans extended to the QUARTERBACK Group. The other interest and similar income of affiliated companies result from the granting of the loan to Vonovia SE. The loan was repaid ahead of schedule in May 2024.

13 Interest Expenses

in € million	Jan. 1-Jun. 30, 2023 (adjusted)	Jan. 1-Jun. 30, 2024
Interest expense from non-derivative financial liabilities	78.9	87.0
Swaps (current interest expense for the period)	-6.3	-11.4
Effects from the valuation of non-derivative financial instruments	4.8	3.4
Effects from the valuation of swaps	1.1	-5.1
Interest accretion to provisions	1.0	0.8
Interest from leases	1.6	1.7
Other financial expenses	0.1	0.0
	81.2	76.4

The interest expenses for non-derivative financial liabilities reflect the comparatively higher interest conditions for refinancing over the last twelve months.

14 Other Financial Result

The other financial result includes the result from the measurement of other non-current equity investments in the amount of € -0.5 million (H1 2023: € -3.9 million).

For the first time following Deutsche Wohnen SE's accession to the contractual relationship with AVW GmbH & Co. KG, the income from investments also includes financial income resulting from the deferred collection of profits from the investment in AVW GmbH & Co. KG, Hamburg, in the amount of € 2.3 million.

Section (C): Other Disclosures on the Results of Operations

15 Segment Reporting

The following table shows the segment information for the reporting period:

in € million	Rental	Value-add	Recurring Sales	Development	Segments total	Other*	Consolidation*	Group
Jan. 1-June 30, 2024								
Segment revenue (continuing operations)*	412.7	13.8	9.8	7.7	444.0	327.8	21.0	792.8
thereof external revenue	412.7	13.2	9.8	7.7	443.4	327.8	21.6	792.8
thereof internal revenue		0.6			0.6		-0.6	
Carrying amount of assets sold			-9.0		-9.0	-89.0		
Revaluation from disposal of assets held for sale			0.9		0.9	-1.1		
Expenses for maintenance	-52.1				-52.1			
Cost of Development to sell				-5.9	-5.9			
Operating expenses	-46.4	-5.8	-0.7	-0.1	-53.0	-3.3	-21.0	
Ancillary costs						-239.3		
Adjusted EBITDA total (continuing operations)	314.2	8.0	1.0	1.7	324.9	-4.9	-	320.0
Non-recurring items								3.9
Period adjustments from assets held for sale								7.8
Net income from fair value adjustments of investment properties								-518.5
Depreciation and amortization (reduced by reversals in previous years)								-28.0
Net income from investments accounted for using the equity method								-18.4
Income from other investments								-2.3
Interest income								45.7
Interest expenses								-76.4
Other financial result								1.8
Earnings before tax (EBT)								-264.4
Income taxes								83.2
Profit from continuing operations								-181.2
Profit from discontinued operations								-21.6
Profit for the period								-202.8

* The revenue for the Rental, Value-add, Recurring Sales and Development segments constitutes income that is regularly reported to the Management Board as the chief operating decision-maker and that reflects Deutsche Wohnen's sustainable business. The revenue/costs in the "Other" and "Consolidation" columns are not part of the Management Board's segment management.

in € million	Rental	Value-add	Recurring Sales	Development	Segments total	Other*	Consolidation*	Group
Jan. 1–June 30, 2023 (adjusted)								
Segment revenue (continuing operations)**	402.3	13.4	6.3	149.5	571.5	251.7	28.2	851.4
thereof external revenue	402.3	12.9	6.3	149.5	571.0	251.7	28.7	851.4
thereof internal revenue		0.5			0.5	-	-0.5	
Carrying amount of assets sold***			-5.2		-5.2	-		
Revaluation from disposal of assets held for sale			0.6		0.6	-		
Expenses for maintenance	-44.5				-44.5			
Cost of Development to sell				-138.7	-138.7			
Operating expenses	-32.8	-11.6	-0.5	-10.6	-55.5	-3.3	-28.2	
Ancillary costs						-248.9		
Adjusted EBITDA total (continuing operations)**	325.0	1.8	1.2	0.2	328.2	-0.5	-	327.7
Non-recurring items								-3.9
Period adjustments from assets held for sale								-0.6
Net income from fair value adjustments of investment properties								-2,175.1
Depreciation and amortization (reduced by reversals in previous years)								-78.0
Net income from investments accounted for using the equity method								-12.1
Income from other investments								-0.1
Interest income								35.5
Interest expenses								-81.2
Other financial result								-3.9
Earnings before tax (EBT)								-1,991.7
Income taxes								595.5
Profit from continuing operations								-1,396.2
Profit from discontinued operations								5.1
Profit for the period								-1,391.1

* The revenue for the Rental, Value-add, Recurring Sales and Development segments constitutes income that is regularly reported to the Management Board as the chief operating decision-maker and that reflects Deutsche Wohnen's sustainable business. The revenue/costs in the "Other" and "Consolidation" columns are not part of the Management Board's segment management.

** Previous year's values (2023) adjusted to current key figure and segment definition -> [A3] Adjustment to Prior-year Figures.

*** Incl. cost of sold real estate inventories in the Recurring Sales segment.

The breakdown of non-Group revenue (pursuant to IFRS 15.114 et seq.) and its allocation to the segments referred to above is as follows:

in € million	Rental	Value-add	Recurring Sales	Development	Other	Total
Jan. 1-June 30, 2024						
Revenue from ancillary costs (IFRS 15)					143.6	143.6
Income from the disposal of real estate inventories				5.9		5.9
Other revenue from contracts with customers	21.0	13.8				34.8
Revenue from contracts with customers	21.0	13.8	-	5.9	143.6	184.3
thereof period-related				-		-
thereof time-related	21.0	13.8	-	5.9	143.6	184.3
Revenue from rental income (IFRS 16)	412.7			1.8		414.5
Revenue from ancillary costs (IFRS 16)**					95.2	95.2
Other revenue	412.7	-	-	1.8	95.2	509.7
Revenue	433.7	13.8	-	7.7	238.8	694.0
Jan. 1-June 30, 2023 (adjusted)*						
Revenue from ancillary costs (IFRS 15)					203.7	203.7
Income from the disposal of real estate inventories			4.2	147.8		152.0
Other revenue from contracts with customers	28.1	13.5	-	-		41.6
Revenue from contracts with customers	28.1	13.5	4.2	147.8	203.7	397.3
thereof period-related				61.6		61.6
thereof time-related	28.1	13.5	4.2	86.2	203.7	335.7
Revenue from rental income (IFRS 16)	402.3			1.6		403.9
Revenue from ancillary costs (IFRS 16)**					48.1	48.1
Other revenue	402.3	-	-	1.6	48.1	452.0
Revenue	430.4	13.5	4.2	149.4	251.8	849.3

* According to current definition.

** Includes land tax and buildings insurance.

Section (D): Assets

16 Investment Properties

As of Jan. 1, 2024	23,021.5
Additions	68.8
Capitalized modernization costs	73.3
Transfer from down payments made	149.3
Transfer to real estate inventories	-4.2
Transfer to assets held for sale	-295.4
Disposals	-6.0
Net income from fair value adjustments of investment properties	-518.5
Impairment of investment properties measured at cost	-2.9
Reversal of impairments of investment properties measured at cost	5.9
Revaluation of assets held for sale	7.6
As of Jun. 30, 2024	22,499.4
As of Jan. 1, 2023	27,301.9
Additions	85.2
Capitalized modernization costs	199.4
Transfer from property, plant and equipment	31.5
Transfer from real estate inventories	96.2
Transfer to assets held for sale	-85.9
Transfer to discontinued operations	-619.4
Disposals	-19.6
Net income from fair value adjustments of investment properties	-3,915.5
Impairment of investment properties measured at cost	-52.3
As of Dec. 31, 2023	23,021.5

Deutsche Wohnen determines fair value in accordance with the requirements of IAS 40 in conjunction with IFRS 13. We refer to the detailed information set out in the consolidated financial statements for 2023.

Due to market developments, an ad hoc impairment test was performed in the reporting period on project development properties developed for the company's own portfolio. This resulted in a need for impairment in the amount of € 2.9 million.

Deutsche Wohnen measures its portfolio internally on the basis of the discounted cash flow (DCF) method. Under the DCF methodology, the expected future cash inflows and outflows associated with a property are forecast over a period of ten years and discounted to the date of valuation as the net present value. Furthermore, the terminal value of the property at the end of the ten-year period is determined

using the expected stabilized net operating income and again discounted to the date of valuation as the net present value.

In order to reflect changes in value during the year, Deutsche Wohnen performs a new valuation on the existing residential real estate portfolio at the time of the half-year financial statements.

The value developments and values were subjected to a plausibility check performed by the experts at CBRE GmbH. They confirmed that the portfolio value as of June 30, 2024, is plausible and consistent with the market.

The real estate portfolio of Deutsche Wohnen is to be found in the items investment properties, property, plant and equipment (owner-occupied properties), real estate inventories, contract assets and assets held for sale. The fair value of the portfolio comprising residential buildings, commercial properties, garages and parking spaces, project developments and undeveloped land, hereditary building rights granted and nursing care facilities was € 24,083.7 million as of June 30, 2024 (December 31, 2023: € 24,461.1 million). This corresponds to a net initial yield for the residential real estate portfolio of 2.6% (December 31, 2023: 2.5%), an in-place-rent multiplier of 27.2 (December 31, 2023: 27.8) and fair value per m² of € 2,544 (December 31, 2023: € 2,584).

The inflation rate applied to the valuation procedure comes to 2.0% (H1 2023: 2.1%). Net income from the valuation of investment properties amounted to € -518.5 million in the first half of 2024 (H1 2023: € -2,175.8 million).

The material valuation parameters for the investment properties (Level 3) in the residential real estate portfolio are as follows as of June 30, 2024, on average, broken down by regional markets:

Regional market	Valuation results*		
	Fair value (in € million)	thereof investment properties (in € million)	thereof other asset classes (in € million)
Jun. 30, 2024			
Berlin	16,715.8	16,703.2	12.6
Rhine Main Area	1,658.7	1,493.4	165.3
Dresden	1,016.8	995.6	21.1
Leipzig	838.3	837.9	0.3
Rhineland	657.4	657.3	0.1
Hanover	611.3	611.3	0.0
Munich	227.3	203.2	24.1
Other strategic locations	259.3	253.5	5.8
Total strategic locations	21,984.8	21,755.4	229.4
Non-strategic locations	131.9	73.2	58.7
Deutsche Wohnen Total**	22,116.7	21,828.6	288.1

* Fair value of the developed land excl. development and nursing, portfolio inheritable building rights granted and other; € 651.4 million of this amount relates to investment properties. The investment properties balance sheet item also includes the present value in connection with payments for right-of-use assets in the amount of € 19.4 million.

** Care facilities are not included in this overview.

Regional market	Valuation results*		
	Fair value (in € million)	thereof investment properties (in € million)	thereof other asset classes (in € million)
Dec. 31, 2023			
Berlin	17,036.3	16,992.4	43.9
Rhine Main Area	1,702.2	1,694.4	7.9
Dresden	990.7	989.6	1.1
Leipzig	793.8	781.5	12.2
Hanover	669.6	653.6	15.9
Rhineland	666.0	665.9	0.1
Munich	230.3	230.2	0.1
Other strategic locations	264.4	264.1	0.3
Total strategic locations	22,353.2	22,271.6	81.6
Non-strategic locations	142.0	136.2	5.8
Deutsche Wohnen Total**	22,495.2	22,407.8	87.4

* Fair value of the developed land excl. development, nursing portfolio, undeveloped land, inheritable building rights granted and other; thereof € 1,213.2 million relating to investment properties.

** Care facilities are not included in this overview.

Sensitivity Analyses

The sensitivity analyses performed on Deutsche Wohnen's real estate portfolio show the impact of value drivers dependent upon market developments. Those influenced in particular are the market rents and their development, the amount of recognized administrative and maintenance expenses, cost increases, the vacancy rate and interest rates. The effect of possible fluctuations in these parameters is

shown separately for each parameter according to regional market in the following.

Interactions between the parameters are possible but cannot be quantified owing to the complexity of the inter-relationships. The vacancy and market rent parameters, for example, can influence each other. If rising demand for housing is not met by adequate supply developments, then this can result in lower vacancy rates and, at the same time,

Valuation parameters for investment properties (Level 3)

Management costs residential (€ per residential unit p. a.)	Maintenance costs total residential (€/m ² p. a.)	Market rent residential (€/m ² per month)	Market rent increase residential	Stabilized vacancy rate residential	Discount rate total	Capitalized interest rate total
315	17.27	8.85	2.3%	0.5%	4.9%	2.9%
335	18.36	10.69	2.2%	1.4%	5.4%	3.4%
314	17.50	7.63	2.0%	2.0%	5.0%	3.3%
328	17.76	7.39	2.0%	2.6%	4.9%	3.2%
332	18.82	10.21	2.0%	1.7%	5.2%	3.4%
319	17.35	8.00	2.0%	2.2%	5.6%	4.0%
310	19.05	13.02	2.2%	0.6%	5.6%	3.4%
300	17.14	6.25	1.6%	5.0%	4.9%	3.8%
317	17.43	8.80	2.2%	1.0%	5.0%	3.0%
335	17.51	7.03	1.7%	3.5%	7.4%	5.9%
317	17.43	8.79	2.2%	1.0%	5.0%	3.0%

Valuation parameters for investment properties (Level 3)

Management costs residential (€ per residential unit p. a.)	Maintenance costs total residential (€/m ² p. a.)	Market rent residential (€/m ² per month)	Market rent increase residential	Stabilized vacancy rate residential	Discount rate total	Capitalized interest rate total
306	16.90	8.70	2.3%	0.9%	4.9%	2.8%
326	17.93	10.48	2.2%	1.5%	5.3%	3.4%
305	17.30	7.68	2.0%	2.1%	5.0%	3.3%
319	17.46	7.32	2.0%	3.0%	4.7%	3.1%
310	16.84	7.87	2.0%	2.5%	5.5%	3.9%
323	18.45	10.14	2.1%	1.9%	5.2%	3.3%
301	18.65	12.70	2.2%	0.7%	5.6%	3.5%
292	16.84	6.28	1.7%	5.1%	4.9%	3.7%
308	17.07	8.68	2.2%	1.3%	4.9%	2.9%
328	17.00	7.02	1.8%	2.6%	6.9%	5.5%
308	17.07	8.66	2.2%	1.3%	5.0%	2.9%

rising market rents. If, however, the rising demand is compensated for by a high vacancy reserve in the location in question, then the market rent level does not necessarily change.

Changes in the demand for housing can also impact the risk associated with the expected cash flows, which is then reflected in adjusted discounting and capitalized interest

rates. The effects do not, however, necessarily have to have a favorable impact on each other, for example, if the changes in the demand for residential real estate are overshadowed by macroeconomic developments. In addition, factors other than demand can have an impact on these parameters.

Examples include changes in the portfolio, in seller and buyer behavior, political decisions and developments on the capital market.

The table below shows the percentage impact on values in the event of a change in the valuation parameters. The absolute impact on values is calculated by multiplying the percentage impact by the fair value of the investment properties.

	Change in value as a % under varying parameters		
	Management costs residential	Maintenance costs residential	Cost increase/inflation
Regional market	-10%/10%	-10%/10%	-0.5%/+0.5% points
June 30, 2024			
Berlin	0.6/-0.6	1.9/-1.9	5.0/-5.1
Rhine Main Area	0.5/-0.5	1.6/-1.6	3.3/-3.5
Dresden	0.7/-0.7	2.4/-2.4	5.2/-5.2
Leipzig	0.8/-0.8	2.7/-2.7	6.0/-6.0
Rhineland	0.6/-0.6	1.8/-1.8	3.8/-3.9
Hanover	0.8/-0.8	2.5/-2.5	4.7/-4.8
Munich	0.4/-0.4	1.3/-1.3	2.8/-3.0
Other strategic locations	1.3/-1.3	4.2/-4.3	8.4/-8.2
Total strategic locations	0.6/-0.6	2.0/-2.0	4.9/-5.0
Non-strategic locations	0.5/-0.5	1.6/-1.6	2.4/-2.4
Deutsche Wohnen total*	0.6/-0.6	2.0/-2.0	4.9/-5.0

* Care facilities are not included in this overview.

	Change in value as a % under varying parameters		
	Management costs residential	Maintenance costs residential	Cost increase/inflation
Regional market	-10%/10%	-10%/10%	-0.5%/+0.5% points
Dec. 31, 2023			
Berlin	0.6/-0.6	1.9/-1.9	5.1/-5.2
Rhine Main Area	0.5/-0.5	1.6/-1.6	3.3/-3.5
Dresden	0.7/-0.7	2.3/-2.3	5.0/-5.1
Leipzig	0.8/-0.8	2.7/-2.7	6.3/-6.3
Hanover	0.8/-0.8	2.4/-2.4	4.6/-4.7
Rhineland	0.6/-0.6	1.8/-1.8	3.8/-3.9
Munich	0.4/-0.4	1.2/-1.2	2.6/-2.7
Other strategic locations	1.3/-1.3	4.0/-4.1	8.2/-8.0
Total strategic locations	0.6/-0.6	1.9/-1.9	5.0/-5.1
Non-strategic locations	0.7/-0.7	2.3/-2.3	3.3/-3.4
Deutsche Wohnen total*	0.6/-0.6	1.9/-2.0	5.0/-5.1

* Care facilities are not included in this overview.

17 Financial Assets

The change in financial assets includes the premature repayment of the total loan receivable from Vonovia SE in the amount of the nominal value of € 320.0 million in May 2024 (December 31, 2023: € 320.0 million).

The funds repaid were, in turn, used primarily to invest in the portfolio and repay financial liabilities, as well as for operational payment transactions.

Financial assets also include loan receivables, taking into account the expected credit loss of € 823.2 million (December 31, 2023: € 814.3 million), from the QUARTERBACK

Change in value as a % under varying parameters				
	Market rent residential	Market rent increase residential	Stabilized vacancy rate residential	Discounting and capitalized interest rates total
	-2%/+2%	-0.2%/+0.2% points	-1%/+1% points	-0.25%/+0.25% points
	-2.4/2.4	-8.5/10.0	0.7/-1.7	10.0/-8.3
	-2.4/2.4	-6.9/7.9	1.2/-1.6	8.3/-7.2
	-2.4/2.4	-7.3/8.4	1.8/-1.8	8.6/-7.4
	-2.5/2.4	-7.8/9.1	1.9/-1.9	9.0/-7.6
	-2.5/2.4	-7.2/8.2	1.6/-1.6	8.4/-7.2
	-2.5/2.5	-6.8/7.8	1.9/-1.9	7.4/-6.5
	-2.3/2.3	-7.1/8.2	0.7/-1.5	8.8/-7.4
	-3.2/3.1	-8.2/9.4	2.6/-2.7	7.5/-6.6
	-2.4/2.4	-8.2/9.6	0.9/-1.7	9.6/-8.1
	-1.3/1.4	-2.6/3.0	1.0/-1.0	4.7/-4.3
	-2.4/2.4	-8.2/9.6	0.9/-1.7	9.6/-8.1

Change in value as a % under varying parameters				
	Market rent residential	Market rent increase residential	Stabilized vacancy rate residential	Discounting and capitalized interest rates total
	-2%/+2%	-0.2%/+0.2% points	-1%/+1% points	-0.25%/+0.25% points
	-2.4/2.4	-8.6/10.3	1.5/-1.7	10.3/-8.6
	-2.4/2.3	-7.0/8.0	1.2/-1.6	8.4/-7.2
	-2.4/2.3	-7.2/8.3	1.7/-1.8	8.6/-7.4
	-2.5/2.5	-8.0/9.4	2.0/-1.9	9.2/-7.8
	-2.5/2.5	-6.7/7.6	1.9/-1.9	7.4/-6.4
	-2.4/2.4	-7.2/8.2	1.6/-1.6	8.5/-7.3
	-2.1/2.0	-6.3/7.3	0.7/-1.3	8.7/-7.4
	-3.1/3.1	-8.1/9.4	2.6/-2.6	7.6/-6.7
	-2.4/2.4	-8.3/9.8	1.5/-1.7	9.8/-8.2
	-1.9/1.9	-4.0/4.5	1.6/-1.6	5.1/-4.6
	-2.4/2.4	-8.3/9.8	1.5/-1.7	9.8/-8.2

Group granted in line with standard market conditions. € 681.1 million (December 31, 2023: € 664.8 million) of these loans are classified as current and € 142.1 million (December 31, 2023: € 149.5 million) as non-current. The change is due to new loans taken out with a maturity of more than twelve months.

18 Long-term Financial Assets Accounted for Using the Equity Method

As of the reporting date, Deutsche Wohnen held interests in 16 joint ventures and six associates (December 31, 2023: 16 joint ventures and six associates).

Deutsche Wohnen holds 40% of the non-listed QUARTERBACK Immobilien AG with registered office in Leipzig, which was classed as an associate as of June 30, 2024. QUARTERBACK Immobilien AG is a project developer with operations throughout Germany focusing on the central German region. The investment strengthens the Deutsche Wohnen Group's development business.

Deutsche Wohnen also holds interests in eleven (December 31, 2023: eleven) non-listed financial investments of QUARTERBACK Immobilien AG, with equity interests of between 44% and 50% (QUARTERBACK property companies), that were classified as joint ventures.

The table below summarizes the financial information for QUARTERBACK Immobilien AG and the QUARTERBACK property companies as of June 30, 2024. The table also shows a reconciliation of the combined financial statements with the carrying amount of Deutsche Wohnen's interest in QUARTERBACK Immobilien AG and the combined QUARTERBACK property companies.

in € million	Dec. 31, 2023 QUARTERBACK Immobilien AG	Jun. 30, 2024 QUARTERBACK Immobilien AG	31.12.2023 QUARTERBACK- Objektge- sellschaften	Jun. 30, 2024 QUARTERBACK- Objektge- sellschaften
Non-current assets	752.3	746.3	235.0	237.4
Current assets				
Cash and cash equivalents	90.1	67.7	16.1	12.6
Other current assets	1,494.5	1,518.0	480.3	487.6
Total non-current assets	1,584.6	1,585.7	496.4	500.2
Non-current liabilities	595.7	655.5	139.1	200.7
Current liabilities	1,537.1	1,494.3	409.0	357.5
Non-controlling interests	39.5	38.7	10.9	11.0
Equity (100%)	164.6	143.5	172.3	168.4
Group share in %	40%	40%	44% to 50%	44% to 50%
Group share of net assets	65.8	57.4	79.9	78.0
Group adjustments	-51.3	-51.5	7.7	-0.2
Carrying amount of share in	14.5	5.9	87.6	77.8
Revenues	427.5	110.2	101.6	15.9
Change in inventories	94.5	18.4	6.9	10.5
Interest income	6.0	1.5	7.8	1.6
Depreciation, amortization and impairment	-6.1	-1.3	-0.2	0.0
Interest expenses	-101.6	-27.6	-28.6	-8.1
Income taxes	37.9	-3.8	6.6	-0.2
Profit from continuing operations (100%) and total comprehensive income for the fiscal year	-147.4	-20.9	-58.6	-3.8

The at-equity adjustment of the investments in the QUARTERBACK Group results in a negative result of € 18.4 million as of June 30, 2024 (H1 2023: € 9.8 million). The interests were adjusted as of June 30, 2024, based on the financial information published by the QUARTERBACK Group as of March 31, 2024, because more recent financial information was not available when these financial statements were prepared.

In addition to these investments, Deutsche Wohnen also holds interests in ten (December 31, 2023: ten) other entities that, when taken individually, are of minor importance and that are accounted for using the equity method; quoted market prices are not available. The following table shows, in aggregated form, the carrying amount and the share of profit and other comprehensive income of these companies:

in € million	Dec. 31, 2023	Jun. 30, 2024
Carrying amount of shares in companies accounted for using the equity method	24.2	24.2
Group share of net income of non-material companies accounted for using the equity method	10% to 50%	10% to 50%
Pro rata total comprehensive income	-1.9	0.0

Deutsche Wohnen has no significant financial obligations or guarantees with respect to joint ventures and associates.

19 Assets and Liabilities Held for Sale and Assets and Liabilities of Discontinued Operations

Assets and Liabilities Held for Sale

The assets held for sale include properties totaling € 277.2 million (December 31, 2023: € 74.0 million) for which notarized purchase contracts had already been signed as of the reporting date. These include around 1,089 residential units and six commercial units for which Deutsche Wohnen successfully concluded a notarized sales contract on July 26, 2024. The purchase price of around € 160.0 million is slightly higher than the carrying amounts of the properties sold recognized at the time of the negotiations. The assets are therefore recognized as assets held for sale, with the expected purchase price, in the balance sheet as of June 30, 2024.

Assets and Liabilities Held for Sale of the Discontinued Operation

As part of the strategic review, the management decided to sell the Care segment. The sale process began in the 2023 fiscal year and it is expected to be concluded before December 2024. Accordingly, the majority of the Care segment is presented as discontinued operations. The related assets and liabilities of the discontinued Care operation are shown accordingly in the balance sheet as a separate disposal group of a discontinued operation.

Impairment Losses on the Discontinued Operations

The valuation of the disposal group at the lower of carrying amount and fair value less costs to sell produced impairment losses of € 13.4 million. The impairment losses relate to the impairment of the customer base in the amount of € 13.4 million within the disposal group.

As of June 30, 2024, the assets and liabilities of the discontinued Care operation were as follows:

in € million	Dec. 31, 2023	Jun. 30, 2024
Intangible assets	22.6	9.2
Property, plant and equipment	28.9	29.0
Investment properties	619.4	532.2
Other assets	40.3	27.7
Deferred tax assets	-	0.6
Total non-current assets of discontinued operations	711.2	598.7
Inventories	0.9	0.9
Trade receivables	9.0	24.6
Other assets	1.9	3.7
Income tax receivables	2.6	0.1
Cash and cash equivalents	44.5	49.5
Total current assets	58.9	78.8
Total assets of discontinued operations	770.1	677.5

in € million	Dec. 31, 2023	Jun. 30, 2024
Provisions	30.7	32.6
Non-derivative financial liabilities	35.6	-
Lease liabilities	3.6	3.0
Other liabilities	-	0.1
Deferred tax liabilities	23.2	3.9
Total non-current liabilities	93.1	39.6
Provisions	1.0	12.7
Trade payables	11.2	4.4
Non-derivative financial liabilities	0.8	-
Lease liabilities	1.0	1.0
Current income taxes	11.4	0.3
Other liabilities	23.5	17.3
Total current liabilities	48.9	35.7
Total equity and liabilities of discontinued operations	142.0	75.3

The earnings contribution from discontinued operations is comprised as follows.

in € million	Jan. 1-Jun. 30, 2023	Jan. 1-Jun. 30, 2024	Apr. 1-Jun. 30, 2023	Apr. 1-Jun. 30, 2024
Revenue from property letting				
Other revenue from property management	132.0	145.5	67.5	73.8
Revenue from property management	132.0	145.5	67.5	73.8
Income from disposal of properties	-	87.7	-	87.7
Carrying amount of properties sold	-	-90.8	-	-90.8
Profit from the disposal of properties	-	-3.1	-	-3.1
Net income from fair value adjustments of investment properties	-0.7	-22.2	-0.7	-22.2
Cost of materials	-27.8	-26.4	-14.8	-11.9
Personnel expenses	-80.7	-90.5	-40.0	-47.1
Depreciation and amortization	-19.2	-10.8	-17.6	-10.8
Other operating income	11.5	8.9	3.4	3.7
Net income from the derecognition of financial assets measured at amortized cost	0.1	0.1	-	-
Other operating expenses	-10.8	-9.3	-4.8	-4.8
Interest expenses	-0.6	-1.3	-0.3	-0.3
Earnings before tax	3.8	-9.1	-7.3	-22.7
Income taxes	1.3	0.9	3.6	3.0
Profit for the period from discontinued operations (before valuation of discontinued operations)	5.1	-8.2	-3.7	-19.7
Valuation result from discontinued operations		-13.4		-13.4
Profit for the period from discontinued operations	5.1	-21.6	-3.7	-33.1

Cumulative Income or Expenses Included in Other Comprehensive Income

Taking into account deferred tax effects, the cumulative result from the measurement of actuarial gains and losses in connection with the disposal group in the amount of € -4.7 million is included in other comprehensive income. € 2.8 million of the gains and losses are attributable to Deutsche Wohnen's shareholders and € 0.0 million to non-controlling shareholders.

Earnings per Share

Earnings per share attributable to the profit for the period for the discontinued operations amount to € -0.03 as of June 30, 2024 (H1 2023: € 0.01). Due to the small amount of cumulative income and expenses included in other comprehensive income, this also matches the earnings per share.

Cash Flows from the Discontinued Operation

in € million	Jan. 1-Jun. 30, 2023	Jan. 1-Jun. 30, 2024
Cash flow from operating activities	27.4	27.5
Cash flow from investing activities	-15.6	48.2
Cash flow from financing activities	-11.7	-70.6
Net changes in cash and cash equivalents of discontinued operations	0.1	5.1
Cash and cash equivalents at the beginning of the period	41.6	44.4
Cash and cash equivalents at the end of the period of discontinued operations	41.7	49.5

Section (E): Capital Structure

20 Non-derivative Financial Liabilities

in € million	Dec. 31, 2023		Jan. 1 - Jun. 30, 2024	
	non-current	current	non-current	current
Non-derivative financial liabilities				
Liabilities to banks	4,452.0	177.6	3,743.3	802.9
Liabilities to other creditors	3,796.3	21.8	3,226.7	592.5
Deferred interest from non-derivative financial liabilities	-	34.6	-	19.3
	8,248.3	234.0	6,970.0	1,414.7

The nominal obligations of the liabilities to banks and the liabilities to other creditors developed as follows:

in € million	Dec. 31, 2023	Jun. 30, 2024
Bond*	1,760.7	1,760.7
Registered bond*	475.0	475.0
Bearer bond*	1,260.2	1,260.2
Promissory note loan*	50.0	50.0
Mortgages**	4,949.2	4,863.1
	8,495.1	8,409.0

* Under the conditions of existing loan agreements, Deutsche Wohnen is obliged to fulfill certain financial covenants, which is fulfilled.

** For a portion of the mortgages, Deutsche Wohnen is obliged to fulfill certain financial covenants, which is fulfilled.

Of the nominal obligations to creditors, € 4,863.1 million (December 31, 2023: € 4,949.2 million) are secured by land charges and other collateral (account pledge agreements, assignments, pledges of company shares and guarantees of Deutsche Wohnen SE or other Group companies). In the event that payment obligations are not fulfilled, the securities provided are used to satisfy the claims of the banks.

21 Leases

The following table shows the development of right-of-use assets arising from leases within the meaning of IFRS 16 as of June 30, 2024, compared with December 31, 2023.

Development of Right-of-use Assets

in € million	Dec. 31, 2023	Jun. 30, 2024
Right-of-use assets		
Leasehold contracts	71.2	70.1
Right-of-use assets within investment properties	71.2	70.1
Lease agreements for commercial premises	-	0.9
Contracting	66.6	61.0
Metering technology	16.2	14.4
Right-of-use assets within property, plant and equipment	82.8	76.3
	154.0	146.4

The following table shows the development of current and non-current liabilities arising from leases within the meaning of IFRS 16 as of June 30, 2024, compared with December 31, 2023.

Development of Lease Liabilities

in € million	Dec. 31, 2023		Jun. 30, 2024	
	non-current	current	non-current	current
Lease liabilities				
Leasehold contracts (IAS 40)	20.1	0.2	20.9	0.2
Lease agreements for commercial premises	0.0	0.0	0.7	0.2
Contracting	57.9	10.4	52.8	10.1
Metering technology	13.3	3.2	11.8	3.2
	91.3	13.8	86.2	13.7

Section (F): Corporate Governance Disclosures

22 Related Party Transactions

Deutsche Wohnen has significant business relationships with the Vonovia Group. In January 2022, Vonovia SE was granted a loan that was repaid in full ahead of schedule in May 2024 with a residual value of € 320.0 million (December 31, 2023: € 320.0 million). The interest income from the loan extended to Vonovia SE amounted to € 5.4 million in the first half of 2024 (H1 2023: € 10.3 million).

Deutsche Wohnen also recognized receivables from cost allocations of € 1.7 million as of June 30, 2024 (December 31, 2023: € 6.5 million) and liabilities of € 10.3 million (December 31, 2023: € 15.9 million) to the Vonovia Group, and provided services within this context in the amount of € 21.4 million (H1 2023: € 26.7 million), receiving services worth € 51.8 million (H1 2023: € 49.5 million). In addition, as of June 30, 2024, Deutsche Wohnen had purchased maintenance and modernization services, caretaker and craftsmen's services as well as energy services in the amount of € 118.4 million (H1 2023: € 76.3 million) from Vonovia Group companies. Within this context, there are liabilities of € 32.5 million as of the reporting date (December 31, 2023: € 44.4 million).

As of June 30, 2024, Deutsche Wohnen's other significant business relations were with the QUARTERBACK Group. As of June 30, 2024, loan receivables were recognized in the amount of € 823.2 million (December 31, 2023: € 814.3 million), with € 681.1 million (December 31, 2023: € 664.8 million) repayable in 12 months and € 142.1 million (December 31, 2023: € 149.5 million) in 24 months. The average interest rate for the loans is 8.0%. The interest income from the loans extended to the QUARTERBACK Group amounted to € 33.4 million (H1 2023: € 27.8 million) in the first half of 2024. As of June 30, 2024, there were also interest receivables in the amount of € 27.9 million (December 31, 2023: € 17.0 million).

There are real estate project sales of the QUARTERBACK Group to Deutsche Wohnen in the amount of € 876.0 million as of June 30, 2024 (December 31, 2023: € 876.0 million), with respect to which Deutsche Wohnen made advance payments totaling € 361.7 million in the first half of 2024 (December 31, 2023: € 501.9 million).

In connection with agency services contracted by the QUARTERBACK Group in the amount of € 0.2 million (H1 2023: € 5.2 million), Deutsche Wohnen has outstanding balances on liabilities of € 4.0 million as of June 30, 2024 (December 31, 2023: € 2.8 million).

As of June 30, 2024, there is also a guarantee to secure non-current loan liabilities of the QUARTERBACK Group in the amount of € 12.3 million (December 31, 2023: € 12.3 million).

As of June 30, 2024, services worth € 0.1 million (H1 2023: € 0.1 million) were provided to G+D Gesellschaft für Energiemanagement mbH, Magdeburg, while services worth € 43.9 million (H1 2023: € 54.2 million) were purchased.

In addition, Deutsche Wohnen purchased services worth € 0.0 million in the first half of 2024 (H1 2023: € 2.3 million) from Comgy GmbH and services worth € 0.6 million (H1 2023: € 0.7 million) from GSZ Gebäudeservice und Sicherheitszentrale GmbH, Berlin.

There were also loan receivables of € 8.3 million from OLYDO Projektentwicklungsgesellschaft mbH, Berlin, as of June 30, 2024 (December 31, 2023: € 5.7 million), which are to be repaid within twelve months. The loan has a fixed interest rate of 3.0%.

Section (G): Additional Financial Management Disclosures

23 Additional Financial Instrument Disclosures

Measurement categories and classes:
in € million

Carrying amounts
Jun. 30, 2024

Assets	
Cash and cash equivalents	
Cash on hand and deposits at banking institutions	526.5
Trade receivables	28.2
Financial assets	
Finance lease receivables	14.7
Non-current loans to affiliated companies	-
Other non-current loans	0.6
Other non-current loans to associates and joint ventures	882.6
Other investments	32.2
Derivative financial assets	
Cash flow hedges - no classification in accordance with IFRS 9	15.2
Stand-alone interest rate swaps and interest rate caps	27.8
Liabilities	
Trade payables	152.4
Bonds	1,741.5
Non-derivative financial liabilities	6,643.2
Derivatives	
Stand-alone interest rate swaps and interest rate caps	2.8
Deferred interest from derivatives	0.0
Lease liabilities	99.9
Liabilities to shareholders	159.7

Amounts recognized in balance sheet in accordance with IFRS 9

	Amortized cost	Fair value affecting net income	Fair value recognized in equity without reclassification	Hedge accounting no classification in accordance with IFRS 9	Amounts recognized in balance sheet in acc. with IFRS 16	Fair value Jun. 30, 2024	Fair value hierarchy level
	526.5					526.5	n.a.
	28.2					28.2	n.a.
					14.7		n.a.
	0.6					0.6	2
	882.6					882.6	2
			32.2			32.2	2
				15.2		15.2	2
		27.8				27.8	2
	152.4					152.4	n.a.
	1,741.5					1,507.7	1
	6,643.2					6,002.1	2
		2.8				2.8	2
		0.0				0.0	2
					99.9		n.a.
	159.7					159.7	n.a.

Measurement categories and classes:
in € million

Carrying amounts
Dec. 31, 2023

Assets

Cash and cash equivalents	
Cash on hand and deposits at banking institutions	157.1
Trade receivables	140.3
Financial assets	
Finance lease receivables	15.7
Non-current loans to affiliated companies	320.0
Other non-current loans	0.6
Other non-current loans to associates and joint ventures	837.3
Other investments	33.8
Derivative financial assets	
Cash flow hedges – no classification in accordance with IFRS 9	12.6
Stand-alone interest rate swaps and interest rate caps	27.7

Liabilities

Trade payables	177.3
Bonds	1,739.6
Non-derivative financial liabilities	6,742.7
Derivatives	
Stand-alone interest rate swaps and interest rate caps	7.6
Deferred interest from derivatives	0.1
Lease liabilities	105.1
Liabilities to shareholders	190.5

Amounts recognized in balance sheet in accordance with IFRS 9

	Amortized cost	Fair value affecting net income	Fair value recognized in equity without reclassification	Hedge accounting no classification in accordance with IFRS 9	Amounts recognized in balance sheet in acc. with IFRS 16	Fair value Dec. 31, 2023	Fair value hierarchy level
	157.1					157.1	n.a.
	140.3					140.3	n.a.
					15.7		n.a.
	320.0					320.0	2
	0.6					0.6	2
	837.3					837.3	2
			33.8			33.8	2
				12.6		12.6	2
		27.7				27.7	2
	177.3					177.3	n.a.
	1,739.6					1,518.7	1
	6,742.7					6,621.0	2
		7.6				7.6	2
		0.1				0.1	2
					105.1		n.a.
	190.5					190.5	n.a.

The section below provides information on the financial assets and financial liabilities not covered by IFRS 9:

> Provisions for pensions and similar obligations: € 46.9 million (December 31, 2023: € 50.2 million).

The following table shows the assets and liabilities that are recognized in the balance sheet at fair value and their classification according to the fair value hierarchy:

in € million	Jun. 30, 2024	Level 1	Level 2	Level 3
Assets				
Investment properties	22,499.4			22,499.4
Financial assets				
Other investments	32.2		32.2	
Assets held for sale				
Investment properties (contract closed)	277.2		277.2	
Derivative financial assets				
Cash flow hedges	15.2		15.2	
Stand-alone interest rate swaps and caps	27.8		27.8	
Liabilities				
Derivative financial liabilities				
Accrued interest from derivatives	-		-	
Stand-alone interest rate swaps and caps	2.8		2.8	

in € million	Dec. 31, 2023	Level 1	Level 2	Level 3
Assets				
Investment properties	23,021.5			23,021.5
Financial assets				
Non-current securities	-	-		
Other investments	33.8	-	33.8	
Assets held for sale				
Investment properties (contract closed)	74.0		74.0	
Derivative financial assets				
Cash flow hedges	12.6		12.6	
Stand-alone interest rate swaps and caps	27.7		27.7	
Liabilities				
Derivative financial liabilities				
Accrued interest from derivatives	0.1		0.1	
Stand-alone interest rate swaps and caps	7.6		7.6	

In general, Deutsche Wohnen measures its investment properties on the basis of the discounted cash flow (DCF) methodology (Level 3). The material valuation parameters and valuation results can be found in chapter [D25] Investment Properties of the consolidated financial statements as of December 31, 2023.

The investment properties classified as assets held for sale are recognized at the time of their transfer to assets held for sale at their new fair value, the agreed purchase price (Level 2).

No financial instruments were reclassified to different hierarchy levels vis-à-vis the comparative period.

For the measurement of financial instruments, cash flows are first calculated and then discounted. In addition to the tenor-specific EURIBOR rates (3M; 6M), both the company's own and the counterparty's credit risk are taken as a basis for discounting in general. The "exposure method" applied involves calculating the net exposure on each future payment date and, depending on the expected cash flows, either Deutsche Wohnen's own credit risk or the counterparty risk is taken into account when discounting the cash flows.

In the current interest rate environment (with both some negative and also positive market values), counterparty risk premiums were relevant for the interest rate swaps in the consolidated financial statements alongside Deutsche Wohnen's own credit risk. As with Deutsche Wohnen's own risk, they are derived from rates observable on the capital markets and ranged from 22 to 150 basis points, depending on the residual maturities. Deutsche Wohnen's own risk premiums were trading at between 53 and 185 basis points on the same cut-off date, depending on the maturities.

The fair values of the cash and cash equivalents, trade receivables and other financial receivables approximate their carrying amounts at the reporting date owing to their mainly short maturities. The amount of the estimated impairment loss on cash and cash equivalents was calculated based on the losses expected over a period of twelve months. It was determined that the cash and cash equivalents have a low risk of default due to the external ratings and short residual maturities and that there is no need for any material impairment of cash and cash equivalents.

Risk in the area of rent receivables was examined through an analysis of the reduced general creditworthiness (as a special forward-looking parameter of impairment losses for financial assets as defined by IFRS 9). As Deutsche Wohnen receives rent payments mostly in advance, only deferred rents and similar receivables are affected. Since these receivables are in any case very quickly subject to a specific valuation allowance, an additional need for impairment loss

is currently not foreseeable. The further development of the receivables is continuously monitored.

In the area of receivables from real estate sales, the credit risk is compensated for by Deutsche Wohnen retaining ownership of the property until the purchase price is paid.

Deutsche Wohnen is involved in a number of legal disputes resulting from normal business activities. In particular, these involve tenancy, construction and sales law disputes and, in individual cases, company law disputes. None of the legal disputes, taken in isolation, will have any material effects on the net assets, financial position or results of operations of Deutsche Wohnen.

Bochum, July 29, 2024



Lars Urbansky
(CEO)



Olaf Weber
(CFO)



Eva Weiß
(CDO)

Review Report

To Deutsche Wohnen SE, Berlin

We have reviewed the condensed interim consolidated financial statements – comprising the consolidated balance sheet, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows and selected explanatory notes to the consolidated financial statements – and the interim Group management report of Deutsche Wohnen SE, Berlin, for the period from January 1 to June 30, 2024, which form part of the half-year report pursuant to Section 115 WpHG. The company's Management Board is responsible for the preparation of the condensed interim consolidated financial statements pursuant to the IFRS for interim financial reporting, as applicable in the EU, and for the preparation of the interim Group management report in accordance with the WpHG provisions applicable with respect to consolidated interim management reports. It is our responsibility to issue a certificate for the condensed interim consolidated financial statements and the interim Group management report on the basis of our review.

We performed our review of the condensed interim consolidated financial statements and the interim Group management report in accordance with the German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Pursuant to the above standards, the review must be planned and conducted in such a way that, following critical assessment, we are able to rule out with a certain degree of certainty that the condensed interim consolidated financial statements have been prepared in a way that is non-compliant

with the IFRS for interim financial reporting, as applicable in the EU, in material respects and that the interim Group management report has been prepared in a way that is non-compliant with the WpHG provisions applicable to consolidated interim management reports in material respects. A review is limited primarily to inquiries of company employees and analytical assessments and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot issue an auditor's report.

On the basis of our review, we did not become aware of any circumstances that gave us reason to believe that the condensed interim consolidated financial statements have been prepared in a way that is non-compliant with the IFRS for interim financial reporting, as applicable in the EU, in material respects or that the interim Group management report has been prepared in a way that is non-compliant with the WpHG provisions applicable to consolidated interim management reports in material respects.

Berlin, August 5, 2024

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Michael Preiß
Wirtschaftsprüfer
[German Public Auditor]

Dr. Frederik Mielke
Wirtschaftsprüfer
[German Public Auditor]

Responsibility Statement

“To the best of our knowledge and in accordance with the applicable reporting principles, the interim consolidated financial statements give a true and fair view of the Group’s net assets, financial position and results of operations in compliance with generally accepted accounting practice, and the combined Group management report includes a fair view of the business development including the results and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group in the remainder of the fiscal year.”

Berlin, July 29, 2024



Lars Urbansky
(CEO)



Olaf Weber
(CFO)



Eva Weiß
(CDO)

Financial Calendar

Contact

August 6, 2024

Publication of the interim financial report for the first half of 2024

November 8, 2024

Publication of the interim statement for the first nine months of 2024

For information on all of the reporting dates that are already set, please also refer to our [financial calendar](#).

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Note

This interim financial report is published in German. The interim financial report can be found on the website at www.deutsche-wohnen.com.

Disclaimer

This interim financial report contains forward-looking statements. These statements are based on the current experiences, assumptions and forecasts of the Management Board as well as information currently available to the Management Board. The forward-looking statements are not guarantees of the future developments and results mentioned therein. The future developments and results depend on a large number of factors. They involve certain risks and uncertainties and are based on assumptions that may prove to be inaccurate. These risk factors include but are not limited to those discussed in the risk report of the 2023 Annual Report. We do not assume any obligation to update the forward-looking statements contained in this interim report. This interim report does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy any securities of Deutsche Wohnen SE.

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