

VONOVIA SE

Interim Financial Report 2024/H1



VONOVIA

Key Figures

Financial Key Figures in € million	H1 2023*	H1 2024	Change in %	12M 2023
Adjusted EBITDA Total (continuing operations)*	1,299.8	1,266.5	-2.6	2,583.8
Adjusted EBITDA Rental	1,209.0	1,191.6	-1.4	2,401.7
Adjusted EBITDA Value-add	44.1	56.8	28.8	105.5
Adjusted EBITDA Recurring Sales	37.0	22.2	-40.0	63.4
Adjusted EBITDA Development*	9.7	-4.1	-	13.2
Adjusted EBITDA from discontinued operations	24.2	25.1	3.7	53.9
Adjusted EBT (continuing operations)*	945.8	887.2	-6.2	1,866.2
Adjusted EBT (continuing operations) per share in €**	1.19	1.09	-8.3	2.31
Adjusted EBT (continuing operations) after minorities	882.5	804.3	-8.9	1,730.2
Adjusted EBT (continuing operations) after minorities per share in €**	1.11	0.99	-10.9	2.12
Income from fair value adjustments of investment properties*	-6,382.2	-1,432.0	-77.6	-10,651.2
Earnings before tax (EBT)*	-5,869.8	-588.3	-90.0	-9,185.2
Profit for the period	-4,130.4	-529.2	-87.2	-6,756.2
Operating Free Cash-Flow	764.5	800.3	4.7	1,414.8
Cash flow from operating activities	911.4	1,127.8	23.7	1,901.2
Cash flow from investing activities	-346.2	114.4	-	-825.9
Cash flow from financing activities	-186.3	-1,107.8	>100	-961.0
Total sum of maintenance, modernization, portfolio investments and new construction*	706.4	673.8	-4.6	1,527.0
thereof for maintenance measures*	313.6	332.3	6.0	722.5
thereof for modernization & portfolio investments*	254.3	243.2	-4.4	513.3
thereof for new construction*	138.5	98.3	-29.0	291.2

Key Balance Sheet Figures/Financial Covenants in € million	Dec. 31, 2023	June 30, 2024	Change in %
Fair value of the real estate portfolio	83,927.7	82,464.7	-1.7
EPRA NTA	38,140.9	36,603.7	-4.0
EPRA NTA per share in €***	46.82	44.48	-5.0
LTV (%)	47.3	48.2	0.9 pp
Net debt/EBITDA	15.6x	16.1x	0.5x
ICR	4.0x	3.6x	-0.4x

Non-financial Key Figures	H1 2023	H1 2024	Change in %	12M 2023
Number of units managed	618,516	614,578	-0.6	617,343
thereof own apartments	548,080	542,881	-0.9	545,919
thereof apartments owned by others	70,436	71,697	1.8	71,424
Number of units bought	63	-	-100.0	63
Number of apartments sold	1,282	3,869	>100	3,838
thereof Recurring Sales	628	921	46.7	1,590
thereof Non Core/other	654	2,948	>100	2,248
Number of new apartments completed	1,193	1,655	38.7	2,425
thereof own apartments	962	637	-33.8	1,309
thereof apartments for sale	231	1,018	>100	1,116
Vacancy rate (in %)	2.2	2.2	-	2.0
Monthly in-place rent in €/m ²	7.58	7.86	3.7	7.74
Organic rent increase (in %)	3.5	3.8	0.3 pp	3.8
Carbon intensity achieved in Germany (in kg CO ₂ e/m ²)	32.6	31.5	-3.4	31.7
Number of employees (as of June 30/Dec. 31)*	11,891	12,087	1.6	11,977

* 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

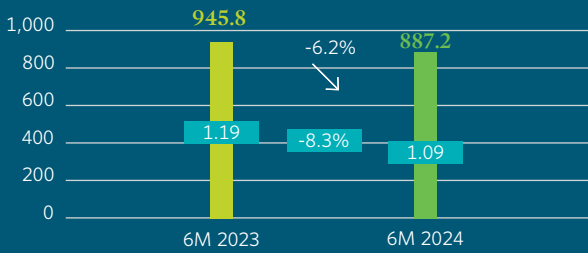
- > Ongoing positive rent trend in the core Rental business, with high customer satisfaction levels and virtually full occupancy.
- > Higher real estate transaction volumes and bottoming out of real estate values in the 2nd quarter.
- > Successful sale of Care business portfolios.

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Sustained Earnings

Adjusted EBT*

in € million



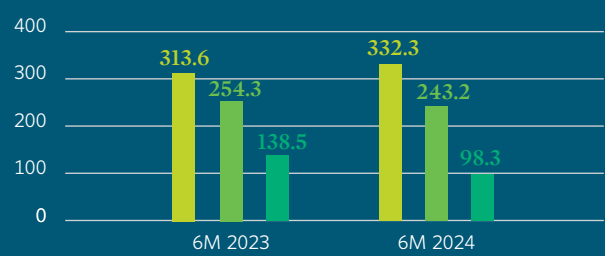
Adjusted EBT per share (€)*

* Continuing operations.

Maintenance, Modernization and New Construction

Capital Expenditure*

in € million



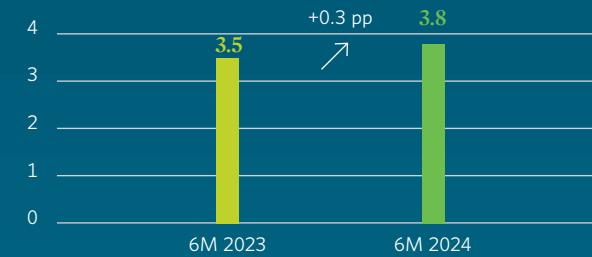
Maintenance Modernization New construction

* Continuing operations.

Organic Rent Growth

Organic Rent Increase

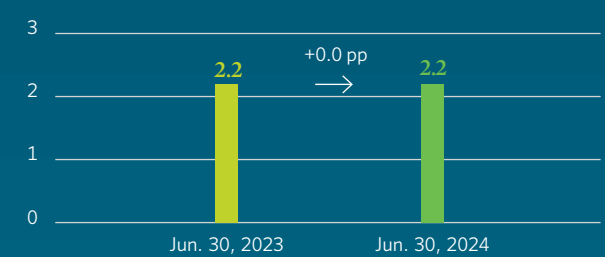
in %



Vacancy

Vacancy Rate

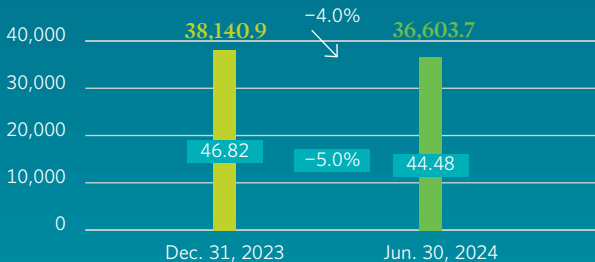
in %



Net Assets

EPRA NTA

in € million

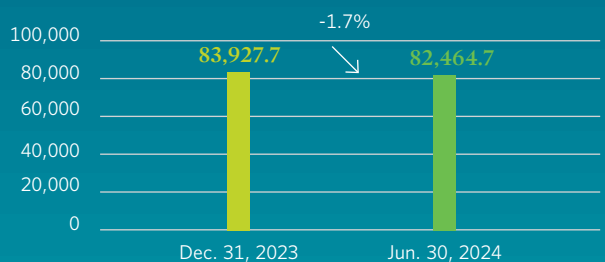


EPRA NTA per share

Fair Value of the Real Estate Portfolio

Fair Value

in € million



Vonovia SE on the Capital Market

Shares in Vonovia

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 that 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.

In this environment, while the German DAX 40 stock index posted positive performance of 8.9%, the European real estate sector 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.

At the end of the first six months of 2024, shares in Vonovia were trading at € 26.55 and were thus down 7.0% on the closing price for 2023. In our view, the interest rate situation is once again the key factor here.

As a result, 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, which is increasingly having a positive impact on rental growth.

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.

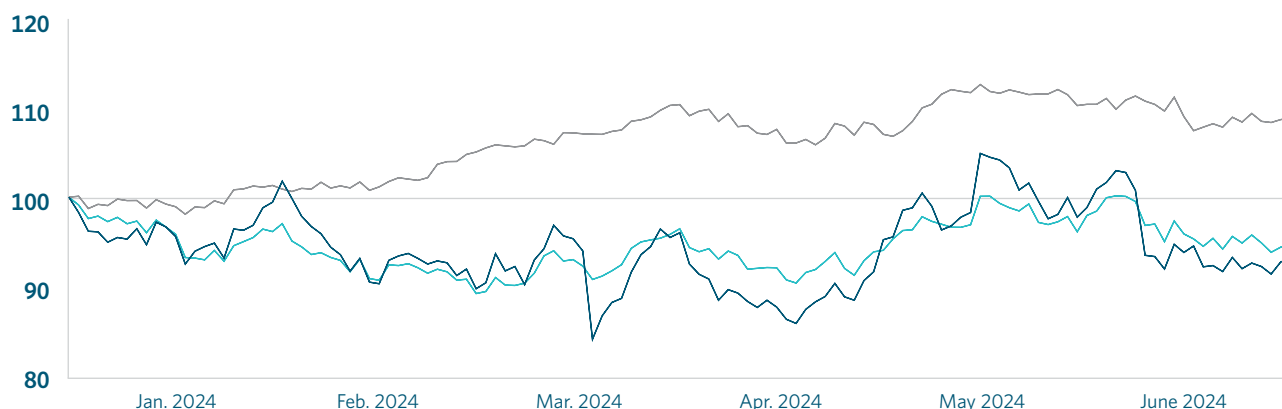
The company's market capitalization amounted to around € 21.8 billion as of June 30, 2024.

Share Price Development

■ Vonovia SE ■ DAX ■ FTSE EPRA Europe

Source: FactSet

in %

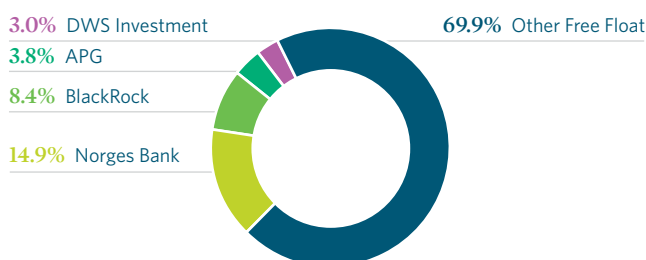


Shareholder Structure

The chart below shows the company's shareholdings based on the data it collects itself and/or based on 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.

Based on the German stock exchange's definition of free float, only the interest held by Norges Bank (Ministry of Finance on behalf of Norway) does not count toward the free float. This means that 85.1% of Vonovia's shares were in free float on June 30, 2024. The underlying [voting rights notifications](#) and corresponding financial instruments reported by shareholders or other instruments pursuant to Sections 38 and 39 WpHG can be found online.

Major Shareholders (as of June 30, 2024)



In line with Vonovia's long-term strategic focus, we believe that the majority of its investors also have a long-term focus. The company's investors include pension funds, sovereign wealth funds and international asset managers in particular. There are also around 190,000 private shareholders, representing around 9.5% of the total capital.

Annual General Meeting

The Annual General Meeting of Vonovia SE was held as a virtual event on May 8, 2024. A total of 68.67% of the company's share capital was represented.

The shareholders approved all of the proposed resolutions, generally with a large majority. The only proposed resolution not to be approved by a majority was the resolution to approve individual adjustments to the remuneration system for members of the Management Board. As a result, this resolution will be added to the agenda of the next Annual General Meeting.

Among other proposals, the Annual General Meeting also approved the dividend proposal of € 0.90 made by the Supervisory Board and the Management Board, which corresponds to a dividend yield of 3.2% based on the closing price for 2023 of € 28.54. Shareholders were free to choose between a cash dividend and a scrip dividend. 30.93% opted for a dividend in the form of shares.

Investor Relations Activities

Vonovia SE is committed to transparent, ongoing dialogue with its shareholders and potential investors. We continued with our roadshows and meetings in the first half of the 2024 fiscal year, in the form of virtual and face-to-face events. We took part in a total of 10 investor conferences and organized 19 roadshow days.

In addition, numerous one-on-one meetings, video conferences and conference calls were held with investors and analysts to keep them informed of current developments and special issues. Interest rates, capital structure and growth-related topics dominated conversation in the first six months of 2024.

We will continue to communicate openly with the capital market. Various road shows, conferences and participation in investor forums have already been planned. Information can be found in the Financial Calendar on our [Investor Relations](#) website.

Analyst Assessments

As of June 30, 2024, 25 national and international analysts were publishing research studies on Vonovia. The average target share price was € 32.56. Of these analysts, 72% issued a "buy" recommendation, with 12% issuing a "hold" recommendation and 16% a "sell" recommendation.

Share Information (as of June 30, 2024)

First day of trading	July 11, 2013
Subscription price	€ 16.50 € 14.71*
Total number of shares	822,852,925
Share capital	€ 822,852,925
ISIN	DE000A1ML7J1
WKN	A1ML7J
Ticker symbol	VNA
Common code	94567408
Share class	Registered shares with no par value
Stock exchange	Frankfurt Stock Exchange
Market segment	Regulated market
Indices	DAX 40, DAX 50 ESG, Dow Jones Sustainability Index Europe, STOXX Global ESG Leaders, EURO STOXX ESG Leaders 50, FTSE EPRA/NAREIT Developed Europe and GPR 250 World

* TERP-adjusted.

Economic Development in the First Half-year 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 2.2% at the end of the first half of 2024 (end of the first half of 2023: 2.2%), Vonovia's residential real estate portfolio was virtually fully occupied.

The second quarter of 2024 saw higher real estate transaction volumes and a bottoming out of real estate values. 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.

The Customer Satisfaction Index (CSI) was 7.1 percentage points above the value seen in the previous year in the second quarter of 2024. On average, the level of customer satisfaction in 2024 to date has increased by 3.5 percentage points as against the year 2023 as a whole.

On January 18, 2024, Vonovia issued a bond in pound sterling for the first time. This unsecured bond has a 5.5% coupon (4.55% after currency hedging) and a twelve-year term. It has a volume of GBP 400 million (approx. € 465.1 million).

Vonovia successfully placed a further unsecured bond in Switzerland with a volume of CHF 150 million (approx. € 159.3 million) on February 14, 2024. This bond has a term expiring in 2029 and a 2.565% coupon (4.16% after currency hedging).

With these two bonds, Vonovia has opened up additional financial markets and access to potential debt investors, while at the same time exploiting arbitrage advantages.

On April 10, 2024 Vonovia issued an unsecured social bond with a 4.25% coupon rate and a ten-year term. It had a

volume of € 850 million. This bond's terms are consistent with the Sustainable Finance Framework, which the company defined in February 2022.

In addition, on April 8, 2024, Vonovia repaid a two-year social bond with a volume of SEK 500 million (approx. € 50 million) in Sweden.

A bond in the amount of € 336.1 million was repaid as scheduled on the same day.

With regards to Vonovia'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.

A notarized sales contract for a portfolio in Berlin was successfully concluded on April 23, 2024. The transaction executed with two state-owned Berlin housing construction companies will see around 4,500 residential units with a value of around € 700.0 million being sold as part of a share deal. The transaction is expected to be closed on December 31, 2024.

In addition, Vonovia successfully concluded a notarized sales contract for around 1,970 residential units and six commercial units on July 26, 2024. The purchase price of around € 300.0 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 8, 2024 resolved to pay a dividend for the 2023 fiscal year in the amount of € 0.90 per share. As in previous years, shareholders were offered the option of choosing between being paid the dividend in cash or being granted new shares. During the subscription period, shareholders holding a total of 30.93% of the shares carrying dividend rights opted for the scrip dividend instead of the cash dividend. As a result, 8,207,927

new shares were issued using the company's authorized capital for a total of € 226,785,023.01. The total amount of the dividend distributed in cash therefore came to € 506,395,475.19.

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. In the future, this performance indicator will also serve as the key parameter for Vonovia's dividend policy. 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.

On March 28, 2024, the rating agency Fitch awarded Vonovia an investment grade rating for the first time: BBB+ with a stable outlook. As positive factors, its analysis emphasizes the stability of the regulated rental housing market in Germany, the strong level of demand for residential units and Vonovia's very high level occupancy rate (98%).

Development of the Economic Environment

After a prolonged phase of stagnation, the European Commission reported a comeback for the EU economy at the beginning of the year. At 0.3%, economic growth lagged behind its estimated potential in the first quarter of 2024, but nevertheless surpassed expectations. The conditions are still looking good for a gradual acceleration in economic activity both this and next year. 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 Kiel), the economic recovery is making only sluggish progress. Despite the upward trajectory, the business and consumer sentiment remain lackluster. According to Statistics Sweden (SCB), GDP there rose by 0.7% during the same period. The upswing can be attributed primarily to changes in inventories. The Austrian statistical office, Statistik Austria, is reporting predicted GDP growth in Austria of 0.2% in a quarter-on-quarter comparison, with private consumption propping up the economy. For 2024, GDP growth of 0.2% is forecast for Germany (IfW Kiel), 1.0% for Sweden (National Institute of Economic Research, NIER) and 0.0% for Austria (Institute of Economic Research, WIFO).

The labor market is unable to escape the combination of a sluggish economic recovery in Germany, for example, 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%. According to Statistics Sweden, the unemployment rate in Sweden rose by 0.8 percentage points as against May 2023 to 8.7% in May 2024 (not seasonally adjusted). According to national calculations by the Austrian Public Employment Service (AMS), the unemployment rate in Austria in June 2024 was 6.2% and thus 0.5 percentage points higher than in the previous year. Based on respective national definitions, the average unemployment rate expected in 2024 is 5.9% for Germany (IfW Kiel), 8.4% in Sweden (NIER) and 6.9% in Austria (WIFO).

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 eurozone, above the 2% target. In Sweden and Austria, year-on-year inflation rates came to 2.6% (SCB) and an estimated 3.0% (Statistics Austria) in June 2024, and were also down on the rates witnessed at the beginning of the year. Based on respective national definitions, a CPI increase of 2.2% is expected for Germany (IfW Kiel), 2.8% for Sweden (NIER) and 3.4% for Austria (WIFO) for 2024 on average.

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 IfW Kiel, further interest rate moves could follow as the year progresses. High inflation also prompted the Swedish Riksbank to take further steps to lift its policy rate to 4.00% in the course of 2023. After the inflation rate started to move closer to the inflation target again, the policy rate was lowered for the first time in May 2024 by 25 basis points to 3.75%. Further interest rate cuts could well follow in the second half of the year. In this overall environment, interest rates for construction in Germany, Sweden and Austria 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 property 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 initially remained subdued, with transaction volumes in the residential segment rising of late in some cases. The situation for project developers remains a challenging one. At the same time, according to Savills, the underlying conditions on the rental housing market in Germany 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%. According to "Hem & Hyra," the member magazine published by the Swedish tenants' association ("Hyresgästföreningen"), almost all rents for 2024 had been negotiated as of May. The average rent increase until that point was a good 5%. Measured against the index for actual rental payments for primary residences

as part of the consumer price index, rents in Austria also rose further from the beginning of the year and were approx. 7% higher in May 2024 than in the comparable previous-year month.

Since house prices peaked in 2022, they have cooled down considerably in Germany, Sweden and Austria. The price drop in Germany 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 Svensk Mäklarstatistik, prices for tenant-owned apartments (Bostadsrätter) in Sweden were already 2.4% higher in June 2024 compared with the same month of the previous year. Prices have clearly bounced back since the beginning of the year after still being on a slight downward trajectory at the end of 2023. Experts from Swedbank expect house prices to have bottomed out and predict that they will rise slightly, by 2% to 3%, this year. The values of the current residential real estate price index of the Austrian central bank (OeNB) on the basis of new and used condominiums and single-family residences show another decrease in Austria in the first quarter of 2024, namely by 2.6% compared with the previous year and by 0.6% as against the previous quarter. This year's trend is not, however, a uniform one. Compared to the previous quarter, prices in Vienna continued to drop in the first three months of 2024, but they rose on average in the rest of Austria (excluding Vienna). According to the RE/MAX report released at the start of the year, the price trend for residential property in Austria was headed on a downward trajectory to begin with in 2024.

The size of the population in Germany, Sweden and Austria 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 in all three countries 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. Boverket estimates that 67,300 apartments will have to be built per year in Sweden by 2030. While just shy of 69,000 apartments were completed last year, the pace of completions will slow significantly in 2024. Construction only started on 32,000 apartments in 2023, and this figure is expected to fall to 27,000 in the current year. Residential construction activity in Austria had addressed the marked increase in the demand for homes in recent years. Following a drastic decline in building permits issued, the number of residential buildings completed slowed significantly in 2023, according to Bank Austria. Much lower completion figures are expected for 2024, too. As the demand for housing continues to grow, CBRE expects to see a bottleneck in large metropolitan areas in the medium term.

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 € 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. 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. According to Colliers, properties worth € 4.7 billion were traded across all segments on the Swedish transaction market in the first half of 2024, representing a year-on-year increase of approx. 16%. In terms of transaction volume, residential properties were the third-largest asset class after logistics properties and offices with a share of 23%. According to CBRE Austria, the Austrian real estate investment market saw a transaction volume in the first half of 2024 of approximately € 1 billion, down only slightly on the first half of 2023 (€ 1.08 billion). The share of the residential segment stood at around 30%. An EHL analysis reveals that residential properties in Vienna remain particularly sought-after.

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 propor-

tion 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 "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 of 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. The introduction of new building regulations planned in Sweden for the turn of the year 2024/2025 has been postponed to July 1, 2025. In Austria, a rent cap has applied since 2024 that limits the increase in indicative rents, category-based rents and rents for non-profit apartments. This does not include unrestricted rental agreements. A residential construction package adopted in Austria in the spring in a quest to revive the construction industry is to provide more favorable conditions for residential construction loans, among other measures.

Results of Operations

Overview

Overall, Vonovia'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 moderate increase in earnings. The general conditions for the other segments continued to improve in the second quarter due to higher transaction volumes and signs that property values were 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 (first half of 2023: € 12.2 million).

The following key figures provide an overview of Vonovia's results of operations and other value drivers in the reporting period.

in € million	H1 2023*	H1 2024	Change in %	12M 2023
Adjusted EBITDA Total (continuing operations)*	1,299.8	1,266.5	-2.6	2,583.8
Adjusted EBITDA Rental	1,209.0	1,191.6	-1.4	2,401.7
Adjusted EBITDA Value-add	44.1	56.8	28.8	105.5
Adjusted EBITDA Recurring Sales	37.0	22.2	-40.0	63.4
Adjusted EBITDA Development*	9.7	-4.1	-	13.2
Adjusted EBITDA from discontinued operations	24.2	25.1	3.7	53.9
Adjusted EBT (continuing operations)	945.8	887.2	-6.2	1,866.2
Operating Free Cash-Flow	764.5	800.3	4.7	1,414.8
Monthly in-place rent in €/m ²	7.58	7.86	3.7	7.74
Average area of own apartments in the reporting period (in thou. m ²)	34,379	34,118	-0.8	34,349
Average number of own units (number of units)	548,332	544,266	-0.7	547,905
Vacancy rate (in %)	2.2	2.2	-	2.0
Maintenance expenses and capitalized maintenance (€/m ²)*	9.12	9.74	6.8	21.03
thereof expenses for maintenance (€/m ²)	6.02	6.60	9.6	12.41
thereof capitalized maintenance (€/m ²)*	3.10	3.14	1.3	8.62
Number of units bought	63	-	-100.0	63
Number of units sold	1,282	3,869	>100	3,838
thereof Recurring Sales	628	921	46.7	1,590
thereof Non Core/other	654	2,948	>100	2,248
Number of new apartments completed	1,193	1,655	38.7	2,425
thereof own apartments	962	637	-33.8	1,309
thereof apartments for sale	231	1,018	>100	1,116
Carbon intensity achieved in Germany (in kg CO ₂ e/m ²)	32.6	31.5	-3.4	31.7
Number of employees (as of June 30/Dec. 31)*	11,891	12,087	1.6	11,977

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

In details, Adjusted EBT developed as follows in the reporting period:

Adjusted EBT

in € million	H1 2023*	H1 2024	Change in %	12M 2023
Revenue in the Rental segment	1,618.6	1,650.4	2.0	3,253.4
Expenses for maintenance	-206.9	-225.3	8.9	-426.2
Operating expenses in the Rental segment	-202.7	-233.5	15.2	-425.5
Adjusted EBITDA Rental	1,209.0	1,191.6	-1.4	2,401.7
Revenue in the Value-add segment	619.8	635.3	2.5	1,224.7
thereof external revenue	66.4	59.9	-9.8	130.9
thereof internal revenue	553.4	575.4	4.0	1,093.8
Operating expenses in the Value-add segment	-575.7	-578.5	0.5	-1,119.2
Adjusted EBITDA Value-add	44.1	56.8	28.8	105.5
Revenue in the Recurring Sales segment	141.4	163.9	15.9	319.3
Fair value of properties sold adjusted to reflect effects not relating to the period from assets held for sale in the Recurring Sales segment	-97.1	-132.0	35.9	-239.4
Adjusted result Recurring Sales	44.3	31.9	-28.0	79.9
Selling costs in the Recurring Sales segment	-7.3	-9.7	32.9	-16.5
Adjusted EBITDA Recurring Sales	37.0	22.2	-40.0	63.4
Revenue from disposal of Development to sell properties	218.3	70.1	-67.9	348.6
Cost of Development to sell	-195.7	-59.6	-69.5	-300.9
Gross profit Development to sell	22.6	10.5	-53.5	47.7
Rental revenue Development	2.3	3.1	34.8	5.1
Operating expenses in the Development segment	-15.2	-17.7	16.4	-39.6
Adjusted EBITDA Development*	9.7	-4.1	-	13.2
Adjusted EBITDA Total (continuing operations)*	1,299.8	1,266.5	-2.6	2,583.8
Adjusted net financial result	-304.2	-320.5	5.4	-625.1
Intragroup profit/losses	5.1	-2.9	-	17.7
Straight-line depreciation**	-54.9	-55.9	1.8	-110.2
Adjusted EBT (continuing operations)	945.8	887.2	-6.2	1,866.2
Adjusted EBT (continuing operations) per share in €***	1.19	1.09	-8.3	2.31
Minorities	63.3	82.9	31.0	136.0
Adjusted EBT (continuing operations) after minorities	882.5	804.3	-8.9	1,730.2
Adjusted EBT (continuing operations) after minorities per share in €***	1.11	0.99	-10.9	2.12

* 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, Vonovia had a workforce of 12,087 employees (June 30, 2023: 11,891) in its continuing operations.

As of the end of the first half of 2024, Vonovia managed a portfolio comprising 542,881 of its own residential units (end

of the first half of 2023: 548,080), 163,552 garages and parking spaces (end of the first half of 2023: 165,085) and 8,507 commercial units (end of the first half of 2023: 8,779). Vonovia also managed 71,697 residential units (end of the first half of 2023: 70,436) on behalf of third parties.

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 2.2% (end of June 2023: 2.2%), meaning that it was once again virtually fully occupied.

The segment revenue in the Rental segment increased by 2.0% (6M 2023: 2.3%) from € 1,618.6 million in the first six months of 2023 to € 1,650.4 million in the first six months of 2024. Of the Rental segment revenue, in the 2024 reporting period rental income in Germany accounted for € 1,410.0 million (6M 2023: € 1,388.7 million), rental income in Sweden for € 179.9 million (6M 2023: € 171.4 million) and rental income in Austria for € 60.5 million (6M 2023: € 58.5 million). **Organic rent growth** (twelve-month rolling) totaled 3.8% (3.5% as of June 30, 2023). The current rent increase due to market-related factors came to 2.2% (1.5% as of June 30, 2023), while the increase from property value improvements translated into a further 1.3% (1.2% as of June 30, 2023). All in all, this produces a **like-for-like rent increase** of 3.5% (2.7% as of June 30, 2023). New construction and vertical expansion

measures also contributed 0.3% (0.8% as of June 30, 2023) to organic rent growth.

The average monthly in-place rent within the Rental segment at the end of June 2024 came to € 7.86 per m² compared to € 7.58 per m² at the end of June 2023. The monthly in-place rent in the German portfolio at the end of June 2024 came to € 7.73 per m² (June 30, 2023: € 7.51 per m²), with a figure of € 10.51 per m² (June 30, 2023: € 9.50 per m²) for the Swedish portfolio and € 5.66 per m² for the Austrian portfolio (June 30, 2023: € 5.37 per m²). The rental income from the portfolio in Sweden reflects all-inclusive rents, meaning that the amounts contain operating, heating and water supply costs. Moreover, the rental income from the Austrian real estate portfolio includes maintenance and improvement contributions (EVB).

We have adapted our modernization, new construction and maintenance strategy to reflect the current overall financial conditions in the 2024 fiscal year. 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	206.9	225.3	8.9	426.2
Capitalized maintenance	106.7	107.0	0.3	296.3
Maintenance measures	313.6	332.3	6.0	722.5
Modernization & portfolio investments	254.3	243.2	-4.4	513.3
New construction (to hold)	138.5	98.3	-29.0	291.2
Modernization, portfolio investments and new construction	392.8	341.5	-13.1	804.5
Total sum of maintenance, modernization, portfolio investments and new construction	706.4	673.8	-4.6	1,527.0

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

Operating expenses in the Rental segment in the first half of 2024 were up by 15.2% on the figures for the first half of 2023, from € 202.7 million to € 233.5 million.

All in all, the **Adjusted EBITDA Rental** came to € 1,191.6 million in the first six months of 2024, down slightly on the prior-year value of € 1,209.0 million.

Value-add Segment

Developments in the **Value-add segment** remained dominated by the current overall conditions for our own craftsmen's organization. The general price increases for construction services and materials, as well as productivity losses due to smaller-scale investments, continued to impact economic development. The volume of modernization and portfolio investments in the first half of 2024 almost matched that seen in the first six months of 2023.

All in all, revenue from the Value-add segment came to € 635.3 million in the 2024 reporting period, up by 2.5% on the value of € 619.8 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 declined by 9.8% compared with the first six months of 2023, from € 66.4 million to € 59.9 million. This can be attributed primarily to price adjustments in energy distribution compared to the previous year, which were passed on to our tenants accordingly. Group revenue rose by 4.0% in the first six months of 2024 from € 553.4 million in the first six months of 2023 to € 575.4 million.

Operating expenses in the Value-add segment in the first six months of 2024 were up slightly on the figures for the first six months of 2023, from € 575.7 million to € 578.5 million.

Adjusted EBITDA Value-add came to € 56.8 million in the first six months of 2024, up by 28.8% on the figure of € 44.1 million reported for the first six months of 2023.

Recurring Sales Segment

In the Recurring Sales segment, income from the disposal of properties in the first six months of 2024 came to € 163.9 million, which was 15.9% higher than the prior-year value of € 141.4 million in the first six months of 2023. 921 residential units were sold (6M 2023: 628), of which 722 were located in Germany (6M 2023: 412) and 199 in Austria (6M 2023: 216). Of this amount, income from sales in Germany accounted for € 122.6 million (6M 2023: € 82.7 million) and income from sales in Austria for € 41.3 million (6M 2023: € 58.7 million).

The fair value step-up came in at 24.2% in the first six months of 2024, down on the comparative value of 45.6% for the first six months of 2023. This is due to lower step-ups for sales in Germany and Austria.

Selling costs in the Recurring Sales segment came in at € 9.7 million in the first half of 2024, up by 32.9% on the value of € 7.3 million seen in the first half of 2023.

Adjusted EBITDA Recurring Sales came in at € 22.2 million in the first six months of 2024, down considerably on the value of € 37.0 million seen in the first six months of 2023.

Moreover, in the first six months of 2024, 2,948 residential units from the Non Core/Other portfolio (6M 2023: 654) were sold as part of our portfolio adjustment measures, with proceeds totaling € 352.7 million (6M 2023: € 101.0 million). At 0.0%, the fair value step-up for Non Core/Other disposals in the 2024 reporting period was significantly lower than the figure for the first six months of 2023 (9.2%).

Development Segment

Economic development in the **Development segment** continued to be impacted primarily by the increased construction costs and interest rates in the reporting period.

In the "Development to sell" area, a total of 1,018 units were completed in the 2024 reporting period (6M 2023: 231 units), all 1,018 of them in Germany (6M 2023: 104). No units were completed in Austria in the reporting period (6M 2023: 127 units). Proceeds from the sale of development properties to sell amounted to € 70.1 million (6M 2023: € 218.3 million) in the first six months of 2024. Of this amount, € 53.8 million was attributable to project development in Germany (6M 2023: € 189.6 million) and € 16.4 million to project development in Austria (6M 2023: € 28.7 million). The resulting gross profit for Development to sell came to € 10.5 million in the first six months of 2024, with a margin of 15.0% (6M 2023: € 22.6 million, margin of 10.4%).

Development operating expenses came to € 17.7 million in the first six months of 2024, 16.4% above the comparative value of € 15.2 million seen in the first six months of 2023.

Adjusted EBITDA in the Development segment amounted to € -4.1 million in the 2024 reporting period (6M 2023: € 9.7 million).

In the "Development to hold" area, a total of 637 units were completed in the first six months of 2024 (6M 2023: 962 units), of which 635 were in Germany (6M 2023: 502 units), none were in Austria (6M 2023: 296 units) and two were in Sweden (6M 2023: 164 units).

Adjusted EBT

The **Adjusted EBITDA Total for continuing operations** amounted to € 1,266.5 million in the first six months of 2024 and was thus 2.6% lower than the prior-year value of € 1,299.8 million in the first six months of 2023.

In the 2024 reporting period, the non-recurring items eliminated in the Adjusted EBT came to € 45.4 million (6M 2023: € 119.2 million). The following table gives a detailed list of the non-recurring items:

Non-recurring Items

in € million	H1 2023	H1 2024	Change in %	12M 2023
Transactions*	82.9	12.9	-84.4	70.0
Personnel matters	26.6	14.7	-44.7	35.1
Business model optimization	6.2	14.4	>100	34.9
Research & development	3.4	2.9	-14.7	6.8
Refinancing and equity measures	0.1	0.5	>100	1.1
Total non-recurring items	119.2	45.4	-61.9	147.9

* Including one-time expenses in connection with acquisitions, such as HR measures relating to the integration process and other follow-up costs.

Reconciliations

The **adjusted net financial result** changed from € -304.2 million in the first six months of 2023 to € -320.5 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	23.6	34.7	47.0	60.6
Interest received and similar income	9.0	22.6	>100	22.9
Interest expense from non-derivative financial liabilities	-362.4	-410.1	13.2	-765.1
Swaps (current interest expense for the period)	20.3	27.0	33.0	49.3
Capitalization of interest on borrowed capital Development	-	0.1	-	0.6
Income from investments	5.3	5.2	-1.9	6.6
Adjusted net financial result	-304.2	-320.5	5.4	-625.1
Accrued interest	-51.1	-82.1	60.7	-25.6
Net cash interest*	-355.3	-402.6	13.3	-650.7

* Previous year's values (2023) as reported.

Interim profits came to € 2.9 million in the first six months of 2024 (6M 2023: interim losses of € -5.1 million). Depreciation and amortization rose from € 54.9 million in the first six months of 2023 to € 55.9 million in the first six months of 2024.

Overall, **Adjusted EBT for continuing operations** came to € 887.2 million in the first six months of 2024, compared to € 945.8 million in the first six months of 2023.

In the first six months of 2024 **profit for the period** came to € -529.2 million (6M 2023: € -4,130.4 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	-4,130.4	-529.2	-87.2	-6,756.2
Profit from discontinued operations	-3.1	21.0	-	148.1
Profit from continuing operations	-4,133.5	-508.2	-87.7	-6,608.1
Income taxes	-1,736.3	-80.1	-95.4	-2,577.1
Earnings before tax (EBT)	-5,869.8	-588.3	-90.0	-9,185.2
Non-recurring items	119.2	45.4	-61.9	147.9
Net income from fair value adjustments of investment properties	6,382.2	1,432.0	-77.6	10,651.2
Impairment/value adjustments	294.4	16.8	-94.3	334.2
Valuation effects and special effects in the financial result	7.5	-28.8	-	-176.1
Net income from investments accounted for using the equity method	12.3	18.5	50.4	75.7
Earnings contribution from Non Core/Other sales	2.4	10.8	>100	12.2
Period adjustments from assets held for sale	-2.4	-19.2	>100	6.3
Adjusted EBT (continuing operations)	945.8	887.2	-6.2	1,866.2
Straight-line depreciation	54.9	55.9	1.8	110.2
Adjusted net financial result	304.2	320.5	5.4	625.1
Intragroup profit/losses	-5.1	2.9	-	-17.7
Adjusted EBITDA Total (continuing operations)	1,299.8	1,266.5	-2.6	2,583.8

* 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)	945.8	887.2	-6.2	1,866.2
Straight-line depreciation	54.9	55.9	1.8	110.2
Change in net current assets (working capital) according to the cash flow statement (adjusted for special payment effects)	-153.0	3.8	-	-340.2
Carrying amount of recurring sales assets sold	97.1	132.0	35.9	239.4
Capitalized maintenance	-106.7	-107.0	0.3	-296.3
Dividends and payouts to non-controlling shareholders (minorities)	-15.1	-114.5	>100	-40.5
Income tax payments according to cash flow statement (w/o taxes on Non Core sales)	-58.5	-57.1	-2.3	-124.0
Operating Free Cash-Flow	764.5	800.3	4.7	1,414.8

Assets

Consolidated Balance Sheet Structure

	Dec. 31, 2023		June 30, 2024	
	in € million	in %	in € million	in %
Non-current assets	85,121.4	92.5	82,581.2	91.2
Current assets	6,874.5	7.5	8,002.1	8.8
Total assets	91,995.9	100.0	90,583.3	100.0
Equity	29,944.6	32.5	28,751.5	31.7
Non-current liabilities	56,912.4	61.9	55,572.2	61.4
Current liabilities	5,138.9	5.6	6,259.6	6.9
Total equity and liabilities	91,995.9	100.0	90,583.3	100.0

The Group's **total assets** declined by € 1,412.6 million, from € 91,995.9 million as of December 31, 2023 to € 90,583.3 million.

The key trend in the non-current assets item is the € 2,489.1 million decrease in investment properties, which was due in particular to the reclassification of a portfolio of around 4,500 residential units in Berlin to current assets, assets held for sale, and to the negative result from fair value adjustments in the amount of € -1,432.0 million. Capitalized modernization costs and additions, in particular, had the opposite effect.

The transactions with Apollo Capital Management L.P. relating to the disposal of shares in the Südewo portfolio of residential properties in Baden-Württemberg and a portfolio in northern Germany in the 2023 fiscal year gave rise to call options on these shares. These were recognized directly in equity as an asset in the 2023 fiscal year. These options were remeasured on June 30, 2024, resulting in a valuation of € 901.0 million. The adjustment was recognized in the income statement, with income of € 63.0 million.

Within current assets, the reclassification to assets held for sale referred to above, in particular, resulted in this item increasing by € 1,010.3 million. Other changes in current assets were associated with the drop in trade receivables (€ -135.5 million), as well as with the increase in real estate inventories (€ 130.7 million) and cash and cash equivalents (€ 126.6 million).

The goodwill amount remains unchanged by comparison with December 31, 2023. On June 30, 2024, goodwill comprised 1.5% of total assets.

As of June 30, 2024, the **gross asset value (GAV)** of Vonovia's property assets came to € 83,072.1 million. This corresponds to 91.7% of total assets, compared to € 84,545.1 million or 91.9% at the end of 2023.

Total equity fell by € 1,193.1 million from € 29,944.6 million to € 28,751.5 million, due in particular to the profit for the period of € -529.2 million and the dividend distribution. The other comprehensive income of € -43.2 million was influenced to a significant degree by currency effects amounting to € -103.8 million.

The **equity ratio** stood at 31.7% as of June 30, 2024, compared with 32.5% at the end of 2023.

Liabilities decreased by € 219.5 million, from € 62,051.3 million to € 61,831.8 million. The total of non-current non-derivative financial liabilities fell by € 919.1 million, from € 39,636.5 million to € 38,717.4 million. Current non-derivative financial liabilities increased by € 874.4 million, from € 3,260.6 million to € 4,135.0 million.

Deferred tax liabilities fell by € 385.3 million from € 15,713.2 million to € 15,327.9 million.

Net Assets

Vonovia's net asset value figures are based on the best practice recommendations of the EPRA (European Public Real Estate Association). At the end of the first half of 2024, the EPRA NTA came to € 36,603.7 million, down by 4.0% on the value of € 38,140.9 million seen at the end of 2023. EPRA NTA per share decreased from € 46.82 at the end of 2023 to € 44.48 at the end of the first half of 2024.

EPRA Net Tangible Assets (EPRA NTA)

in € million	Dec. 31, 2023	June 30, 2024	Change in %
Total equity attributable to Vonovia shareholders	25,682.7	24,595.2	-4.2
Deferred tax in relation to fair value gains of investment properties*	13,895.3	13,474.0	-3.0
Fair value of financial instruments	-13.4	-42.2	>100
Goodwill	-1,391.7	-1,391.7	-
Intangible assets	-32.0	-31.6	-1.3
EPRA NTA	38,140.9	36,603.7	-4.0
EPRA NTA per share in €**	46.82	44.48	-5.0

* Proportion of hold portfolio.

** EPRA NTA per share based on the shares carrying dividend rights on the reporting date.

Fair Values

Major market developments and valuation parameters that have an impact on the fair values of Vonovia are assessed on an ongoing basis.

This revaluation led to a result from the valuation of € -1,432.0 million for the first six months of the year (H1 2023: € 6,382.2 million). In addition, buildings under construction (new construction/Development to hold) were completed during the three-month period. A fair value measurement is performed for the first time when the properties are completed. This resulted in a valuation effect of € 2.6 million (H1 2023: € 13.7 million) for the period from January 1 to June 30, 2024, with this valuation effect included in the aforementioned valuation result.

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	6M 2023	6M 2024
Cash flow from operating activities	911.4	1,127.8
Cash flow from investing activities	-346.2	114.4
Cash flow from financing activities	-186.3	-1,107.8
Influence of changes in foreign exchange rates	-4.7	-2.7
Net changes in cash and cash equivalents	374.2	131.7
Cash and cash equivalents at the beginning of the period (excl. discontinued operations)	1,302.4	1,374.4
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 operations)	1,302.4	1,418.8
Cash and cash equivalents at the end of the period (incl. discontinued operations)	1,676.6	1,550.5
Less cash and cash equivalents from discontinued operations	-	-49.5
Cash and cash equivalents at the end of the period	1,676.6	1,501.0

The cash flow from **operating activities** came to € 1,127.8 million for the first six months of 2024, compared with € 911.4 million for the first six months of 2023.

The cash flow from **investing activities** shows net proceeds of € 114.4 million for the first six months of 2024. Payments for the acquisition of investment properties came to € 427.0 million in the first six months of 2024 (6M 2023: € 445.1 million). On the other hand, income from portfolio sales in the amount of € 624.2 million was collected (6M 2023: € 201.4 million).

The cash flow from **financing activities** of € -1,107.8 million (6M 2023: € -186.3 million) includes payments for regular and unscheduled repayments on financial liabilities in the amount of € 1,708.2 million (6M 2023: € 1,547.6 million) and, on the other hand, proceeds from issuing financial liabilities in the amount of € 1,723.4 million (6M 2023: € 1,071.3 million). Payouts for transaction and financing costs amounted to € 34.3 million (6M 2023: € 5.6 million). Interest paid in the first six months of 2024 amounted to € 430.5 million (6M 2023: € 378.4 million). The payouts to shareholders of Vonovia SE came to € 506.4 million (6M 2023: € 372.9 million).

Net changes in **cash and cash equivalents** came to € 131.7 million.

Financing

In its announcement of July 3, 2024, the agency Standard & Poor's indicated that Vonovia's rating remains unchanged at BBB+ with a stable outlook for its long-term issuer credit rating and A-2 for its short-term issuer credit rating, while Vonovia's issued and unsecured bonds are rated BBB+.

In its announcement of February 1, 2024, the rating agency Moody's confirmed Vonovia's rating of Baa1 with a stable outlook.

The rating agency Scope has, in its announcement of July 2, 2024, awarded Vonovia an A- investment grade rating with negative outlook.

On March 28, 2024, the rating agency Fitch awarded Vonovia a rating for the first time: BBB+ with a stable outlook.

Vonovia SE has launched an **EMTN** (European medium-term notes) program. This program, which was originally launched via Vonovia Finance B.V., allows funds to be raised quickly at any time, without any major administrative effort, using bond issues. The prospectus for the € 40 billion program, which was published on April 2, 2024, must be updated annually and requires approval from the financial supervisory authority of the Grand Duchy of Luxembourg (CSSF).

As of the reporting date of June 30, 2024, Vonovia had placed a total bond volume of € 23.6 billion, € 22.9 billion of which relates to the EMTN program. Deutsche Wohnen bonds worth a further € 1.8 billion were also assumed.

A bond in the amount of € 328.6 million was repaid as scheduled on January 15, 2024.

On January 18, 2024, Vonovia issued an unsecured GBP 400.0 million (approx. € 465.1 million) bond with a twelve-year term and a 5.5% coupon (4.55% after currency hedging).

On February 14, 2024, Vonovia issued another unsecured bond with a volume of CHF 150.0 million (approx. € 159.3 million), a five-year term and a 2.565% coupon (4.16% after currency hedging).

In January and February 2024, several drawdowns were made under the Commercial Paper Program, with a total volume of € 500.0 million.

On March 28, 2024, an amount of € 150.0 million was disbursed under a secured financing agreement concluded with Ergo in December 2023.

With a total volume of € 138.7 million, two secured bullet loans were repaid on March 31, 2024.

On April 8, 2024, a € 336.1 million bond was repaid as scheduled.

A further bond, denominated in Swedish krona and with a volume of SEK 500.0 million (around € 48.4 million), was repaid as scheduled on April 8, 2024.

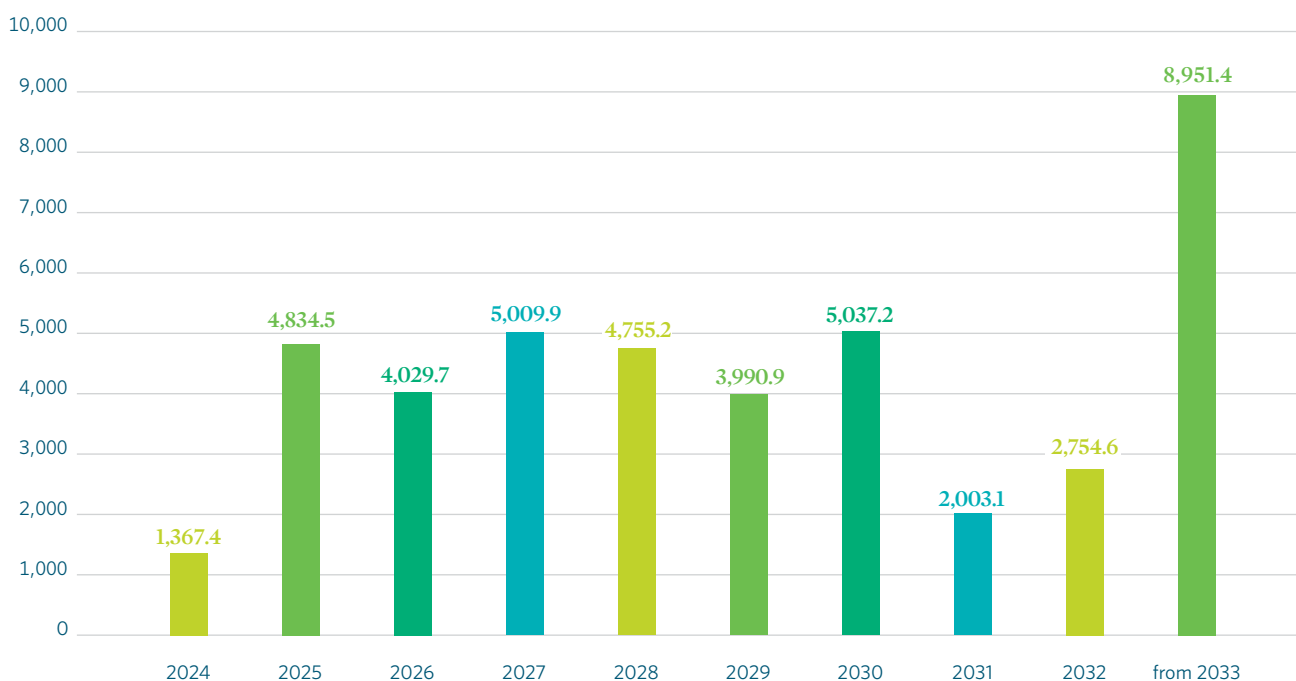
On April 10, 2024, Vonovia issued a € 850.0 million unsecured social bond with a 4.25% coupon and a ten-year term.

Vonovia placed a bond with a volume of SEK 750.0 million (approx. € 66.9 million) with a two-year term as part of a private placement on June 19, 2024. The bond is a floating-rate bond (3M STIBOR plus 1.30% margin; 4.51% after interest and currency hedging) and is structured as a social bond.

The **debt maturity profile** of Vonovia's financing was as follows as of June 30, 2024:

Debt Maturity Profile on June 30, 2024 (face values)

in € million



The maturity profile also includes regular repayments.

The LTV (loan to value) is as follows as of the reporting date:

in € million	Dec. 31, 2023	June 30, 2024	Change in %
Non-derivative financial liabilities	42,933.0	42,852.4	-0.2
Foreign exchange rate effects	-	-4.0	-
Cash and cash equivalents*	-1,737.1	-1,872.7	7.8
Net debt	41,195.9	40,975.7	-0.5
Sales receivables	-895.2	-633.9	-29.2
Adjusted net debt	40,300.7	40,341.8	0.1
Fair value of the real estate portfolio	83,927.7	82,464.7	-1.7
Loans to companies holding immovable property and land	814.3	823.2	1.1
Shares in other real estate companies	479.5	478.3	-0.3
Adjusted fair value of the real estate portfolio	85,221.5	83,766.2	-1.7
LTV	47.3%	48.2%	0.9 pp
Net debt	40,300.7	40,341.8	0.1
Adjusted EBITDA total**	2,583.8	2,512.0	-2.8
Net debt/EBITDA multiple	15.6x	16.1x	0.5x

* Incl. term deposits not classified as cash equivalents.

** Total over 4 quarters.

Vonovia has undertaken to comply with the following standard market covenants (calculation based on the definitions in the financing documentation) in the context of

its issuance of unsecured bonds and financing as well as its structured secured financing.

in € million	Threshold	Dec. 31, 2023	June 30, 2024	Change in %
Total financial debt/		42,933.0	42,852.4	-0.2
Total assets		91,995.9	90,583.3	-1.5
LTV	< 60.0%	46.7%	47.3%	0.6 pp
Secured debt/		12,930.1	12,618.3	-2.4
Total assets		91,995.9	90,583.3	-1.5
Secured LTV	< 45.0%	14.1%	13.9%	-0.2 pp
LTM Adjusted EBITDA/		2,583.8	2,512.0	-2.8
LTM Net Cash Interest		650.7	692.9	6.5
ICR	> 1.8x	4.0x	3.6x	-0.4x
Unencumbered assets/		47,296.5	47,392.9	0.2
Unsecured debt		30,002.9	30,234.1	0.8
Unencumbered assets	> 125.0%	157.6%	156.8%	-0.8 pp

Non-fulfillment of the agreed financial covenants may have a negative effect on Vonovia's liquidity status. The financial covenants have been fulfilled as of the reporting date.

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 € 5-40 million to € 5-50 million,
- > in **category 2, noticeable amount of loss**, from € 40-150 million to € 50-180 million,
- > in **category 3, material amount of loss**, from € 150-375 million to € 180-450 million,
- > in **category 4, high amount of loss**, from € 375-750 million to € 450-900 million, and
- > in **category 5, very high amount of loss**, from >€ 750 million to >€ 900 million.

The number of overall risks was unchanged as against the end of 2023 at 118 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 10 at the end of the first half of 2024, as at the end of 2023. These were assessed as follows:

“Future market development leads to a drop in property values” with an unchanged potential amount of loss affecting the balance sheet of € 2,400-6,000 million and an expected probability of occurrence of 5-39%.

“Value of stated goodwill” with an unchanged potential amount of loss affecting the balance sheet of € 600-2,400 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 € 450-900 million (previously € 375-750 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 € 450-900 million (previously € 375-750 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 sale risk” with a potential amount of loss with an impact on profit and loss of € 180-450 million (previously € 150-375 million) and an expected probability of occurrence of 40-59%.

The assessment of the potential amount of loss with an impact on profit and loss associated with the risk **“higher refinancing costs due to changes in risk profile”** was reduced from € 375-750 million at the end of 2023 to € 180-450 million (previously € 150-375 million) at the end of the first half of 2024, with an unchanged expected probability of occurrence of 5-39%.

“Material impact of legal disputes (excl. taxes)” with a potential amount of loss with an impact on profit and loss of € 180-450 million (previously € 150-375 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 >€ 900 million (previously >€ 750 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 >€ 900 million (previously >€ 750 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 Vonovia Group as a whole, and considers current business developments as well as possible opportunities and risks. 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 of the 2023 Annual Report 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 → [Opportunities and Risks](#)).

We expect the price increases on the construction and commodity markets, in particular, to continue to have a moderate impact on Vonovia 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. 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.

The EBITDA contribution for our core **Rental** business is expected to more or less match the previous year's level. In a year-on-year comparison, organic rent increases and associated higher rental income will be offset by higher rent losses stemming from sales resulting in a smaller portfolio. As far as the **Value-add** segment is concerned, we expect to see a pronounced increase in Adjusted EBITDA in 2024, mainly as a result of us ramping our investment activity back up. We also predict a marked increase in the EBITDA contribution

provided by our **Development** segment thanks to an increased level of demand for new condominiums. Depending on how demand for existing apartments develops going forward, we expect Adjusted EBITDA in the **Recurring Sales** segment to roughly match the previous year's level. At Group level, for 2024 we therefore expect to see an **Adjusted EBITDA Total** that is roughly on a par with the previous year overall.

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.

Due in particular to heavier investment in our existing portfolio, we expect our investment activity to increase in 2024. In addition, we expect the value of our company to increase further and, as a result, predict a slight increase in **EPRA NTA per share**, before taking into consideration any further market-related changes in property values.

The values for the individual weighted targets for the 2024 fiscal year produce a standardized forecast of 100% for the **Sustainability Performance Index**.

The following table, which presents material and selected key figures, provides an overview of our forecast for 2024.

	Actual 2023	Forecast for 2024	Forecast for 2024 in the 2024 Q1 Report	Forecast for 2024 in the 2024 H1 Report
Adjusted EBITDA total	€2,538.8 million	€ 2.55-2.65 billion	€ 2.55-2.65 billion	Upper end of € 2.55-2.65 billion
Adjusted EBT	€ 1,866.2 million	€ 1.70-1.80 billion	€ 1.70-1.80 billion	Upper end of € 1.70-1.80 billion
EPRA NTA per share*	€ 46.82	suspended	suspended	suspended
Sustainability Performance Index (SPI)	111%	100%	100%	100%
Rental income	€ 3,253.4 million	-€ 3.3 billion	-€ 3.3 billion	-€ 3.3 billion
Organic rent growth	3.8%	3.4-3.6%	3.8-4.1%	Upper end of 3.8-4.1%
Additional rent increase claim**	1.8%	>2%	-2%	-2%

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

** For Germany: additional rent increase claim regarding the apartment in relation to the local comparable rent (OVM) that is guaranteed by law but can only be implemented once the three-year period for maximum rent growth ("Kappungsgrenze") has lapsed. The percentage value refers to the cumulative rent increase claim at the respective point in time and -for that period- cannot be added to the organic rent growth as the implementation occurs in subsequent years.

Bochum, July 26, 2024

The Management Board

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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		2,540.9	2,448.9	1,275.8	1,223.7
Other revenue from property management		83.7	73.0	35.9	38.5
Revenue from property management	B6	2,624.6	2,521.9	1,311.7	1,262.2
Income from disposal of properties		238.1	516.6	125.8	176.4
Carrying amount of properties sold		-204.1	-493.2	-112.0	-162.7
Revaluation of assets held for sale		20.4	27.8	13.2	18.8
Profit from the disposal of properties	B7	54.4	51.2	27.0	32.5
Revenue from disposal of real estate inventories		222.5	70.1	188.8	39.5
Cost of sold real estate inventories		-199.0	-59.6	-171.3	-32.3
Profit from disposal of real estate inventories	B8	23.5	10.5	17.5	7.2
Net income from fair value adjustments of investment properties	B9	-6,382.2	-1,432.0	-2,770.0	-1,432.0
Capitalized internal expenses		225.7	235.8	110.3	128.0
Cost of materials		-1,235.1	-1,135.0	-587.9	-565.2
Personnel expenses		-384.8	-378.0	-187.4	-189.7
Depreciation and amortization		-327.8	-61.8	-300.9	-33.8
Other operating income	B11	94.8	99.0	52.0	62.0
Impairment losses on financial assets		-6.5	-37.6	-3.6	-7.9
Net income from the derecognition of financial assets measured at amortized cost		0.5	0.9	-0.6	-0.4
Other operating expenses	B12	-247.4	-172.4	-171.8	-97.5
Net income from investments accounted for using the equity method		-12.3	-18.5	-12.2	-18.5
Interest income	B13	49.9	67.5	16.5	35.9
Interest expenses	B14	-382.6	-424.5	-187.0	-222.0
Other financial result	B15	35.5	84.7	10.5	41.1
Earnings before tax		-5,869.8	-588.3	-2,675.9	-998.1
Income taxes		1,736.3	80.1	638.2	166.4
Profit for the period from continuing operations		-4,133.5	-508.2	-2,037.7	-831.7
Profit for the period from discontinued operations		3.1	-21.0	-4.6	-33.0
Profit for the period		-4,130.4	-529.2	-2,042.3	-864.7
Attributable to:					
Vonovia's shareholders		-3,918.0	-472.7	-1,955.9	-779.1
thereof from continuing operations		-3,920.7	-452.8	-1,951.9	-748.0
thereof from discontinued operations		2.7	-19.9	-4.0	-31.1
Non-controlling interests		-212.4	-56.5	-86.4	-85.6
Earnings per share from continuing operations (diluted) in €		-4.81	-0.56	-2.34	-0.92
Earnings per share from continuing operations (basic) in €		-4.81	-0.56	-2.34	-0.92
Earnings per share total (diluted) in €		-4.81	-0.58	-2.34	-0.95
Earnings per share total (basic) in €		-4.81	-0.58	-2.34	-0.95

Consolidated Statement of Comprehensive Income

in € million	Jan. 1-Jun. 30, 2023 (adjusted)	Jan. 1- Jun. 30, 2024	Apr. 1- Jun. 30, 2023 (adjusted)	Apr. 1- Jun. 30, 2024
Profit for the period	-4,130.4	-529.2	-2,042.3	-864.7
Change in unrealized gains/losses	-19.6	45.7	3.0	28.8
Taxes on the change in unrealized gains/losses	6.1	-11.3	-1.0	-9.2
Net realized gains/losses	2.5	-4.7	-2.1	-7.5
Taxes due to net realized gains/losses	0.3	2.3	1.2	2.7
Profit on cash flow hedges	-10.7	32.0	1.1	14.8
Changes in the period	-277.6	-103.8	-207.6	65.6
Tax effect	-	-	-	-
Profit on currency translation differences	-277.6	-103.8	-207.6	65.6
Items which will be recognized in profit or loss in the future	-288.3	-71.8	-206.5	80.4
Changes in the period	-18.8	12.8	-6.2	11.4
Taxes on changes in the period	0.8	-0.1	0.1	-0.2
Profit on equity instruments at fair value in other comprehensive income	-18.0	12.7	-6.1	11.2
Change in actuarial gains/losses, net	-7.8	24.2	-3.1	19.9
Tax effect	2.2	-8.3	0.8	-5.4
Profit on actuarial gains and losses from pensions and similar obligations	-5.6	15.9	-2.3	14.5
Items which will not be recognized in profit or loss in the future	-23.6	28.6	-8.4	25.7
Other comprehensive income	-311.9	-43.2	-214.9	106.1
Total comprehensive income	-4,442.3	-572.4	-2,257.2	-758.6
Attributable to:				
Vonovia's shareholders	-4,229.5	-516.2	-2,170.6	-673.6
thereof from continuing operations	-4,231.4	-493.8	-2,165.5	-643.8
thereof from discontinued operations	1.9	-22.4	-5.1	-29.8
Non-controlling interests	-212.8	-56.2	-86.6	-85.0

Consolidated Balance Sheet

in € million	Notes	Dec. 31, 2023	Jun. 30, 2024
Assets			
Intangible assets	D17	1,423.7	1,423.3
Property, plant and equipment		655.1	677.6
Investment properties	D18	81,120.3	78,631.2
Financial assets	D19	1,456.3	1,454.8
Investments accounted for using the equity method	D20	157.9	221.6
Other assets		221.7	86.3
Deferred tax assets		86.4	86.4
Total non-current assets		85,121.4	82,581.2
Inventories		19.7	20.8
Trade receivables		593.2	457.7
Financial assets	D19	1,007.8	1,069.4
Other assets		660.3	722.8
Income tax receivables		178.2	141.1
Cash and cash equivalents		1,374.4	1,501.0
Real estate inventories		1,957.7	2,088.4
Assets held for sale	D21	313.1	1,323.4
Assets from discontinued operations	D21	770.1	677.5
Total current assets		6,874.5	8,002.1
Total assets		91,995.9	90,583.3

in € million	Notes	Dec. 31, 2023	Jun. 30, 2024
Equity and liabilities			
Subscribed capital		814.6	822.9
Capital reserves		2,681.2	2,897.4
Retained earnings		22,505.1	21,253.3
Other reserves		-318.3	-378.4
Total equity attributable to Vonovia shareholders		25,682.6	24,595.2
Non-controlling interests		4,262.0	4,156.3
Total equity	E22	29,944.6	28,751.5
Provisions		606.9	575.1
Trade payables		7.0	7.1
Non-derivative financial liabilities	E23	39,636.5	38,717.4
Derivatives		59.2	27.9
Lease liabilities	E24	629.3	631.9
Liabilities to non-controlling interests		167.7	169.2
Financial liabilities from tenant financing		41.6	43.4
Other liabilities		51.0	72.3
Deferred tax liabilities		15,713.2	15,327.9
Total non-current liabilities		56,912.4	55,572.2
Provisions		202.9	175.5
Trade payables		486.4	433.6
Non-derivative financial liabilities	E23	3,260.6	4,135.0
Derivatives		0.1	0.2
Put options		316.2	318.3
Lease liabilities	E24	43.9	44.7
Liabilities to non-controlling interests		30.7	25.7
Financial liabilities from tenant financing		112.5	111.0
Current income taxes		260.0	281.1
Other liabilities		283.6	460.4
Liabilities associated with assets classified as held for sale	D21	-	198.8
Liabilities from discontinued operations	D21	142.0	75.3
Total current liabilities		5,138.9	6,259.6
Total liabilities		62,051.3	61,831.8
Total equity and liabilities		91,995.9	90,583.3

Consolidated Statement of Cash Flows

in € million	Notes	Jan. 1-Jun. 30, 2023	Jan. 1-Jun. 30, 2024
Profit for the period		-4,130.4	-529.2
Net income from fair value adjustments of investment properties	B9	6,382.9	1,454.1
Revaluation of assets held for sale	B7	-20.4	-27.8
Depreciation and amortization		349.8	84.8
Interest expenses/income and other financial result	B13/B14/B15	317.6	297.5
Income taxes		-1,738.3	-79.8
Profit on the disposal of investment properties	B7	-34.0	-20.3
Results from disposals of other non-current assets		-4.1	-1.9
Other expenses/income not affecting cash		8.8	25.3
Change in working capital		-153.0	3.8
Income tax paid		-67.5	-78.7
Cash flow from operating activities		911.4	1,127.8
Proceeds from disposals of investment properties and assets held for sale		201.4	624.2
Proceeds from disposals of other assets		601.2	6.5
Payments for investments in investment properties	D18	-445.1	-427.0
Payments for investments in other assets		-592.2	-117.2
Payments for acquisition of other financial assets		-139.0	-
Interest received		27.5	27.9
Cash flow from investing activities		-346.2	114.4

in € million	Notes	Jan. 1-Jun. 30, 2023	Jan. 1-Jun. 30, 2024
Cash paid to shareholders of Vonovia SE	E22	-372.9	-506.4
Cash paid to non-controlling interests		-15.1	-114.5
Proceeds from issuing financial liabilities	E23	1,071.3	1,723.4
Cash repayments of financial liabilities	E23	-1,547.6	-1,708.2
Cash repayments of lease liabilities	E24	-21.1	-23.5
Payments for transaction costs in connection with capital measures	E23	-3.3	-14.4
Payments for other financing costs	E23	-2.3	-19.9
Payments in connection with the disposal of shares in non-controlling interests		-0.1	-3.3
Payments/proceeds in connection with the sale of shares of ongoing consolidated companies		1,083.2	-10.5
Interest paid		-378.4	-430.5
Cash flow from financing activities		-186.3	-1,107.8
Influence of changes in foreign exchange rates on cash and cash equivalents		-4.7	-2.7
Cash and cash equivalents at the beginning of the period (excl. discontinued operations)		1,302.4	1,374.4
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 operations)		1,302.4	1,418.8
Net changes in cash and cash equivalents*		374.2	131.7
Cash and cash equivalents at the end of the period (incl. discontinued operations)		1,676.6	1,550.5
Less cash and cash equivalents from discontinued operations		-	-49.5
Cash and cash equivalents at the end of the period**		1,676.6	1,501.0

* Changes in cash in connection with discontinued operations are included in the cash flow from operating activities in the amount of € 27.5 million, in the cash flow of investing activities in the amount of € 48.2 million and in the cash flow from financing activities in the amount of € -70.6 million.

** Includes € 0.0 million (June 30, 2023: € 101.6 million) in current securities classified as cash equivalents and total restricted cash of € 64.0 million (June 30, 2023: € 206.3 million).

Consolidated Statement of Changes in Equity

in € million	Subscribed capital	Capital reserves	Retained earnings	Other reserves	
				Cash flow hedges	Equity instruments at fair value in other comprehensive income
As of Jan. 1, 2024	814.6	2,681.2	22,505.1	-20.1	28.4
Profit for the period			-472.7		
Changes in the period			15.6	34.4	12.7
Reclassification affecting net income				-2.4	
Other comprehensive income			15.6	32.0	12.7
Total comprehensive income			-457.1	32.0	12.7
Capital increase	8.3				
Premium on the issue of new shares		218.6			
Transaction costs in connection with the issue of shares		-0.2			
Dividend distributed by Vonovia SE			-733.2		
Profit distributions and dividends					
Changes recognized directly in equity		-2.2	-61.5		-1.0
As of Jun. 30, 2024	822.9	2,897.4	21,253.3	11.9	40.1
As of Jan. 1, 2023	795.8	5,151.6	25,605.1	41.2	63.9
Profit for the period			-3,918.0		
Changes in the period			-5.2	-13.5	-18.0
Reclassification affecting net income				2.8	
Other comprehensive income			-5.2	-10.7	-18.0
Total comprehensive income			-3,923.2	-10.7	-18.0
Capital increase	18.8				
Premium on the issue of new shares		284.7			
Transaction costs in connection with the issue of shares		-0.1			
Dividend distributed by Vonovia SE			-676.5		
Changes recognized directly in equity		-2.5	606.5		-8.7
As of Jun. 30, 2023	814.6	5,433.7	21,611.9	30.5	37.2

	Currency translation differences	Total	Equity attributable to Vonovia's shareholders	Non-controlling interests	Total equity
	-326.6	-318.3	25,682.6	4,262.0	29,944.6
			-472.7	-56.5	-529.2
	-103.8	-56.7	-41.1	0.3	-40.8
		-2.4	-2.4		-2.4
	-103.8	-59.1	-43.5	0.3	-43.2
	-103.8	-59.1	-516.2	-56.2	-572.4
			8.3		8.3
			218.6		218.6
			-0.2		-0.2
			-733.2		-733.2
				-113.3	-113.3
		-1.0	-64.7	63.8	-0.9
	-430.4	-378.4	24,595.2	4,156.3	28,751.5
	-326.1	-221.0	31,331.5	3,107.3	34,438.8
			-3,918.0	-212.4	-4,130.4
	-277.6	-309.1	-314.3	-0.4	-314.7
		2.8	2.8		2.8
	-277.6	-306.3	-311.5	-0.4	-311.9
	-277.6	-306.3	-4,229.5	-212.8	-4,442.3
			18.8		18.8
			284.7		284.7
			-0.1		-0.1
			-676.5		-676.5
		-8.7	595.3	734.5	1,329.8
	-603.7	-536.0	27,324.2	3,629.0	30,953.2

Notes

Section (A): Principles of the Consolidated Financial Statements

1 General Information

Vonovia SE is incorporated and domiciled in Germany. The company has been registered in the commercial register in Bochum under HRB 16879 since 2017. Its registered office is at Universitätsstrasse 133, 44803 Bochum, Germany. The company operates in the real estate sector.

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. Changes due to the revised presentation of the Care segment as a discontinued operation are set out in [A4] Adjustment to Prior-year Figures.

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

2 Currency Translation

The exchange rates of the currencies relevant to the Vonovia Group have developed as follows:

Basis: € 1	Closing rate		Average for period	
	Dec. 31, 2023	Jun. 30, 2024	Jan. 1–Jun. 30, 2023	Jan. 1–Jun. 30, 2024
SEK — Swedish krona	11.10	11.36	11.33	11.39
GBP — Great British pound*	-	0.85	-	0.85
CHF — Swiss franc**	-	0.96	-	0.96
USD — US dollar***	1.11	-	1.08	-

* Currency exchange rates for the Great British pound starting for the first time from 2024 due to the bond issues in GBP in 2024.

** Currency exchange rates for the Swiss franc starting for the first time from 2024 due to the bond issue in CHF in 2024.

*** Currency exchange rates for the US dollar until 2023 due to the repayment of the USD bonds.

3 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 Vonovia's business activities in the reporting period.

The operating business was stable as expected. The changes in overall financial market conditions are prompting market players to revise their return criteria due to the higher

interest rates, impacting investment decisions both at Vonovia itself and at potential transaction partners.

The new standards and interpretations applicable since January 1, 2024 have not had any material effects on Vonovia's consolidated financial statements.

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

4 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 longer-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, Vonovia 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	2,529.0	11.9	2,540.9	1,270.0	5.8	1,275.8
Other revenue from property management	227.6	-143.9	83.7	109.2	-73.3	35.9
Revenue from property management	2,756.6	-132.0	2,624.6	1,379.2	-67.5	1,311.7
Income from disposal of properties	238.1		238.1	125.8		125.8
Carrying amount of properties sold	-204.1		-204.1	-112.0		-112.0
Revaluation of assets held for sale	20.4		20.4	13.2		13.2
Profit from the disposal of properties	54.4	-	54.4	27.0	-	27.0
Revenue from disposal of real estate inventories	222.5		222.5	188.8		188.8
Cost of sold real estate inventories	-199.0		-199.0	-171.3		-171.3
Profit from disposal of real estate inventories	23.5	-	23.5	17.5	-	17.5
Net income from fair value adjustments of investment properties	-6,382.9	0.7	-6,382.2	-2,770.7	0.7	-2,770.0
Capitalized internal expenses	225.7		225.7	110.3		110.3
Cost of materials	-1,262.9	27.8	-1,235.1	-602.7	14.8	-587.9
Personnel expenses	-465.5	80.7	-384.8	-227.5	40.1	-187.4
Depreciation and amortization	-349.8	22.0	-327.8	-319.9	19.0	-300.9
Other operating income	106.3	-11.5	94.8	55.2	-3.2	52.0
Impairment losses on financial assets	-6.5	0.0	-6.5	-3.6		-3.6
Net income from the derecognition of financial assets measured at amortized cost	0.6	-0.1	0.5	-0.6		-0.6
Other operating expenses	-258.1	10.7	-247.4	-176.5	4.7	-171.8
Net income from investments accounted for using the equity method	-12.3		-12.3	-12.2		-12.2
Interest income	49.9		49.9	16.6	-0.1	16.5
Interest expenses	-383.2	0.6	-382.6	-187.3	0.3	-187.0
Other financial result	35.5		35.5	10.5		10.5
Earnings before tax	-5,868.7	-1.1	-5,869.8	-2,684.7	8.8	-2,675.9
Income taxes	1,738.3	-2.0	1,736.3	642.4	-4.2	638.2
Profit for the period from continuing operations	-4,130.4	-3.1	-4,133.5	-2,042.3	4.6	-2,037.7
Profit for the period from discontinued operations		3.1	3.1		-4.6	-4.6
Profit for the period	-4,130.4		-4,130.4	-2,042.3		-2,042.3
Attributable to:						
Vonovia's shareholders	-3,918.0		-3,918.0	-1,955.9		-1,955.9
Non-controlling interests	-212.4		-212.4	-86.4		-86.4
Earnings per share (diluted) in €	-4.81		-4.81	-2.34		-2.34
Earnings per share (basic) in €	-4.81		-4.81	-2.34		-2.34

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-Jun. 30, 2023 Changes									
Segment revenue	12.2			-193.6	-143.9	-325.3	-0.3	193.6	-132.0
thereof external revenue	12.2			-	-143.9	-131.7	-0.4		-132.0
thereof internal revenue				-193.6		-193.6		193.6	
Carrying amount of assets sold							-		
Revaluation from disposal of assets held for sale									
Expenses for maintenance	0.1				2.6	2.7			
Cost of development to sell									
Cost of development to hold				179.4		179.4		-179.4	
Operating expenses	-1.5			0.1	106.1	104.7	-15.0	-	
Ancillary costs							15.1		
Adjusted EBITDA Total	10.8			-14.1	-35.2	-38.5	-0.3	14.2	-24.6
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 (reduced by reversals in previous years)									22.2
Net income from investments accounted for using the equity method									-
Income from other investments									-
Interest income									-
Interest expenses									0.6
Other financial result									-
EBT									-1.1
Income taxes									-2.0
Profit from continuing operations									-3.1
Profit from discontinued operations									3.1
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 Vonovia's sustainable business. The revenue/costs in the "Other" and "Consolidation" columns are not part of the Management Board's segment management.

5 Subsequent Events

Vonovia successfully concluded a notarized sales contract for around 1,970 residential units and six commercial units on July 26, 2024. The purchase price of around € 300.0 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

6 Revenue from Property Management

in € million	Jan. 1-Jun. 30, 2023 (adjusted)	Jan. 1-Jun. 30, 2024
Rental income	1,621.5	1,653.8
Ancillary costs	919.4	795.1
Revenue from property letting	2,540.9	2,448.9
Other revenue from property management	83.7	73.0
	2,624.6	2,521.9

7 Profit on the Disposal of Properties

in € million	Jan. 1-Jun. 30, 2023	Jan. 1-Jun. 30, 2024
Income from the disposal of properties	146.4	105.4
Carrying amount of properties sold	-113.4	-82.0
Profit from the disposal of investment properties	33.0	23.4
Income from the sale of assets held for sale	91.7	411.2
Retirement carrying amount of assets held for sale	-90.7	-411.2
Change in value from properties sold	20.4	27.8
Profit from the disposal of assets held for sale	21.4	27.8
	54.4	51.2

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 € 27.8 million as of June 30, 2024 (H1 2023: € 20.4 million).

8 Profit on Disposal of Real Estate Inventories

Revenue from the disposal of real estate inventories amounting to € 70.1 million (H1 2023: € 222.5 million) comprises € 47.4 million (H1 2023: € 120.5 million) in period-related revenue together with € 22.7 million (H1 2023: € 102.0 million) in time-related revenue from the disposal of real estate inventories. As of the reporting date, contract assets of € 63.5 million (December 31, 2023: € 70.1 million) are recognized within miscellaneous other assets in connection with revenue recognized over time. As of the reporting date, this amount includes advance payments received of € 60.5 million (December 31, 2023: € 76.4 million).

9 Net Income from Fair Value Adjustment of Investment Properties

The measurement of the investment properties led to a valuation loss as of June 30, 2024 of € -1,432.0 million (H1 2023: € -6,382.2 million) (see explanatory information in chapter [D18] Investment Properties). This includes € -12.9 million (H1 2023: € -52.1 million) for the measurement of right-of-use assets (IFRS 16).

Buildings under construction (new construction/development to hold) were completed during the reporting period and moved to the Rental portfolio. A fair value measurement is performed for the first time when the properties are completed. This resulted in a valuation effect of € 2.6 million as of June 30, 2024 (H1 2023: € 13.7 million).

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

10 Cost of Materials

in € million	Jan. 1-Jun. 30, 2023 (adjusted)	Jan. 1-Jun. 30, 2024
Expenses for ancillary costs	894.0	761.2
Expenses for maintenance and modernization	253.0	281.5
Other cost of purchased goods and services	88.1	92.3
	1,235.1	1,135.0

11 Other Operating Income

Other operating income includes the reversal of impairments in the amount of € 10.1 million (H1 2023: € 0.2 million), largely associated with Development to hold projects 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: -).

12 Other Operating Expenses

Other operating expenses include impairment losses on Development to sell properties in the amount of € 7.7 million (H1 2023: -).

13 Interest Income

in € million	Jan. 1-Jun. 30, 2023 (adjusted)	Jan. 1-Jun. 30, 2024
Income from non-current securities and non-current loans	23.6	34.7
Interest income from partial redemptions and repurchases of bonds	15.3	-
Interest received and similar income	9.0	22.6
Other interest and similar income	2.0	10.2
	49.9	67.5

The income from non-current securities and non-current loans relates primarily to income from loans extended to the QUARTERBACK Immobilien Group.

The change in interest received and similar income is due to the increase in interest on credit balances paid by (savings) banks.

14 Interest Expenses

in € million	Jan. 1-Jun. 30, 2023 (adjusted)	Jan. 1-Jun. 30, 2024
Interest expense from non-derivative financial liabilities	362.4	410.1
Swaps (current interest expense for the period)	-20.3	-27.0
Effects from the valuation of non-derivative financial instruments	-4.3	-4.9
Effects from the valuation of swaps	21.2	21.7
Capitalization of interest on borrowed capital re. Development	-	-0.1
Prepayment penalties and commitment interest	4.5	5.0
Interest accretion to provisions	9.4	8.3
Interest from leases	9.9	10.2
Other financial expenses	-0.2	1.2
	382.6	424.5

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

15 Other Financial Result

in € million	Jan. 1-Jun. 30, 2023	Jan. 1-Jun. 30, 2024
Income from other investments	19.7	24.5
Transaction costs	-0.5	-0.4
Purchase price liabilities from put options/rights to reimbursement	18.7	-2.0
Result from derivative valuation in connection with equity instruments	-	63.0
Result from currency translation	-	-0.3
Miscellaneous other financial result	-2.4	-0.1
	35.5	84.7

Net income from the valuation of derivatives in connection with equity instruments resulted from the subsequent measurement of the long-term call options that Vonovia received as part of the sale of two minority stakes in the Südwedo portfolio and the northern Germany portfolio.

The income from investments includes financial income resulting from the collection of profits from the investment in AVW GmbH & Co. KG, Hamburg, in the amount of € 19.4 million (H1 2023: € 14.5 million) for the previous fiscal year in each case.

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

16 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–Jun. 30, 2024								
Segment revenue (continuing operations)	1,650.4	635.3	163.9	73.2	2,522.8	1,147.8	-562.0	3,108.6
thereof external revenue	1,650.4	59.9	163.9	73.2	1,947.4	1,147.8	13.4	3,108.6
thereof internal revenue		575.4			575.4		-575.4	
Carrying amount of assets sold			-141.3		-141.3	-351.9		
Revaluation from disposal of assets held for sale			9.3		9.3	-0.7		
Expenses for maintenance	-225.3				-225.3			
Cost of Development to sell				-59.6	-59.6			
Operating expenses	-233.5	-578.5	-9.7	-17.7	-839.4	-44.8	559.1	
Ancillary costs						-761.2		
Adjusted EBITDA total (continuing operations)	1,191.6	56.8	22.2	-4.1	1,266.5	-10.8	-2.9	1,252.8
Non-recurring items								-45.4
Period adjustments from assets held for sale								19.2
Income from investments/ amortization in other real estate companies/other								5.2
Net income from fair value adjustments of investment properties								-1,432.0
Depreciation and amortization (reduced by reversals in previous years)								-72.8
Net income from investments accounted for using the equity method								-18.5
Income from other investments								-24.5
Interest income								67.5
Interest expenses								-424.5
Other financial result								84.7
Earnings before tax (EBT)								-588.3
Income taxes								80.1
Profit from continuing operations								-508.2
Profit from discontinued operations								-21.0
Profit for the period								-529.2

* 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 Vonovia'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-Jun. 30, 2023 (adjusted)								
Segment revenue (continuing operations)**	1,618.6	619.8	141.4	220.6	2,600.4	1,020.4	-535.5	3,085.3
thereof external revenue	1,618.6	66.4	141.4	220.6	2,047.0	1,020.4	17.9	3,085.3
thereof internal revenue		553.4			553.4		-553.4	
Carrying amount of assets sold***			-108.2		-108.2	-99.3		
Revaluation from disposal of assets held for sale			11.1		11.1	6.9		
Expenses for maintenance	-206.9				-206.9			
Cost of Development to sell				-195.7	-195.7			
Operating expenses	-202.7	-575.7	-7.3	-15.2	-800.9	-36.4	540.6	
Ancillary costs						-894.0		
Adjusted EBITDA total (continuing operations)**	1,209.0	44.1	37.0	9.7	1,299.8	-2.4	5.1	1,302.5
Non-recurring items								-119.2
Period adjustments from assets held for sale								2.4
Income from investments/ amortization in other real estate companies/other								5.2
Net income from fair value adjustments of investment properties								-6,382.2
Depreciation and amortization (reduced by reversals in previous years)								-349.3
Net income from investments accounted for using the equity method								-12.3
Income from other investments								-19.7
Interest income								49.9
Interest expenses								-382.6
Other financial result								35.5
Earnings before tax (EBT)								-5,869.8
Income taxes								1,736.3
Profit from continuing operations								-4,133.5
Profit from discontinued operations								3.1
Profit for the period								-4,130.4

* 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 Vonovia'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 -> [A4] Adjustment to Prior-year Figures.

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

In the first half of 2024, the non-recurring items eliminated in the Adjusted EBITDA Total came to € 45.4 million compared to € 119.2 million in the first half of 2023.

The following table gives a detailed list of the non-recurring items:

in € million	Jan. 1- Jun. 30, 2023	Jan. 1- Jun. 30, 2024
Transactions*	82.9	12.9
Personnel matters	26.6	14.7
Business model optimization	6.2	14.4
Research & development	3.4	2.9
Refinancing and equity measures	0.1	0.5
Total non-recurring items	119.2	45.4

* Including one-time expenses in connection with acquisitions, such as HR measures relating to the integration process and other follow-up costs.

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-Jun. 30, 2024						
Revenue from ancillary costs (IFRS 15)					705.6	705.6
Income from the disposal of real estate inventories				70.1		70.1
Other revenue from contracts with customers	13.2	59.8				73.0
Revenue from contracts with customers	13.2	59.8	-	70.1	705.6	848.7
thereof period-related				47.4		47.4
thereof time-related	13.2	59.8	-	22.7	705.6	801.3
Revenue from rental income (IFRS 16)	1,650.4	0.3		3.1		1,653.8
Revenue from ancillary costs (IFRS 16)**					89.5	89.5
Other revenue	1,650.4	0.3	-	3.1	89.5	1,743.3
Revenue	1,663.6	60.1	-	73.2	795.1	2,592.0
Jan. 1-Jun. 30, 2023 (adjusted)*						
Revenue from ancillary costs (IFRS 15)					850.5	850.5
Income from the disposal of real estate inventories			4.2	218.3		222.5
Other revenue from contracts with customers	17.5	65.8	-	0.4		83.7
Revenue from contracts with customers	17.5	65.8	4.2	218.7	850.5	1,156.7
thereof period-related				120.5		120.5
thereof time-related	17.5	65.8	4.2	98.2	850.5	1,036.2
Revenue from rental income (IFRS 16)	1,618.6	0.6		2.3		1,621.5
Revenue from ancillary costs (IFRS 16)**					69.0	69.0
Other revenue	1,618.6	0.6	-	2.3	69.0	1,690.5
Revenue	1,636.1	66.4	4.2	221.0	919.5	2,847.2

* According to current definition.

** Includes land tax and buildings insurance.

External income and non-current assets, excluding financial instruments, deferred taxes, post-employment benefits and rights under insurance contracts, are distributed among Vonovia's country of origin and other countries as follows. The revenue and the assets are allocated based on the registered office of the unit providing the service.

in € million	Revenue		Assets	
	Jan. 1- Jun. 30, 2023*	Jan. 1- Jun. 30, 2024	Dec. 31, 2023	Jun. 30, 2024
Germany	2,551.5	2,299.3	73,702.5	71,309.5
Austria	118.4	109.1	3,148.9	3,089.4
Sweden	174.9	183.6	6,569.3	6,419.6
Other countries	2.4	-	-	-
Total	2,847.2	2,592.0	83,420.7	80,818.5

* Previous year's values (2023) adjusted to current key figure and segment definition -> [A4] Adjustment to Prior-year Figures.

Section (D): Assets

17 Goodwill

Goodwill

No triggering event within the meaning of IAS 36 was applicable as of June 30, 2024, and therefore nor was there a need for an impairment test. The headroom for the Value-add segment has improved by comparison with December 31, 2023, but still entails risk.

18 Investment Properties

in € million

As of Jan. 1, 2024	81,120.3
Additions	99.8
Capitalized modernization costs	319.4
Grants received	-3.8
Transfer from property, plant and equipment	6.4
Transfer from down payments made	149.3
Transfer to real estate inventories	-4.2
Transfer to assets held for sale	-1,420.1
Disposals	-84.4
Net income from fair value adjustments of investment properties	-1,432.0
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	27.8
Revaluation from currency effects	-150.3
As of Jun. 30, 2024	78,631.2
As of Jan. 1, 2023	92,300.1
Additions	228.7
Capitalized modernization costs	820.5
Grants received	-66.0
Transfer to property, plant and equipment	-45.9
Transfer from property, plant and equipment	48.5
Transfer to down payments made	-1.6
Transfer from down payments made	161.9
Transfer from real estate inventories	649.8
Transfer to real estate inventories	-384.5
Transfer from assets held for sale	0.9
Transfer to assets held for sale	-740.4
Transfer to discontinued operations	-619.4
Other transfers	-14.2
Disposals	-319.5
Net income from fair value adjustments of investment properties	-10,844.2
Impairment of investment properties measured at cost	-68.4
Revaluation of assets held for sale	18.4
Revaluation from currency effects	-4.4
As of Dec. 31, 2023	81,120.3

The values as of June 30, 2024, include assets of € 354.4 million (December 31, 2023: € 304.1 million) that are measured at cost, as their fair value cannot be reliably calculated on a continuing basis. In the reporting period, a need for impairment in the amount of € 2.9 million was identified on these project developments, and impairment losses of € 5.9 million were reversed. The impairment losses were reported under depreciation and amortization losses, with the reversal of impairment losses being disclosed under Other operating income.

Fair Values

Vonovia 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.

Vonovia measures its portfolio in Germany, Sweden and Austria 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 addition, the valuation of the portfolio in Austria is based on the assumption of sales strategies for the recurring sales of apartments for a subportfolio. Attainable revenues are calculated based on sales prices for comparable apartments (market approach) and are reported in the appropriate period in the DCF model. In order to take the sales potential into account, the DCF detailed period is extended to 100 years for the Austrian portfolios and no terminal value is used.

In order to reflect changes in value during the year, Vonovia 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 for the real estate assets in Germany, Sweden and Austria were also subjected to a plausibility check performed by the experts CBRE GmbH and Savills Sweden SE. They confirmed that the portfolio value as of June 30, 2024, is plausible and consistent with the market.

The real estate portfolio of Vonovia is to be found in the items investment properties, property, plant and equipment (owner-occupied properties), real estate inventories, contractual 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, along with any inheritable

building rights granted, was € 82,464.7 million as of June 30, 2024 (Dec. 31, 2023: € 83,927.7 million). This corresponds to a net initial yield for the real estate portfolio of 2.9% (December 31, 2023: 2.8%). For Germany, this results in an in-place rent multiplier of 24.6 for the portfolio (December 31, 2023: 25.1) and a fair value per m² of € 2,269 (December 31, 2023: € 2,297 per m²). The in-place rent multiplier for the Swedish portfolio comes to 17.1 (December 31, 2023: 17.9) and a fair value per m² of € 2,041 (December 31, 2023: € 2,088 per m²), for Austria to 21.5 (December 31, 2023: 22.5) and a fair value per m² of € 1,590 (December 31, 2023: € 1,612 per m²).

The inflation rate applied to the valuation procedure comes to 2.0% (H1 2023: 2.1%). For the Austrian portfolio, a sales strategy with an average selling price of € 2,406 per m² (H1 2023: € 2,406) was assumed for 48.6% (H1 2023: 48.4%) of the portfolio.

Net income from the valuation of investment properties amounted to € -1,432.0 million in the first half of 2024 (H1 2023: € -6,382.9 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	23,388.8	22,685.6	703.3
Rhine Main Area	6,475.7	6,163.6	312.1
Southern Ruhr Area	5,076.8	5,065.6	11.1
Rhineland	4,975.5	4,963.6	12.0
Dresden	4,860.4	4,789.1	71.3
Hamburg	3,179.3	3,140.1	39.2
Hanover	2,766.4	2,764.0	2.4
Kiel	2,744.2	2,734.7	9.5
Munich	2,693.3	2,654.1	39.2
Stuttgart	2,226.8	2,223.3	3.5
Northern Ruhr Area	2,018.6	2,012.1	6.5
Leipzig	1,920.8	1,914.2	6.6
Bremen	1,402.8	1,398.4	4.4
Westphalia	1,090.7	1,088.8	1.9
Freiburg	718.0	716.9	1.2
Other strategic locations	3,327.3	3,259.1	68.2
Total strategic locations	68,865.6	67,573.2	1,292.4
Non-strategic locations	376.8	299.9	76.9
Vonovia Germany	69,242.4	67,873.1	1,369.3
Vonovia Sweden**	6,259.4	6,259.4	0.0
Vonovia Austria**	2,710.0	2,665.8	44.2

* Fair value of the developed land excl. € 4,252.9 million for Development and Care portfolio, undeveloped land, inheritable building rights granted and other; € 1,387.0 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 € 445.9 million.

** The valuation methods used for the portfolio in Austria and Sweden use and provide valuation parameters that are only partially comparable.

Valuation parameters investment properties (Level 3)

	Management costs residential (€/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
	316	17.04	8.79	2.3%	0.5%	4.9%	2.9%
	341	16.69	10.28	2.2%	1.1%	5.2%	3.2%
	336	14.84	7.92	1.8%	2.4%	4.9%	3.4%
	338	16.30	9.25	2.0%	1.6%	5.2%	3.4%
	303	16.26	7.25	2.0%	2.1%	5.1%	3.4%
	326	16.37	9.41	2.1%	1.1%	5.1%	3.2%
	326	16.23	8.26	2.0%	1.8%	5.3%	3.6%
	328	17.10	8.64	2.0%	1.5%	5.5%	3.8%
	327	16.86	13.32	2.3%	0.5%	5.2%	3.2%
	342	17.15	10.12	2.1%	1.2%	5.3%	3.4%
	337	15.36	7.04	1.5%	3.0%	5.2%	4.0%
	321	17.13	7.31	2.0%	2.2%	5.0%	3.3%
	333	15.32	7.79	2.0%	1.8%	5.1%	3.4%
	332	15.17	8.10	1.9%	1.8%	5.4%	3.7%
	340	17.16	9.51	2.0%	0.8%	4.9%	3.1%
	333	16.42	8.23	2.0%	2.4%	5.3%	3.6%
	326	16.43	8.66	2.1%	1.5%	5.1%	3.2%
	358	17.47	8.54	1.9%	2.2%	6.1%	4.2%
	326	16.43	8.66	2.1%	1.5%	5.1%	3.2%
	378	13.06	10.42	2.1%	2.0%	6.2%	4.1%
	n.a.	20.83	6.33	1.7%	2.5%	6.2%	n.a.

Regional market	Valuation results*		
	Fair value (in € million)	thereof investment properties (in € million)	thereof other asset classes (in € million)
Dec. 31, 2023			
Berlin	23,881.0	23,782.6	98.4
Rhine Main Area	6,610.7	6,587.0	23.7
Southern Ruhr Area	5,168.6	5,157.5	11.1
Rhineland	5,045.8	5,022.0	23.9
Dresden	5,031.5	4,902.7	128.9
Hamburg	3,229.2	3,221.0	8.2
Hanover	2,886.6	2,868.0	18.6
Kiel	2,774.6	2,759.5	15.1
Munich	2,743.7	2,736.8	6.9
Stuttgart	2,249.5	2,243.1	6.5
Northern Ruhr Area	2,044.6	2,038.7	6.0
Leipzig	1,890.6	1,863.4	27.2
Bremen	1,439.3	1,435.6	3.6
Westphalia	1,091.3	1,086.3	4.9
Freiburg	727.1	717.2	9.9
Other strategic locations	3,394.9	3,387.1	7.8
Total strategic locations	70,209.1	69,808.4	400.6
Non-strategic locations	409.0	390.8	18.2
Vonovia Germany	70,618.1	70,199.3	418.9
Vonovia Sweden**	6,402.5	6,402.5	0.0
Vonovia Austria**	2,771.6	2,724.3	47.2

* Fair value of the developed land excl. € 4,135.4 million for development, undeveloped land, inheritable building rights granted and other; € 1,343.1 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 € 451.1 million.

** The valuation methods used for the portfolio in Austria and Sweden use and provide valuation parameters that are only partially comparable.

Valuation parameters 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
	307	16.67	8.62	2.3%	0.9%	4.9%	2.8%
	331	16.30	10.17	2.2%	1.2%	5.1%	3.2%
	326	14.39	7.79	1.8%	2.6%	4.8%	3.3%
	328	15.86	9.16	2.1%	1.7%	5.2%	3.4%
	295	15.97	7.20	2.1%	2.2%	5.1%	3.3%
	317	15.97	9.24	2.1%	1.2%	5.0%	3.2%
	316	15.85	8.11	2.0%	2.0%	5.2%	3.5%
	319	16.65	8.47	2.0%	1.6%	5.4%	3.7%
	318	16.44	13.07	2.3%	0.6%	5.2%	3.1%
	333	16.86	9.98	2.2%	1.3%	5.3%	3.4%
	328	14.95	6.93	1.6%	3.2%	5.1%	3.9%
	312	16.87	7.29	2.0%	2.7%	4.9%	3.2%
	325	14.99	7.61	2.0%	2.0%	4.9%	3.2%
	324	14.81	7.99	2.0%	2.0%	5.4%	3.7%
	331	16.73	9.42	2.0%	0.9%	4.9%	3.1%
	324	16.02	8.16	2.0%	2.5%	5.3%	3.6%
	316	16.05	8.53	2.1%	1.7%	5.0%	3.2%
	341	16.96	7.99	1.9%	2.2%	6.0%	4.2%
	317	16.06	8.53	2.1%	1.7%	5.1%	3.2%
	373	14.03	10.23	2.2%	1.6%	6.1%	4.0%
	n.a.	21.04	6.32	1.7%	2.5%	6.1%	n.a.

Sensitivity Analyses

The sensitivity analyses performed on Vonovia'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, 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 payment flows, which is then reflected in adjusted amounts recognized for discounting and capitalized interest rates. The effects do not, however,

	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
Jun. 30, 2024			
Berlin	0.6/-0.6	1.9/-1.9	5.1/-5.2
Rhine Main Area	0.5/-0.5	1.6/-1.6	3.6/-3.7
Southern Ruhr Area	0.9/-0.9	2.4/-2.4	5.4/-5.5
Rhineland	0.6/-0.6	1.9/-1.9	4.1/-4.2
Dresden	0.8/-0.8	2.5/-2.5	5.4/-5.5
Hamburg	0.6/-0.6	1.9/-1.9	4.2/-4.3
Hanover	0.8/-0.8	2.2/-2.2	4.6/-4.7
Kiel	0.8/-0.8	2.2/-2.3	4.4/-4.5
Munich	0.4/-0.4	1.2/-1.2	3.2/-3.3
Stuttgart	0.6/-0.6	1.7/-1.7	3.6/-3.7
Northern Ruhr Area	1.2/-1.2	3.1/-3.1	5.8/-5.8
Leipzig	0.8/-0.8	2.7/-2.7	5.9/-6.0
Bremen	0.8/-0.8	2.3/-2.3	5.4/-5.4
Westphalia	0.8/-0.8	2.3/-2.3	4.7/-4.8
Freiburg	0.6/-0.6	2.0/-2.0	4.3/-4.4
Other strategic locations	0.8/-0.8	2.3/-2.3	4.6/-4.7
Total strategic locations	0.7/-0.7	2.0/-2.0	4.7/-4.8
Non-strategic locations	0.7/-0.7	2.0/-2.0	3.8/-3.9
Vonovia Germany	0.7/-0.7	2.0/-2.0	4.7/-4.8
Vonovia Sweden*	0.6/-0.6	1.6/-1.6	4.3/-4.6
Vonovia Austria*	n.a./n.a.	0.4/-0.4	0.3/-0.4

* The valuation methods used for the portfolio in Austria and Sweden use and provide valuation parameters that are only partially comparable.

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.

Due to the special situation in Sweden, where changes in inflation will have a considerable impact on future rent increases, it has been assumed that at least one-third of any change in inflation will spill over into rental growth.

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

	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	-8.5/10.1	0.8/-1.8	10.0/-8.4
	-2.4/2.4	-7.0/8.2	1.1/-1.6	8.5/-7.2
	-2.6/2.6	-7.7/8.9	2.0/-2.0	8.3/-7.1
	-2.4/2.4	-7.1/8.2	1.6/-1.7	8.3/-7.1
	-2.6/2.6	-7.5/8.7	1.9/-1.9	8.4/-7.2
	-2.4/2.3	-7.5/8.7	1.3/-1.7	8.8/-7.5
	-2.5/2.5	-7.1/8.1	1.9/-1.9	7.9/-6.8
	-2.5/2.5	-6.7/7.7	1.9/-1.9	7.3/-6.4
	-2.1/2.1	-7.3/8.4	0.7/-1.5	9.3/-7.9
	-2.4/2.4	-6.8/7.8	1.5/-1.6	8.1/-6.9
	-2.8/2.7	-6.9/7.8	2.3/-2.3	6.8/-6.0
	-2.6/2.5	-7.9/9.2	1.9/-2.0	8.7/-7.5
	-2.4/2.4	-7.5/8.9	1.9/-1.9	8.4/-7.2
	-2.5/2.5	-6.8/7.8	1.8/-1.9	7.4/-6.4
	-2.5/2.5	-7.6/9.0	1.1/-1.7	8.9/-7.5
	-2.6/2.5	-7.0/7.9	1.8/-1.9	7.6/-6.6
	-2.5/2.4	-7.7/8.9	1.3/-1.8	8.8/-7.5
	-2.2/2.3	-5.9/6.9	1.4/-1.6	7.1/-6.2
	-2.5/2.4	-7.6/8.9	1.3/-1.8	8.8/-7.5
	-2.7/2.7	-7.4/8.5	0.6/-1.1	7.0/-6.2
	-0.4/0.4	-0.9/1.0	0.9/-0.9	3.9/-3.6

	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	5.2/-5.3
Rhine Main Area	0.5/-0.5	1.6/-1.6	3.6/-3.7
Southern Ruhr Area	0.9/-0.9	2.4/-2.4	5.5/-5.5
Rhineland	0.6/-0.6	1.9/-1.9	4.1/-4.2
Dresden	0.8/-0.8	2.4/-2.4	5.4/-5.4
Hamburg	0.6/-0.6	1.8/-1.8	4.2/-4.3
Hanover	0.7/-0.7	2.2/-2.2	4.7/-4.8
Kiel	0.8/-0.8	2.2/-2.3	4.5/-4.6
Munich	0.4/-0.4	1.2/-1.2	3.2/-3.4
Stuttgart	0.6/-0.5	1.7/-1.7	3.5/-3.7
Northern Ruhr Area	1.2/-1.1	3.1/-3.1	5.9/-5.9
Leipzig	0.8/-0.8	2.7/-2.7	6.0/-6.0
Bremen	0.9/-0.9	2.4/-2.4	5.8/-5.8
Westphalia	0.8/-0.8	2.3/-2.3	4.8/-4.8
Freiburg	0.6/-0.6	1.9/-1.9	4.2/-4.3
Other strategic locations	0.8/-0.8	2.3/-2.3	4.6/-4.7
Total strategic locations	0.7/-0.7	2.0/-2.0	4.8/-4.9
Non-strategic locations	0.7/-0.7	2.2/-2.2	3.9/-4.0
Vonovia Germany	0.7/-0.7	2.0/-2.0	4.8/-4.9
Vonovia Sweden*	0.6/-0.6	1.7/-1.7	4.5/-4.8
Vonovia Austria*	n.a./n.a.	0.4/-0.4	0.3/-0.4

* The valuation methods used for the portfolio in Austria and Sweden use and provide valuation parameters that are only partially comparable.

19 Financial Assets

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

Due to the subsequent measurement of the long-term call options that Vonovia received as part of the sale of two minority stakes in the Südewo portfolio and the northern Germany portfolio, the balance sheet value increased by € 63.0 million to € 901.0 million (December 31, 2023: € 838.0 million) in the first half of the year. In a sensitivity analysis, the WACC, as the main influencing factor, was changed by +0.5%/-0.5% for the call options, which would result in a change in equity affecting net income of € -106.0 million/ € +126.0 million.

Other investments include among others € 179.3 million (December 31, 2023: € 165.9 million) in shares in the Vesteda Residential Fund FGR, Amsterdam.

20 Financial Assets Accounted for Using the Equity Method

As of the reporting date, Vonovia held interests in 17 joint ventures and 12 associates (December 31, 2023: 17 joint ventures and eleven associates).

The change as of June 30, 2024 is due to the reclassification of the shares in Gropyus AG to financial assets accounted for using the equity method. This is first of all because the shares have increased from 18.9% to 20.5% and, second, because Daniel Riedl was elected Chairman of the Supervisory Board of Gropyus AG at the Supervisory Board meeting held on April 26, 2024. The shares were remeasured pursuant to IFRS 9 prior to the reclassification. The change in fair value was reported without affecting net income. The investment was then recognized at its carrying amount of € 82.7 million as a financial asset recognized using the equity method.

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	-8.7/10.4	1.5/-1.8	10.3/-8.6
	-2.4/2.3	-7.1/8.2	1.2/-1.6	8.6/-7.3
	-2.6/2.6	-7.8/9.1	2.0/-2.0	8.5/-7.3
	-2.4/2.4	-7.2/8.3	1.7/-1.7	8.4/-7.2
	-2.6/2.5	-7.5/8.7	1.9/-1.9	8.5/-7.3
	-2.4/2.3	-7.5/8.8	1.3/-1.7	9.0/-7.6
	-2.5/2.5	-7.2/8.4	1.9/-1.9	8.1/-7.0
	-2.5/2.5	-6.9/7.8	1.9/-1.9	7.5/-6.5
	-2.1/2.1	-7.3/8.5	0.8/-1.5	9.5/-8.0
	-2.4/2.4	-6.8/7.9	1.5/-1.6	8.1/-7.0
	-2.8/2.8	-7.0/8.0	2.3/-2.3	7.0/-6.1
	-2.5/2.5	-7.9/9.2	2.0/-2.0	8.8/-7.5
	-2.5/2.5	-8.0/9.4	1.9/-2.0	8.8/-7.6
	-2.4/2.4	-6.9/7.9	1.8/-1.9	7.4/-6.5
	-2.5/2.4	-7.6/8.9	1.2/-1.7	8.9/-7.5
	-2.6/2.5	-7.0/8.0	1.8/-1.9	7.7/-6.7
	-2.4/2.4	-7.8/9.1	1.6/-1.8	9.0/-7.6
	-2.3/2.3	-6.0/6.8	1.7/-1.7	6.9/-6.1
	-2.4/2.4	-7.8/9.1	1.6/-1.8	9.0/-7.6
	-2.8/2.8	-7.8/8.9	0.6/-1.1	7.1/-6.2
	-0.5/0.4	-0.9/1.0	0.9/-1.0	4.0/-3.7

As the reclassification date fell so close to the reporting date, the figures that were available on the basis of the German Commercial Code (HGB), as presented in the table below, were taken as a basis. For the same reason, the allocation of the total consideration is provisional as of June 30, 2024.

in € million	Jun. 30, 2024 Gropypus AG
Non-current assets	251.1
Current assets	
Cash and cash equivalents	14.6
Other current assets	36.7
Total current assets	51.3
Non-current liabilities	128.5
Current liabilities	43.7
Equity (100%)	130.2
Group share in %	20.5%
Group share of net assets	26.7
Group adjustments	56.0
Carrying amount of share in joint venture	82.7

Vonovia also 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 Vonovia's development business.

Vonovia 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 40% interest in the non-listed QUARTERBACK Immobilien AG and QUARTERBACK Immobilien AG's eleven non-listed financial investments was adjusted on the basis of the financial information as of March 31, 2024, that was available on the preparation cut-off date.

in € million	Dec. 31, 2023 QUARTERBACK Immobilien AG	Jun. 30, 2024 QUARTERBACK Immobilien AG	Dec. 31, 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 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 joint venture	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 and amortization	-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
Total gain and comprehensive income for the fiscal year (100%)	-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).

In addition to these investments, Vonovia also holds interests in 16 (December 31, 2023: 16) other entities that are accounted for using the equity method and are currently of minor importance; quoted market prices are not available.

The interests were adjusted for these entities provided that corresponding financial information was 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	55.8	137.9
Group share of net income from companies not accounted for using the equity method	10% to 50%	10% to 50%
Pro rata total comprehensive income	-2.5	-0.1

With regard to the other 16 entities, Vonovia has no significant financial obligations or guarantees with respect to joint ventures and associates.

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

Assets and Liabilities Held for Sale

As part of Vonovia's efforts to sell off a portfolio in Berlin, a notarized sales contract was successfully concluded on April 23, 2024. Two companies with around 4,500 residential units and a real estate value of approx. € 700.0 million will be disposed of within the scope of this transaction. The transaction is expected to be closed on December 31, 2024. The assets and liabilities of the two affected property-holding companies (share deal) are therefore recognized as a disposal group in the balance sheet as of June 30, 2024. The assets are almost exclusively composed of investment properties. Liabilities mainly comprise deferred tax liabilities.

In addition, Vonovia successfully concluded a notarized sales contract for around 1,970 residential units and six commercial units on July 26, 2024. The purchase price of around € 300.0 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.

The sale in the first half of 2024 of real estate portfolios from the Rental segment which, as of December 31, 2023, had been classified as assets and liabilities held for sale had the opposite effect.

Impairment Losses on the Disposal Group

The management currently expects the purchase price to match the balance of IFRS 5 assets and liabilities less costs to sell.

As a result, the valuation of the disposal group at the lower of carrying amount and fair value less costs to sell has not produced any valuation effects.

Assets and Liabilities Held for Sale of the Discontinued Operation

As of June 30, 2024, the assets and liabilities of the discontinued Care segment 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	28.3
Total non-current assets of discontinued operations	711.2	598.7
Inventories	0.9	0.9
Trade receivables	9.0	24.6
Other assets	2.0	3.7
Income tax receivables	2.6	0.1
Cash and cash equivalents	44.4	49.5
Total current assets of discontinued operations	58.9	78.8
Total assets of discontinued operations	770.1	677.5

The drop in non-current assets and liabilities of the discontinued operations is due to the sale of Care properties in the first half of 2024 with a carrying amount of € 90.8 million.

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 of discontinued operations	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 of discontinued operations	48.9	35.7
Total 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	145.6	67.5	73.8
Revenue from property management	132.0	145.6	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	-47.0
Depreciation and amortization	-22.0	-9.6	-19.0	-9.6
Other operating income	11.5	8.9	3.3	3.7
Net income from the derecognition of financial assets measured at amortized cost	0.1	0.1	0.0	-
Other operating expenses	-10.7	-9.4	-4.7	-4.9
Interest expenses	-0.6	-0.7	-0.4	0.1
Earnings before tax	1.1	-7.3	-8.8	-21.1
Income taxes	2.0	-0.4	4.2	1.3
Profit for the period from discontinued operations (before valuation of discontinued operations)	3.1	-7.7	-4.6	-19.8
Valuation result from discontinued operations	-	-13.4	-	-13.4
Profit for the period from discontinued operations	3.1	-21.1	-4.6	-33.2

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 € 10.0 million is included in other comprehensive income. € 2.4 million of the gains and losses are attributable to Vonovia's shareholders and € 0.4 million to non-controlling shareholders.

Earnings per Share

Earnings per share attributable to the profit for the period for the discontinued operations amount to € -0.02 as of June 30, 2024 (first half of 2023: € 0.00). Due to the small amount of cumulative income and expenses included in other comprehensive income, this also matches the earnings per share of total comprehensive income.

Cash Flows from the Discontinued Operation

Key Data from the Statement of Cash Flows

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

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.

Section (E): Capital Structure

22 Total Equity

Development of the Subscribed Capital

in €	
As of Jan. 1, 2024	814,644,998.00
Capital increase against non-cash contributions on Jun. 5, 2024 (scrip dividend)	8,207,927.00
As of Jun. 30, 2024	822,852,925.00

Development of the Capital Reserves

in €	
As of Jan. 1, 2024	2,681,238,631.83
Premium from capital increase for scrip dividend on Jun. 5, 2024	218,577,096.01
Transaction costs on the issue of new shares (after allowing for deferred taxes)	-224,301.00
Other changes not affecting net income	-2,141,606.06
As of Jun. 30, 2024	2,897,449,820.78

Dividend

The Annual General Meeting held on May 8, 2024, resolved to pay a dividend for the 2023 fiscal year in the amount of € 0.90 per share, € 733,180,498.20 million in total.

As in previous years, shareholders were offered the option of choosing between being paid the dividend in cash or being granted new shares. During the subscription period, shareholders holding a total of 30.93% of the shares carrying dividend rights opted for the scrip dividend instead of the cash dividend. As a result, 8,207,927 new shares were issued using the company's authorized capital pursuant to Section 5b of the Articles of Association ("2022 authorized capital") at a subscription price of € 27.63, i.e., a total amount of € 226,785,023.01. The total amount of the dividend distributed in cash therefore came to € 506,395,475.19.

Authorized Capital

After being used in connection with the capital increase in the amount of € 8,207,927.00, the 2022 authorized capital fell from € 214,204,999.00 to € 205,997,072.00 as of June 30, 2024. Shareholder subscription rights for the 2022 authorized capital can be excluded.

Retained Earnings and Non-controlling Interests

The neutral effects in retained earnings and non-controlling interests are largely due to transactions with the co-investor Apollo Capital Management L.P. An amount of € 108.1 million was distributed to the non-controlling interests in the first six months of the year. As a result, the ratio of equity to retained earnings and non-controlling interests was adjusted by € 63.4 million.

23 Non-Derivative Financial Liabilities

in € million	Dec. 31, 2023		Jun. 30, 2024	
	non-current	current	non-current	current
Non-derivative financial liabilities				
Liabilities to banks	14,283.2	632.4	13,198.9	1,261.3
Liabilities to other creditors	25,353.3	2,397.7	25,518.5	2,679.4
Deferred interest from non-derivative financial liabilities	-	230.5	-	194.3
	39,636.5	3,260.6	38,717.4	4,135.0

The CHF bond issued in 2024 and the GBP bond were translated at the exchange rate at the end of the reporting period in line with applicable IFRS provisions. Allowing for the hedging rate prescribed through the interest hedging transaction entered into, these financial liabilities would be € 4.0 million (December 31, 2023: € - million) lower overall than the recognized value.

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 (CHF)*	-	159.3
Bond (GBP)*	-	465.1
Bond (SEK)*	121.2	139.7
Bond (EMTN)*	18,464.0	17,799.3
Bond (EMTN Green Bond)*	2,136.9	2,136.9
Bond (EMTN Social Bond)*	2,075.7	2,925.7
Bond (Deutsche Wohnen)*	1,760.7	1,760.7
Registered bonds*	600.0	600.0
Bearer bonds*	1,260.2	1,260.2
Promissory note loan*	1,045.0	1,045.0
Commercial paper*	500.0	-
Mortgages**	14,755.4	14,442.0
	42,719.1	42,733.9

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

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

Of the nominal obligations to creditors, € 12,523.9 million (December 31, 2023: € 12,682.1 million) is secured by land charges and other collateral (account pledge agreements, assignments, pledges of company shares and guarantees of Vonovia 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.

Repayment of Bonds Under the European Medium-Term Notes Program (EMTN)

A bond in the amount of € 328.6 million was repaid as scheduled on January 15, 2024.

On April 8, 2024, a € 336.1 million bond was repaid as scheduled.

Repayment of Bonds in Foreign Currencies

A further bond, denominated in Swedish krona and with a volume of SEK 500.0 million (around € 48.4 million), was repaid as scheduled on April 8, 2024.

Repayment of Commercial Paper

In January and February 2024, several drawdowns were made under the Commercial Paper Program, with a total volume of € 500.0 million.

As of June 30, 2024, Vonovia SE's Commercial Paper Program did not have any outstanding issues.

Repayment of Secured Financing

With a total volume of € 138.7 million, two secured bullet loans were repaid on March 31, 2024.

Bonds Under the European Medium-Term Notes Program (EMTN)

On April 10, 2024, Vonovia issued a € 850.0 million unsecured social bond with a 4.25% coupon and a ten-year term.

Foreign Currency Bonds

On January 18, 2024, Vonovia issued an unsecured GBP 400.0 million (approx. € 465.1 million) bond with a twelve-year term and a 5.5% coupon (4.55% after currency hedging).

On February 14, 2024, Vonovia issued another unsecured bond with a volume of CHF 150.0 million (approx. € 159.3 million), a five-year term and a 2.565% coupon (4.16% after currency hedging).

Vonovia placed a bond with a volume of SEK 750.0 million (approx. € 66.9 million) with a two-year term as part of a private placement on June 19, 2024. The bond is a floating-rate bond (3M STIBOR plus 1.30% margin; 4.51% after interest and currency hedging) and is structured as a social bond.

Secured Financing

On March 28, 2024, a € 150.0 million secured financing agreement with Ergo was disbursed. This agreement was signed in December 2023.

24 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	1,798.0	1,771.0
Interim rental agreements	0.5	0.4
Right-of-use assets within investment properties	1,798.5	1,771.4
Leasing of land for the construction of owner-occupied commercial properties	32.2	32.0
Lease agreements for commercial premises	48.3	57.1
Contracting	78.0	72.2
Vehicle leases	4.9	5.5
Leases of IT equipment	1.0	1.0
Metering technology	22.1	19.6
Right-of-use assets within property, plant and equipment	186.5	187.4
	1,985.0	1,958.8

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)	469.3	12.2	471.7	12.5
Interim rental agreements	-	0.5	0.0	0.3
Leasing of land for the construction of owner-occupied commercial properties	33.4	0.2	32.8	0.2
Lease agreements for commercial premises	38.5	11.7	46.5	12.6
Contracting	67.2	11.8	61.8	11.4
Vehicle leases	2.6	2.3	2.9	2.7
Leases of IT equipment	0.5	0.5	0.6	0.4
Metering technology	17.8	4.7	15.6	4.6
	629.3	43.9	631.9	44.7

Section (F): Corporate Governance Disclosures

25 Related Party Transactions

Vonovia had business relationships with unconsolidated investees and subsidiaries as of June 30, 2024. These transactions resulted from the normal exchange of deliveries and services and are shown in the table below:

in € million	Provided services		Purchased services		Receivables		Liabilities		Advance payments	
	Jan. 1- Jun. 30, 2023	Jan. 1- Jun. 30, 2024	Jan. 1- Jun. 30, 2023	Jan. 1- Jun. 30, 2024	Dec. 31, 2023	Jun. 30, 2024	Dec. 31, 2023	Jun. 30, 2024	Dec. 31, 2023	Jun. 30, 2024
Subsidiaries (not consolidated)	-	0.0	-	0.1	-	0.0	0.0	0.0	-	-
Associates	27.8	26.3	7.8	1.1	666.2	719.1	2.8	3.6	422.2	332.2
Joint ventures	0.3	7.6	54.9	44.6	171.1	169.1	0.2	0.3	22.3	29.5
Other non-consolidated subsidiaries	-	-	-	-	0.3	-	-	0.4	57.4	-
	28.1	33.9	62.7	45.8	837.6	888.2	3.0	4.3	501.9	361.7

Gropyus AG is included as an associate for the first time as of June 30, 2024 (see chapter [D20] Financial Assets Accounted for Using the Equity Method). There were loan receivables of € 23.0 million from Gropyus AG as of June 30, 2024.

With regard to the Management Board contracts of employment and the IFRS 2 program that they include, please refer to the IFRS consolidated financial statements as of December 31, 2023.

Section (G): Additional Financial Management Disclosures

26 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	1,501.0
Trade receivables	457.7
Financial assets	
Finance lease receivables	14.7
Other current financial receivables from financial transactions*	322.2
Loans to other investments	198.6
Other non-current loans	6.2
Other non-current loans to associates and joint ventures	740.2
Non-current securities	6.0
Other investments	261.1
Derivative financial assets	
Cash flow hedges – no classification in accordance with IFRS 9	10.0
Call option on equity instruments	901.0
Stand-alone interest rate swaps and interest rate caps	64.2

Liabilities

Trade payables	440.7
Bonds	25,249.0
Other non-derivative financial liabilities	17,603.4
Derivatives and put options	
Purchase price liabilities from put options/rights to reimbursement	318.3
Stand-alone interest rate swaps and interest rate caps	8.7
Cash flow hedges – no classification in accordance with IFRS 9	19.4
Lease liabilities	676.6
Liabilities from tenant financing	154.4
Liabilities to non-controlling interests	194.9

* This includes time deposits and short-term investments in highly liquid money market funds with an original maturity of more than three months.

**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
1,501.0					1,501.0	n.a.
457.7					457.7	n.a.
				14.7		n.a.
322.2					322.2	2
198.6					202.2	2
6.2					6.2	2
740.2					740.2	2
		6.0			6.0	1
		261.1			261.1	2
	-1.2		11.2		10.0	2
	901.0				901.0	3
	64.2				64.2	2
440.7					440.7	n.a.
25,249.0					22,276.4	1
17,603.4					15,780.3	2
318.3					227.0	3
	8.7				8.7	2
	8.5		10.9		19.4	2
				676.6		n.a.
154.4					154.4	n.a.
194.9					194.9	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	1,374.4
Trade receivables	593.2
Financial assets	
Finance lease receivables	15.7
Other current financial receivables from financial transactions*	318.1
Loans to other investments	187.6
Other non-current loans	21.6
Other non-current loans to associates and joint ventures	682.9
Non-current securities	5.9
Other investments	321.7
Derivative financial assets	
Cash flow hedges - no classification in accordance with IFRS 9	8.9
Call option on equity instruments	838.0
Stand-alone interest rate swaps and interest rate caps	63.8

Liabilities

Trade payables	493.4
Bonds	24,428.7
Other non-derivative financial liabilities	18,468.4
Derivatives and put options	
Purchase price liabilities from put options/rights to reimbursement	316.2
Stand-alone interest rate swaps and interest rate caps	10.6
Cash flow hedges - no classification in accordance with IFRS 9	48.7
Lease liabilities	673.2
Liabilities from tenant financing	154.1
Liabilities to non-controlling interests	198.4

* This includes time deposits and short-term investments in highly liquid money market funds with an original maturity of more than three months.

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

- > Employee benefits in accordance with IAS 19: Gross presentation of right to reimbursement arising from transferred pension obligations in the amount of € 2.3 million (December 31, 2023: € 2.5 million).
- > Amount by which the fair value of plan assets exceeds the corresponding obligation of € 1.2 million (December 31, 2023: € 1.5 million).
- > Provisions for pensions and similar obligations: € 480.0 million (December 31, 2023: € 512.4 million).

**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
1,374.4					1,374.4	n.a.
593.2					593.2	n.a.
				15.7		n.a.
318.1					318.1	2
187.6					191.5	2
21.6					21.6	2
682.9					682.9	2
		5.9			5.9	1
		321.7			321.7	2
	-2.8		11.7		8.9	2
	838.0				838.0	3
	63.8				63.8	2
493.4					493.4	n.a.
24,428.7					21,386.5	1
18,468.4					17,087.8	2
316.2					220.9	3
	10.6				10.6	2
	0.1		48.6		48.7	2
				673.2		n.a.
154.1					154.1	n.a.
198.4					198.4	n.a.

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	78,631.2			78,631.2
Financial assets				
Non-current securities	6.0	6.0		
Other investments	261.1		261.1	
Assets held for sale				
Investment properties	1,323.4		1,323.4	
Derivative financial assets				
Cash flow hedges	10.0		10.0	
Call option on equity instruments	901.0			901.0
Stand-alone interest rate swaps and caps	64.2		64.2	
Liabilities				
Derivative financial liabilities				
Cash flow hedges	19.4		19.4	
Stand-alone interest rate swaps and caps	8.7		8.7	

in € million	Dec. 31, 2023	Level 1	Level 2	Level 3
Assets				
Investment properties	81,120.3			81,120.3
Financial assets				
Non-current securities	5.9	5.9		
Other investments	321.7		321.7	
Assets held for sale				
Investment properties	313.1		313.1	
Derivative financial assets				
Cash flow hedges	8.9		8.9	
Call option on equity instruments	838.0			838.0
Stand-alone interest rate swaps and caps	63.8		63.8	
Liabilities				
Derivative financial liabilities				
Cash flow hedges	48.7		48.7	
Stand-alone interest rate swaps and caps	10.6		10.6	

In general, Vonovia 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 [D28] 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.

Securities are generally measured using the quoted prices in active markets (Level 1).

For the measurement of derivative financial instruments, cash flows are first calculated and then discounted. In addition to the tenor-specific EURIBOR/STIBOR rates (3M; 6M), the respective credit risk is taken as a basis for discounting. Depending on the expected cash flows, either Vonovia's own credit risk or the counterparty risk is taken into account in the calculation.

Due to the current interest rate environment (and the return to more positive market values as a result), counterparty risk premiums were relevant for the interest rate swaps in the consolidated financial statements alongside Vonovia's own credit risk. As with Vonovia's own risk, they are derived from rates observable on the capital markets and ranged from 15 to 205 basis points, depending on the residual maturities. Vonovia's own risk premiums were trading at between 60 and 190 basis points on the same cut-off date, depending on the maturities. Risk premiums of 155 basis points (GBP bonds), 65 basis points (SEK bond) and 100 basis points (CHF bond) are applied to the market values of the cross currency swaps.

As part of the valuation of the current cross currency swaps, the currency cash flows are converted into EUR using the EUR/GBP, EUR/SEK or EUR/CHF FX forward curve, after which all EUR cash flows are discounted using the EUR ESTR curve (Level 2).

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 Vonovia 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.

The maximum default risk on the receivables from the sale of properties is limited to the margin and the transaction unwinding costs as the title to the properties remains with Vonovia as security until receipt of payment.

Contingent liabilities exist at Vonovia for cases in which Vonovia SE and its subsidiaries give guarantees to various contractual counterparts. These have not changed to any significant extent since the consolidated financial statements dated December 31, 2023.

Vonovia 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 (mainly following squeeze-out processes). Furthermore, there are legal disputes with a social insurance provider. The expected loss in this regard has been estimated as € 150.0 – € 375.0 million, with an unchanged probability of occurrence of 5–39%. None of the legal disputes, taken in isolation, will have any material effects on the net assets, financial position or results of operations of Vonovia.

Bochum, July 26, 2024



Rolf Buch
(CEO)



Arnd Fittkau
(CRO)



Philip Grosse
(CFO)



Daniel Riedl
(CDO)



Ruth Werhahn
(CHRO)

Review Report

To Vonovia SE, Bochum

We have reviewed the condensed consolidated interim financial statements – comprising the consolidated Income Statement, the consolidated Statement of Comprehensive Income, the consolidated Balance Sheet, the consolidated Statement of Cash Flows, the consolidated Statement of Changes in Equity and selected explanatory notes – and the interim group management report of Vonovia SE, Bochum, for the period from January 1. to June 30. 2024 which are part of the half-year financial report pursuant to § [Article] 115 WpHG (“Wertpapierhandelsgesetz”: German Securities Trading Act). The preparation of the condensed consolidated interim financial statements in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and of the interim group management report in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports is the responsibility of the parent Company’s executive directors. Our responsibility is to issue a review report on the condensed consolidated interim financial statements and on the interim group management report based on our review.

We conducted our review of the condensed consolidated interim financial statements and the interim group management report in accordance with German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW) and supplementary compliance with the International Standard on Review Engagements “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” (ISRE 2410). Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with

moderate assurance, that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports. A review is limited primarily to inquiries of company personnel and analytical procedures 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 express an audit opinion.

Based on our review, no matters have come to our attention that cause us to presume that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU nor that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports.

Essen, July 31, 2024

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Michael Preiß
Wirtschaftsprüfer
[German Public Auditor]

Martin Flür
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.”

Bochum, July 26, 2024



Rolf Buch
(CEO)



Arnd Fittkau
(CRO)



Philip Grosse
(CFO)



Daniel Riedl
(CDO)



Ruth Werhahn
(CHRO)

Portfolio Information

Vonovia manages its own real estate portfolio with a market value of € 82.5 billion as of June 30, 2024. The vast majority of our residential units are located in regions with positive economic and demographic development prospects.

Portfolio Structure

June 30, 2024	Fair value*		Residential units	Vacancy (in %)	In-place rent (in €/m ²)**
	(in € million)	(in €/m ²)			
Strategic	59,092.2	2,248	421,228	1.8	7.67
Urban Quarters	48,254.9	2,298	340,363	1.7	7.65
Urban Clusters	10,837.4	2,049	80,865	2.3	7.74
Recurring Sales	4,207.9	2,289	26,286	2.8	7.60
MFH Sales	4,664.9	3,185	22,229	1.3	9.35
Non Core	1,565.0	1,441	12,483	5.0	6.85
Vonovia Germany	69,530.0	2,267	482,226	1.9	7.73
Vonovia Sweden	6,259.4	2,041	39,635	4.6	10.51
Vonovia Austria	2,710.0	1,590	21,020	4.9	5.66
Vonovia total	78,499.3	2,215	542,881	2.2	7.86

In order to boost the level of transparency in the presentation of our portfolio, we also break our portfolio down into 15 regional markets. These markets are core towns/cities and their surroundings, the majority of which are urban areas.

Our decision to focus on the regional markets that are particularly relevant to Vonovia is our way of looking ahead to the future and provides an overview of our strategic core portfolio in Germany.

Breakdown of Strategic Housing Stock by Regional Market

June 30, 2024	Fair value*		Residential units	Vacancy (in %)	In-place rent (in €/m ²)**
	(in € million)	(in €/m ²)			
Regional market					
Berlin	23,414.6	2,657	143,064	0.8	7.67
Rhine Main Area	6,501.6	2,748	36,479	2.6	9.42
Southern Ruhr Area	5,076.8	1,885	42,921	2.6	7.20
Rhineland	5,013.6	2,343	31,465	1.8	8.27
Dresden	4,871.6	1,831	43,506	2.4	6.90
Hamburg	3,195.0	2,470	20,095	1.6	8.26
Hanover	2,766.4	1,934	22,067	2.4	7.56
Kiel	2,744.2	1,849	25,103	1.7	7.55
Munich	2,693.3	3,868	10,383	1.3	9.67
Stuttgart	2,237.5	2,624	13,155	1.7	8.99
Northern Ruhr Area	2,018.6	1,333	24,314	2.7	6.59
Leipzig	1,920.8	1,890	14,373	3.2	6.77
Bremen	1,402.8	1,925	11,688	2.1	6.87
Westphalia	1,090.7	1,761	9,412	2.6	7.25
Freiburg	723.8	2,639	3,849	1.1	8.60
Other strategic Locations	3,366.8	1,876	27,278	3.3	7.58
Total strategic locations Germany	69,038.2	2,273	479,152	1.9	7.73

* Fair value of the developed land excluding € 3,965.3 million, of which € 489.2 million for undeveloped land and inheritable building rights granted, € 266.4 million for assets under construction, € 2,212.4 million for development, € 532.2 million for Care portfolio (discontinued operations) and € 465.1 million for other.

** Based on the country-specific definition.

Total Vonovia Housing Portfolio

542,881

Germany

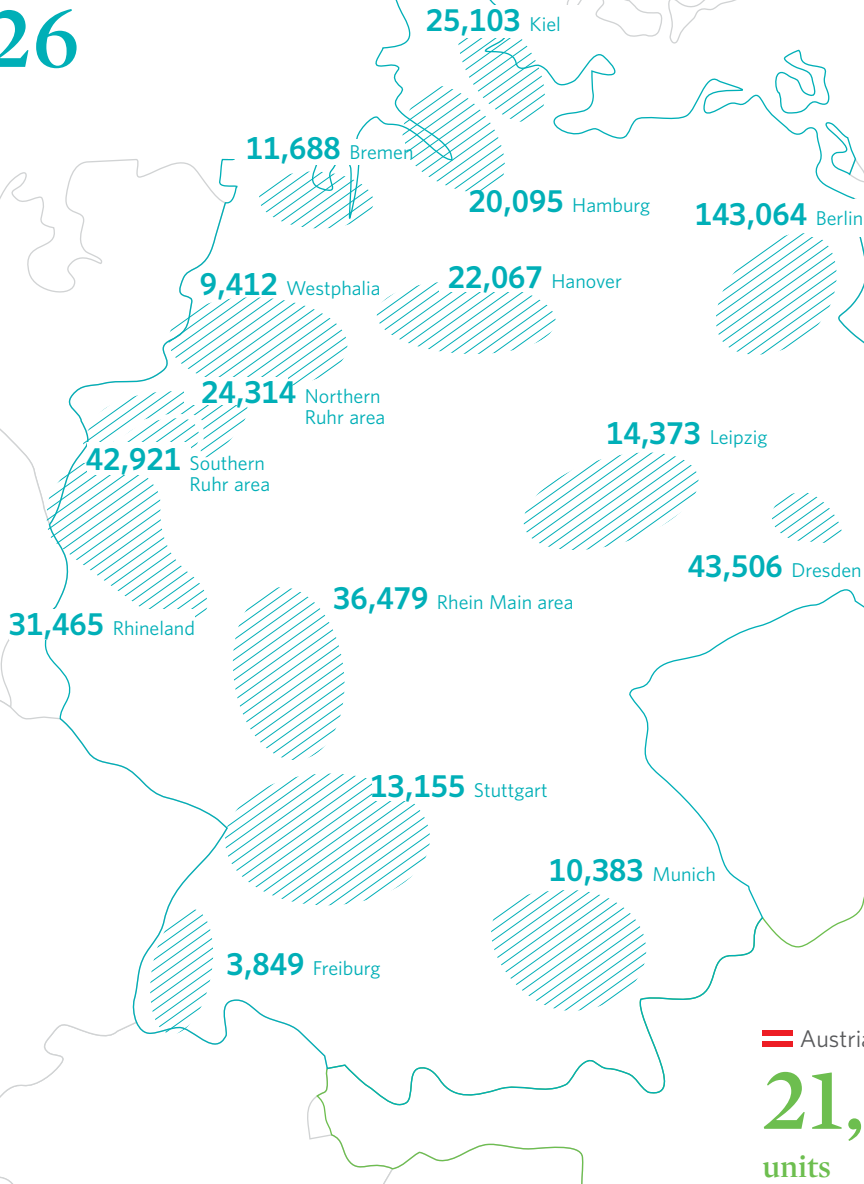
482,226

units*

Sweden

39,635

units



* Including 27,278 residential units at other strategic locations and 3,074 residential units at non-strategic locations.

Financial Calendar

Contact

November 6, 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 and English. The German version is always the authoritative text. This interim financial report can be found at www.vonovia.com. EPRA is a registered trademark of the European Public Real Estate Association.

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 Vonovia SE.

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