



March  
2025

LEG Immobilien SE

# Company Presentation

March 2025

**LEG**

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# Company Presentation

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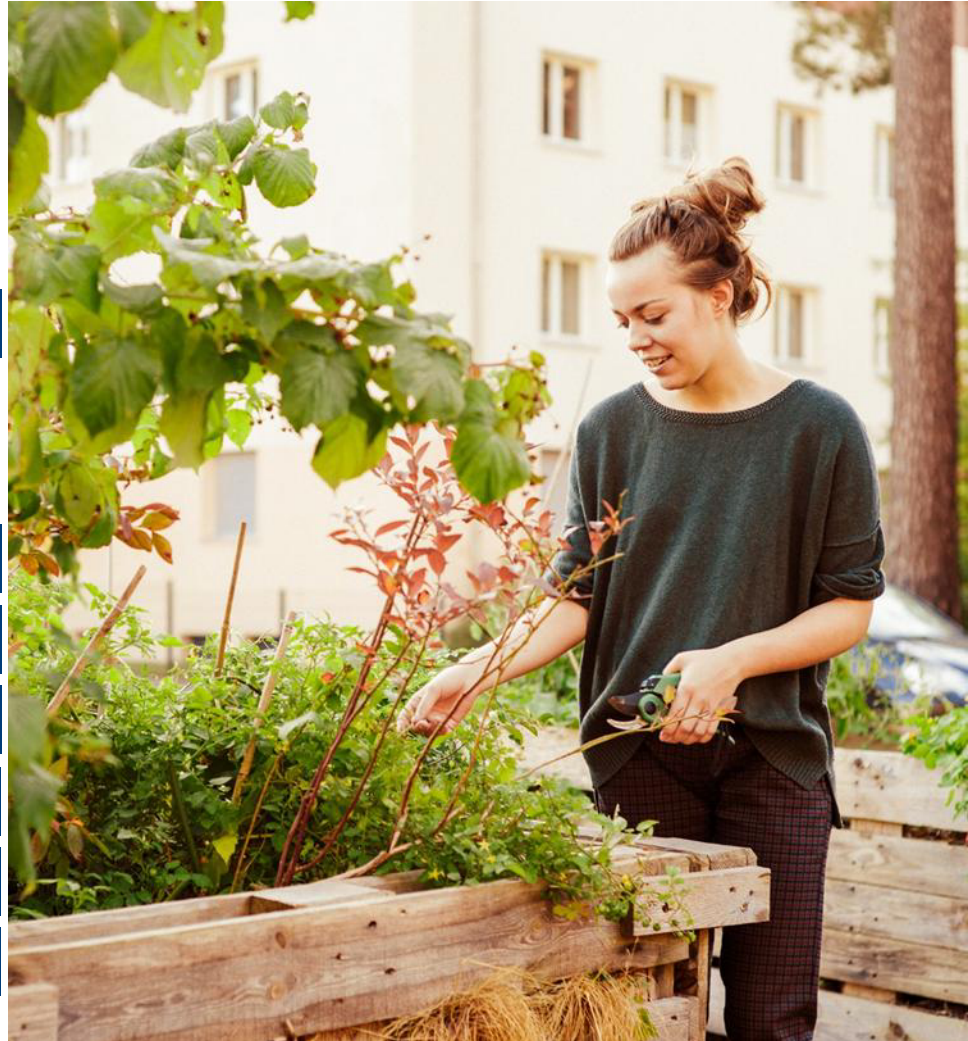
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## Highlights **FY-2024**



# Financial Summary

FY-2024



## Operating results

		FY-2024	FY-2023	change
Net cold rent	€m	859.4	834.3	+3.0%
NOI (recurring)	€m	718.7	683.8	+5.1%
EBITDA (adjusted)	€m	669.5	672.8	−0.5%
FFO I <sup>1</sup>	€m	457.5	453.9	+0.8%
AFFO	€m	200.4	181.2	+10.6%
AFFO per share	€	2.70	2.44	+10.7%
Operating cashflow	€	436.5	447.9	−2.5%
NOI margin (recurring)	%	83.6	82.0	+160bps
EBITDA margin (adjusted)	%	77.9	80.6	−270bps
FFO I margin	%	53.2	54.4	−120bps
AFFO margin	%	23.3	21.7	+160bps
Dividend	€	2.70	2.45	+10.2%

## Portfolio

		31.12.2024	31.12.2023	change
Residential units	number	164,067	166,546	−1.5%
In-place rent (I-f-I)	€/sqm	6.80	6.58	+3.4%
Investments (adj.) <sup>2</sup>	€/sqm	33.99	35.01	−2.9%
EPRA vacancy rate (I-f-I)	%	2.3	2.6	−30bps

## Balance sheet

		31.12.2024	31.12.2023	change
Investment properties	€m	17,853.3	18,101.8	−1.4%
Cash and cash equivalents <sup>3</sup>	€m	914.3	405.5	+125.5%
Equity	€m	7,396.5	7,488.2	−1.2%
Total financing liabilities	€m	9,718.6	9,375.8	+3.7%
Net debt <sup>4</sup>	€m	8,756.9	8,954.4	−2.2%
LTV	%	47.9	48.4	−50bps
Average debt maturity	years	5.7	6.2	−0.5y
Average debt interest cost	%	1.49	1.58	−9bps
Equity ratio	%	37.8	38.8	−100bps
EPRA NTA, diluted	€m	9,375.4	9,379.9	0.0%
EPRA NTA per share, diluted	€	125.90	126.57	−0.5%

## Employees

		31.12.2024	31.12.2023	change
No. of employees		1,920	2,003	−4.1%

1 No steering KPI – for information purpose only. 2 Excl. new construction activities on own land, own work capitalised, consolidation effects and after subsidies.

3 Including short-term deposits of €607.4m as of FY-2024 (FY-2023: €128.0m). 4 Excl. lease liabilities according to IFRS 16 and incl. short-term deposits.

# Delivering bottom-line growth on a sustainable basis

Dividend per share increases by 10.2% to €2.70

## Financials



- AFFO + **10.6%** to **€200.4m**
- FFO I + **0.8%** to **€457.5m**
- Adj. EBITDA-Margin **77.9%**
- LTV **47.9%**
- Debt @ **1.49%** for Ø **5.7y**
- Equity ratio at **37.8%**
- NTA p.s. **€125.90**

## Operations



- Net cold rent +**3.0%**
- I-f-I rental growth +**3.4%**, thereof free-financed +**4.0%** (+40bps)
- I-f-I vacancy **2.3%** (–30bps)

## ESG



- **>6,000t** of CO<sub>2</sub>e kg/sqm saved from initiatives
- 2024 footprint of **29.1** CO<sub>2</sub>e kg/sqm representing a decline of **26%** since 2019
- Validation of LEG's decarbonization path updated by **SBTi**

FY  
2024

## Valuations turning to +0.4% in H2-2024

Stabilizing valuations for FY 2024 with –1.2%

Substantial spread of gross yield (4.9%) vs. financing cash costs (1.49%)

**2025 maturities fully addressed**

## Dividend of €2.70 reflects underlying AFFO growth

100% of AFFO – net disposal proceeds (€180m) strengthen capital

Guidance 2025 fully confirmed

**€205 – 225m AFFO point to >7%<sup>1</sup> growth in 2025**

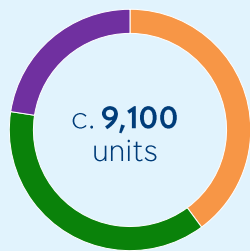
<sup>1</sup> Based on midpoint of 2025 guidance range vs. 2024 AFFO.

# BCP integration on track

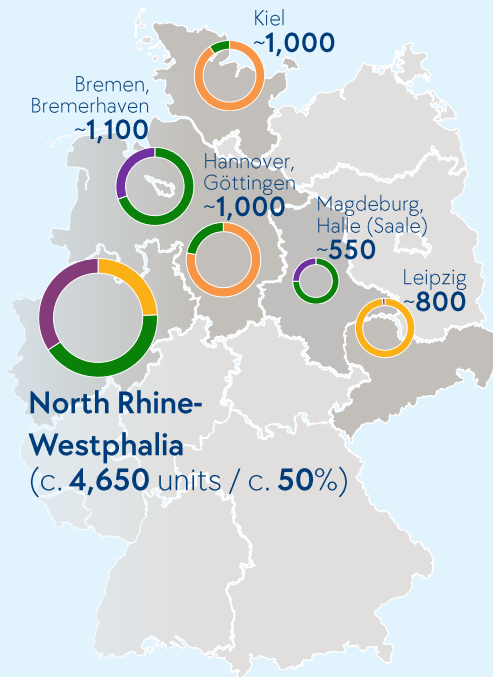
More than 9,000 units added at beginning of the year – AFFO neutrality for 2025 confirmed

## Total BCP residential portfolio<sup>1</sup>

by units



- High-Growth
- Stable
- Higher-Yielding



## Status quo early March 2025

### 88.2% shareholding as of today

- Initial valuation of original **35.5%** BCP stake at **45€ (€124m)** at year end 2024
- Transfer of **52.7%** (at **45€** per share/ **€184m** in total) on 3rd January 2025 to current holding of **88.2%**
- Tender commitment by Adler Group for **10.1%** in case of a public tender offer at **45€** per share (**€35m**)
- Preliminary PPA leads to c. **€129m** of goodwill (lucky buy)

### Integration on track

- Integration of the BCP portfolio into LEG IT-systems
- Implementation of LEG standards and processes
- Simplification of BCP corporate structure
- 34 BCP employees taken over
- Majority of BCP debt refinancing executed
- Establishment of tax efficient structure to be finalized

### Earnings effect 2025

- Higher capex level to offset positive earnings effect, neutral on an AFFO level

<sup>1</sup> Company data per 9M-2024 as reported.



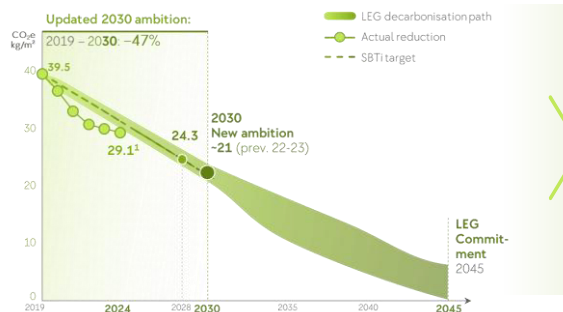
# ESG agenda 2030 – smart, simple and efficient

After establishing the framework in 2021 – focusing on business opportunities



## Fully on track for our decarbonisation path

- Continued focus on emission efficiency instead of energy efficiency
- Reduction of **26%** since 2019 to **29.1 CO<sub>2</sub>e kg/sqm** in 2024
- Confirmation of 2045 commitment of 0 – 5 CO<sub>2</sub>e kg/sqm (based on German Climate Change Act)



Updated **2030** ambition of **c.21 CO<sub>2</sub>e kg/sqm** (prev. 22 – 23 CO<sub>2</sub>e/sqm),



## Exploiting business opportunities and positioning as solution provider via our Green Ventures

- Smart & scalable solutions
- Joining forces with established partners
- Integration of 2028 profit ambition into LTI as sole ESG target



**RENOWATE**  
Serial refurbishment

**termios**  
Smart thermostats

**dekarbo°**  
A2A-heatpumps

FFO I contribution of **€20m** by **2028<sup>2</sup>**



<sup>1</sup> Extrapolation 2024, Market based (climate adjusted).

<sup>2</sup> Cumulative 2025 – 2028 pro rata profits and disposal results (for more information see remuneration report). New line item from 2025 for the AFFO calculation from 2025 onwards.



## 2

# Portfolio & Operating **Performance**

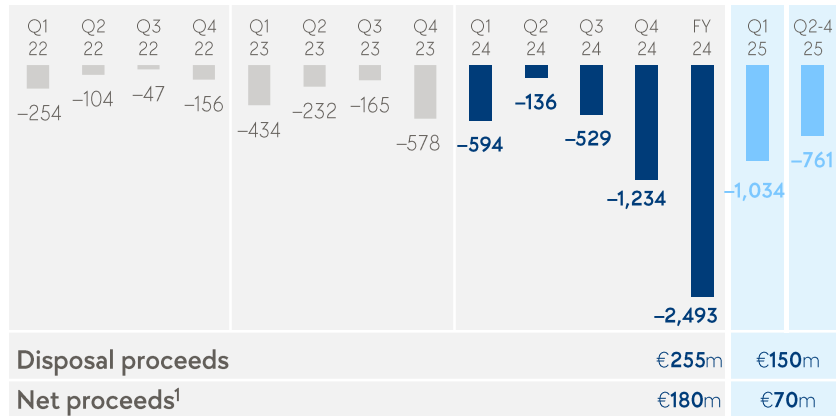
# Disposals and transfers of €255m reflected in FY24

Strong start into 2025 – already €150m of disposals to be transferred in 2025



## Portfolio development – Divestments

Number of units



- In 2024 c. **2,500** units transferred for c. **€255m** with net proceeds of **€180m**
- Additionally, so far c. **1,800** units expected to be transferred in the course of FY-2025 with corresponding proceeds of c. **€150m**
- C. **3,000** units currently in the disposal programme

## Signed disposals YTD (with expected transfers in 2025)

	Price €m	Units
Existing portfolio		
Recklinghausen (NRW)	21	409
Radevormwald (NRW)	19	324
Cologne (NRW)	26	164
Kerpen (NRW)	12	146
Other incl. commercial	36	622
New built/ Project development		
Duesseldorf (NRW)	17	66
Cologne (NRW)	19	64
<b>Total</b>	<b>c.150</b>	<b>1,795</b>

- Signings reflect ongoing recovery of transaction markets
- Disposals of non-core assets at low end as well as high end of quality spectrum (new built/ new development projects)
- Rigorous price discipline continued – in total, disposals transacted above book values
- Buyers range from HNWI's, pension funds to smaller domestic and international institutions

<sup>1</sup> Net proceeds = Disposal price less redemption of underlying secured financing, transaction fees and calculatory taxes.

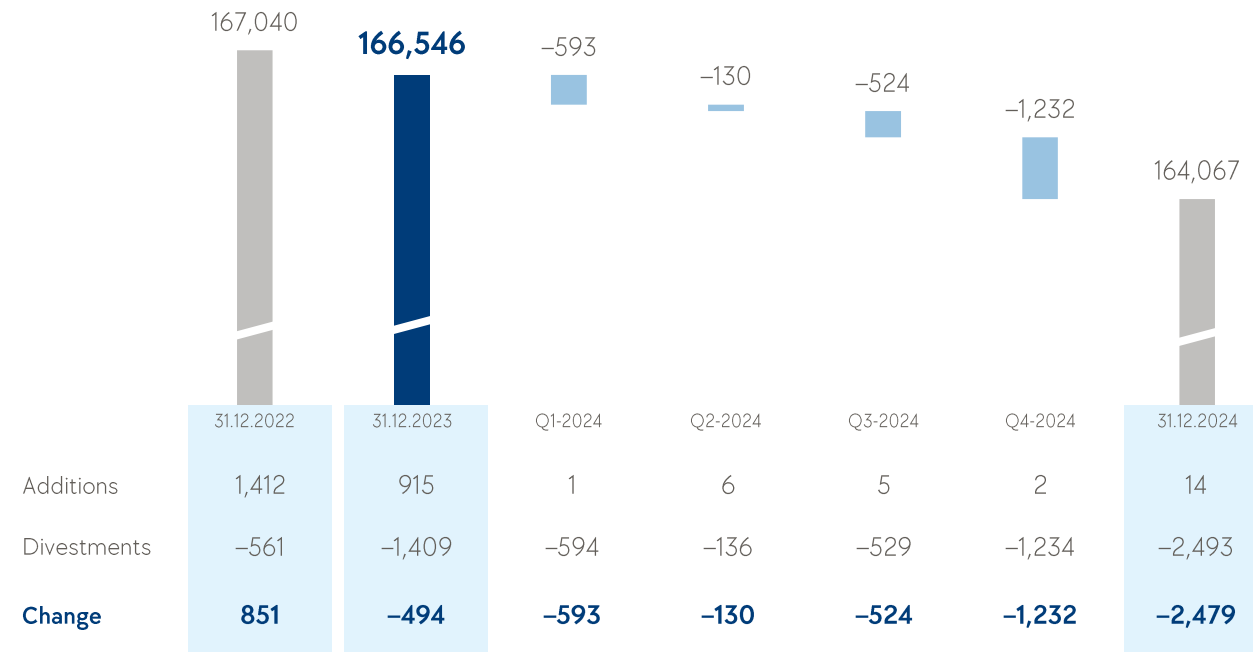


# Portfolio management in action

Improving overall portfolio quality and releasing capital



## Number of units based on date of transfer of ownership<sup>1,2</sup>



<sup>1</sup> Residential units. <sup>2</sup> Note: The date of the transaction announcement and the transfer of ownership are usually several months apart. The number of units may therefore differ from other disclosures, depending on the data basis.

## Disposals

- Net seller in 2024
- Transfer of ownership for **2,479** units translating into proceeds of **€255m**
- In total sold above book value
- Wide range of structures: from bigger portfolios (up to c.800 units) to mid-size portfolios (400 – 500) to even small single digit unit sales
- The additions to the portfolio ytd solely relate to conversions

# Rental growth momentum continues

Free financed rent growth at top end of range with 4.0%



## I-f-I rent development

€/sqm/month

### Residential rent

FY-2024 **6.80**

FY-2023 6.58

↑ **+3.4%**

Rent table **+1.7%**  
Modernisation/Re-letting **+1.7%**

### Free financed rent

FY-2024 **7.16**

FY-2023 6.88

↑ **+4.0%**

## I-f-I free financed rent development

€/sqm/month

FY-2024 **8.23**

FY-2023 7.93

High-growth  
↑ **+3.7%**

FY-2024 **6.90**

FY-2023 6.60

Stable  
↑ **+4.6%**

FY-2024 **6.45**

FY-2023 6.22

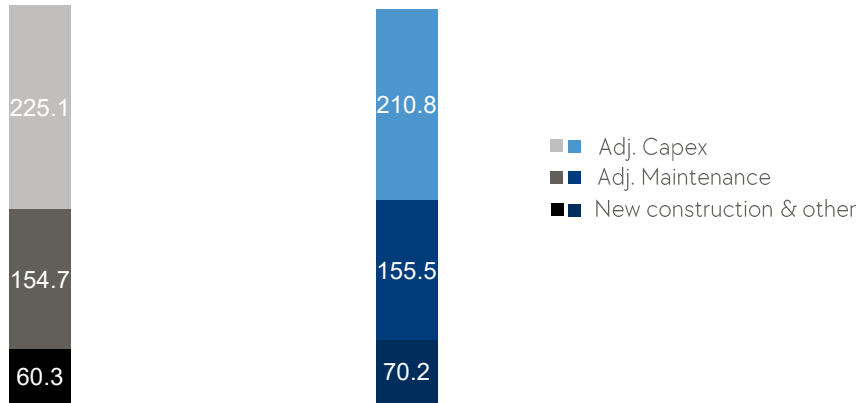
Higher-yielding  
↑ **+3.6%**

- Free-financed part increased by **4.0%** (+40bps) – top end of the I-f-I guidance range of **3.8% – 4.0%**
- No cost rent adjustment in 2024; next increase will be in 2026
- Tenant fluctuation stays at low level of **9.0%** yoy
- Rent table publications show underlying market dynamics, e.g. in our biggest location Dortmund (12/2024) **+6%**

# Capex and Maintenance

Increased 2024 guidance for capex and maintenance of €34/sqm met (from original €32/sqm)

Adj. Invest per sqm<sup>1</sup> €35.01/sqm — **-2.9%** — €33.99/sqm  
 Adj. Invest €m<sup>1</sup>: €379.8m €366.3m  
 Total Invest €m €440.1m €436.5m



	per sqm	FY-2023	FY-2024	%
Adj. Capex		€20.75	€19.56	-5.7%
Adj. Maintenance		€14.26	€14.43	+1.2%
<b>Adj. Investment<sup>1</sup></b>		<b>€35.01</b>	<b>€33.99</b>	<b>-2.9%</b>

- Adjusted investments per sqm declined by **2.9%** yoy to **€33.99/sqm** in line with the guidance (**€34/sqm**)
- Capitalisation rate<sup>2</sup> of **58%** (**-180bps** yoy) continues to reflect cash-focused steering
- Investments into construction on own land of **€14.0m**
- FY-2025 guidance of > **€35/sqm** reaffirmed

<sup>1</sup> Excl. new construction activities on own land, own work capitalised and consolidation effects. <sup>2</sup> Relates to adjusted investments.



# LEG comprehensive portfolio of services

Focus on higher margin business – green ventures to open up next growth chapter



## Technician/ craftsmen services (LEG TSP)

- Maintenance and service organisation



## Project management services (LEG LWS Plus)

- Steering of external and internal capacities on refurbishments



## Electricians (Leitwerk)

- Specialised craftsmen organisation for electrical works and installation



## Energy and heating (ESP)

- Providing energy (heating, electricity, gas) and related services



## Multimedia (LEG WSP)

- Multimedia, internet, telephone service



## RENOWATE

### Serial refurbishment

- Insulation of the building shell, incl. windows and doors



## termios

### Smart thermostats

- Hydraulic optimisation by digitising radiators



## dekarbo®

### Green heating

- Widespread adoption of Air2Air heat pumps

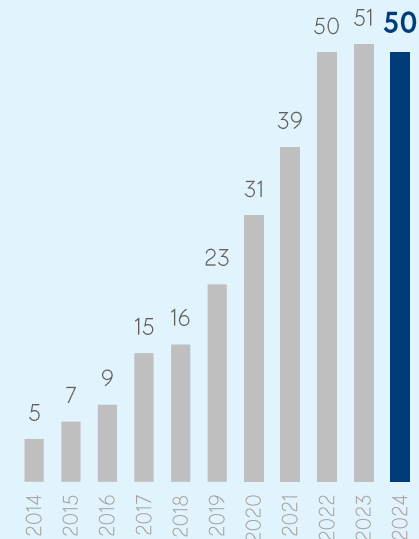


## B2B-platform youtilly

Connecting service providers (e.g. gardening) with LEG and 3<sup>rd</sup> party landlords

## FFO I contribution services – Value Add & Ventures

€m





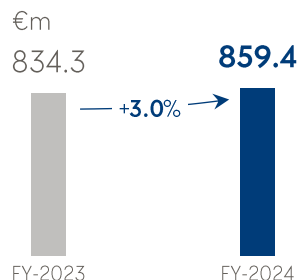
# 3

## Financial **Performance**

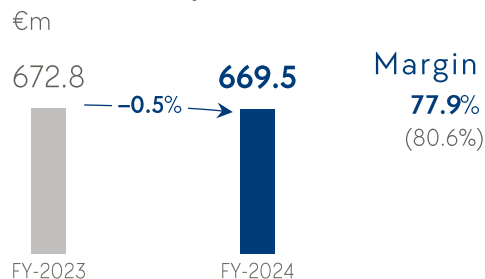
# Financial highlights FY-2024

AFFO grows by 10.6% – overcompensating the 2023 one-off from green energy

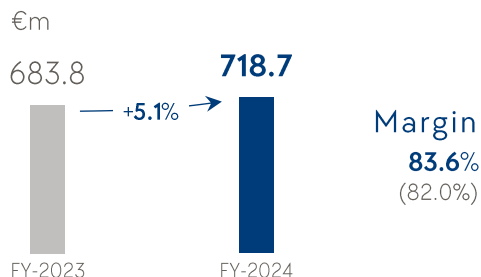
## Net cold rent



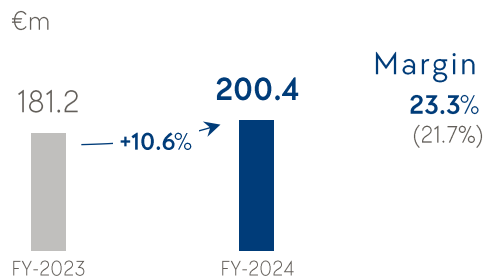
## EBITDA (adjusted)



## Net operating income (recurring)



## AFFO



## Net cold rent

- Growth mainly driven by **3.4%** I-f-I rent growth

## Net operating income (recurring)

- Increase by **5.1%** mainly driven by higher net cold rent and improved results from energy subsidiary ESP

## EBITDA (adjusted) and AFFO

- Increase in AFFO by **10.6%** to **€200.4m** due to
  - Increase in net cold rent **+€25.1m**
  - Higher subsidies and lower investments **+€27.6m**

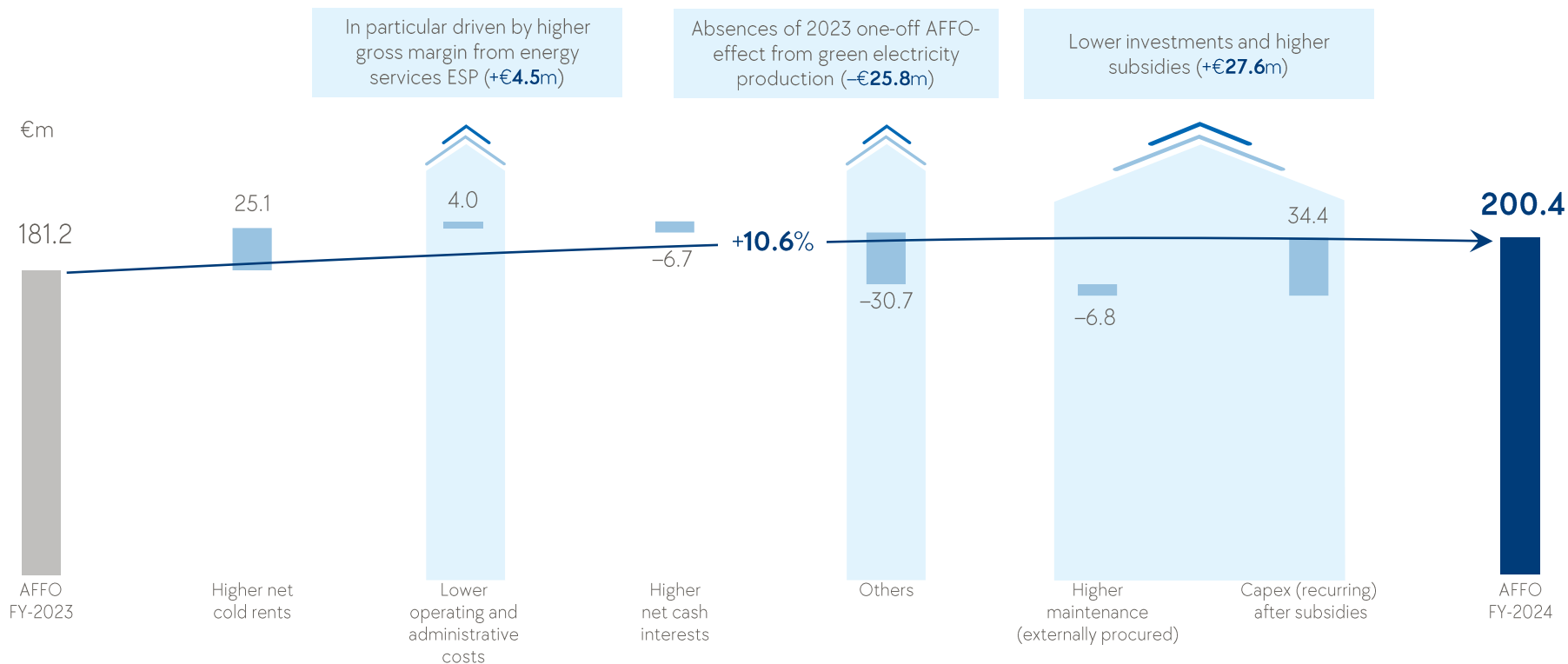
Partially offset by:

- Missing contribution from green electricity production **-€25.8m**
- Higher cash interest expenses **-€6.7m**



# AFFO Bridge FY-2024

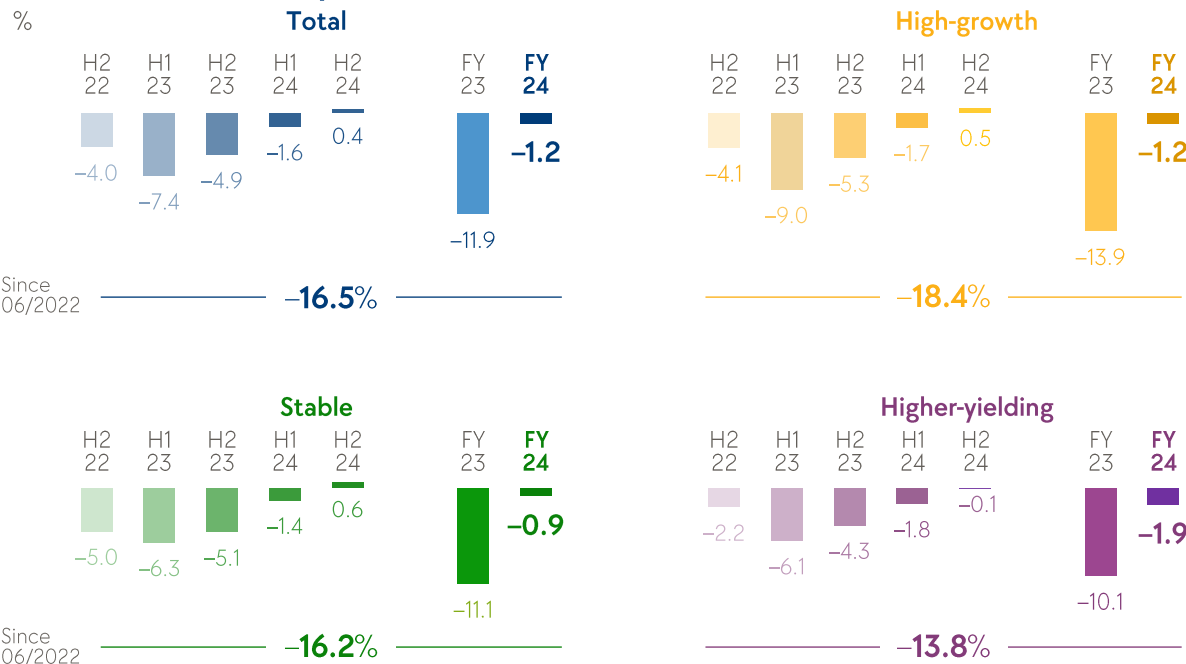
AFFO increased by 10.6% despite missing contribution from green energy sale in 2023



# Portfolio valuation FY-2024

Valuation bottoming out – H2 2024 with first positive result with +0.4%

## Valuation decline by markets<sup>1</sup>



<sup>1</sup> Property valuation with cut-off date as of 30 September 2024 and revaluation date as of 30 December 2024.

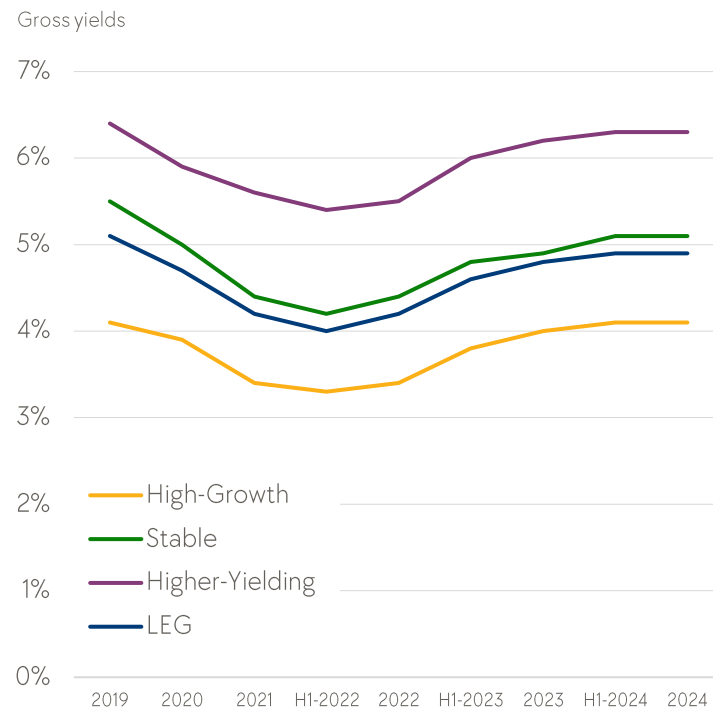
## Highlights

- Devaluation cycle came to an end – recovery has started with **+0.4%** in **H2-2024**
- Recovery in particular in the high-growth and stable markets, i.e. in the lower yielding markets
- Going forward u-shaped recovery expected
- Average object-specific discount rate increased to **5.1%** (H2-2023 **4.7%**), cap rate increased to **5.9%** (H2-2023 **5.7%**)

# Portfolio values FY-2024

Gross yields with 4.9% provide significant spread vs. current financing costs and 10Y BUND

Market segment	Residential Units <sup>1</sup>	GAV Residential Assets (€m)	GAV/sqm (€)	Gross yield	In-Place Rent Multiple	GAV Commercial/Other (€m)	Total GAV (€m)
High-Growth Markets	48,902	7,118	2,232	4.1%	24.6x	322	7,440
Stable Markets	66,191	6,399	1,517	5.1%	19.6x	256	6,655
Higher-Yielding Markets	48,974	3,319	1,134	6.3%	15.8x	97	3,416
<b>Total Portfolio</b>	<b>164,067</b>	<b>16,836</b>	<b>1,629</b>	<b>4.9%</b>	<b>20.4x</b>	<b>675</b>	<b>17,511</b>

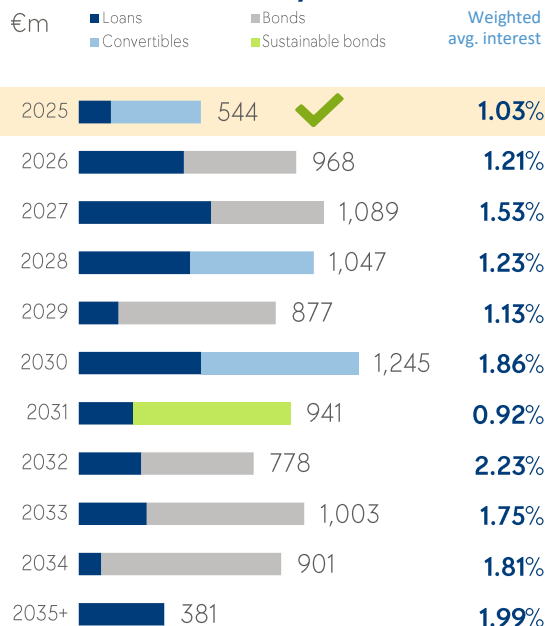


<sup>1</sup> Including residential units categorised as "assets held for sale (IFRS 5)" or "owner-occupied property (IAS 16)".

# Financial Profile FY 2024

2025 maturities completely addressed – 2026 maturities in focus

## Pro forma maturity Profile<sup>1</sup>



## Average debt maturity

Years



## Average interest cost

%



## Loan-to-Value

%



## Highlights

- Early redemption of secured loans in the amount of c. €450m at year end 2024
- **All 2025 maturities addressed** – opportunistic refinancing, particular focus on 2026 maturities
- **Increase** of the **2024/2023 convertible bond** by €200m in **Dec 2024**
- **Increase** of **two** existing **bonds** by €100m each in **Nov 2024** and **Dec 2024**
- **Return** to the **bond market** in **Jan 2025** with a **sub-benchmark-bond** issuance in the amount of €300m (10-year tenor, 3.875% coupon)
- In Jan/Feb 2025, support for the **BCP Group** in the **repayment** of **significant financings** (including ILS bonds)
- **Undrawn RCFs** amounting to €750m as of the reporting date, along with an unused commercial paper program of €600m
- **Strong liquidity** position of > €900m as of 31 Dec 2024<sup>2</sup>
- Average interest **hedging rate** was c. **97.2%** as of 31 Dec 2024
- The **LTV** ratio as of 31 Dec 2024 is **47.9%**
- **Interest Coverage Ratio (ICR)** at **4.3x** as of 31 Dec 2024

<sup>1</sup> Pro-forma as of Dec 2024 after already signed refinancing agreements.

<sup>2</sup> Cash and cash equivalents.



# 4

## Outlook

# 2024 targets achieved – €2.70 dividend per share<sup>2</sup>

Smart – simple – efficient



			Guidance 2024 <sup>1</sup>	2024 achievement	
AFFO			€190m – 210m	€200.4m	✓
Adj. EBITDA margin			c.77%	77.9%	✓
I-f-I rent growth			3.2% – 3.4%	3.4%	✓
Investments			c.34€/sqm	33.99€/sqm	✓
LTV			Medium-term target level max. 45%	47.9%	work in progress
Dividend			100% AFFO as well as a part of the net proceeds from disposals	€2.70 ps	✓
Environment	2021–2024	Reduction of the climate-adjusted CO <sub>2</sub> emissions in kg/sqm of the portfolio compared to the base year 2019 by 10%		24%	✓
	2024	4,000 tonnes CO <sub>2</sub> reduction from modernisation projects and customer behavior change		6,639 t	✓
Social	2021–2024	"Trust Index" for the LEG Group of at least 70%, determined by employee survey "Great Place to Work"		73.5%	✓
	2024	Use of 100 LEG staff hours to design, organise or implement intercultural projects until 31 December 2024		665 hours	✓
Governance	2024	85% of TSP employees, 99% of employees in staff holding LEG group companies have completed the "IT Security" training until 31 December 2024		99.2% / 100%	✓

<sup>1</sup> Guidance based on 166k units. <sup>2</sup> Proposal to AGM



# Guidance 2025 confirmed : Further AFFO increase of >7%<sup>1</sup>

Resilience in times of volatility and profitability upheld



	Guidance 2025 <sup>2</sup>
AFFO	€205m – 225m
Adj. EBITDA margin	c. 76%
I-f-I rent growth	3.4% – 3.6%
Investments	> 35€/sqm
LTV	Medium-term target level max. 45%
Dividend	100% AFFO as well as a part of the net proceeds from disposals
Disposals	Not reflected <sup>2</sup>

Environment	2025–2028	€20m of profit and disposal results of Green Ventures <sup>3</sup>
	2025	6,000 tonnes CO <sub>2</sub> reduction from modernisation projects and customer behaviour change

<sup>1</sup> Based on mid-point 2025 guidance. <sup>2</sup> Based on 172k units. <sup>3</sup> Mid-point of range. For more details see remuneration report.



## 2

## Who we are and **what we stand for**

# Affordable housing in Germany

Made in NRW – Rolled out to Germany

Aachen



Braunschweig



Bremen



Dusseldorf



Duisburg



Flensburg



Hamm



Hanover



Kaiserslautern



Münster



Solingen



Wilhelmshaven



# Affordable housing in Germany

Made in NRW

LEG



01

## German residential pure play

### Pure Play:

Residential + Germany

Focus on **affordable living** segment

Focus NRW (c. **80%** of assets),  
**no. 1** in NRW

Market cap c. **€5.1bn<sup>1</sup>**,  
100% tradeable shares



02

## Lean balance sheet

One asset class

**No** goodwill

NTA: **€125.90**

Equity ratio: **37.8%**

GAV/m<sup>2</sup> **€1,629**

**No** hidden financing structures

Ø financing cost **1.49%**,

Ø maturity **5.7** years

**Investment grade** rating



03

## Social responsibility

**500,000** tenants/  
**164,100** apartments

Average rent per unit  
c. **€430** per month/**€6.80** per sqm

c. **19%** social housing  
(rent-restricted)<sup>2</sup>



04

## Consolidation of platform

**Avoiding complexity**

**Acquisitions stopped** - Shifting to  
net seller - but flexible to “switch  
back on”

**Run-off new construction**

**Cash neutrality** focus

<sup>1</sup> Closing price of €68.82 on 10.03.2025

All figures w/o BCP

# Focus on cash while exploiting growth opportunities

A resilient business model

## Leading in a market with structural supply/demand imbalance

- Large demand/supply gap with 750k units missing already today
- Further widening supply/demand imbalance as new developments will tumble to c.175k units by 2026e<sup>1</sup>
- LEG strongly positioned as no.1 in NRW and no.2 in Germany – fully rented out

## Focus on organic cash generation

- AFFO as internal and external KPI
- AFFO as basis for dividend policy in a higher interest rate environment
- Full flexibility remains to increase share of debt-financed investments if market conditions ease

## Resilient business model to provide stable operating cash flows

- Crisis proven business model during GFC and Corona crisis
- Pure Play at a lean balance sheet
- Higher refinancing costs to be compensated by rent increases

## Structural growth drivers to support top line growth

- Market rent growth supported by demand situation to support structural mid-term growth
- Growth from subsidised units in 2026 and transition of >16k units into free-financed units in 2028
- Ongoing modernisation and decarbonisation investments allow for additional rent adjustments

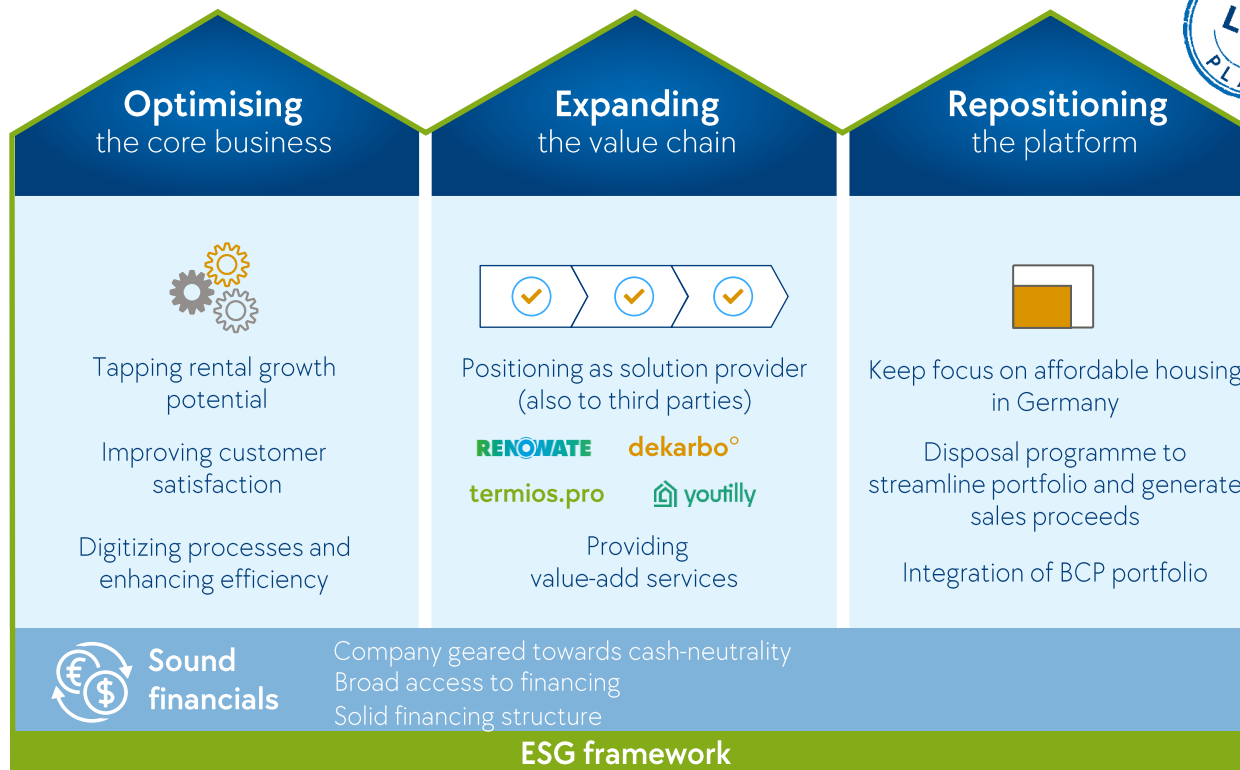
## Leading in sustainability and provider of decarbonisation solutions

- Top ratings by MSCI, Sustainalytics – decarbonisation path approved by SBTi
- On track for climate neutrality by 2045
- Solution provider via own JV's (Renowate – serial refurbishment, termios – smart thermostats, dekarbo – air-to-air heat pumps)





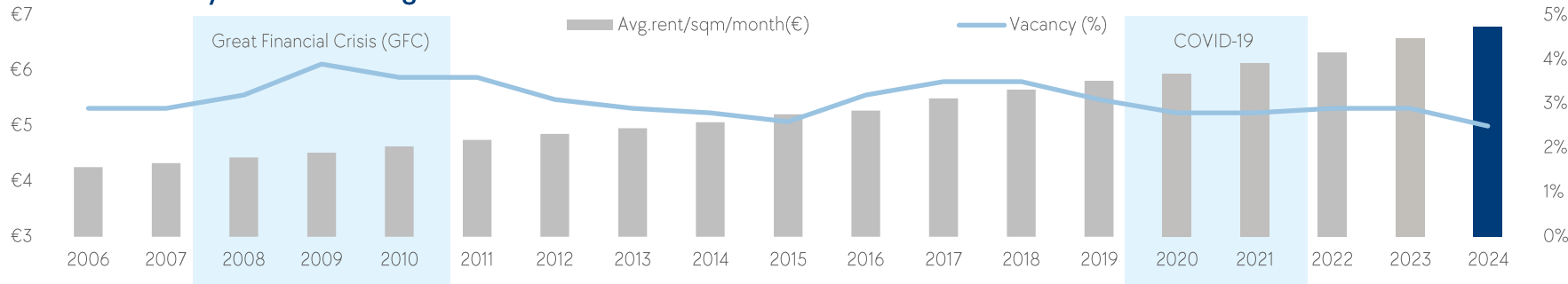
# LEG's strategy is based on strong building blocks





# Resilient business model

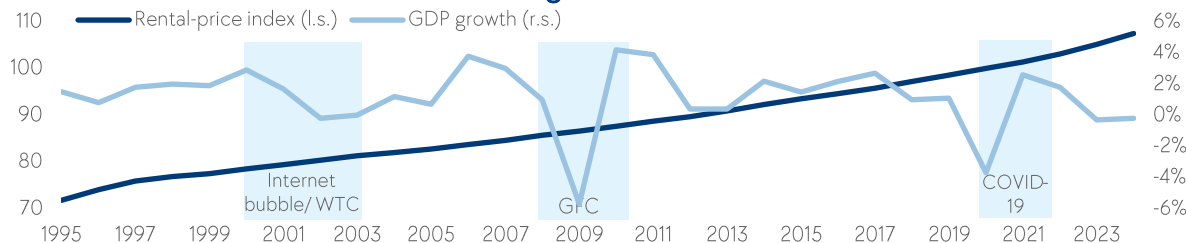
## LEG not materially affected during the GFC and COVID-19



## LEG well positioned

- Non-cyclical business model
- LEG's attractive rent level of **€6.80/sqm** is key to provide affordable living to our tenants
- C. 19% of units subsidised
- German social system provides several strong layers of social security

## Resilience of German residential during the last economic crises



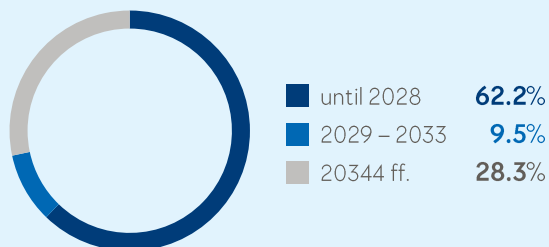
# Subsidised units account for around 19% of the portfolio

Reversionary potential amounts to 55% on average

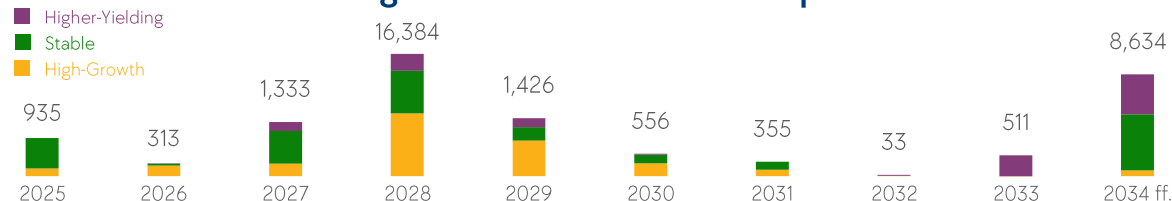
## Rent potential subsidised units

- Until 2028, around **19,000 units** will come off rent restriction
- Units show **significant upside** to market rents
- The **economic upside** can theoretically be realised the year after restrictions expire subject to general legal and other restrictions<sup>3</sup>

## Around 60% of units to come off restriction until 2028

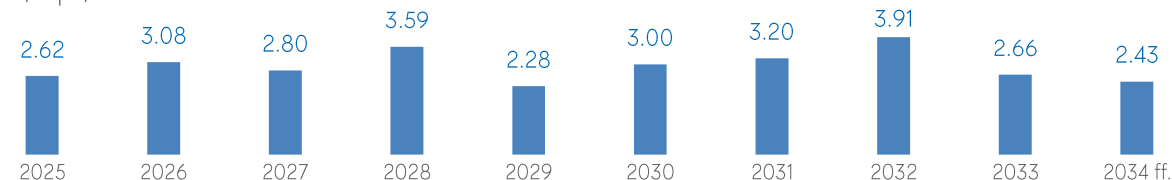


## Number of units coming off restriction and rent upside



## Spread to market rent

€/sqm/month



	until 2028	2029 - 2033	2034 ff.
In-place rent	€5.37	€5.57	€5.28
Market rent <sup>1</sup>	€8.85	€8.20	€7.70
Upside potential <sup>2</sup>	68%	47%	46%
Upside potential p.a. <sup>2</sup>	€53.1m	€6.1m	€17.0m

<sup>1</sup> Average rent value that could theoretically be achieved, not implying that an adjustment of the in-place rent to the market rent is feasible, as stringent legal and contractual restrictions regarding rent increases exist.

<sup>2</sup> Rent upside is defined as the difference between LEG in-place rent and market. <sup>3</sup> For example rent increase cap of 15% (tense markets) or 20% for three years.

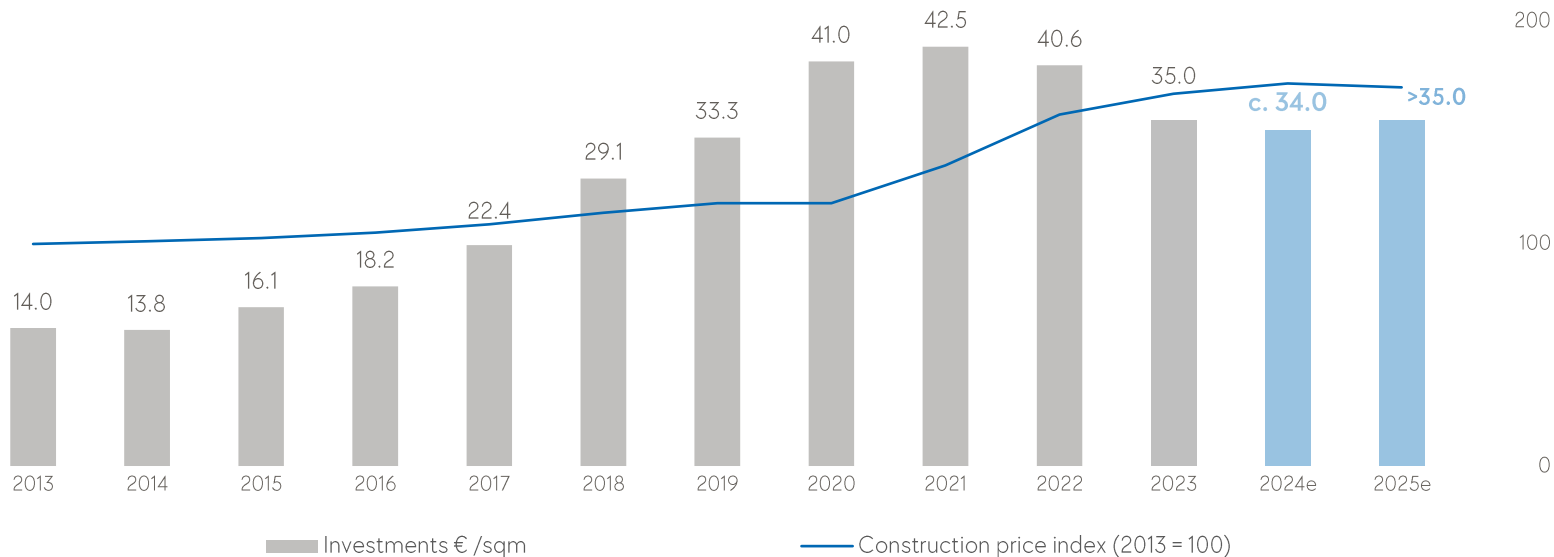
# LEG's investment track record

Investments into the standing portfolio



## Investments (adjusted)

€/sqm



Source: company data / Destatis for construction price index. 1 Based on index as at August 2024.

# New construction – finishing the last projects – small in volume

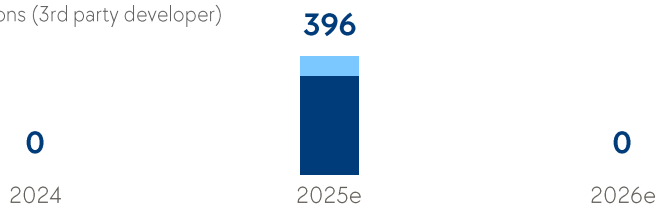
Small size of projects and investment volume, cash potential from built to sell

## Completions<sup>1</sup>

number of units per year

■ Development on own land

■ Acquisitions (3rd party developer)



Remaining completions  
in 2025

**396** units

## Investment volume per year<sup>1</sup>

€m



Remaining investment volume  
in 2025

**€24**m

<sup>1</sup> Excl. BCP

# German residential market

A highly fragmented market – dominated by private owners



Professional owners **34%**

**66%** Private owners

Public owner **11%**

**43%** Private Individuals

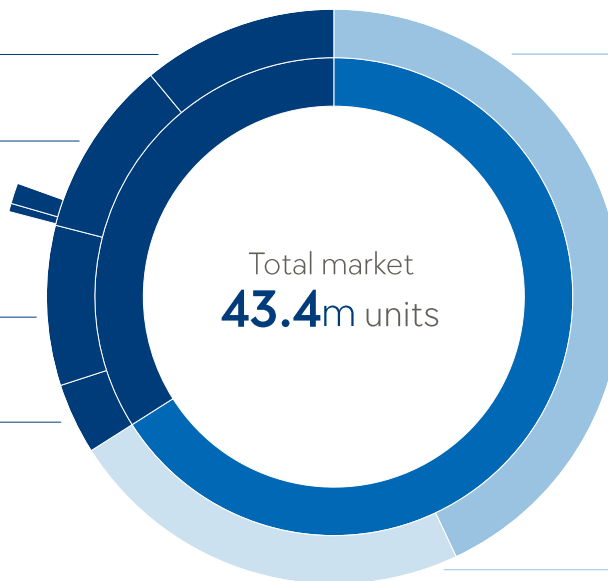
Private companies **10%**

of which

- No. 1 **1.1%**
- **LEG** (No. 2) **0.4%**

Mutuals **9%**

Other private companies  
(insurers, funds etc.) **4%**



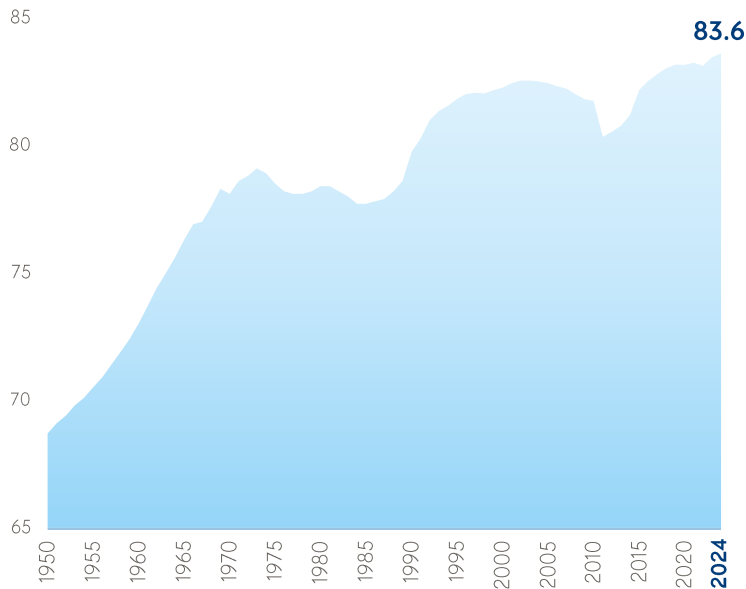
# Demand – supply imbalance will persist

New supply continues to erode while population will remain at high level



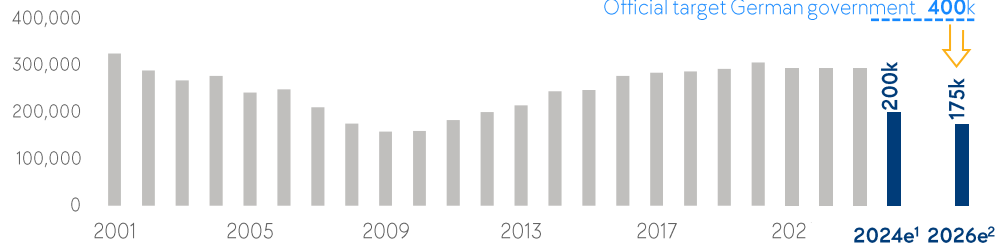
## German population at highest level ever in 2024

in million



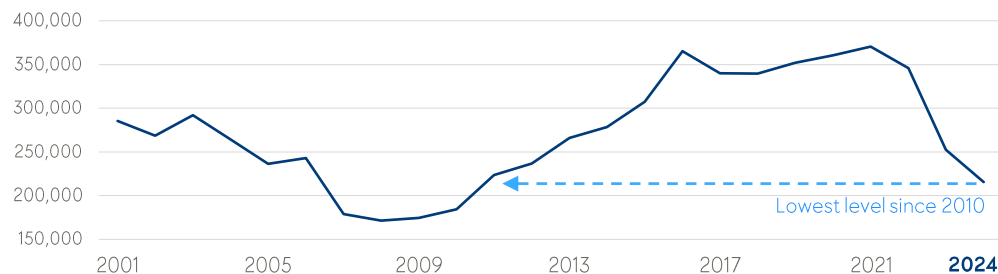
## New apartments completed

no. of units



## No. of building permissions for apartments

in units



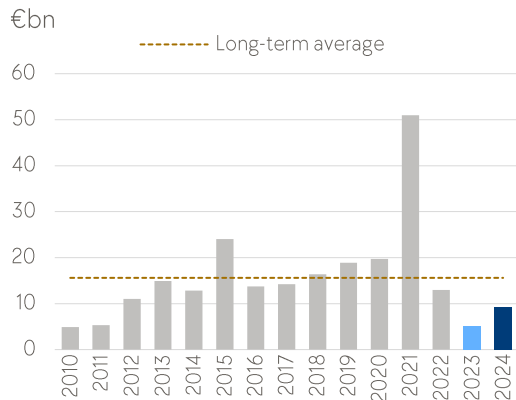


# German residential: Transaction volume grows from low base

Family offices and US capital already back in the market with above long-term participation rate

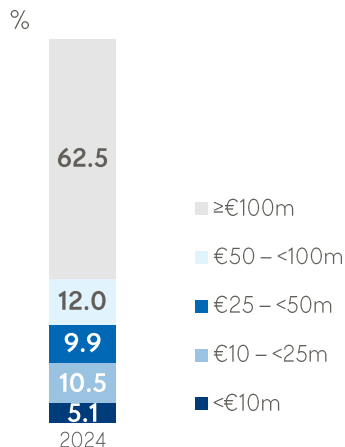


## Investment volume German residential



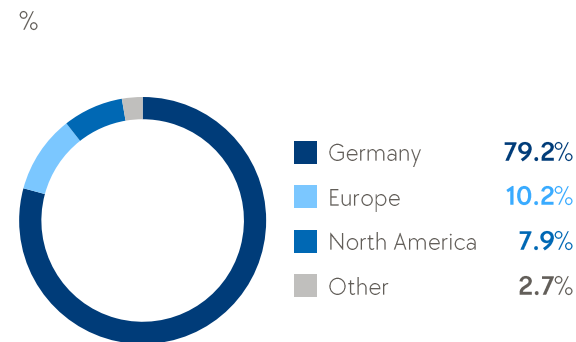
- Transaction volume 2024 **€9.3bn**
- Up by **78%** vs. 2023 from low level, still **-72%** vs. long-term average
- Residential biggest asset class by transaction volume in Germany in 2024

## Transactions by size 2024



- High share of bigger deals reflect return of institutional buyers as well as public entities interest to acquire assets

## Investors by geography 2024<sup>1</sup>



- High share of local capital with **79%**
- High German share also driven by public entities which represent **25%** of the market transaction



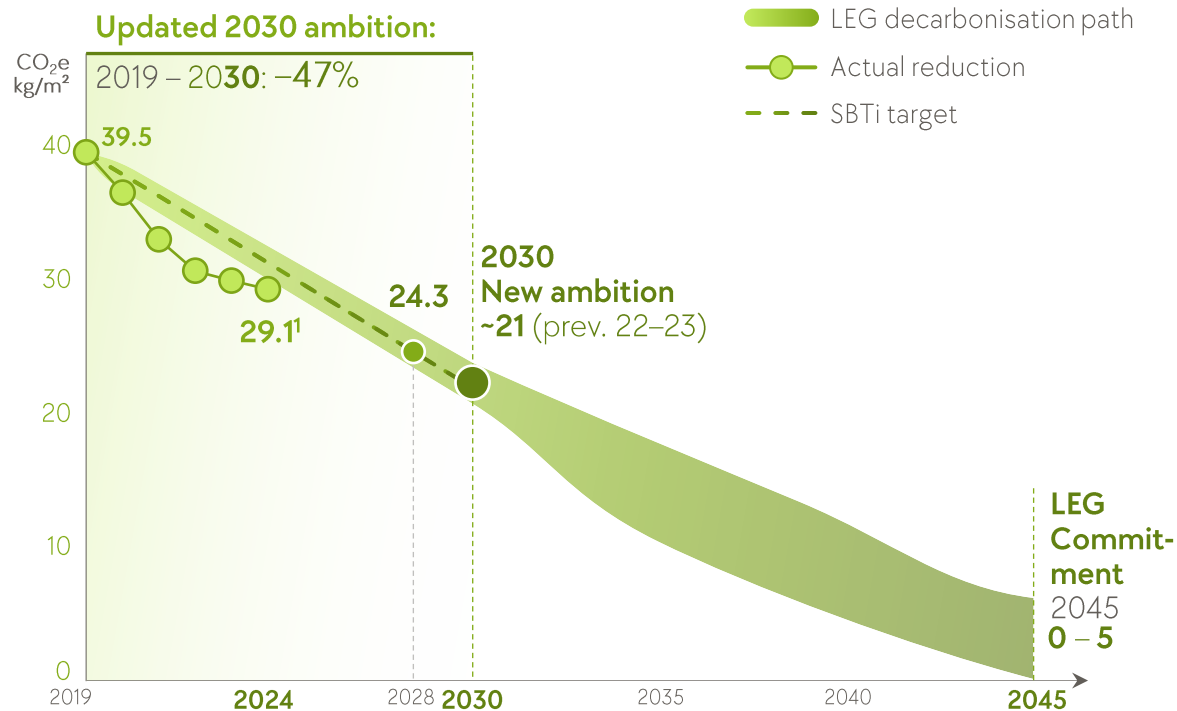
3

ESG



# On track for our target towards climate neutrality

Aiming for a reduction of 47% of our carbon footprint until 2030

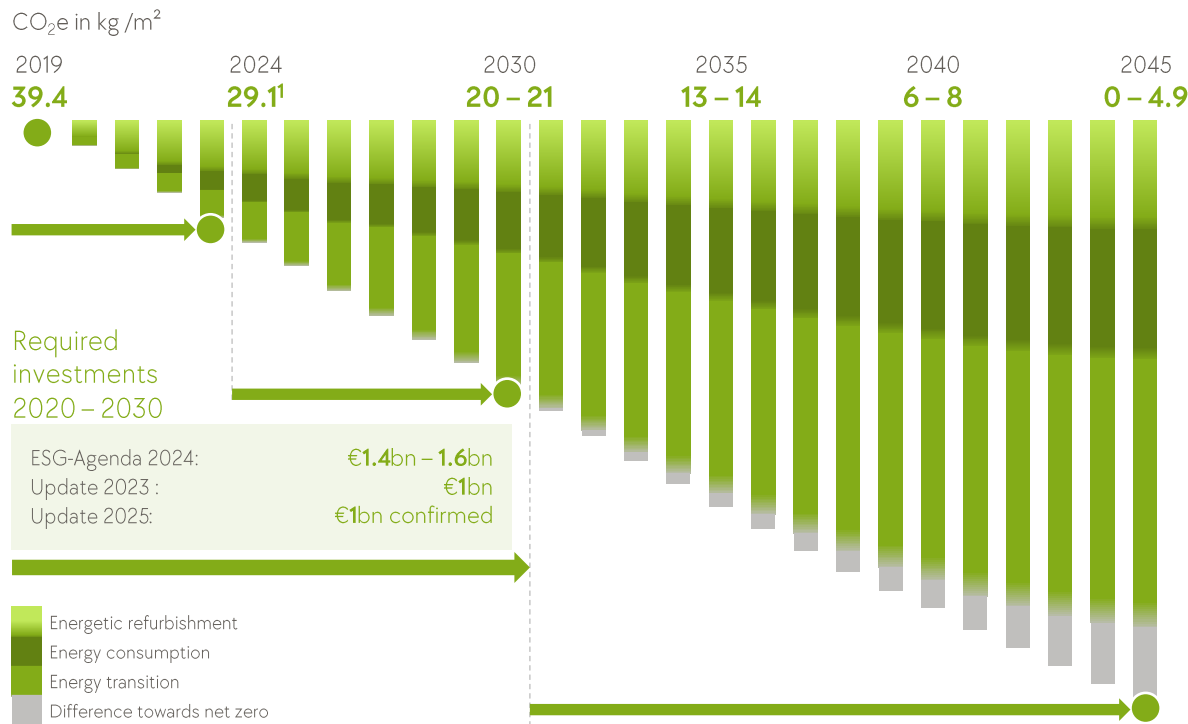


- LEG fully committed to German Climate Change Act to achieve climate neutrality by 2045
- Aligned with strategy via STI/ LTI-component of compensation scheme
- CO<sub>2</sub> reduction in 2024 by **2%** to **29.1kg/m<sup>2</sup>** (market based)
- Key driver:
  - **6,639t** CO<sub>2</sub> savings of which
    - **1,088t** from nudging-effects
    - **5,551t** from energetic refurbishments
- 2025 STI component: **6,000** tons CO<sub>2</sub> reduction from modernisation projects and customer behavior change

<sup>1</sup> Extrapolation 2024, Market based (climate adjusted).

# Transition roadmap towards climate neutrality by levers

Energy transition remains the key driver as focus on emission efficiency puts less focus on expensive refurbishments



1 Extrapolation 2024, Market based (climate adjusted).

## Focus is on

- Emission efficiency and not so much on energy efficiency
- Costs per ton of CO<sub>2</sub> savings to also keep focus on affordability
- Energy transition will have the biggest lever on the decarbonisation of the portfolio
- Own solutions to the decarbonisation of the portfolio via the LEG Green ventures,

**RENOWATE**


























**termios**

**dekarbo°**

# Among the best in class

Reflecting LEG's strong sustainability commitment



ESG		2019	2020	2021	2022	2023	2024	
<b>MSCI</b> 	ESG Rating							Top rating since 2022
 <b>SUSTAINALYTICS</b> <small>a Morningstar company</small>	ESG Rating	20.1	10.4	7.8	6.7	6.7	6.3	Continuously improved
 <b>CDP</b> <small>DISCLOSURE INSIGHT ACTION</small>	CDP Score							Since 2022 B-rated, score above sector (B-)
 <b>SCIENCE BASED TARGETS</b>	SBTi target				SBTs submitted	SBTs approved	Update approved	SBT's validated
<b>ISS ESG</b> 	ISS ESG	D+	C-	C-				Prime Status since 2022
 <b>EPRA</b> <small>EUROPEAN PUBLIC REAL ESTATE ASSOCIATION</small>	sBPR Award							Gold standard since 2020
<b>DAX</b> 	ESG Index		DAX <sup>®</sup> 50 ESG	DAX <sup>®</sup> 50 ESG	DAX <sup>®</sup> 50 ESG	DAX <sup>®</sup> 50 ESG	DAX <sup>®</sup> 50 ESG	Member since the beginning of the index

# Comprehensive ESG update



...to be published on the LEG webpage in the second half of March 2025







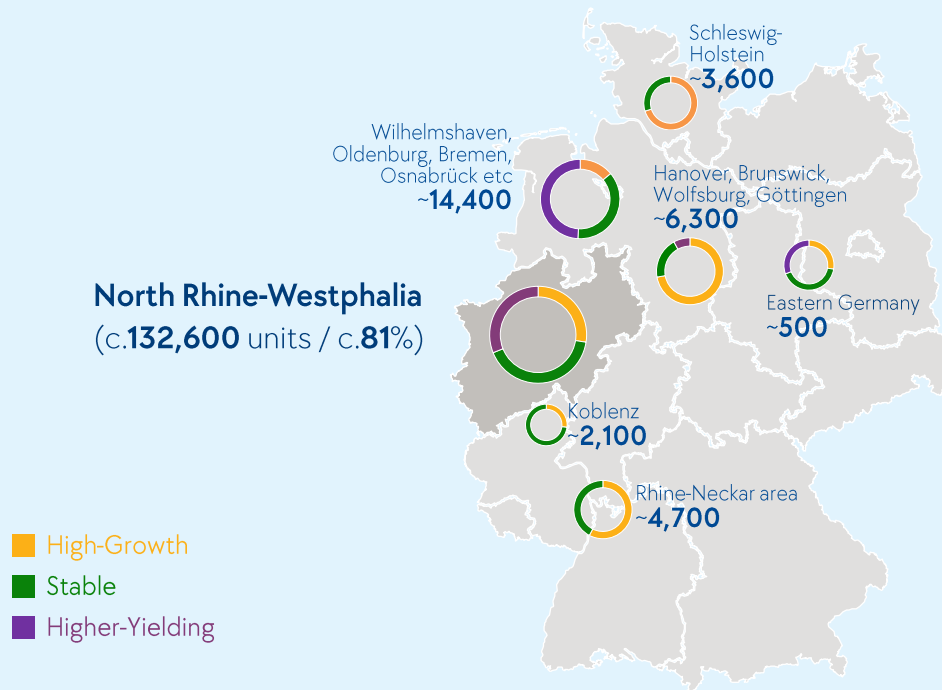
# 4

## Portfolio **Overview**

# LEG's portfolio comprises of c. 164,100 units by year end 2024

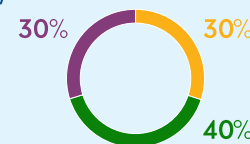
Well balanced portfolio – BCP to add around 9k units

As at 31 December 2024

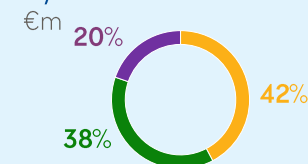


## Total portfolio<sup>1</sup> (c. 164,100 units)

by units

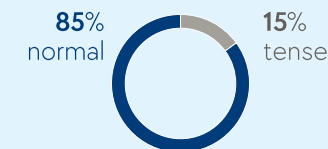


by GAV



by rent regulation

Normal vs. tense markets<sup>2</sup>



<sup>1</sup> Residential units. <sup>2</sup> Tense markets only allow for 15% rent increase on sitting tenants within three year while normal markets allow for 20% and rental break regulations for re-lettings applies.

# Well-balanced portfolio

## FY-2024

### By Market

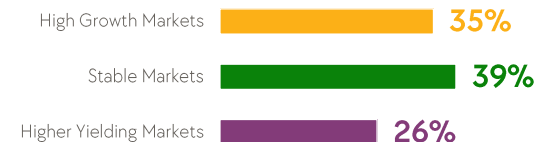
#### Units



#### Gross Asset Value

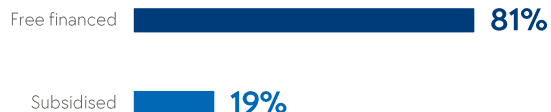


#### Rental Income

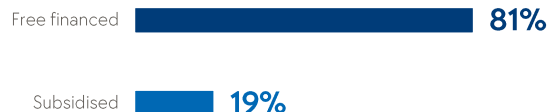


### Restricted vs. unrestricted

#### Units



#### Gross Asset Value



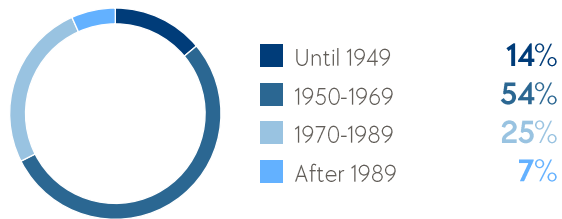
#### Rental Income



# Portfolio structure

## FY-2024

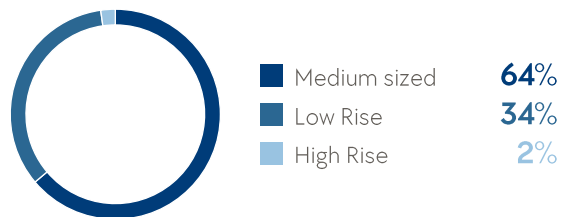
### Construction Years



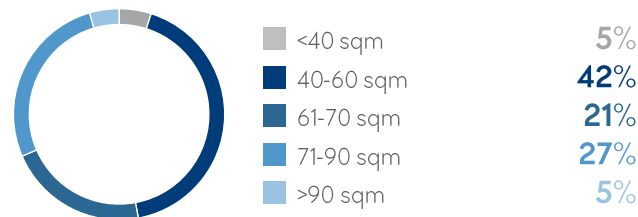
### Free Financed / Rent Restricted Units



### Building Types<sup>1</sup>



### Apartment Size



<sup>1</sup> Based on number of buildings. Buildings are measured by entrances.

# Market clustering based on LEG's methodology

## Key indicator



1. Rental level<sup>1</sup>




2. Vacancy level<sup>2</sup>



3. Socio demographic ranking<sup>3</sup>



4. Future attractiveness<sup>4</sup>

 Weighting

## Scoring based on local districts<sup>5</sup>

Relative comparison of rental levels

Relative comparison of vacancy levels

c. 30 indicators like demographics, labour market, wealth etc.

>20 indicators from demographics, economy, education, family friendliness

## LEG Scoring

High-growth  
markets

Stable  
markets

Higher-yielding  
markets

Source: Company information  
Notes: 1 Empirica 2 CBRE 3 Prognos Institut 4 Berlin Institut 5 Based on c.400 local districts in Germany.

A woman with long blonde hair is sitting in a yellow armchair, reading a book. She is in a living room with large windows covered by light-colored curtains. A large floor lamp with a cylindrical shade is positioned above her. To the left, there is a white side table with a small white object on it. A potted plant is visible on the right side of the frame. The overall atmosphere is warm and comfortable.

# 5 Management



# Management Team



**Lars von Lackum**  
CEO

**14,000 shares** in LEG<sup>1</sup>

- Investor Relations & Strategy
- Legal / Internal Audit, HR & Committees
- Corporate Communications & Public Affairs
- Acquisition
- Project development
- Technology and Digitization
- Sustainability ESG

With LEG since 2019

<sup>1</sup> As at March 2025 based on directors' dealings notification



**Dr. Kathrin Köhling**  
CFO

**5,000** in LEG<sup>1</sup>

- Risk management and Internal Control System
- Corporate finance & treasury
- Portfolio management
- Accounting and taxes
- Organisation, processes & data management

With LEG since 2019



**Dr. Volker Wiegel**  
COO

**6,700 shares** in LEG<sup>1</sup>

- Asset and property management; incl.
  - Commercial property management
  - District and neighbourhood management
  - Real estate management
  - Inventory modernisation
  - Central purchasing
  - Claims management
  - Rental management
  - Operating cost management
  - Central customer service
  - Construction project management
- Service companies

With LEG since 2013

# Remuneration system effective since 2023 – update for 2025<sup>1</sup>



General setup and current STI and LTI targets

Share of target remuneration		year 1	year 2	year 3	year 4		
33% – 36%	<b>Fixed components</b>	<ul style="list-style-type: none"> <li>Basic remuneration</li> <li>Fringe benefits</li> <li>Pension entitlement (defined contribution)</li> </ul>				<b>Max. remuneration 2025</b>	<b>Malus/ Clawback</b>
24% – 25%	<b>STI (2025)</b>	<ul style="list-style-type: none"> <li>80% Financial targets                             <ul style="list-style-type: none"> <li>40%: Capex-adjusted funds from operations (AFFO) per share (100% = €2.85)</li> <li>40%: Adjusted EBITDA Margin (100% = 76.1%)</li> </ul> </li> <li>20% E-target: CO<sub>2</sub> reduction (100% = 6,000t CO<sub>2</sub>)</li> </ul>				CEO €4.8m	Partial or complete reduction or reclaim of variable remuneration possible
36% – 44%	<b>LTI (2025 – 2028)</b>	<ul style="list-style-type: none"> <li>80% Relative total shareholder return vs. EPRA NAREIT Germany</li> <li>20% E-target: Accumulated earnings contributions from Green Ventures and gains on disposals<sup>2</sup> 2025 – 2028 (100% = €20m)</li> <li>Reinvestment obligation of 25% of the LTI into LEG shares</li> </ul>				Board member €3.1m	

## Share ownership guideline

Purchase of LEG shares equivalent to a gross basic salary within 4 years

<sup>1</sup> To be approved by AGM 2025. <sup>2</sup> Green Ventures refers to LEG's green solutions Renowate, termios and decarbo. For more details on the remuneration system please see the remuneration report.



# Supervisory board – 100% independent members

1/3 of female members since AGM 2022



**Michael Zimmer**

Chairman  
since 2013



**Christoph Beumer**

Member  
since 2024



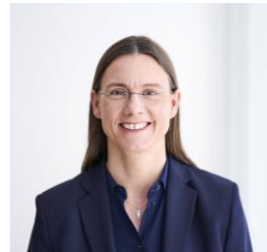
**Dr. Sylvia Eichelberg**

Member  
since 2021



**Dr. Claus Nolting**

Member  
since 2016



**Dr. Katrin Suder**

Member  
since 2022



**Martin Wiesmann**

Member  
since 2020

**4,100 shares** in LEG<sup>1</sup>

Entrepreneurial career in the real estate sector (e.g. founder of Corpus Sireo Immobilien, later sold to Swiss Life) since 1990

---

Professional background as tax advisor and auditor. Former auditor and partner at KPMG AG Wirtschaftsprüfungsgesellschaft

---

COO of Barmenia Gothaer Health Insurance and previously in different roles with AXA and ERGO insurance

---

Professional background as a lawyer. Different positions in the banking and private equity sector (e.g. CEO of Hypovereinsbank, Cerberus, Lone Star)

**500 shares** in LEG<sup>1</sup>

Independent consultant, previously State Secretary in the German Ministry of Defence and various roles at McKinsey (Partner, Head of the Berlin office and Director & Head of "Public sector").

**1,400 shares** in LEG<sup>1</sup>

Professional background in investment banking with Deutsche Bank and J.P. Morgan, amongst various roles Vice-Chairman IB Europe with JPM

<sup>1</sup> As at March 2025



# 6

## Regulation & Social Security in Germany

# Rent regulation in Germany

Only 23% of units located in tense markets (based on portfolio per 12/2024)

## Free-financed units

**81%** of LEG's units (~133,000 units)

**Non-tense markets**  
~96,000 units

**Tense markets<sup>2</sup>**  
~37,000 units

Existing  
Contracts

### Rent increase

- Max. **20%** within **3** years
- Max. increase to local reference rent<sup>1</sup>

### Rent increase

- Max. **15%** within **3** years (*Kappungsgrenze*)
- Max. increase to local reference rent<sup>1</sup>



### Modernisation levy

- Annual rent can be increased by **8%** of modernisation costs
- Limit: **€3** per sqm (rent/sqm/month > **€7**) or **€2** per sqm (rent/sqm/month < **€7**) over **6** years



New  
contracts

### No regulations

### Rental brake (*Mietpreisbremse*)

- Increase of max. 10% on local reference rent<sup>1</sup>

## Rent restricted units

**19%** of LEG's units (~31,000 units)

### Cost rent adjustment

- Every third year (i.e. last was in 2023, next will be in 2026)
- After full repayment of the underlying subsidised loan, the residential unit gets out of rent restriction and regular code applies
- In the case of early repayment, rent restriction continues for another 10 years (tenant protection); then regular code for free-financed units applies

<sup>1</sup> Based on rent table (Mietspiegel). <sup>2</sup> In NRW, 57 cities were identified as tense markets (from 1 March 2025 onwards), especially Düsseldorf, Cologne and Greater Cologne area, Bonn, Münster. Outside NRW and relevant for LEG are cities such as Brunswick, Hanover, Oldenburg, Osnabrück and Mannheim.

# Heat Planning Act (WPG) as basis for the individual building plan (GEG)

## Heat Planning Act

(Wärmeplanungsgesetz WPG)

- Municipalities and cities have to provide their individual plans on how to transition their heat infrastructure into a climate neutral grid
- Major cities need to provide their plans until June **2026**, smaller communities until June **2028**
- Local utility companies, grid operator and manufacturing companies to provide data in respect to energy source and consumption
- **Basis for individual heat energy transition planning on private owner level, landlord level and public buildings**

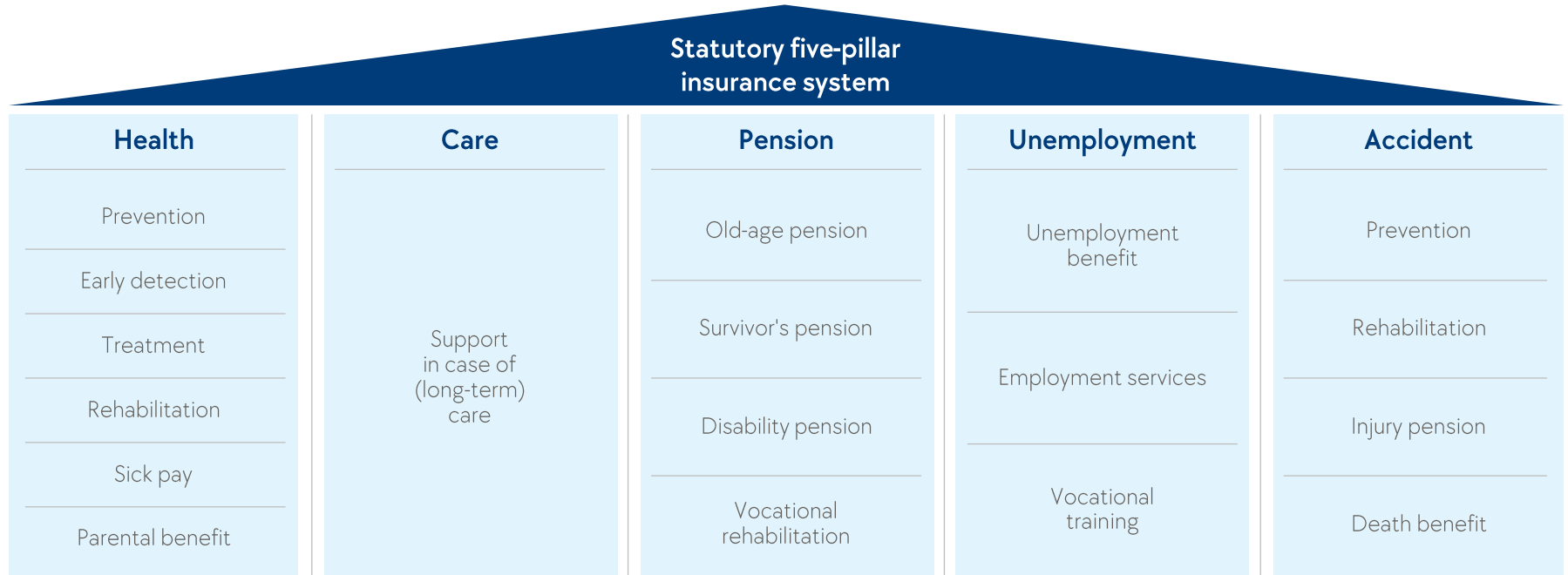


## Energy Act for Buildings

(Gebäudeenergiegesetz GEG)

- **Renewable energy obligation (REO):** New heating systems must cover at least **65%** of heat energy demand of the building with renewable energies
- Target is to achieve a national climate neutral heat supply by **2045**
- **New buildings:** REO as of **1 January 2024**, transition periods for new buildings outside new construction areas
- **Existing buildings:** transition periods for defect heating systems: **3 years** (general), **10 years** (connecting to a heating grid), **13 years** (centralisation of decentralised heating systems)
- **Permitted technologies:** Connection to the heating network, electric heat pumps, direct electricity heating such as air-to-air heat pumps, hybrid heating, heating based on solar thermal energy, "H2-Ready" gas heating or when using green gases, biomass heating (mandatory from **2029**)
- Duty for external consultation on heating system replacement from **2024**

# A well-developed social security system ensures a fair standard of living in Germany



Principles of solidarity





## 7 Investor & Credit **Relations**

# Financing-KPIs as of FY 2024

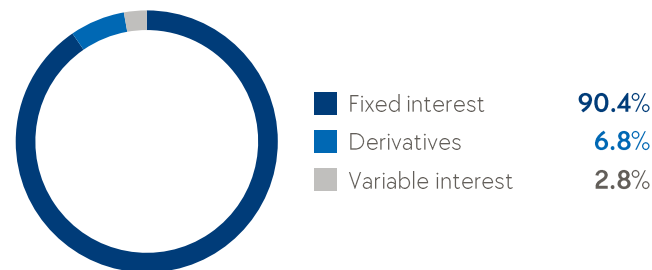
## Unsecured financing covenants

Covenant	Threshold	FY-2024
Consolidated Adjusted EBITDA / Net Cash Interest	≥1.8x	4.3x <sup>1</sup>
Unencumbered Assets / Unsecured Financial Indebtedness	≥125%	191.1%
Net Financial Indebtedness / Total Assets	≤60%	48.1%
Secured Financial Indebtedness / Total Assets	≤45%	16.2%

## Ratings (Moody's)

Type	Rating	Outlook
Long Term Rating	Baa2	Stable
Short Term Rating	P-2	Stable

## Financing mix



## Key financial ratios

	FY-2024	FY-2023
Net debt / adj. EBITDA <sup>2</sup>	13.8x	13.5x
LTV	47.9%	48.4%
Secured Debt / Total Debt	33.8%	40.2%
Unencumbered Assets / Total Assets	47.7%	39.7%
Equity ratio	37.8%	38.8%

<sup>1</sup> Based on the adjusted EBITDA definition effective until business year 2022. Based on the adjusted EBITDA definition effective since business year 2023, i.e., excluding maintenance (externally-procured services) and own work capitalized, KPI is 4.9x.  
<sup>2</sup> Average net debt last four quarters / adjusted EBITDA LTM.



# Capital market financing

## Corporate bonds



Duration	Issue Size	Maturity Date	Coupon	Issue Price	ISIN	WKN
2019/2027	€ <b>500</b> m	28 Nov 2027	0.875% p.a.	99.356%	DE000A254P51	A254P5
2019/2034	€ <b>300</b> m	28 Nov 2034	1.625% p.a.	98.649%	DE000A254P69	A254P6
2021/2033	€ <b>700</b> m	30 Mar 2033	0.875% p.a.	99.232%	DE000A3H3JU7	A3H3JU
2021/2031	€ <b>700</b> m	30 Jun 2031	0.750% p.a.	99.502%	DE000A3E5VK1	A3E5VK
2021/2032	€ <b>500</b> m	19 Nov 2032	1.000% p.a.	98.642%	DE000A3MQMD2	A3MQMD
2022/2026	€ <b>500</b> m	17 Jan 2026	0.375% p.a.	99.435%	DE000A3MQNN9	A3MQNN
2022/2029	€ <b>700</b> m	17 Jan 2029	0.875% p.a.	99.045%	DE000A3MQNP4	A3MQNP
2022/2034	€ <b>500</b> m	17 Jan 2034	1.500% p.a.	99.175%	DE000A3MQNQ2	A3MQNQ
2025/2035	€ <b>300</b> m	20 Jan 2035	3.875% p.a.	98.248%	DE000A383YA0	A383YA

### Financial Covenants

Adj. EBITDA/ net cash interest  $\geq 1.8x$   
 Unencumbered assets/ unsecured financial debt  $\geq 125\%$   
 Net financial debt/ total assets  $\leq 60\%$   
 Secured financial debt/ total assets  $\leq 45\%$

# Capital market financing

## Convertible bonds



	2017/2025	2020/2028	2024/2030
Issue Size	€ <b>400</b> m	€ <b>550</b> m	€ <b>700</b> m
Term / Maturity Date	8 years/ 1 September 2025	8 years/ 30 June 2028	6 years/ 4 September 2030
Coupon	0.875% p.a. (semi-annual payment: 1 March, 1 September)	0.400% p.a. (semi-annual payment: 15 January, 15 July)	1.000% p.a. (semi-annual payment: 4 March, 4 September)
# of shares	3,531,959	3,580,370	5,958,725
Redemption Price	100.00%	100.00%	106.34%
Initial Conversion Price	€118.4692	€155.2500	€117.4748 (effective: €124.9227)
Adjusted Conversion Price <sup>1</sup>	€113.2516 (since 2 June 2022)	€153.6154 (since 7 June 2022)	No adjustment so far
Issuer Call	From 22 September 2022, if LEG share price >130% of the then applicable conversion price	From 5 August 2025, if LEG share price >130% of the then applicable conversion price	From 25 September 2028, if LEG share price >130% of the then applicable conversion price
ISIN	DE000A2GSDH2	DE000A289T23	DE000A3L21D1
WKN	A2GSDH	A289T2	A3L21D

<sup>1</sup> Dividend-protection: The conversion price will not be adjusted until the dividend exceeds €2.63 (2017/2025 convertible) and €3.562 (2020/2028 convertible). Full dividend protection of the 2024/2030 convertible.

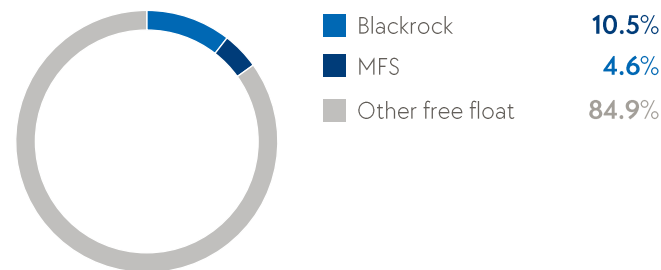
# LEG share information



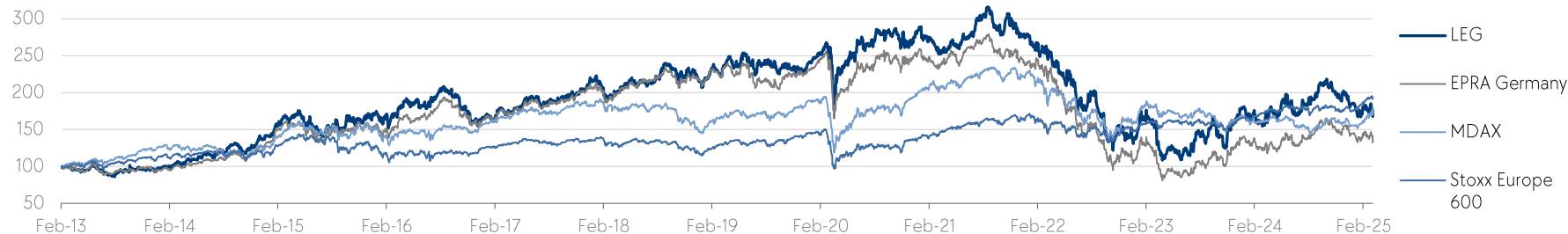
## Basic data

Market segment	Prime Standard
Stock Exchange	Frankfurt
Total no. of shares	74,469,665
Ticker symbol	LEG
ISIN	DE000LEG1110
Indices	MDAX, FTSE EPRA/NAREIT, GPR 250, Stoxx Europe 600, DAX 50 ESG, i.a. MSCI Europe ex UK, MSCI World ex USA, MSCI World Custom ESG Climate Series

## Shareholder structure<sup>1</sup>

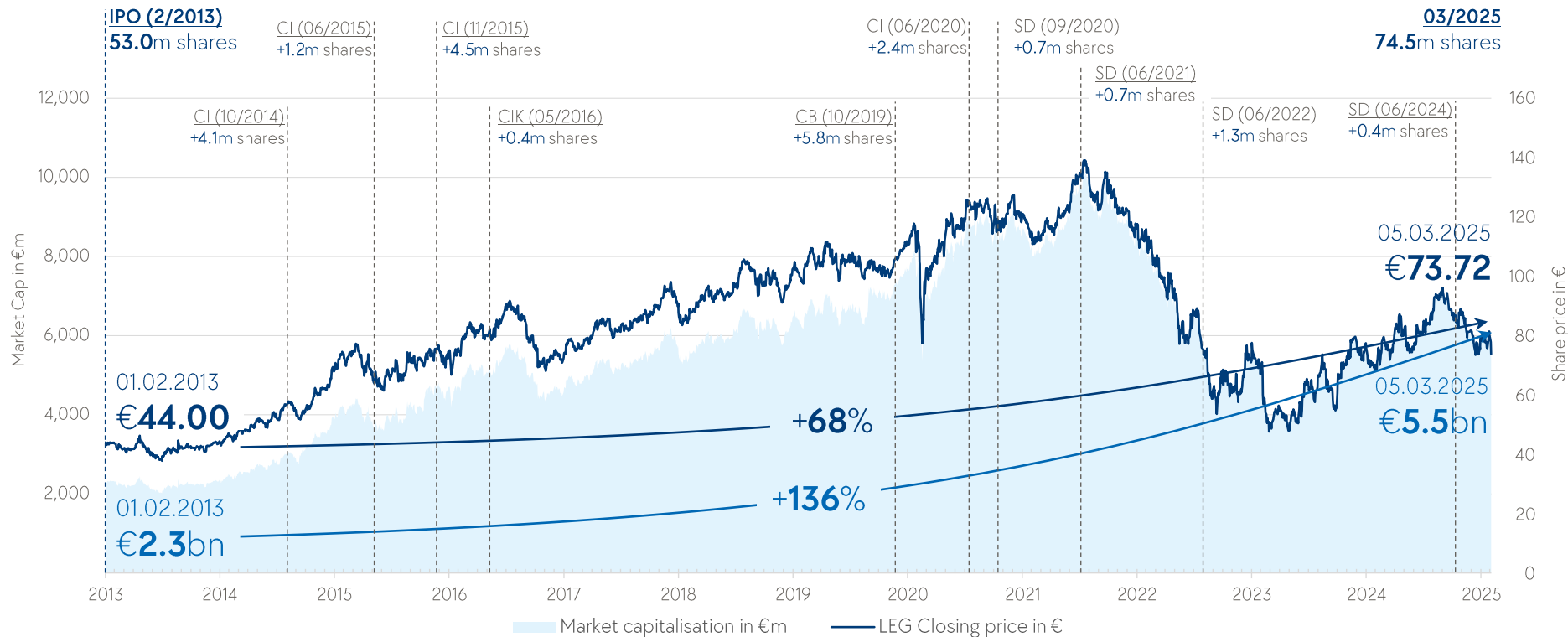


## Share (06.03.2025; indexed; in %; 01.02.2013 = 100)



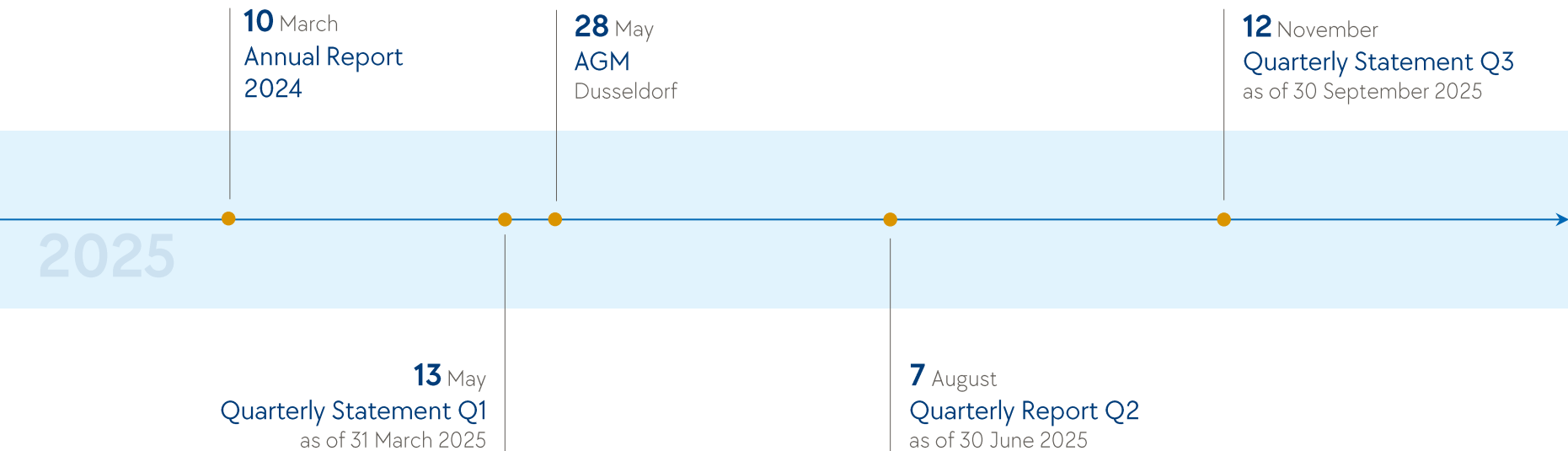
<sup>1</sup>Shareholdings according to latest voting rights notifications.

# Share price and market capitalisation since IPO



IPO = Initial Public Offering; CI = capital increase; CIK = capital increase in kind; CB = convertible bond; SD = stock dividend.

# Financial calendar



For our detailed financial calendar, please visit <https://ir.leg-se.com/en/investor-relations/financial-calendar>

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