Deutsche Wohnen SE

Full Year Results 2020

Conference Call 25 March 2021

Agenda

Highlights and Strategy Update

Berlin, Hufeisensiedlung, UNESCO World Heritage

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Highlights

Operating Business	▪ Operating business proves resilient during pandemic; full year guidance achieved with all segments contributing according to plan ▪ Adj. EBITDA growth to above EUR 1bn driven by successful disposal business (+12% yoy) ▪ Strong capital growth leading to further uplift of EPRA NAV/NTA (+12% yoy) ▪ Suggested dividend per share increased to EUR 1.03 thanks to resumption of 65% FFO I pay-out ratio and positive impact of share buy-back ▪ Conservative capital structure with 37% LTV and average tenure of almost 7 years at average interest cost of 1.2% p. a.
Growth Opportunities	▪ EUR 7bn new development pipeline with c. 18k residential units focused on top 8 cities in Germany, thereof c. 9k units as “build-to-hold” on Deutsche Wohnen’s balance sheet ▪ Long-term aim to grow the share of “build-to-hold” portfolio to around 30% of current fair value of property stock ▪ Bundling of development platforms under the leadership of QUARTERBACK to streamline process and maximize efficiency
ESG	▪ Clearly defined path to become climate neutral by 2040 ▪ Deutsche Wohnen’s social engagement goes far beyond legal requirements (e. g. implementation of EUR 30m Corona relief fund, no rental increases during Corona pandemic, adherence to our “promise to tenants“) ▪ Tenant satisfaction further improved to 82% based on latest survey; also employee satisfaction remains high with 84% ▪ ESG increasingly anchored in remuneration system for management board
Portfolio transformation	▪ Strategic transformation of property portfolio is aimed to cater for incremental growth in qualitative and quantitative terms: disposal of non-strategic assets at valuation premiums combined with focus on ESG-aligned investments into the existing Core^{+} portfolio as well as the “build-to-hold” development pipeline ▪ In the short-term, value creation is generated by way of FFO II contribution from disposals ▪ In the mid to long-term, the defined transformation process is expected to provide significant organic growth resulting in EBITDA accretion

Key strategic challenges for the German residential real estate industry for the next decades

1 Reduction of environmental impact and CO_2 footprint

30% of Germany's CO_2 emissions are related to the building sector[1]

- Reduce energy consumption of existing building stock
- Increase renewable energy supply and on-site power generation

2 Creating sufficient housing supply in key demand regions

Key driver of increasing rents in Germany is prevailing supply/ demand imbalance

- Build significant number of residential apartments in key demand areas
- Create efficient development platform serving all stakeholders

Solutions for both challenges require significant amounts of time and capital

Deutsche Wohnen's Core+ portfolio enables good economic returns on these sizeable investments

1) According to the Federal Environment Agency (Umweltbundesamt)

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Mission climate neutrality

The two key fields of action

1. Reducing energy consumption
2. Increasing renewable energies & on-site power generation

2040

Climate neutrality Deutsche Wohnen

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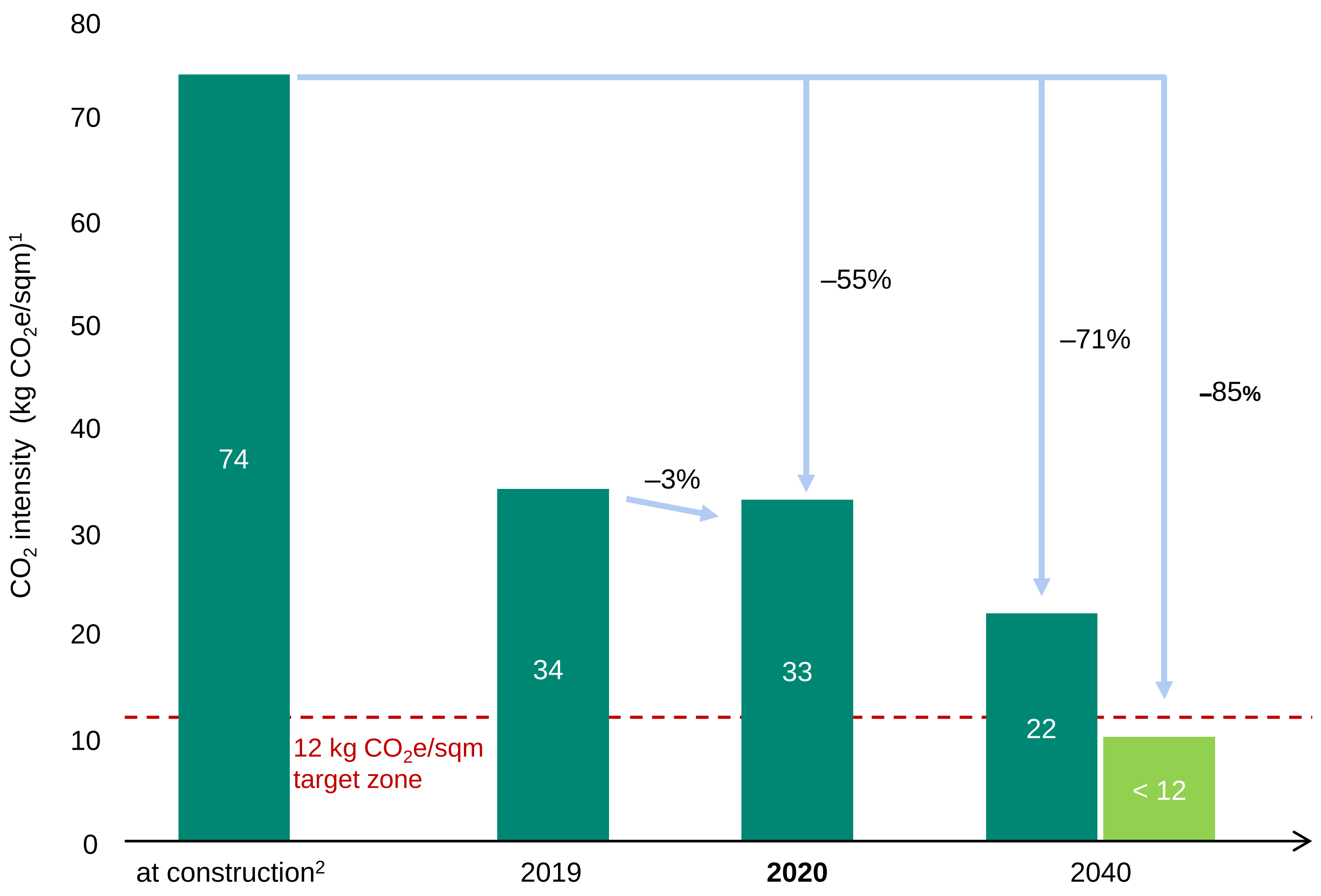
CO_2 target path until 2040



1. Focus on energetic refurbishments

- Economically sensible investments in energy-efficient building refurbishment will reduce the CO_2 intensity to 22 kg CO_2 e/sqm by 2040

2. Cross-sector approach

- Expansion of low-CO_2 heat and power generation
- Use of self-generated green power
- Further savings possible through building automation to promote climate-friendly user behavior
- Climate-friendly new construction (certified by renowned sustainability agency)

Supporting regulatory framework required

- Resolving the tenant-landlord dilemma and increasing the rate of refurbishment (see our proposal "Concept for socially responsible climate protection in the property sector“)
- Strong user involvement required. First projects show that savings of up to 10% of energy consumption are possible (see our MIA pilot project)
- Further adjustments to the modernization charge or in the regulatory landscape can have a negative impact on the achievement of targets

1) The climate path shown is calculated on the basis of the CO_2 technology tool provided by the Housing Initiative 2050 (IW.2050), it is excl. nursing homes. This is used industry-wide as the basis for setting a climate target path for housing companies. The target corridor of < 12 kg CO_2e/sqm is derived from the available CO_2 budget for the sector and industry-wide accepted as the level of CO_2 emissions sufficient to achieve climate neutrality in the building sector. **2)** This metric represents the theoretical CO_2 intensity per sqm for a given product cluster of a standard house with construction-period standards.

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EUR 1.5 bn investments in energetic refurbishment of existing buildings until 2040

Investment Criteria

- Tenant affordability
- Legislative requirements
- Subsidy regimes
- Adequate proportion of investments to benefits

Portfolio

- **~158,000 units**
- **~9.7m sqm**

Action

- Basement ceiling insulation
- Attic insulation
- Facade insulation
- Insulating glass windows
- Heating replacement and network optimization

Increasing share of energetic investments in complex refurbishments[1]

~30% to >50%

~5,000 units/year

CO_2 intensity 2020: 33 kg CO_2 e/sqm

Target: >30% CO_2 reduction

CO_2 intensity 2040: 22 kg CO_2 e/sqm

- **Deutsche Wohnen will increase share of energetic refurbishments to EUR 1.5 bn to achieve >30% CO_2 reduction by 2040. Given the good condition of the building stock, this will be achievable at good returns**

1) This relates purely to investments in building modernization. Measures relating to re-lettings and capitalized maintenance are not included.

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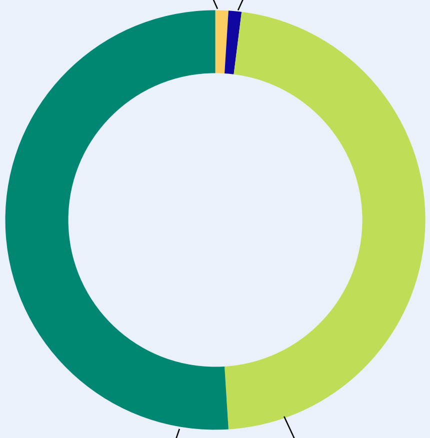
EUR 0.5 bn investments to expand heat and power generation with low CO_2 footprint

2020 Energy mix



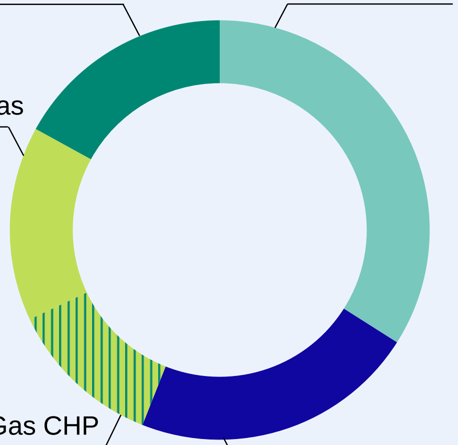
Oil
- Portfolio streamlining for oil-fired heating systems almost completed
- Removing remaining oil heaters

Gas
- Replacement of gas-only generation with combined heat and power plants (CHP)
- Admixture of green gas

District heating
- Expansion of share of green district heating

Renewable energy
- Use of renewable energies through expansion of heating pumps and pellet heating systems
- Only decentralized (green) power generation can help achieve climate targets

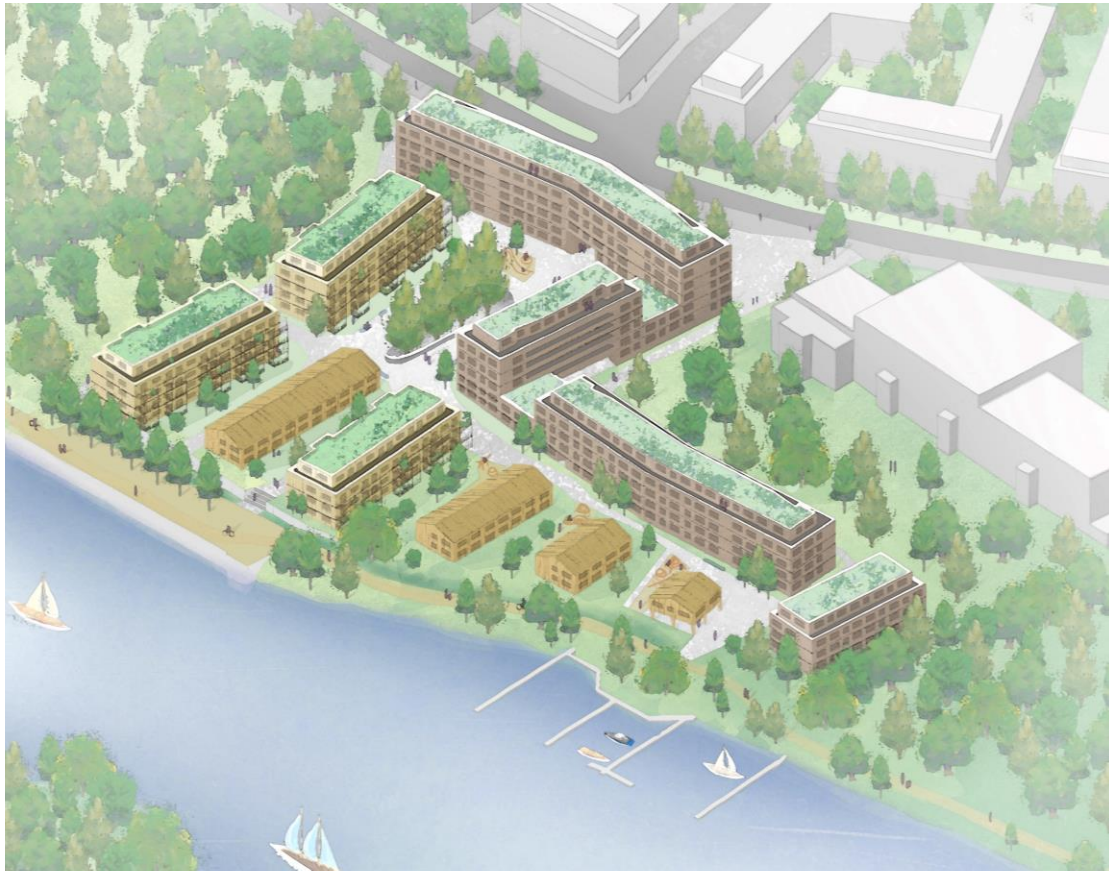
2040 Energy mix



District Heating
- Deutsche Wohnen's Core+ portfolio has largely access to district heating due to its strategic location
- One of the most efficient ways of providing heating for residential dwellings (highest yields/lowest energy loss)
- Energy/heat providers converting district heating to be 100% climate-neutral[1]

1) Vattenfall, district heating supplier for Berlin, publicly announced to supply 100% climate-neutral generated heat for Berlin by 2050 at the latest.

Extensive project pipeline focused on sustainable new construction



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- Creating a center-of-competence for new construction in Germany while focusing on sustainable building
- Ensuring sustainable approach through membership in the **German Sustainable Building Council (DGNB)** and the aspiration to strive for at least the Gold Standard
- Focusing on wood hybrid construction: Depending on the type of building wood hybrid construction for example releases 50–70[1] kg less CO_2 per sqm of floor area compared to conventional construction

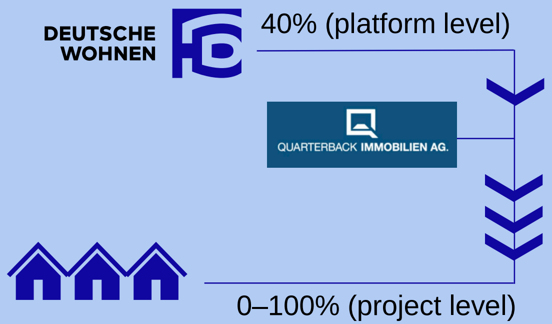
Daumstraße–Berlin Deutsche Wohnen is planning a unique neighbourhood development with timber hybrid construction

- 287 apartments
- Smartliving applications
- eMobility with own mobility hub
- DGNB Gold Standard
- KfW 55 standard
- Cradle2Cradle approach
- Holistic energy concept
- Home office workstations for tenants

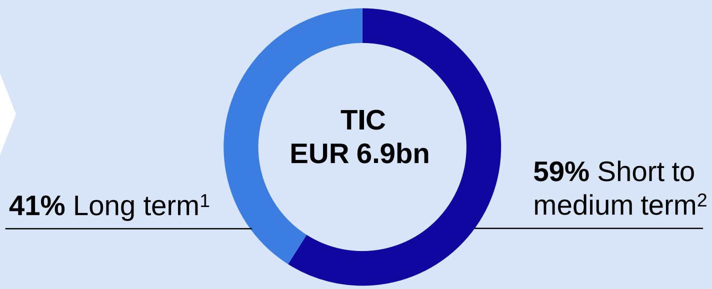
1) This is based on information from the DGNB and takes into account the various life cycle phases of a building over a 50-year period (production of the entire building component, energy use during operation, replacement of parts with a service life shorter than 50 years, etc.)

Strategic platform for residential project development

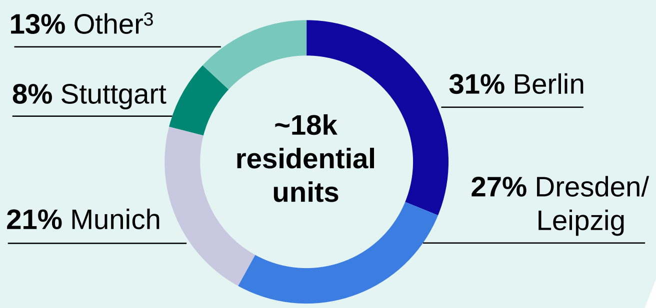
Structure



Breakdown by project stage (in % TIC)



Breakdown by location (in % TIC)



QUARTERBACK "highlights"

- "Centre-of-competence" development platform with Isaria platform integrated to streamline processes and maximize efficiency
- Total Investment Cost (TIC) of EUR 6.9bn primarily located in the "top 8" German cities
- Branch network of regional presence in all major German metropolitan areas
- 20+ years of track record comprising of c. 400 successfully completed projects with c. 13,000 residential units

Strategic partnership between Deutsche Wohnen and QUARTERBACK

- QUARTERBACK as integrated platform to execute Deutsche Wohnen's "build-to-hold" strategy
- Superb sourcing capabilities, also benefitting from significant financing costs advantages compared to pure-play developers
- Acquisition focus synchronized with geographic strategy of Deutsche Wohnen
- Long-term commitment anchored by a 40% equity stake of Deutsche Wohnen in QUARTERBACK

- **Long-term Deutsche Wohnen aims to grow the share of its "build-to-hold" assets to account for around 30% to its Fair Value**

1) Pipeline (without buliding right); **2)** Project development incl. building right; **3)** incl. Hamburg (2%), Duesseldorf/Cologne (2%), Frankfurt a. M. (2%), other (7%)

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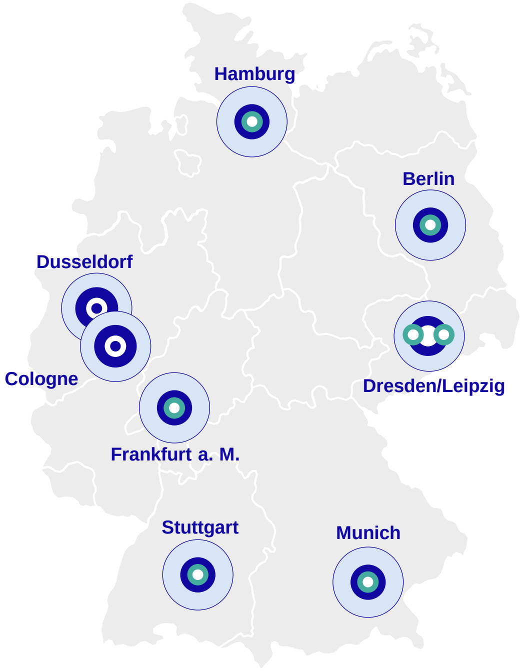
Investment case built on quality locations

Focus on "top 8" cities in line with Deutsche Wohnen's enhanced investment strategy



- Deutsche Wohnen's investment portfolio in "top 8" cities
- Deutsche Wohnen dedicated development portfolio
- Existing branch locations

Overview of locations and macro data

Key metrics	City level / City region level	Berlin	Cologne	Dusseldorf	Frankfurt am Main	Hamburg	Munich	Stuttgart	Dresden/ Leipzig	Total Top-8 cities	Relative development vs. Germany (avgerage)	Germany
Total population and 2019 rank	City level	3.7m #1	1.1m #4	0.6m #7	0.8m #6	1.8m #2	1.5m #3	0.6m #7	∑1.1m #5	**11.2m 13.5%**	↑	**83.1m**
	City region level	6.2m #1	3.4m #7	3.6m #4	3.7m #3	3.5m #5	4.4m #2	3.4m #6	∑3.2m #8	**31.4m 37.8%**		
Population growth (last 5y)[1]	City level	5.8%	3.9%	2.9%	6.4%	4.8%	3.8%	3.8%	6.4%	**4.9%**	↑	**2.4%**
	City region level	4.4%	3.1 %	2.3%	4.6%	4.2%	4.2 %	3.8%	4.4%	**3.9%**		
GDP (EUR bn)[2] % of German GDP	City level	145.5 4.4%	64.5 1.9%	50.4 1.5%	70.6 2.1%	118.9 3.6%	116.6 3.5%	57.4 1.7%	43.9 1.3%	**670 20.0%**	↑	**3,344m**
	City region level	217.5 6.5%	171.3 5.6%	186.8 5.6%	232.2 6.9%	167.2 5.0%	310.2 9.3%	213.0 6.5%	112.6 3.4%	**1,611 48.2%**		
Employment development (last 5y)[3]	City level	17.4%	11.0%	10.5%	11.2%	9.3%	12.6%	8.6%	9.9%	**11.2%**	↑	**8.3%**
	City region level	12.8%	10.1%	9.5%	10.4%	9.9%	12.7%	8.4%	8.7%	**10.1%**		

With a share of 38% of total population, the "top 8" city regions represent c. 48% of total German GDP, outpacing the German average by all relevant fundamental metrics

Source: empirica regio; **1)** 2014–2019 poplation growth; **2)** As of 2018; **3)** 2015–2020 growth

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Breakdown of Deutsche Wohnen's development exposure

Total economic share of c. 80% – substantially de-risked in view of zoning, exit and funding status

Illustrative structure and exposure breakdown

40%

Platform level		QUARTERBACK IMMOBILIEN AG.	DEUTSCHE WOHNEN	Total
Project level	Economic Participation	c. 60%	100%	c. 80%
	TIC/ Share of TIC	2.6 c. 38%	4.3 c. 62%	6.9 c. 100%
Project Status (in EUR bn/ % of total)	Project development	1.9 | 27%	2.2 | 32%	4.1 | 59%
	Pipeline[1] <1y	0.2 | 2%	0.1 | 1%	0.2 | 4%
	Pipeline 1–3y	0.5 | 8%	1.2 | 18%	1.7 | 25%
	Pipeline >3y	0.0 | 1%	0.8 | 11%	0.9 | 12%
Destination of use (in EUR bn/ % of total)	"Build-to-hold"		4.3 | 62%	4.3 | 62%
	"Build-to-sell"	2.2 | 38%	0.1 | <1%	2.6 | 38%

Highlights

- ✓ GRI of c. EUR 150m and expected NAV uplift of 15% for "build-to-hold" pipeline; outstanding investments of EUR 3.2bn, annual capex spent c. EUR 400–500m in coming years
- ✓ Average development margin "build-to-sell" of c. 30% with almost 25% of projects already sold [2]

Comments

- Two distinct ownership levels
  - QUARTERBACK platform
  - Project level
- TIC of combined development portfolio amounts to EUR 6.9bn
  - thereof EUR 4.3bn (62% of TIC) solely owned by Deutsche Wohnen
  - of which Deutsche Wohnen has a "look through" economic interest of c. 80%
- EUR 4.1bn (59% of TIC) classified as "project development", i. e. building right in place, remainder being "pipeline"
- "Build-to-hold" amounts to EUR 4.3bn (62% of TIC) whilst "build-to-sell" amounts for EUR 2.6bn (38% of TIC)

Notes: Differences due to rounding; **1)** Pipeline classified according to expected time until obtaining building right; **2)** Inlcuding 7 projects that have been sold to Deutsche Wohnen

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Significant value creation potential of pipeline

	Total development pipeline			Market prices for newly constructed apartments			Upside
	TIC	NCR (per month)	Yield-on-TIC	FV	NCR (per month)	Yield	
Berlin (c. 5,700 units)	EUR 4,300/sqm EUR 280k/unit	EUR 12.0/sqm EUR 780/unit	3.3%	c. EUR 6,200/sqm	EUR 15.0/sqm	2.9%	↗
Dresden/Leipzig (c. 6,000 units)	EUR 3,100/sqm EUR 200k/unit	EUR 11.0/sqm EUR 720/unit	4.3%	c. EUR 4,300/sqm	EUR 11.0/sqm	3.1%	↗
Munich (c. 1,900 units)	EUR 5,600/sqm EUR 360k/unit	EUR 18.0/sqm EUR 1,170/unit	3.8%	c. EUR 9,700/sqm	EUR 20.0/sqm	2.5%	↗
Stuttgart (c. 850 units)	EUR 6,000/sqm EUR 300k/unit	EUR 20.0/sqm EUR 1,300/unit	4.0%	c. EUR 7,700/sqm	EUR 17.0/sqm	2.5%	↗

- **Quality of pipeline locations driving substantial upside through market development of rents and yields**

Note: Units based on apartments with an average size of 65 sqm for typical 2-person household; market prices for new construction based on CBRE data

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Selection of various projects from QUARTERBACK pipeline with sustainable neighbourhood concepts and ambitious architecture

Bahnhofstraße, Böblingen

Juri-Gagarin-Ring, Erfurt

Krystallpalast Areal, Leipzig

Kochwiesenstraße, Köln

Göschenstraße, Leipzig

Market and Portfolio

Berlin, Headquarter, Mecklenburgische Straße

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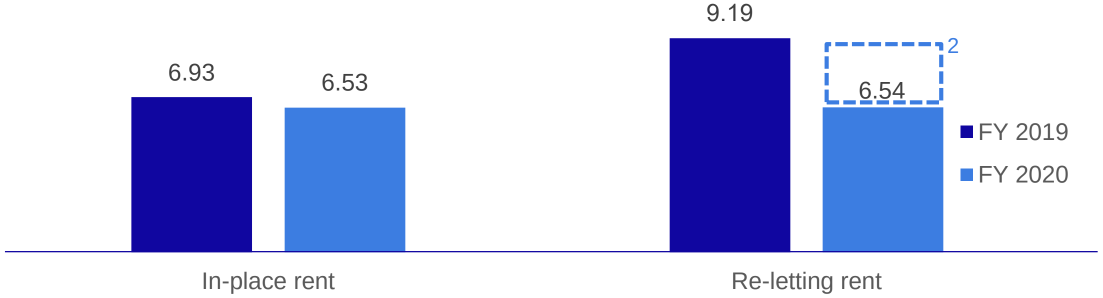
Portfolio focused on Germany's top 8 cities

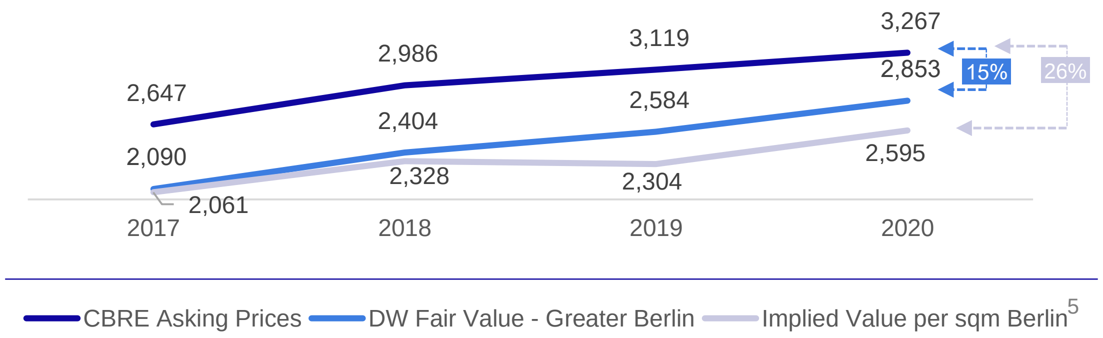
Strategic cluster **31/12/2020**	**Residential units** (#)	**% of total** (measured by fair value)	**In-place rent** (EUR/sqm/month)	**Fair value** (EUR/sqm)	**Multiple in-place rent** (x)	**Multiple re-letting rent** (x)	**Vacancy** (in %)
Core+	144,812	96%	**6.75**	**2,774**	34.0/31.5[3]	29.2[4]	1.7%
Core	10,378	4%	**6.19**	**1,519**	20.5	17.5	1.9%
Non-core	218	<0.1%	5.93	1,059	14.9	11.7	2.3%
Total	**155,408**	**100%**	**6.71**	**2,683**	**33.1**	**28.4[4]**	**1.7%**
Thereof Greater Berlin	114,191	76%	6.53	2,853	**36.0/32.9[3]**	**31.5[4]**	**1.3%**

Development of Deutsche Wohnen rents (Greater Berlin)

Berlin rent freeze law became effective end of February 2020.
Price development reflects regulatory impact



Price per sqm development Berlin[1] (EUR)



1) Based on CBRE asking prices for multi-family homes vs Deutsche Wohnen Fair Values for Greater Berlin; **2)** Rental gap between Berlin rent freeze and German Civil Code (BGB)
3) Based on civil code rent; **4)** Distorted by Berlin rent freeze law; **5)** Calculation based on market cap plus net debt weighted by FV in Berlin and based on Deutsche Wohnen share price of EUR 39

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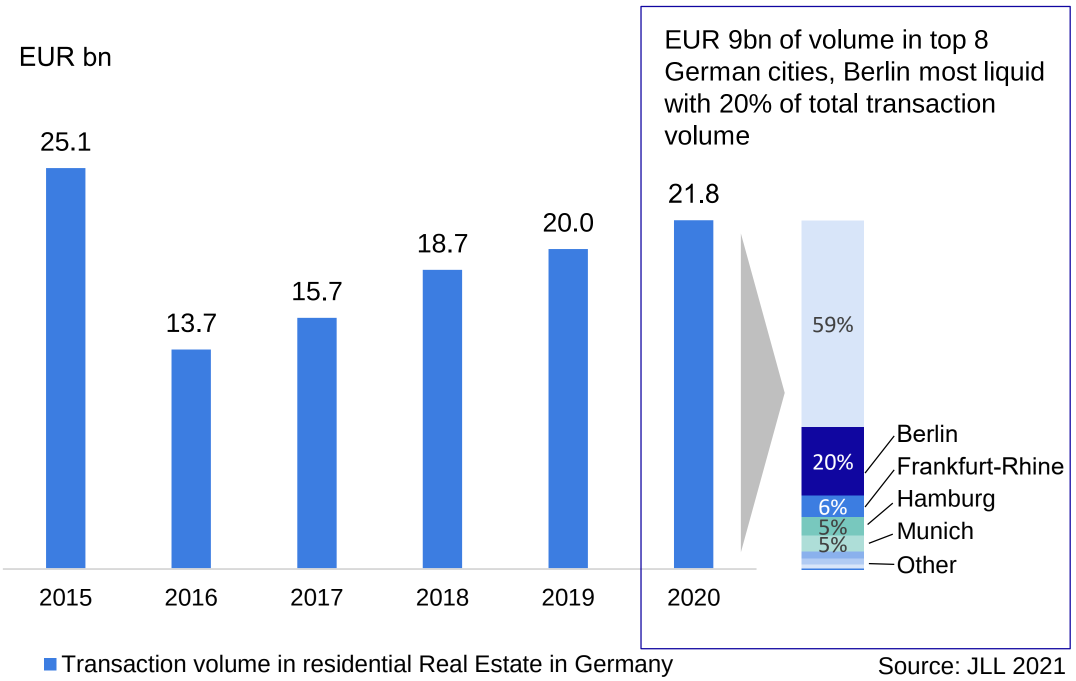
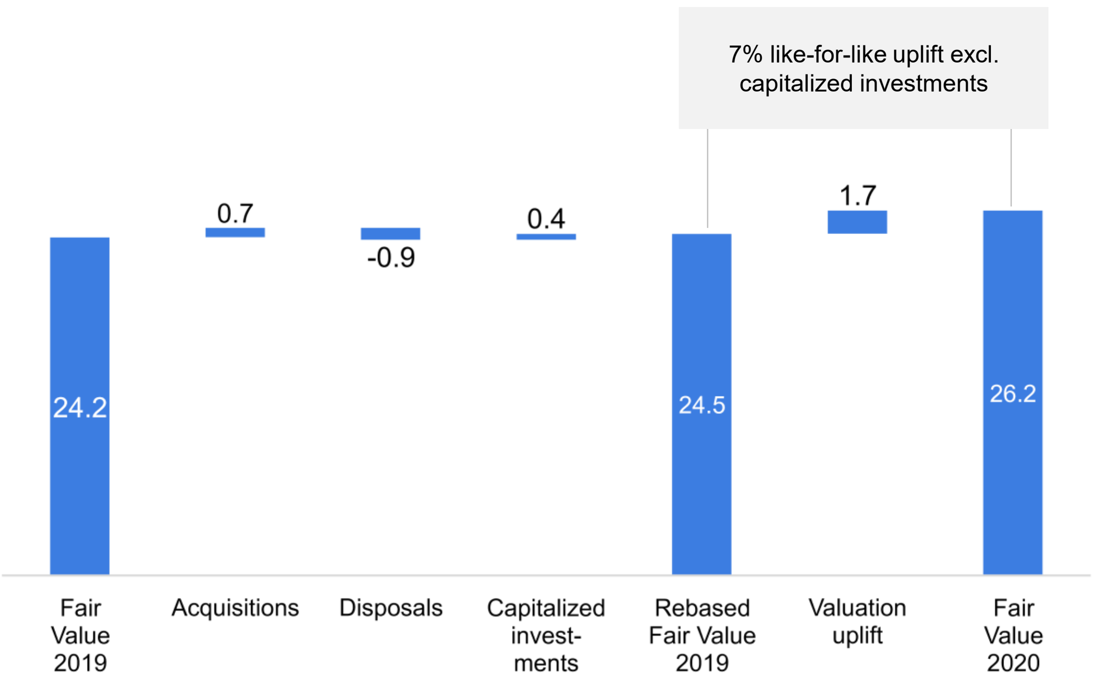
Total value uplift of EUR 1.7bn

German residential transaction market (EUR bn)



Source: JLL 2021

Components of DW valuation uplift (EUR bn)



- **Transaction market volume above 2019 with Berlin being most liquid sub-market**

- **7% capital growth on a l-f-l basis, including capitalized investments even >8%**

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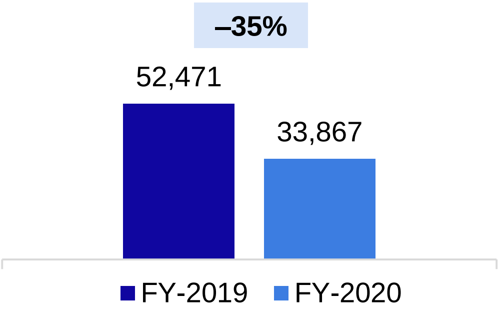
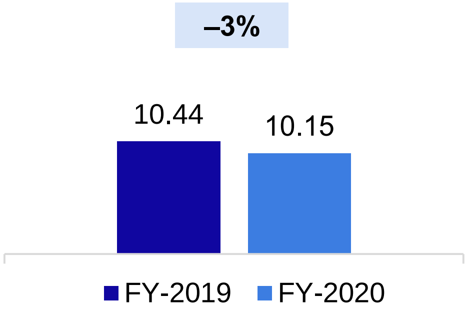
Berlin residential market update

Development in rental offers and asking rents in Berlin

# of rental offers



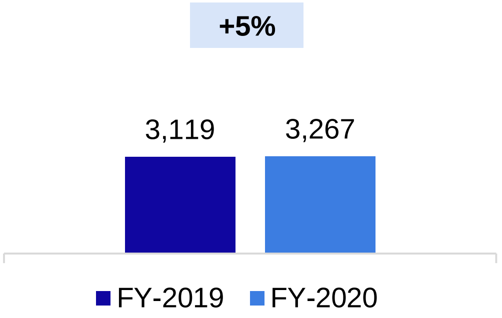
Asking rents in EUR/sqm



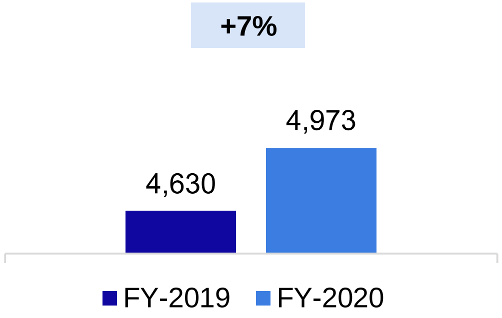
- **Significant drop of rental offers by ~35% as a result of rent freeze law**
- **Average asking rents slightly decreased by 3%**

Development of transaction market for multi-family and condo

Multi-family asking price in EUR/sqm



Condo asking price in EUR/sqm



- **Multi-family prices as well as condo prices increased yoy by 5-7%**
- **Condo prices on average 50% higher than multi-family homes**

- **In Q2 2021 decision of the federal constitutional court regarding rent freeze law expected, providing positive stimulus in case law is deemed unconstitutional**

Source: CBRE

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Total like-for-like development 1.3% on a cash flow basis

Like-for-like 31/12/2020	Residential units (#)	In-place rent 31/12/2020 (EUR/sqm/month)	In-place rent 31/12/2019 (EUR/sqm/month)	Change (y-o-y)	Vacancy 31/12/2020 (in%)	Vacancy 31/12/2019 (in%)	Change (y-o-y)
Core+	142,540	6.74	7.05	–4.4%	1.7%	1.7%	0.0 pp
Core	9,736	6.18	6.08	1.8%	1.8%	2.1%	–0.3 pp
Total	**152,494**	**6.70**	**6.99**	**–4.1%**	**1.7%**	**1.7%**	0.0 pp
Thereof Greater Berlin	113,571	6.52	6.95	–6.1%	1.3%	1.4%	**–0.1 pp**

- **Like-for-like guidance of ~1% on cash flow basis with 1.3% achieved**
- **Tenant churn at ~7.5% in Germany and ~6% in Berlin**
- **Like-for-like rental growth excluding rent freeze impact would have been 1.6% of total portfolio**

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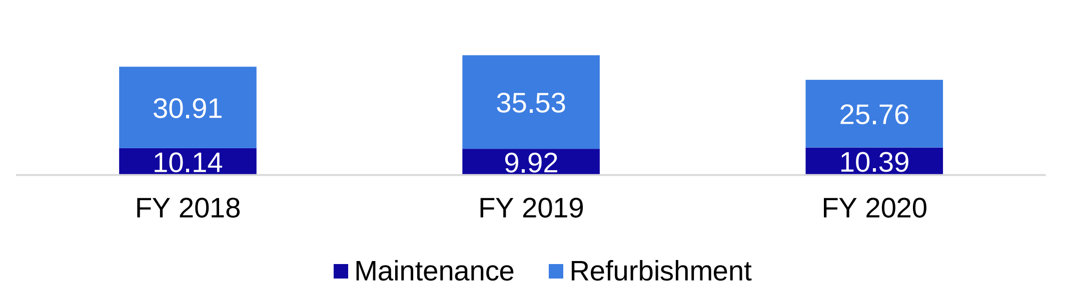
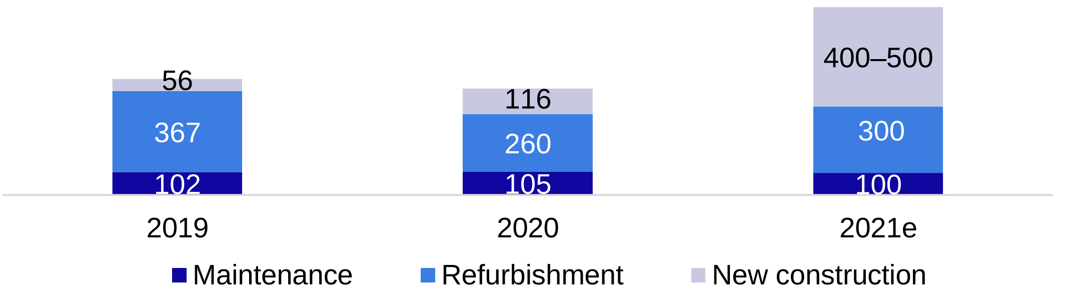
Ongoing investments into the portfolio

	FY-2020		FY-2019	
	EUR m	**EUR/ sqm[1]**	**EUR m**	**EUR/ sqm[1]**
Maintenance (expensed through p&l)	105.0	10.39	102.4	9.92
Refurbishment (capitalized on balance sheet)	260.4	25.76	366.7	35.53
Subtotal	**365.4**	**36.15**	**469.1**	**45.45**
New construction[2]	**116.4**		**56.0**	
Total	**481.8**		**525.1**	

Refurbishment & Maintenance (EUR per sqm)



Portfolio Investments (EUR m)



- **Capitalized investments (refurbishment) decreased due to Berlin rent freeze law and COVID-19 related impacts (delays and lower churn)**
- **Total investments of EUR 800–900m expected for 2021 including new construction**

1) Annualized figure, based on quarterly average area; **2)** IAS 40 only excluding capitalized interest

Financials and Outlook

Potsdam, Eisenbahnersiedlung Babelsberg

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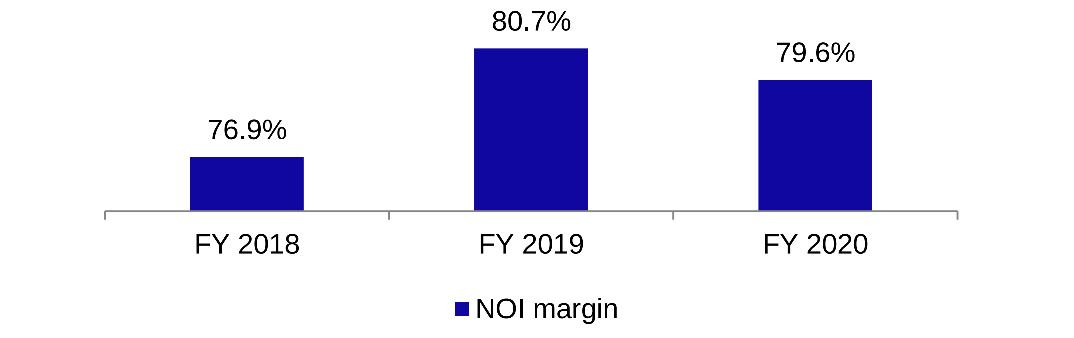
Stable letting business

in EUR m	FY 2020	FY 2019
Income from rents (rental income)	837.6	837.3
Income relating to utility/ancillary costs	365.4	359.4
Income from rental business	**1,203.0**	**1,196.7**
Expenses relating to utility/ancillary costs	(356.2)	(350.7)
Rental loss	(11.5)	(7.1)
Maintenance	(105.0)	(102.4)
Others	(9.9)	(6.7)
Earnings from Residential Property Management	**720.4**	**729.8**
Personnel, general and administrative expenses	(54.0)	(54.5)
Net Operating Income (NOI)	**666.4**	**675.3**
NOI margin in%	79.6	80.7
NOI in EUR/sqm/month	5.49	5.45

Development of NOI margin



- **NOI margin slightly decreased as a result of rent freeze law in Berlin and less stringent receivables management in COVID-19 pandemic**

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Disposal business delivering double digit gross margins

Disposals	Privatization		Institutional sales[3]		Total	
with closing in	**FY 2020**	**FY 2019**	**FY 2020**	**FY 2019**	**FY 2020**	**FY 2019**
No. of units	233	314	8,623	6,867	8,856	7,181
Proceeds (EUR m)	51.2	90.0	1,200.4	677.3	1,251.6	767.3
Book value (EUR m)[1]	38.2	56.3	894.5	513.3	932.7	569.6
Price in EUR per sqm (residential)	2,955	3,435[2]	1,743	1,614	n/a	n/a
Earnings (EUR m)[1]	8.1	25.6[2]	300.6	160.5	308.7	186.1
Gross margin	34%	60%	34%	32%	34%	35%
Cash flow impact (EUR m)	44.8	78.6	1,063.6	672.0	1,108.4	750.6

- **Average privatization price in Berlin continues to increase to c. EUR 3,400 per sqm (2019 at EUR 3,200 per sqm)**
- **Institutional disposals at 34% gross margins in 2020 contributing to improve portfolio quality through capital recycling[3]**

Note: Table only considers disposals that had transfer of titles in 2020; **1)** Earnings from Disposals are reported before disposal induced valuation gains;
2) 2019 privatization prices elevated due to a mixed use (commercial/ residential) disposal in Berlin at a price of c. EUR 7,100 per sqm; **3)** Institutional disposals also include disposal of 13 nursing facilities at book value in 2020.

DEUTSCHE WOHNEN

Nursing business proves resilient

Operations (in EUR m)	FY-2020	FY-2019
Total income	238.1	225.2
Total expenses	(218.1)	(206.7)
EBITDA operations	**20.0**	**18.5**
EBITDA margin	8.4%	8.2%
Lease expenses	26.9	26.8
EBITDAR	**46.9**	**45.3**
EBITDAR margin	19.7%	20.1%

Assets (in EUR m)	FY-2020	FY-2019
Lease income	65.2	72.2
Total expenses	(3.2)	(2.4)
EBITDA assets	**62.0**	**69.8**

Operations & Assets (in EUR m)	FY-2020	FY-2019
Total EBITDA	**82.0**	**88.3**

in EUR m	FY-2020	FY-2019
Nursing & Assisted Living	208.8	207.2
Other	29.3	18.0

in EUR m	FY-2020	FY-2019
Staff	(147.5)	(138.2)
Rent/lease (inter-company)	(26.9)	(26.8)
Other	(43.7)	(41.7)

Decrease in EBITDA due to disposals of nursing facilities as transfer of titles mainly took place end of May

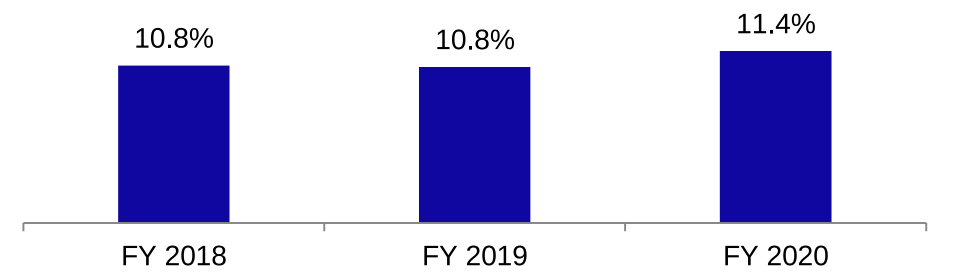
- **Despite disposal of 13 nursing facilities in 2020 Nursing & Assisted Living is expected to contribute around EUR 70m to group EBITDA in 2021 translating into RoCE of ~6%**

DEUTSCHE WOHNEN

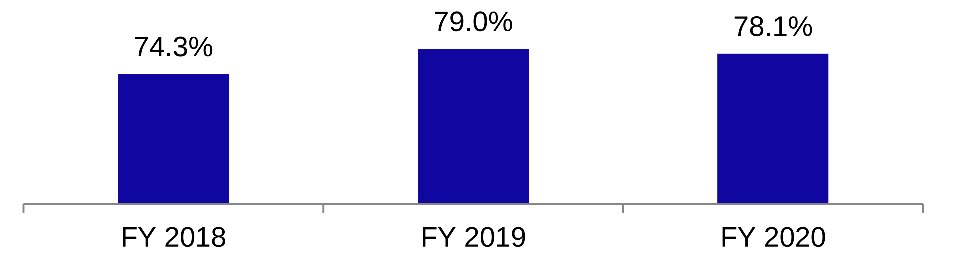
Adjusted EBITDA growth driven by successful disposal business

in EUR m	FY-2020	FY-2019
Earnings from Residential Property Management	720.4	729.8
Earnings from Disposals	20.4[3]	186.1[3]
Earnings from Nursing and Assisted Living	82.0	88.3
Corporate expenses	(105.9)	(101.4)
Other operating expenses/income	(30.2)	(29.7)
EBITDA	**686.7**	**873.1**
One-offs	35.1	28.1
Valuation gains due to disposals	288.3	0.0
Adj. EBITDA (incl. Disposals)	**1,010.1**	**901.2**
Earnings from Disposals	(20.4)[3]	(186.1)[3]
Valuation gains due to Disposals	(288.3)[3]	0.0[3]
Corporate expenses for Disposals	3.4	3.5
Adj. EBITDA (excl. Disposals)	**704.8**	**718.6**

Development of cost ratio[1]



Development of adj. EBITDA margin[2]



- **One-offs are predominantly driven by EUR 22m real estate transfer tax related to ISARIA acquisition**

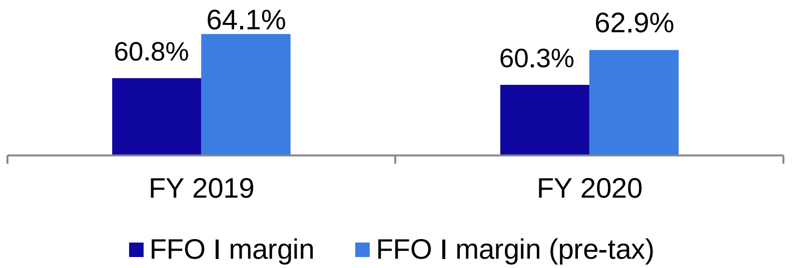
1) Cost ratio defined as corporate expenses divided by gross rental income and lease revenues, whereas corporate expenses are excluding corporate expenses for disposals; **2)** Defined as EBITDA excluding disposals divided by rental and lease income; **3)** Change in calculation method: Earnings from Disposals no longer reflect valuation gains, these are considered in „Valuation gains due to Disposals"

DEUTSCHE WOHNEN

FFO I per share flat at EUR 1.56, dividend to increase by 14% yoy

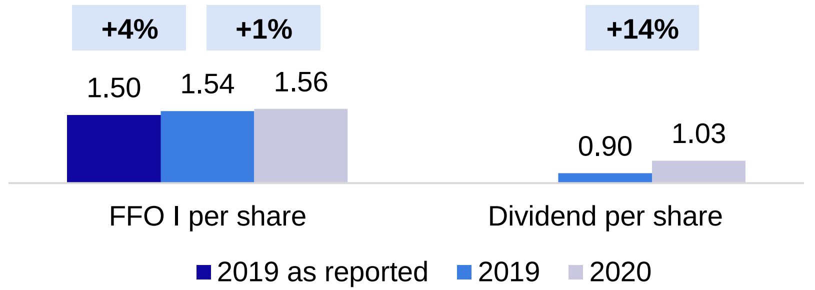
in EUR m	FY-2020	FY-2019
EBITDA (adjusted)	**1,010.1**	**901.2**
Earnings from Disposals (incl. valuation gains)	(308.7)	(186.1)
Corporate Expenses for Disposals	3.4	3.5
Finance lease broadband cable network	3.1	2.9
At equity valuation	2.4	2.8
Interest expense/income (recurring)[1]	(132.4)	(130.9)
Income taxes[2]	(24.0)	(30.3)
Minorities	(9.7)	(10.0)
FFO I	**544.1**	**553.1**
Earnings from Disposals (incl. valuation gains)	308.7	186.1
Corporate expenses for Disposals	(3.4)	(3.5)
Income taxes related to Disposals[2]	(43.4)	(9.4)
FFO II	**806.0**	**726.3**
Weighted avg. number of shares outstanding[3] in m	347.9	358.1
FFO I per share in EUR	**1.56**	**1.54**
FFO II per share in EUR	**2.32**	**2.03**

FFO I margin development[4]



FFO I 2019 adjusted by EUR 9.4m income taxes related to Disposals as well as EUR 5.6m interest expenses related to development business (IAS 23)

FFO I per share and dividend development in EUR



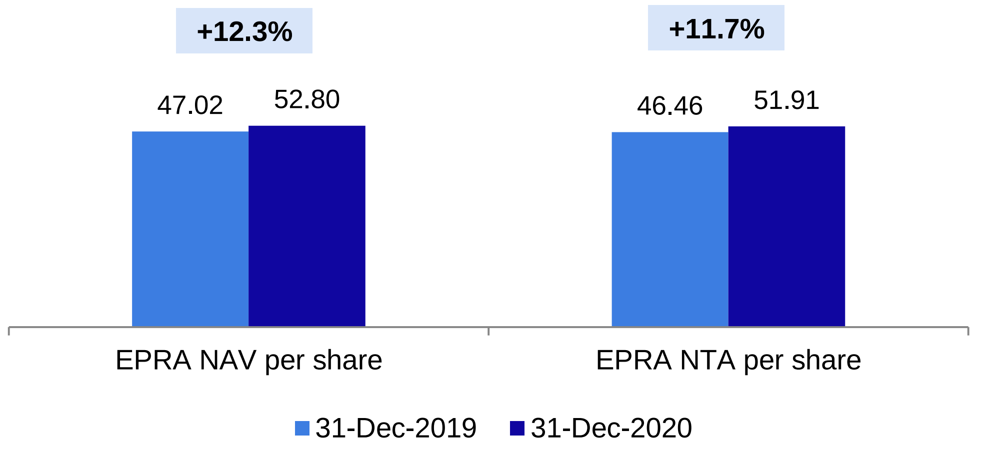
Note: Management long-term remuneration due to limited size and relevance with EUR 0.1m not shown; **1)** Prior year figures changed according to IAS 23 policy change / 2019 (136.5m); **2)** Change in calculation: Income taxes related to Disposals are no longer included in FFO I. Prior year figures were changed from (39.7m) accordingly; **3)** Excluding own shares; **4)** FFO I margin defined as FFO I divided by rental and lease income

DEUTSCHE WOHNEN

EPRA NAV replaced by EPRA NTA starting from FY 2020

in EUR m	31-Dec-2020 EPRA NAV	31-Dec-2020 EPRA NTA
Equity (before non-controlling interests)	13,391.7	13,391.7
Hybrid Instruments	0.0	0.0
Diluted NAV	**13,391.7**	**13,391.7**
Revaluation of trading properties	0.0	43.9
Diluted NAV at Fair Value	**13,391.7**	**13,435.6**
Deferred taxes (net)	4,704.6	4,711.8
Fair values of derivative financial instruments	54.7	54.7
Goodwill as per the IFRS balance sheet	-	(319.7)
Intangibles as per the IFRS balance sheet	-	(38.0)
NAV	**18,151.0**	**17,844.4**
Fully diluted number of shares	343.77	343.77
NAV per share in EUR (diluted)	**52.80**	**51.91**

EPRA NAV and NTA per share (diluted) in EUR



Main difference to former EPRA NAV is the deduction of goodwill and intangibles

- **EPRA NTA to replace EPRA NAV as the most relevant metric to reflect the value of the underlying business model**
- **Deutsche Wohnen makes no use of the option to add back any purchasers cost**

DEUTSCHE WOHNEN

Diversified and robust capital structure

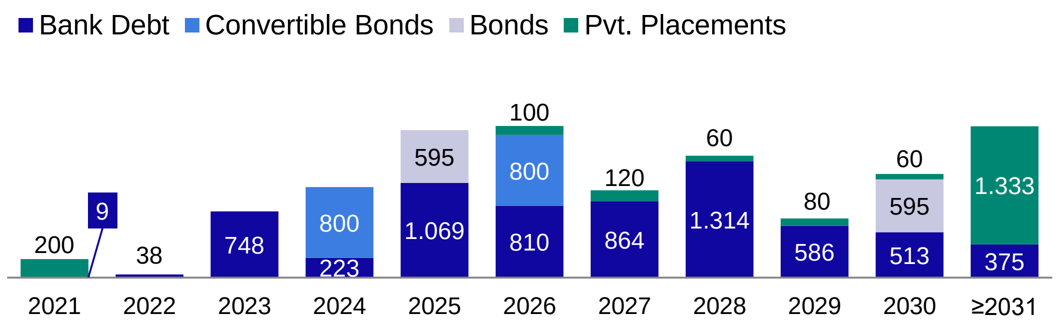
Rating	▪ A– (negative outlook)/ ▪ A3 (negative outlook)
Ø maturity	▪ ~ 6.8 years
% secured bank debt	▪ 57%
% unsecured debt	▪ 43%
Ø interest cost	▪ ~ 1.2% (~ 89% hedged)
LTV target range	▪ 35–40%

- Share buyback terminated in September 2020. Utilization of 79.5% with total volume of c. EUR 597m repurchased corresponding to c. 16.07m shares
- LTV at 37.0%
- ICR (adjusted EBITDA excl. disposals/net cash interest) ~5.1x

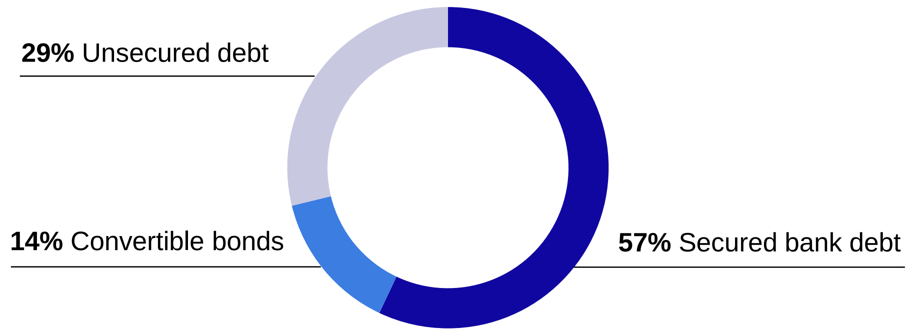
Key ratios' evolution

	2018	2019	2020
Net debt/total assets	34.9%	33.5%	**35.2%**
Net debt/adj. EBITDA	13.2x	10.4x	**10.7x**
Loan-to-value	36.0%	35.4%	**37.0%**
ICR	6.0x	5.7x	**5.1x**

Maturity profile in EUR m based on notional amounts[1]



Debt structure[1]



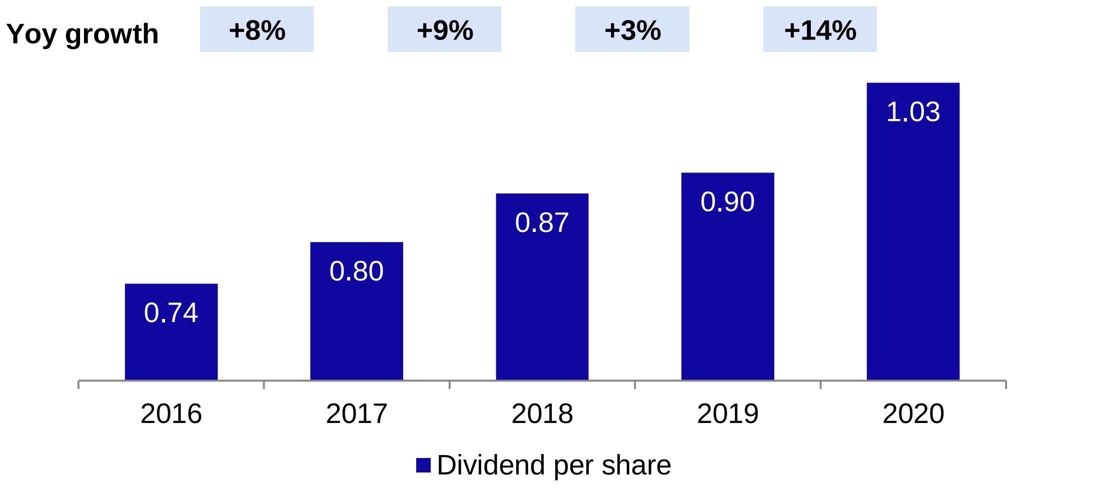
1) As of 31 December 2020

DEUTSCHE WOHNEN

Strong generation of total shareholder return

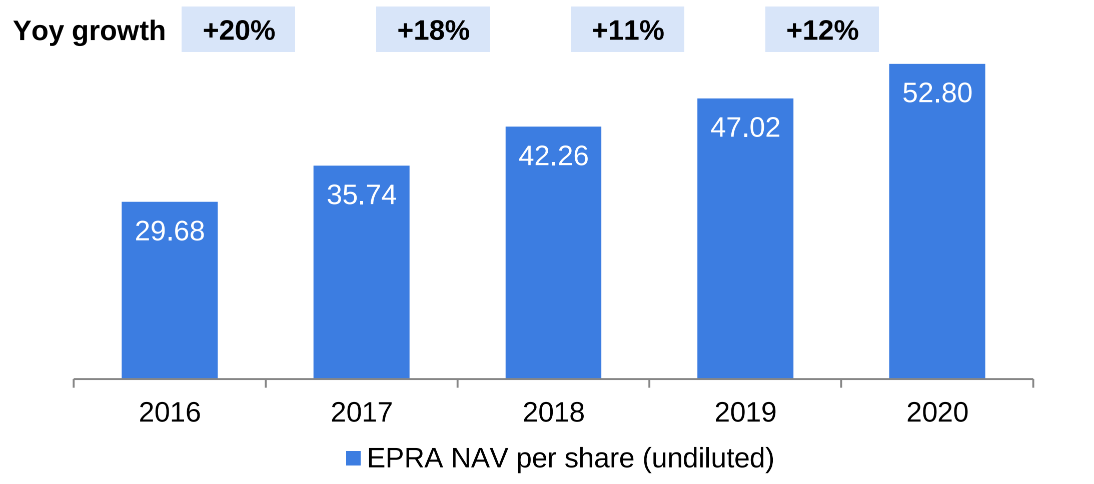
Development of dividend in EUR per share

CAGR 2016–2020: +9%



Development of EPRA NAV in EUR per share

CAGR 2016–2020: +15%



- **Deutsche Wohnen consistently generated high shareholder return based on capital growth and dividend payments**
- **Considering suggested dividend of EUR 1.03 per share, Deutsche Wohnen delivers a shareholder return for 2020 of EUR 6.81 or c. 14.5% of 2019 EPRA NAV**

DEUTSCHE WOHNEN

Guidance 2021

	Reported FY-2020	New Guidance 2021
FFO I (EUR m)	▪ EUR 544m	▪ Stable at 2020 level (accounting for EUR 34m loss in rental income due to disposals and net of acqusitiions)
Adj. EBITDA (ex disposals)	▪ EUR 704.8m	▪ Stable at 2020 level (accounting for EUR 34m loss in rental income due to disposals and net of acqusitiions)
EBITDA Nursing & Assisted Living	▪ EUR 82m	▪ EUR 70m (accounting for disposal of 13 nursing facilities in 2020)
LTV	▪ 37%	▪ 35–40% LTV target range
Disposals	▪ 8,623 units disposed via institutional sales with margin of 34% on average	▪ Disposals of at least EUR 300m with additional disposals on an opportunistic basis envisaged ▪ Double digit gross margin expected
Investments into the portfolio	▪ EUR 356.4m in the Portfolio ▪ EUR 116.4m[1] New construction	▪ EUR 400m in the existing portfolio (thereof c. 25% maintenance) ▪ EUR 400–500m new construction
Suggested dividend	▪ Dividend per share of EUR 1.03[2] (+14% yoy)	▪ Constant pay-out ratio of 65% of FFO I

- **Guidance assumes rent freeze law is ruled unconstitutional by highest court in 2021**

1) Relating to IAS 40; **2)** To be decided by AGM 2020

Appendix

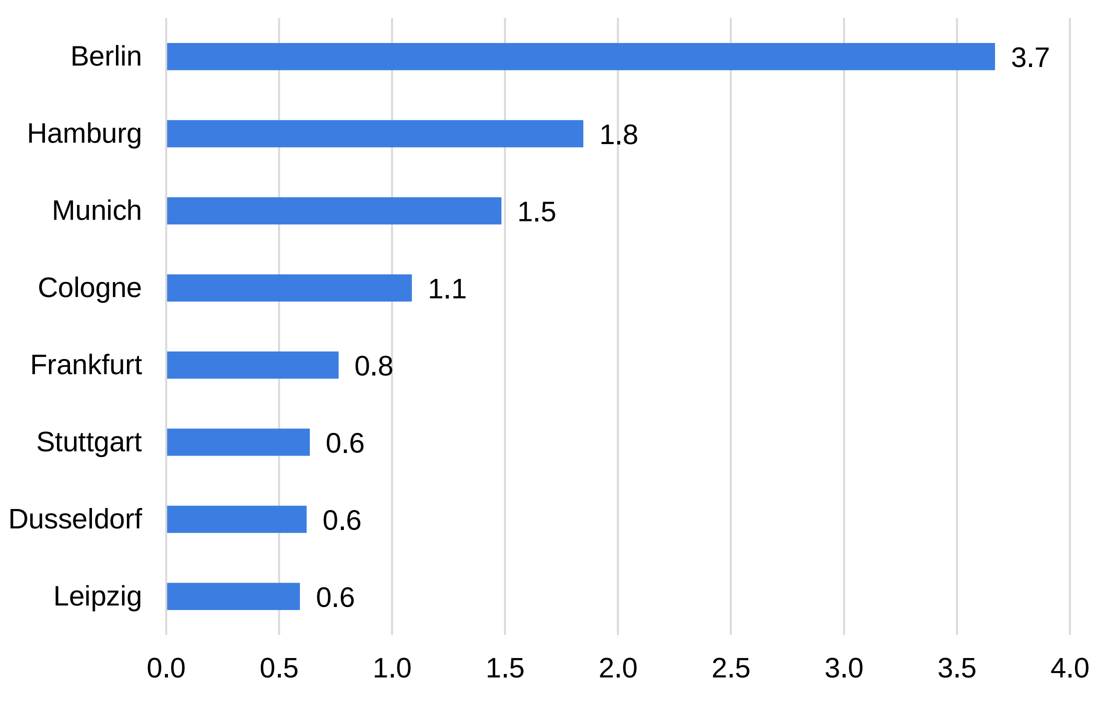
Dresden

Portfolio

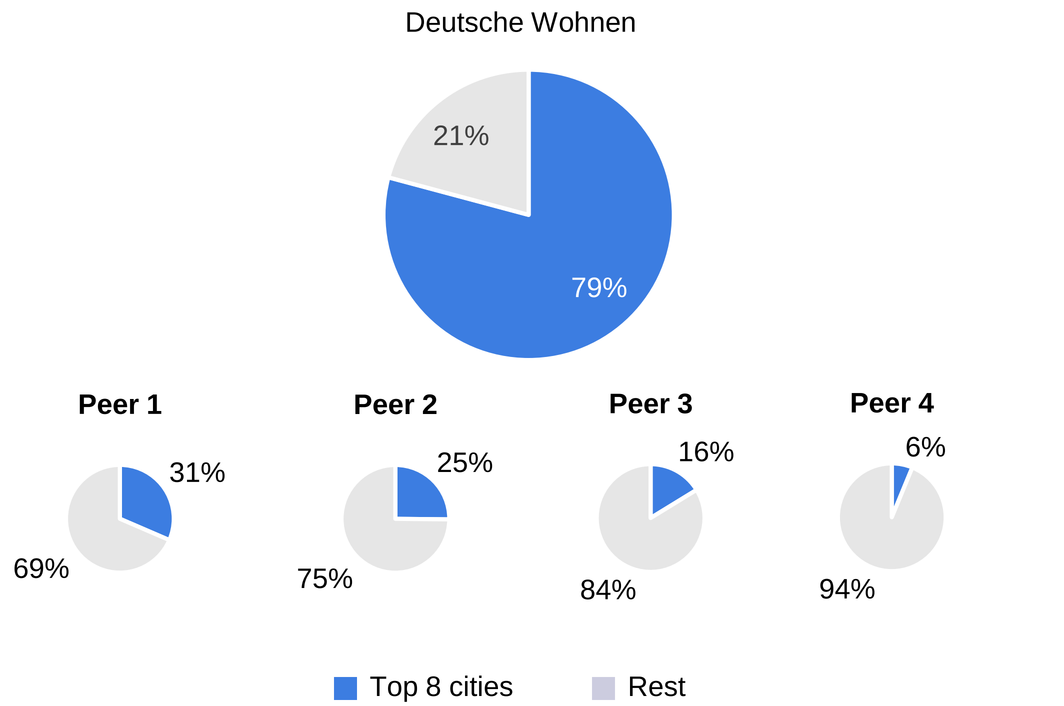
Berlin, Weiße Stadt, UNESCO World Heritage

Deutsche Wohnen, the only residential company with majority of assets in top 8 cities

Top 8 cities in Germany (in m inhabitants)[1]



Peer Analysis[2] % of portfolio in top 8 cities (by units)



- **Deutsche Wohnen portfolio is "best in class", characterized by a high value upside potential driven by the attractive macro fundamentals of Germany's top cities**

1) Source. Federal Statistical Office Germany; **2)** Peers include top four stock exchange listed peers by market capitalization

DEUTSCHE WOHNEN

Recent residential portfolio disposals

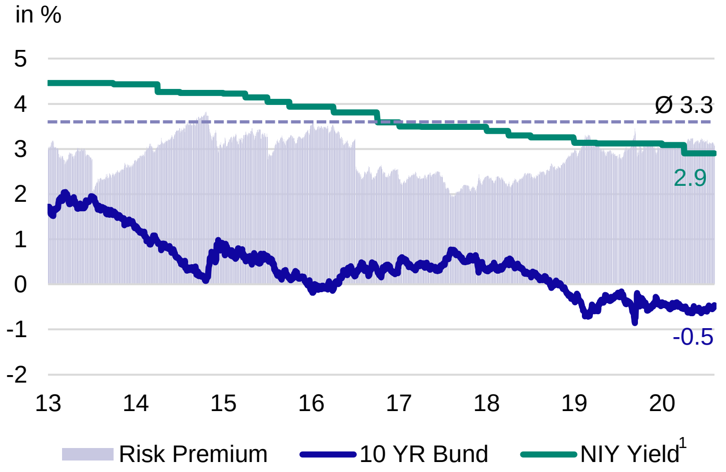
	Signed in 2019		Signed in 2020
Region	Kiel, Lübeck, Chemnitz	Berlin	Across Germany (34 locations)
No. of units	6,350	2,175	6,380 residential, 38 commercial
Signing	Aug 19	Dec 19	Jun 20
Disposal price	EUR 615m	EUR 358m	EUR 658m
Disposal price per unit	c. EUR 1,600 per sqm	c. EUR 2,280 per sqm	c. EUR 1,540 per sqm
Gross margin	34%	30%	37%
Rental impact 2020/p. a.	–EUR 28m/–EUR 28m p. a.	–EUR 2.9m/–EUR 12.5m p. a.	–EUR 5m/–EUR 30m p. a.
Transfer of titles	Dec 2019	Q4 2020/Q1 2021	Nov 2020

- **Opportunistic portfolio streamlining to continue in 2021 and beyond**

DEUTSCHE WOHNEN

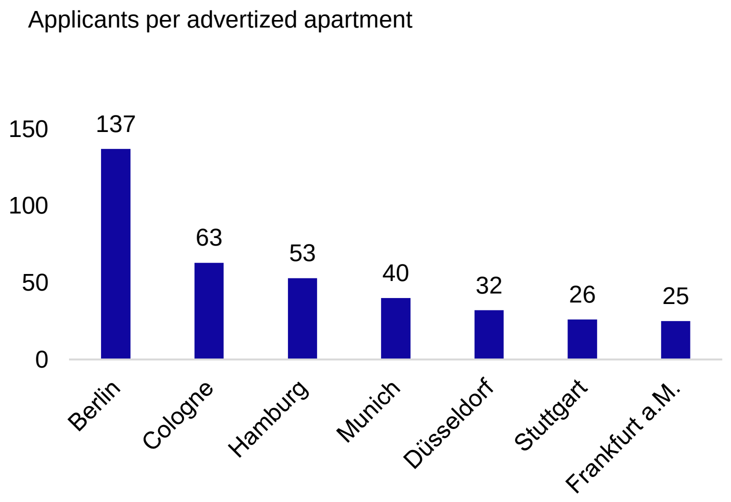
Continued attractive market fundamentals

Risk premium



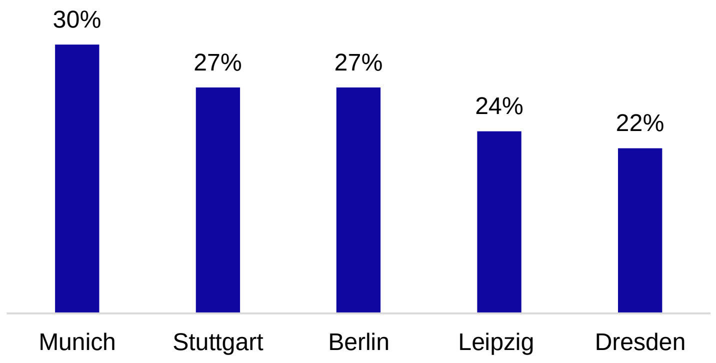
Source: Bloomberg, CBRE, Deutsche Wohnen

Supply/demand imbalance remains



Source: ImmoScout24 Nachfrage Check (2021)

Affordability[2]



Source: CBRE, MB Research

- Interest rates remain low for longer
- Despite compressing residential yields, risk premium remains stable

- Supply demand gap continues to persist

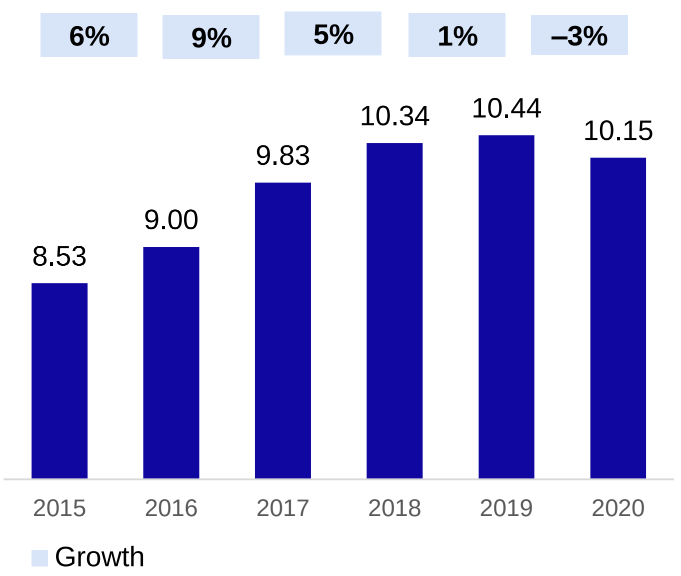
- Based on average 65sqm apartment size housing cost ratio across Deutsche Wohnen's metropolitan regions mostly below 30%

1) Average NIY for multi-family homes for top 7 German cities (let at market, incl. vacancy at market) according to CBRE; **2)** Affordability based on average household income in coresponding cities according to Michael Bauer 2020, assumption average apartement size of 65sqm and average market rent according to CBRE in 2020 assumed EUR 3.00 per sqm ancillary costs

DEUTSCHE WOHNEN

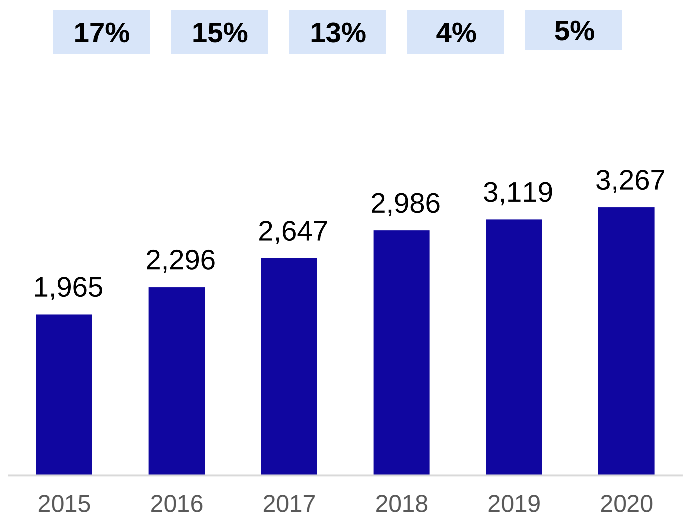
Update on Berlin residential market

Development of asking rents (EUR/sqm)



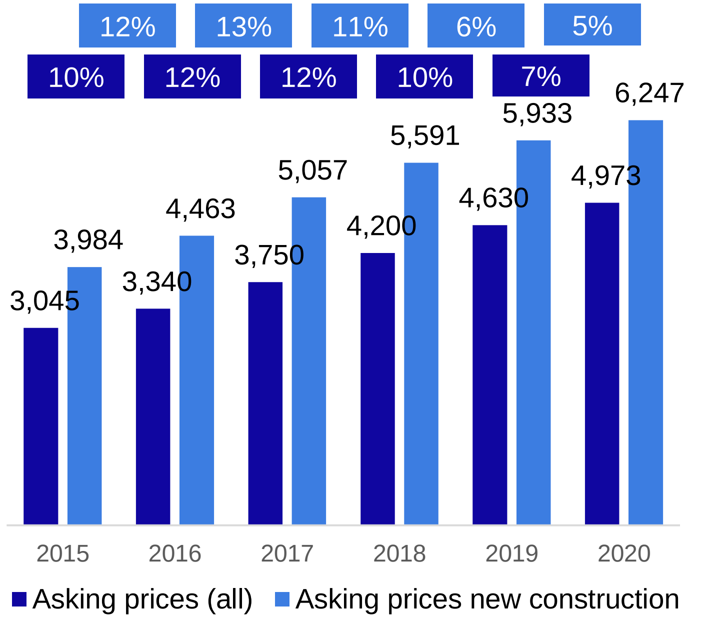
- Slight decline due to Berlin rent freeze

Development of asking prices for multi-family-homes (EUR/sqm)



- Price growth for multi family remains stable at a low level

Development of asking prices for condominiums (EUR/sqm)



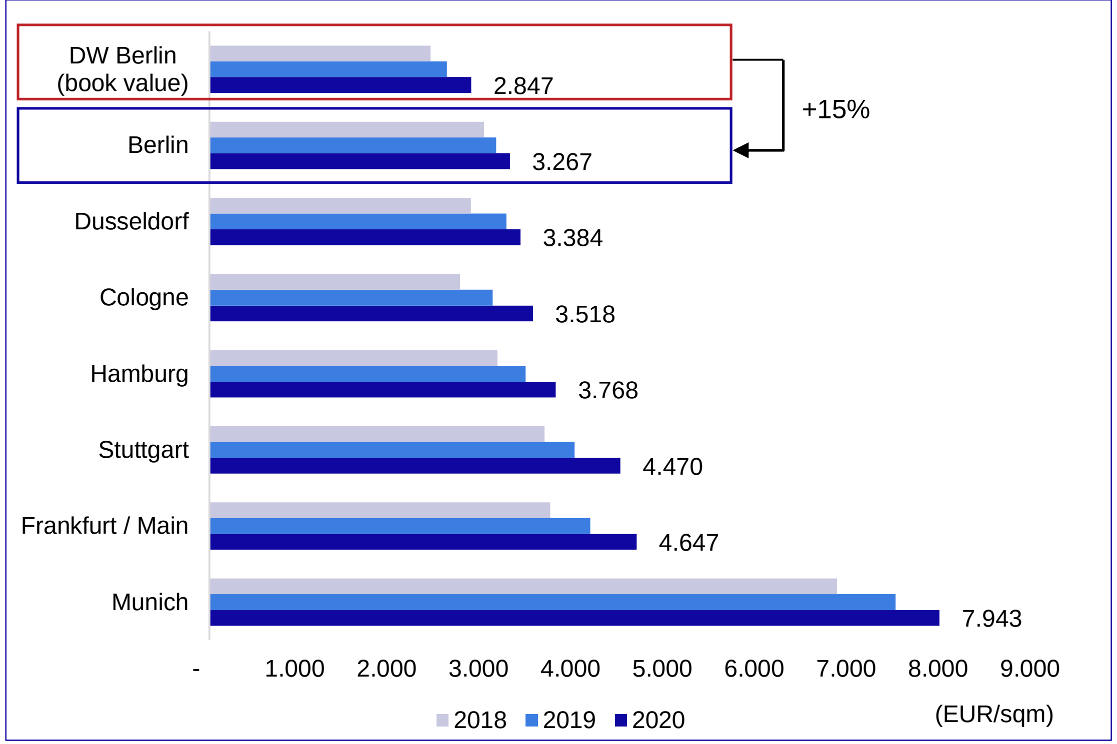
- Price growth for condominiums continues

Source: CBRE

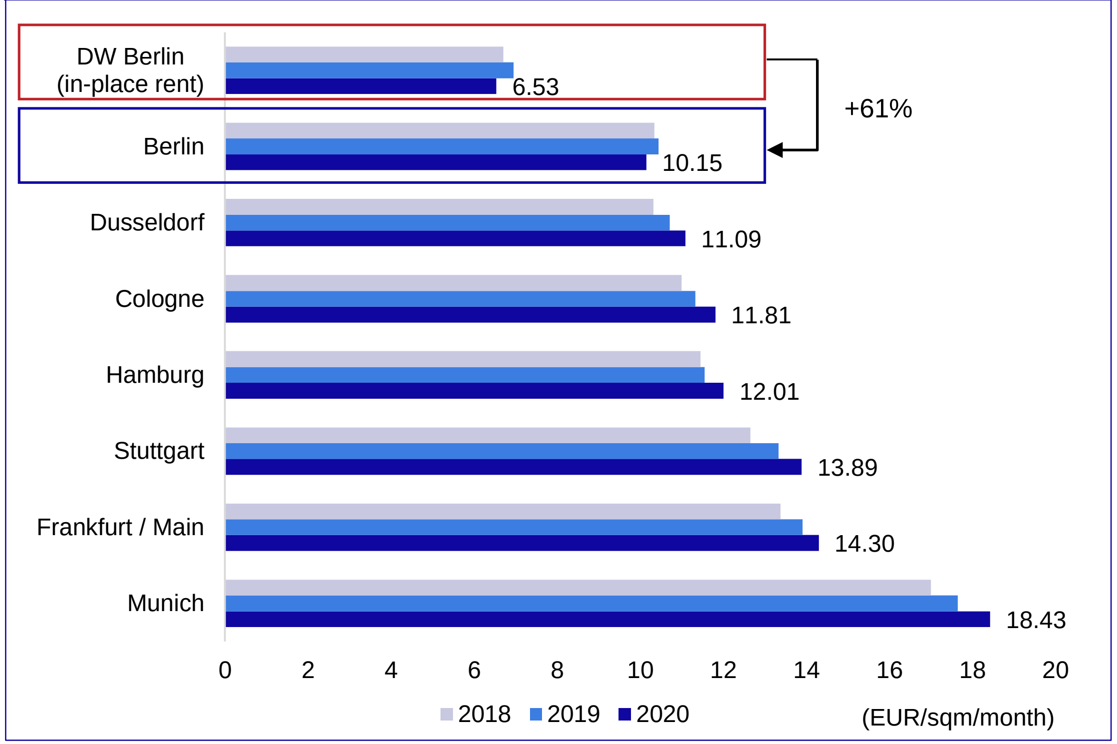
DEUTSCHE WOHNEN

Current level of rents and prices in top German cities

Asking prices multifamily housing (in EUR/sqm)[1]



Development of rents (EUR/sqm/month)[1]



- **Relative to other German cities Berlin continues to screen attractive**

1) Source: CBRE

DEUTSCHE WOHNEN

Like-for-like development by regions

Like-for-like 31/12/2020	Residential units (#)	In-place rent[1] 31/12/2020 (EUR/sqm)	In-place rent[1] 31/12/2019 (EUR/sqm)	Change (y-o-y)	Vacancy 31/12/2020 (in %)	Vacancy 31/12/2019 (in %)	Change (y-o-y)
Core+	**142,540**	**6.74**	**7.05**	**–4.4%**	**1.7%**	**1.7%**	**0.0pp**
Greater Berlin	113,571	6.52	6.95	–6.1%	1.3%	1.4%	**–0.1pp**
Dresden/Leipzig	9,170	6.31	6.12	3.0%	3.1%	3.9%	**–0.8pp**
Frankfurt	9,599	8.88	8.76	1.3%	2.8%	1.7%	**1.1pp**
Hanover/Brunswick	5,914	6.47	6.35	1.8%	2.8%	2.8%	**0.0pp**
Cologne/Düsseldorf	2,662	9.25	9.18	0.8%	3.5%	5.2%	**–1.6pp**
Other Core+	1,624	9.14	9.05	1.0%	1.5%	0.9%	**0.6pp**
Core	**9,736**	**6.18**	**6.08**	**1.8%**	**1.8%**	**2.1%**	**–0.3pp**
Non-Core	218	5.93	5.86	1.2%	2.3%	2.3%	**–0.1pp**
Total	**152,494**	**6.70**	**6.99**	**–4.1%**	**1.7%**	**1.7%**	**0.0pp**

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

DEUTSCHE WOHNEN

Fair Values across regions

Regions	Residential units (#)	FV 31/12/2020 (EUR m)	FV 31/12/2020 (EUR/sqm)	Multiple in-place rent 31/12/2020	Multiple re-letting rent 31/12/2020	Multiple spread
Core+	**144,812**	**25,114**	**2,774**	**34.0**	**29.2**[1]	**4.8x**
Greater Berlin	114,191	19,999	2,853	36.0	31.5[1]	4.4x
Dresden/Leipzig	10,585	1,808	2,343	31.0	25.0	5.9x
Frankfurt	9,604	1,798	2,979	28.3	22.2	6.1x
Hanover/Brunswick	5,915	684	1,720	21.8	18.2	3.6x
Cologne/Düsseldorf	2,893	573	3,302	30.8	25.1	5.7x
Other Core+	1,624	254	2,545	23.3	19.6	3.7x
Core	**10,378**	**1,039**	**1,519**	**20.5**	**17.5**	**3.0x**
Non-Core	218	15	1,059	14.9	11.7	3.2x
Total	**155,408**	**26,168**	**2,683**	**33.1**	**28.4**[1]	**4.7x**

1) Distorted by Berlin rent freeze law

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Deutsche Wohnen's residential portfolio is best-in-class

Siemensstadt, Berlin

Hellersdorf, Berlin

Carl-Legien-Siedlung, Berlin

Südwestkorso, Berlin

Oranienkiez, Berlin

Hufeisensiedlung, Berlin

Dresden

Otto-Suhr-Siedlung, Berlin

DEUTSCHE WOHNEN

The Berlin portfolio at a glance

Berlin
110,414 | 1.3%
EUR 6.52 | EUR 2,869

Greater Berlin
114,191 | 1.3%
EUR 6.53 | EUR 2,853

Reinickendorf
9,758 | 0.7%
EUR 6.52 | EUR 2,732

Spandau
13,095 | 0.5%
EUR 6.74 | EUR 2,418

Mitte
4,616 | 1.0%
EUR 6.60 | EUR 3,167

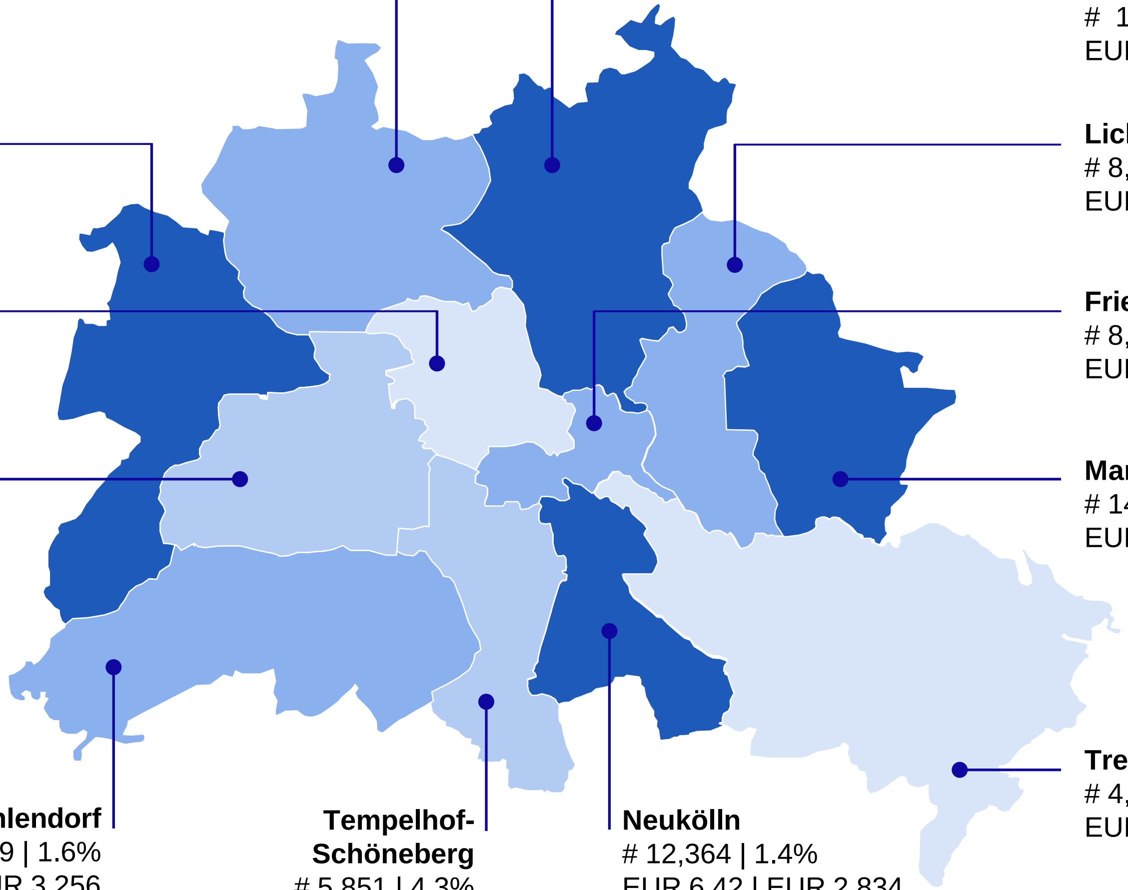
Charlottenburg-Wilmersdorf
7,568 | 0.7%
EUR 7.12 | EUR 3,290

Pankow
10,140 | 1.9%
EUR 6.91 | EUR 3,518

Lichtenberg
8,803 | 1.1%
EUR 6.36 | EUR 2,860

Friedrichshain-Kreuzberg
8,509 | 1.8%
EUR 6.34 | EUR 3,151

Marzahn-Hellersdorf
14,876 | 0.7%
EUR 5.86 | EUR 2,026



Treptow-Köpenick
4,875 | 0.9%
EUR 6.82 | EUR 3,284

Steglitz-Zehlendorf
9,959 | 1.6%
EUR 6.93 | EUR 3,256

Tempelhof-Schöneberg
5,851 | 4.3%
EUR 6.66 | EUR 2,679

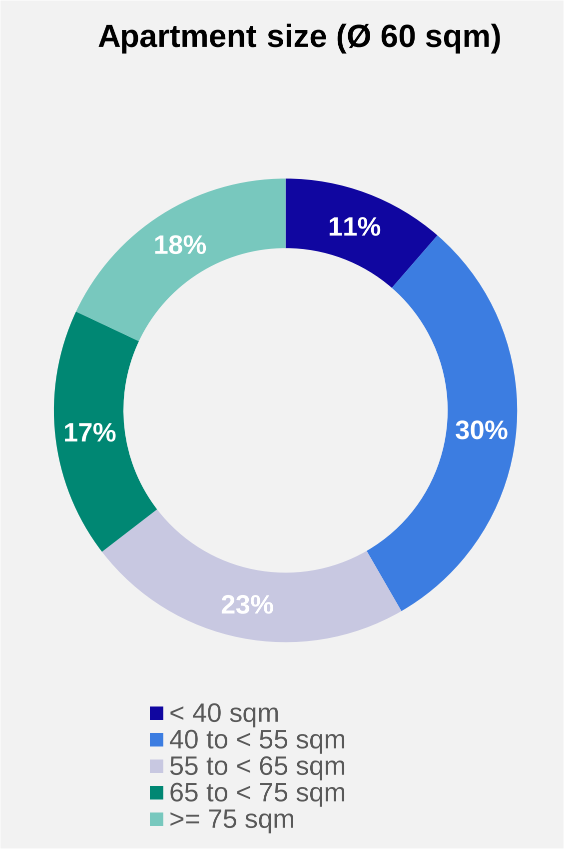
Neukölln
12,364 | 1.4%
EUR 6.42 | EUR 2,834

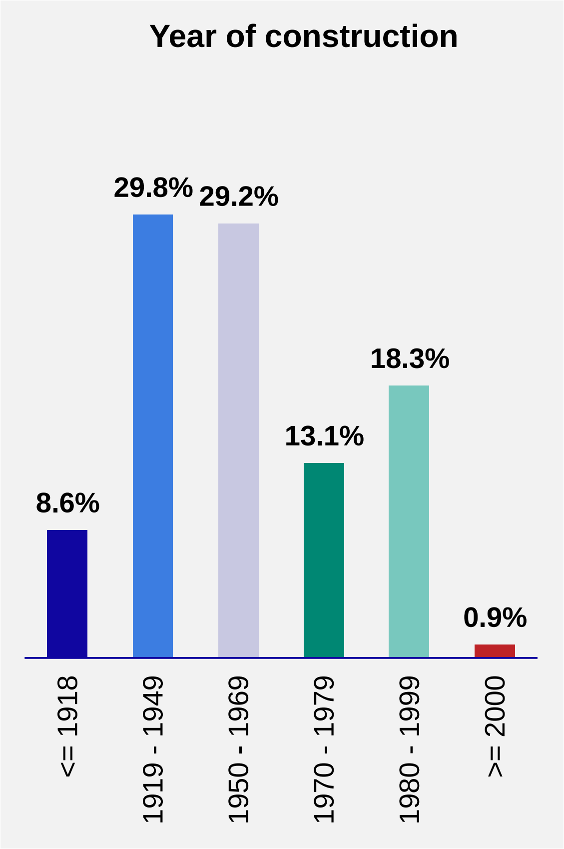
Units | Vacancy (%)
In-place rent (EUR/sqm) | Fair value (EUR/sqm)

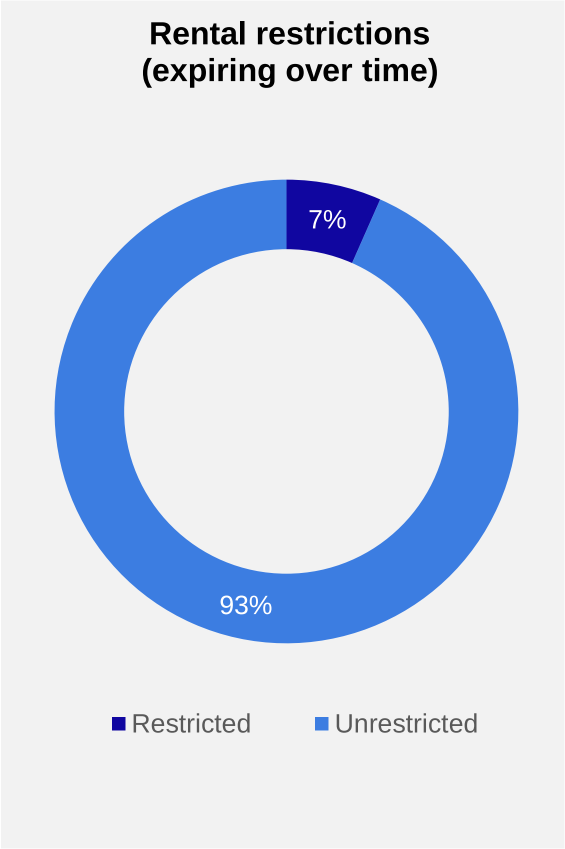
> 3,000 | > 5,000 | >8,000 | >10,000

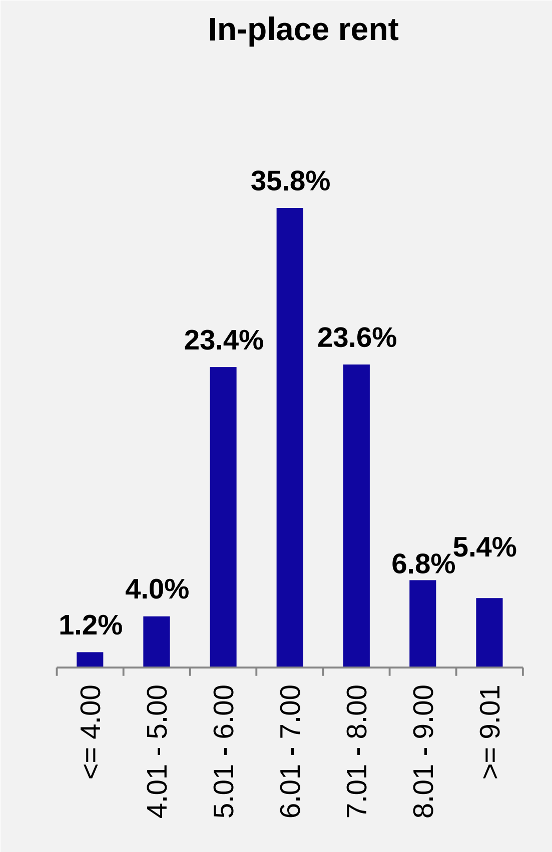
DEUTSCHE WOHNEN

Portfolio structure – characteristics meeting strong demand









DEUTSCHE WOHNEN

Ownership structure of residential real estate in Germany and Berlin

Germany

of appartments: 21.2m

34%
Professional landlords

66%
Private individuals and community of apartment owners

13%
Private companies

11%
Public domain

9%
Housing associations

1%
Non-profit organisations

Berlin

of appartments: 1.9m
there of in rental market 1.5m

60%
Professional landlords

40%
Private individuals and community of apartment owners

29%
Private companies

17%
Public domain

12%
Housing associations

1%
Non-profit organisations

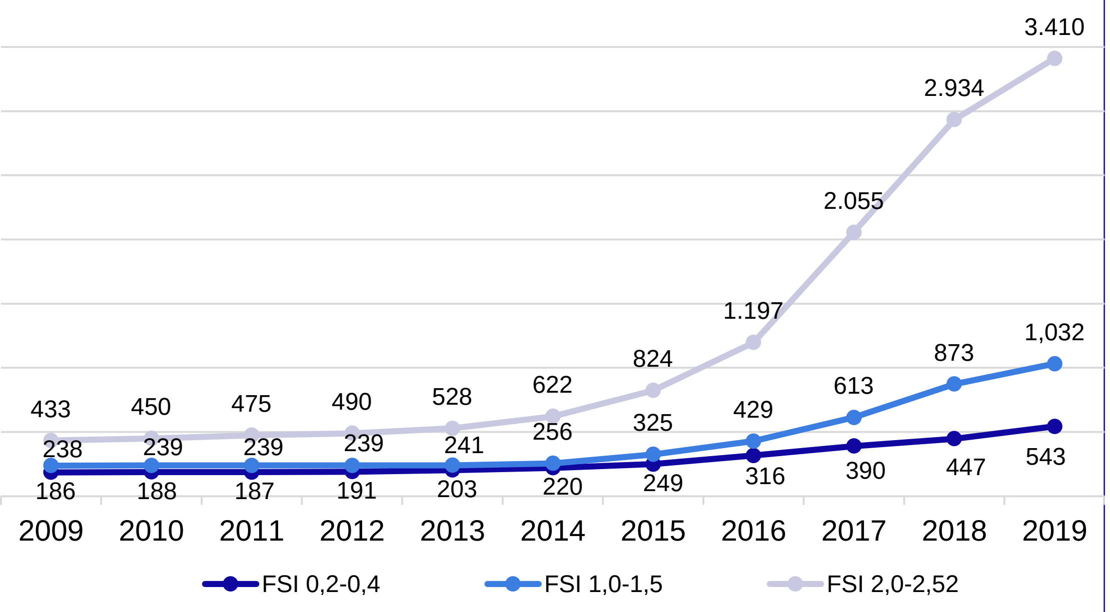
- Ownership structure of residential real estate in Berlin different to German average
- Market share of professional landlords in Berlin almost twice as high as in Germany
- Private landlords dominate the market
- Biggest portion of professional landlords in Germany and Berlin are private companies (private residential companies as well as insurance companies, banks, funds, etc.)
- Berlin more institutionalized, liquid market

Source: Savills, Ownership structure in the German Residential Market, March 2019

DEUTSCHE WOHNEN

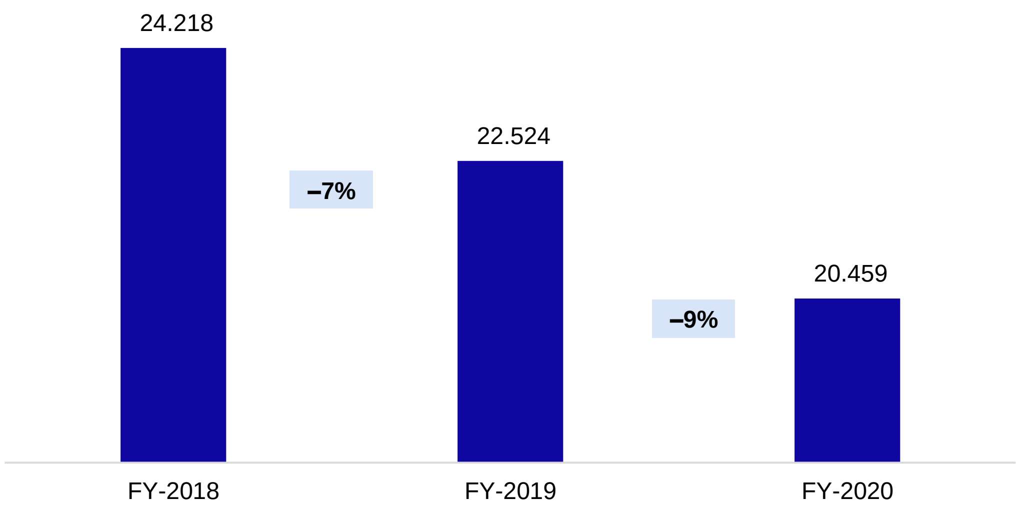
Development of land prices and building permits in Berlin

Prices for undeveloped land in Berlin (in EUR/sqm)



Floor Space Index (total floor area in relation to total plot area)

Building permits are decreasing in Berlin



- **Many investors have put new development projects on hold in light of recently introduced rent regulation in Berlin**
- **Pressure on housing market increasing**

Source: Senatsverwaltung für Stadtentwicklung und Wohnen Berlin, Amt für Statistik Berlin-Brandenburg

ESG

Quartiere Berlin Waldsiedlung

DEUTSCHE WOHNEN

Deutsche Wohnen – ideally positioned to benefit from the existing megatrends and committed to ESG concerns

Urbanization
Continued growth of cities anticipated; rural areas to experience dramatic loss in population

Aging society
Further increase in demand for care expected – already an unmet need for Assisted Living housing of 550,000 units

Persistent low interest rate period
Persistent low interest rate period continues to drive flow of capital into real estate as an asset class

Letting business, Development
- Concentration on metropolitan areas
- Investing in development projects
- Consideration of diversity and individuality of customer and product

Nursing & Assisted Living
- One of the largest owners of nursing facilities in Germany
- Continuously expanding the segment and investing in existing facilities

Attractive market
- Investment pressure in real estate remains high, especially in growth markets
- Attractive yields with a low-risk profile

Value generation for all stakeholders
Shareholders
Politics
Customer
Climate
Employees

Environmental
- Commitment to sustainability, environment and climate
- Significant improvement of energy efficiency of our apartments
- ~ 64% of our units perform better than average residential property in Germany

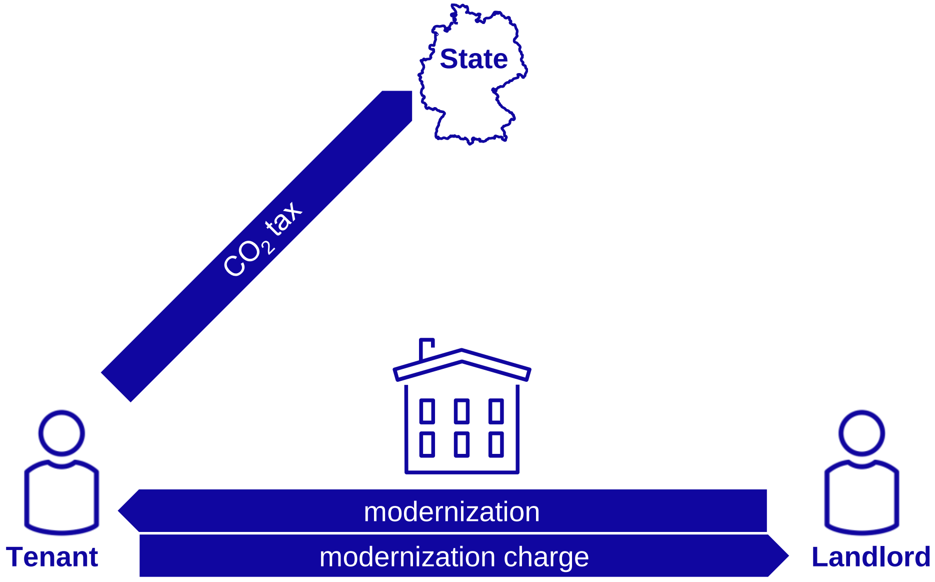
Social
- Socially reliable landlord who goes beyond legal requirements
  - Corona aid fund
  - “Promise to our tenants”
- Affordable housing

Corporate Governance
- Permanently monitored and discussed the company‘s corporate governance standards
- Good ESG rating results

DEUTSCHE WOHNEN

Balancing climate costs through CO_2 pricing

Current legal situation



- National emissions trading system started in 2021 with a fixed path until 2025
- CO_2 tax currently forms part of recoverable expenses
- Politically, it is currently being discussed how the CO_2 tax should be shared between tenants and landlords

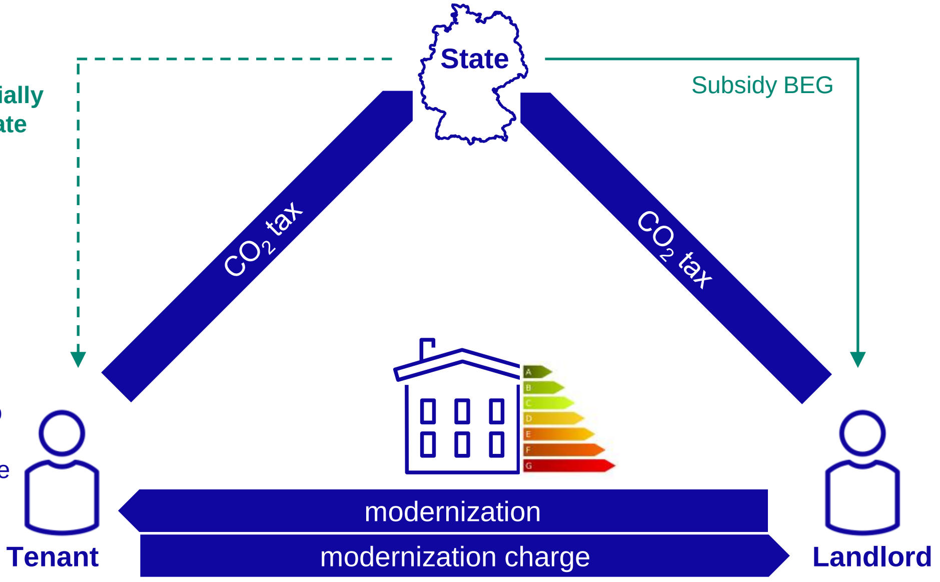
Our proposal for a socially acceptable solution

Our proposal "Concept for socially responsible climate protection in the property sector"

- Subsidy of modernization charge

Social hardship considerations

- Our Promise to Our Tenants
- Limitation of the modernization charge



- Landlord continues to receive full refinancing for energy modernizations
- Tenants and landlords bear a share of the CO_2 costs, depending on the building energy efficiency
- Tenant is supported with modernization costs from CO_2 pricing funds

Year	2021	2022	2023	2024	2025	As of 2026
CO_2-Price in EUR/t	25	30	35	45	55	55–65

DEUTSCHE WOHNEN

Generation of green energy in the neighborhood

Deutsche Wohnen has founded SYNVIA energy for the expansion of PV and the marketing of decentrally generated energy as tenant electricity

- Green power for prospective tenant electricity
- Relief of the power grid
- EUR 50m investment volume for PV programme in the next 10 years
- Development of charging infrastructure for electromobility
- Together with GETEC another EUR 25m investments planned for around 2,000 additional charging poles
- Currently 8 charging stations installed


Picture shows Heinrich Böll Siedlung, Berlin- Pankow

PV efficiency program already started ✓

2021	**2030**
1,000 t/a CO_2-Savings ~ 3,000 mWh	~14,000 t/a CO_2-Savings ~ 35,000 mWh
76 PV	~ 1,000 PV

Note: The dynamics on the energy market cannot be estimated and accordingly our PV-expansion and connected calculations are a theoretical perspective taking into account the presumed developments on the energy market. Unpredictable changes in the electricity composition can affect the measures presented here.

DEUTSCHE WOHNEN

Optimization potential for climate protection through building automation

Building

Potential benefits:

Optimization and remote monitoring of technical systems increases energy efficiency, availability and customer satisfaction

Actions Deutsche Wohnen:

- Development and roll-out of a monitoring solution (dashboard) for heating systems
- Currently implemented in > 100 heating systems, target up to 2,000

Results:

- Transparency regarding condition of the heating systems
- Shorter reaction times in case of failure
- Detection of anomalies already before failure

Tenant

Potential benefits:

If users are consistently supported by automations in the home, energy efficiencies can be demonstrably leveraged

Actions Deutsche Wohnen:

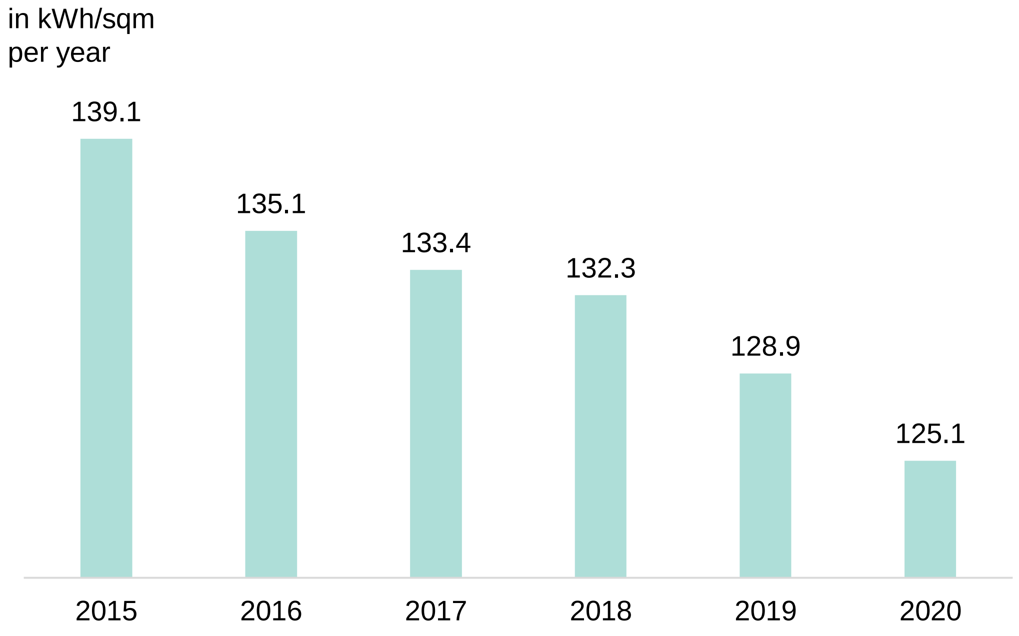
- Sample project MiA–My intelligent assistance system
- Installation of intelligent assistance system MiA in approx. 700 units

Results:

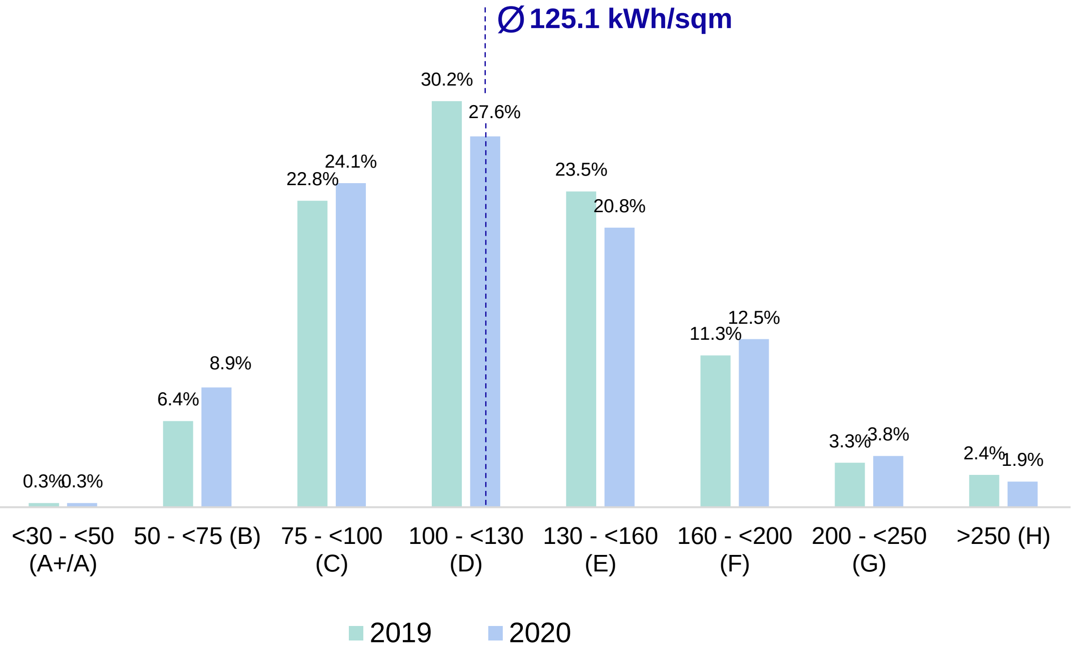
- After installation of automation, consumption of thermal energy actually decreases by up to 10%.
- Challenges: Tenant acceptance/building fabric

Improvement of energy efficiency of our properties

Energy efficiency 2015–2020



Energy efficiency classes in % of our portfolio



Note: Energy efficiency based on EPCs (energy performance certificates). Entire portfolio considered, excluding listed units for which no EPC is required

DEUTSCHE WOHNEN

Deutsche Wohnen – a socially reliable landlord who goes beyond legal requirements

Key Achievements

- Implementation of EUR 30m Corona relief fund for our tenants and business partners in 2020
- Since the beginning of the Corona pandemic no rental increases have been implemented and no tenant has lost his/her home because of late payment
- In 2020, around 30% re-lettings of residential units to tenants entitled to a certificate of eligibility to live in social-housing (“Wohnberechtigungsschein”) to mitigate gentrification in urban areas
- Deutsche Wohnen provides affordable housing with an average monthly net cold rent of ~ EUR 400[1]
- Regular annual tenant surveys to further improve tenant satisfaction and response times; based on latest survey 88% are satisfied with their apartment (2019: 87%) and 82% with Deutsche Wohnen as their landlord (2019: 78%)

Details on “Our promise to tenants”

- **Our promise #1**
  No tenant will have to give up their apartment due to rent increases
- **Our promise #2**
  No tenant will have to give up their apartment due to modernisation measures
- **Our promise #3**
  In the new lettings process, we will let one in four apartments to tenants who are entitled to a certificate of eligibility for social housing
- **Our promise #4**
  As part of the local community, we will fund social and non-profit projects promoting diverse and vibrant districts with several million euros a year
- **Our promise #5**
  We intend to significantly invest in new construction to combat the housing shortage

1) ø EUR 6.53 in place rent per sqm/month and average apartment size of 60 sqm

Responsible corporate management

Corporate Governance

Independent Supervisory board:

- 1/3 are female
- Rejuvenation: Ø age at 56
- Ø tenure at 6.7x (2016: 9.5 years)

Management board:

- Remuneration: STI 80% Financial Targets/ 20% Non-Financial Targets (incl. ESG)
- 20% female quota until June 2025

Employees:

- At least 40% females in executive positions
- 77% of employees are happy with Deutsche Wohnen as an employer

Strategically manage sustainability activities

- Concept for incorporating the recommendations of TCFD into Group reporting
- Make carbon footprint quantifiable via upstream and downstream supply chains to refine the investment strategy for the achievement of the climate protection goals
- Add energy efficiency criteria to the portfolio management system
- ESG is element of management compensation as execution of sustainability programme forms part of STI compensation

Our contribution to the UN SDGs

3 GOOD HEALTH AND WELL-BEING

- The health and well-being of our customers, employees and business partners is central to Deutsche Wohnen
- Holistic approach to health and well-being during refurbishments & new constructions

13 CLIMATE ACTION

- Climate neutrality until 2040 with clear targets and goals
- Substantial investments into the building stock to reduce energy consumption and CO_2 emissions
- New constructions following DGNB-gold standard

7 AFFORDABLE AND CLEAN ENERGY

- Electricity for stairwell and hallway/corridor lighting for approx. 90% of our letting portfolio and majority of our administrative locations entirely sourced from hydroelectric power
- Advancement of decentralized electricity generation and heating through photovoltaic and CHP plants

15 LIFE ON LAND

- Initiative to create a healthy, diverse and resistant tree population ("Klima-Baumkonzept")
- Improvement of the micro-climate through shade producing trees and ecologic optimization of front yards
- Preservation of biological diversity by converting outdoor facilities in meadows and gardens

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

- Conversion of Deutsche Wohnen's car fleet to electric vehicles (EV)
- Installation and operation of electric car charging stations and related infrastructure
- Installation of smart building technologies

17 PARTNERSHIPS FOR THE GOALS

- Member of the Foundation 2° - German Businesses for Climate Protection (Deutsche Unternehmer für Klimaschutz)
- Partner of the sector initative IW.2050 to combine climate protection activities in the housing industry
- Member of German Sustainable Building Council (DGNB)

11 SUSTAINABLE CITIES AND COMMUNITIES

- Commitment to making cities better places to live and strengthening social structures as an urban partner
- Continous engagement with residents, politicians and social organisations
- Supporting art, culture and sports

SUSTAINABLE DEVELOPMENT GOALS

DEUTSCHE WOHNEN

CSR Ratings continuously improved

EPRA
EUROPEAN PUBLIC REAL ESTATE ASSOCIATION

EPRA sBPR GOLD

Gold Award 2020 since 2017

Participation since 2015

ISS ESG

Corporate ESG Performance
RATED BY ISS ESG
Prime

Rating: C 2020
Prime Status confirmed since 2018

- Transparency Level: Very High
- Relative Performance Decile Rank: 1

Participation since 2015

SUSTAINALYTICS

ESG Risk Rating
12.1 Low Risk

Negl	Low	Med	High	Severe
0-10	10-20	20-30	30-40	40+

TOP 2% Global Universe

TOP 5% Real Estate Management

Participation since 2014

MSCI ESG RATINGS AA

CCC	B	BB	BBB	A	AA	AAA

In 2021, Deutsche Wohnen SE received a rating of AA (on a scale of AAA-CCC) in the MSCI ESG Ratings assessment[1]

Participation since 2013

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Financials

Quartiere Berlin Hellersdorfer Promenade

DEUTSCHE WOHNEN

Overview of new EPRA NAV metrics as of 31/12/2020

in EUR m	NRV	NTA	NDV	NAV[1]	NNNAV[1]
Equity (before non-controlling interests)	13,391.7	13,391.7	13,391.7	13,391.7	13,391.7
Hybrid Instruments	0.0	0.0	0.0	0.0	0.0
Diluted NAV	**13,391.7**	**13,391.7**	**13,391.7**	**13,391.7**	**13,391.7**
Revaluation of trading properties	43.9	43.9	43.9	0.0	0.0
Diluted NAV at Fair Value	**13,435.6**	**13,435.6**	**13,435.6**	**13,391.7**	**13,391.7**
Deferred taxes (net)	4,737.6	4,711.8	-	4,704.6	-
Fair values of derivative financial instruments	54.7	54.7	-	54.7	-
Goodwill as a result of deferred tax	(69.5)	-	-	-	-
Goodwill as per the IFRS balance sheet	-	(319.7)	(319.7)	-	-
Intangibles as per the IFRS balance sheet	-	(38.0)	-	-	-
Fair value of fixed interest rate debt	-	-	(440.2)	-	(440.2)
Real estate transfer tax	2,185.0	0.0	-	-	-
NAV	**20,343.4**	**17,844.4**	**12,675.7**	**18,151.0**	**12,951.5**
Fully diluted number of shares	343.77	343.77	343.77	343.77	343.77
NAV per share in EUR (diluted)	**59.18**	**51.91**	**36.87**	**52.80**	**37.67**

EPRA Net Reinstatement Value (NRV)

The EPRA Net Reinstatement Value (NRV) reflects the value which is required to recover assets of the company with same capital structure. Deutsche Wohnen has not opted for the off balance sheet valuation of intangible assets

EPRA Net Tangible Assets (NTA)

The EPRA NTA reflects the current net asset value with the underlying assumption that entities buy and sell assets. Deferred tax liabilities are adjusted for investment properties. The NTA corresponds broadly to the so far reported EPRA NAV adjusted by goodwill. For Deutsche Wohnen the NTA is of particular relevance. Deutsche Wohnen has not made use of the possibility to add real estate transfer tax and therefore based calculations on the IFRS balance sheet (net) values

EPRA Net Disposal Value (NDV)

The EPRA Net Disposal Value (NDV) represents the shareholder value if company assets are sold and liabilities are repaid prematurely. The NDV is comparable to the so far reported NNNAV and will replace it in the future

1) Former NAV KPIs will be replaced starting from 2021

DEUTSCHE WOHNEN

Bridge from adjusted EBITDA to profit

in EUR m	FY-2020	FY-2019
EBITDA (adjusted)	**1,010.1**	**901.2**
Depreciation	(40.0)	(40.9)
At equity valuation	8.9	2.8
Financial result (net)[2]	(160.4)	(154.0)
EBT (adjusted) [2]	**818.6**	**709.1**
Valuation properties[2]	1,856.4	1,401.1
Valuation gains due to Disposals	(288.3)	0.0
Goodwill impaiment	0.0	(2.0)
One-offs	(36.1)	(32.1)
Valuation SWAP and convertible bonds	(106.9)	28.5
EBT	**2,243.7**	**2,104.6**
Current taxes	(71.1)	(19.0)
Deferred taxes	(628.0)	(484.7)
Profit	**1,544.6**	**1,600.9**
Profit attributable to the shareholders of the parent company	1,502.7	1,529.6
Earnings per share[1]	4.32	4.27

in EUR m	FY-2020	FY-2019
Interest expenses	(145.8)	(135.5)
In % of gross rents	*~17%*	*~16%*
Interest expenses capitalized[2]	8.8	5.6
Non-cash interest expenses	(30.7)	(25.9)
Interest income	7.3	1.8
Financial result (net)[2]	**(160.4)**	**(154.0)**

Valuation result stems from signed disposals above recent book values

One-offs are predominately driven by EUR 22m land transfer taxes, which arose in connection with a business combination accounted for in accordance with IFRS 3. This business combination entails the acquisition of the project business of ISARIA Wohnbau AG ("ISARIA"), which was completed on 1 July 2020

1) Based on weighted average shares outstanding excluding own shares (2020: 347.85m ; 2019: 358.09m); **2)** Prior year figures changed according to IAS 23 policy change

DEUTSCHE WOHNEN

Summary balance sheet

Assets

in EUR m	31/12/2020	31/12/2019
Investment properties	28,069.5	25,433.3
Other non-current assets	979.7	442.2
Derivatives	2.3	1.1
Deferred tax assets	0.0	0.1
Non current assets	**29,051.5**	**25,876.7**
Land and buildings held for sale	472.2	468.9
Trade receivables	35.9	25.0
Other current assets	654.5	795.5
Cash and cash equivalents	583.3	685.6
Current assets	**1,745.9**	**1,975.0**
Total assets	**30,797.4**	**27,851.7**

Equity and Liabilities

in EUR m	31/12/2020	31/12/2019
Total equity	**13,832.8**	**13,107.3**
Financial liabilities	6,525.1	6,327.7
Convertibles	1,768.7	1,682.8
Bonds	3,129.6	2,014.1
Tax liabilities	60.5	26.2
Deferred tax liabilities	4,412.0	3,713.8
Derivatives	57.3	52.1
Other liabilities	1,011.4	927.7
Total liabilities	**16,964.6**	**14,744.4**
Total equity and liabilities	**30,797.4**	**27,851.7**

- **Investment properties represent ~91% of total assets**

Nursing and Assisted Living

Quartiere Berlin Wohnstadt Carl Legien

DEUTSCHE WOHNEN

Nursing portfolio – regional distribution

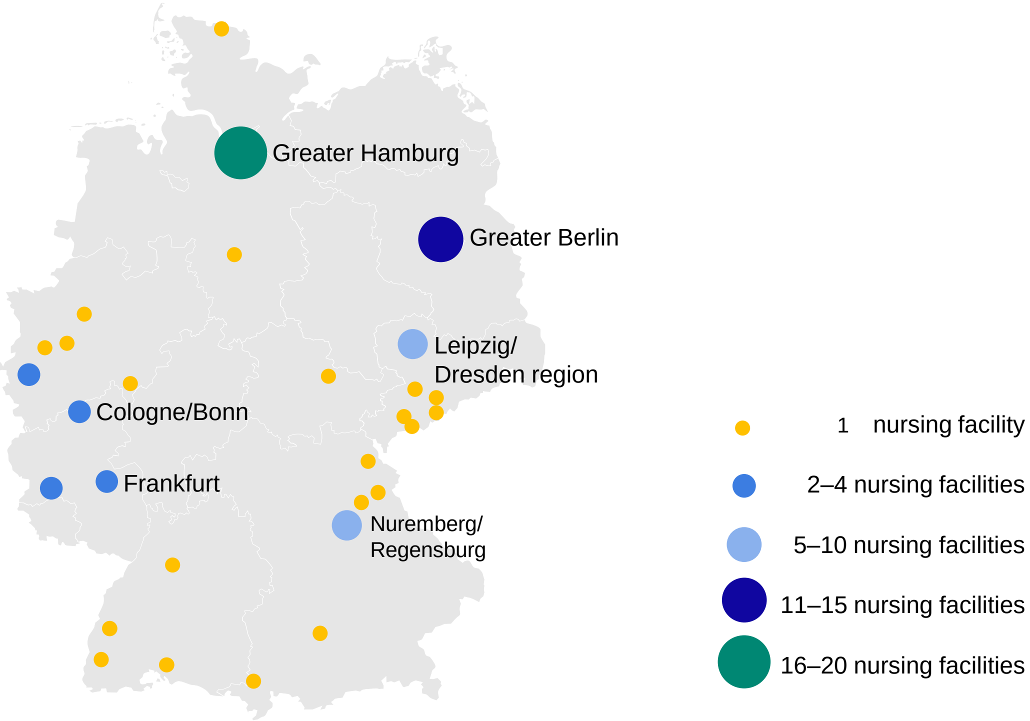
Managed by owner

Region	Facilities #	Units[1] #	Occupancy rate
Greater Hamburg	17	3,330	82.9%
Greater Berlin	12	1,430	96.0%
Saxony	9	680	86.7%
In-house operations	**38**	**5,440**	**86.9%**

Other operators

Region	Facilities #	Units[1] #	WALT
Bavaria	12	1,530	8.6
North-Rhine Westphalia	9	1,240	12.6
Rhineland-Palatinate	3	510	11.0
Baden-Wuerttemberg	4	500	8.4
Lower Saxony	1	110	9.8
Hesse	4	530	8.7
Other	6	720	6.9
Assets excl. opertation	**39**	**5,140**	**9.7**
Total nursing	77	10,580	n/a

Geographical allocation of the nursing and assisted living portfolio



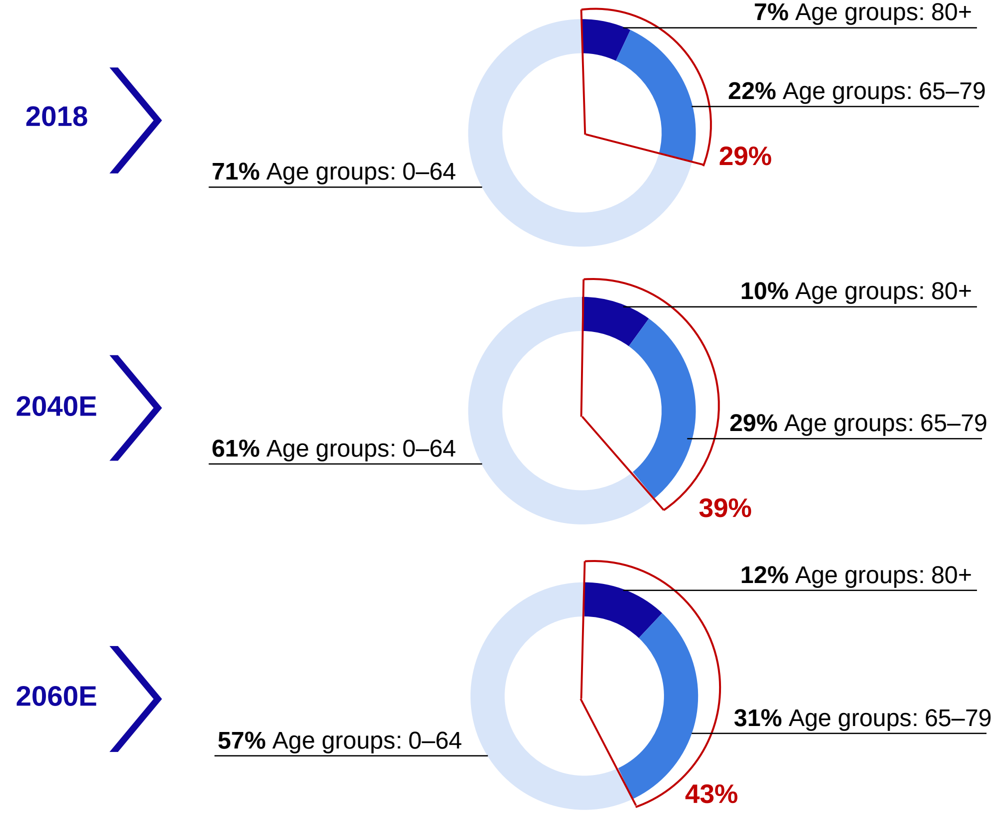
- **Deutsche Wohnen business model superior to most peers as owner with operational know-how, exposed to lower risk and low cost of funding**

1) Units include beds as well as places for assisted lviing

DEUTSCHE WOHNEN

Demographic trends in Germany underpin rising demand

Increasing share of age groups 65+ and 80+



Ageing population leads to increasing demand for nursing homes

- Nursing care market driven by (irreversible) demographic trends - increasing demand for social, medical and nursing services
  - Increase in demand until 2040 by c. 40%, corresponding to additional 380k beds
  - New construction cannot meet increase in demand (supply demand imbalance)
- Main reasons for aging German population are:
  - Decreasing birth rates
  - Ageing of former baby boomer generations
  - Increasing life expectancy
- Until 2040 the age group >80 years is expected to increase by 30%
  - Approx. 10% of the German population will be >80 years in 2040
  - Increased demand for specialized facilities to serve e. g. Alzheimer’s disease/dementia
- The requirement for professional service structures in nursing care are further boosted by ongoing trends:
  - Increasing mobility
  - Bigger distance between family members
  - Higher share of employment of all family members

Source: Latest forecast of Bundesinstitut für Bevölkerungsforschung (BiB) in 2018

DEUTSCHE WOHNEN

Overview of elderly care market in Germany

	Description	Payment regulation
EBITDA (adjusted)	▪ Covers all levels of inpatient care ▪ Focus on higher care degrees ▪ Daycare programs located in nursing homes ▪ Short-term inpatient care, if the need of care is only temporarily	▪ Reimbursement level depending on extend of care required (5 degrees available) ▪ Long-term care insurance (LTC) covers a monthly allowance, remainder has to be paid by pension / private wealth ▪ Social security system covers if no private wealth is available
Depreciation	▪ Covers all levels of outpatient care incl. domestic support ▪ Focus on lower care degrees ▪ Services are delivered at home or in assisted living facilities	▪ Reimbursement level depending on level of care required ▪ Social LTC insurance pays defined allowance, per month for either: – Professional outpatient care service – For a relative to take on care ▪ Remainder to be paid by pension/private wealth
At equity valuation	▪ Special form of outpatient care with focus on premium customers ▪ Apartments are rented out incl. complementary LTC packages and availablity of extra services	▪ Relatively unregulated market in terms of rent regulation ▪ Not reimbursed by LTC insurance

Overview of regulatory environment for nursing homes (1/2)

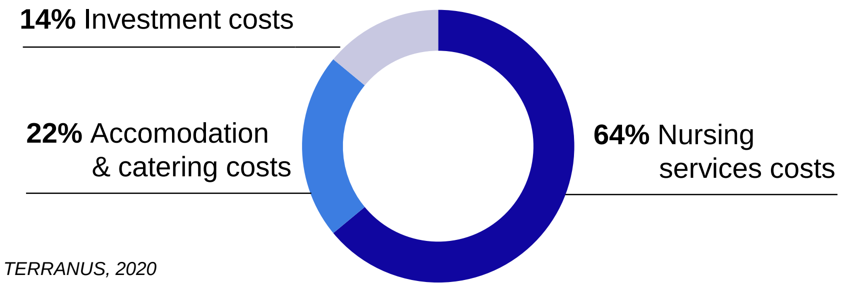
New homes authorization	▪ No formal permission (except for building laws) required to set up new nursing homes ▪ Operators entitled to enter into new supply contract with Long-term care insurance (Pflegekassen) as soon as structural requirements for operating a nursing home are set
Quality requirements	▪ Independent operators MDK[1]-score checks process structure and performance quality ▪ Mandatory publication of MDK quality reports of each nursing home planned through latest regulatory initiatives to increase transparency ▪ Frequency of quality assurance audits of outpatient and inpatient care has historically increased
Pricing & financing	▪ Prices for nursing care services strictly regulated and negotiated with authorities and revised every 1–2 years, usually above cost inflation ▪ Total cost for a nursing home place is funded by the respective resident, long-term care insurance and, if required, social welfare (depending on residents' income) – Vast majority of nursing services costs is financed by long-term care insurance; level of reimbursements are defined by laws, depending on level of care required – Accommodation & catering as well as investment costs are, in principle, financed by resident (or social welfare system); investment rates are set freely for resident not receiving public aid – Operators are free to generate additional revenues from secondary services, financed by respective resident

1) MDK – German Health Insurance Medical Service

DEUTSCHE WOHNEN

Overview of regulatory environment for nursing homes (2/2)

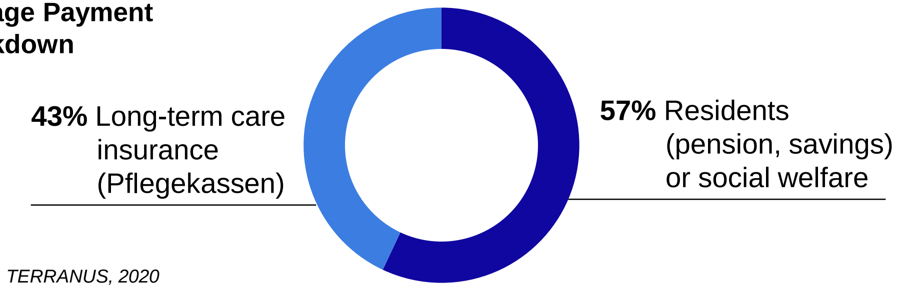
Standard daily cost breakdown of nursing homes



Source: TERRANUS, 2020

Funding of nursing home costs

Average Payment Breakdown



Source: TERRANUS, 2020

- Germany is one of few countries which requires all citizens to have either public or private long-term care insurance
  - Care Funds (Pflegekassen) provide a cost cover for carerelated services to the operator, based on the level of patient care necessary
  - Care Funds supported by mandatory social insurance as provided by care insurance law[1]
  - Funded at a contribution rate of 3.05% of gross salary and 3.30% respectively for childless employees
- In addition to national regulation, there are different regional legislations on fit-out standards, multi-occupancy ratios minimum room measurement and employee skills (not homogeneous)

- **Germany has one of the most stable funding systems for long-term care in Europe**

1) Pflegeversicherungsgesetz

DEUTSCHE WOHNEN

Why we target to increase our investment in nursing market

Increasing demand for nursing

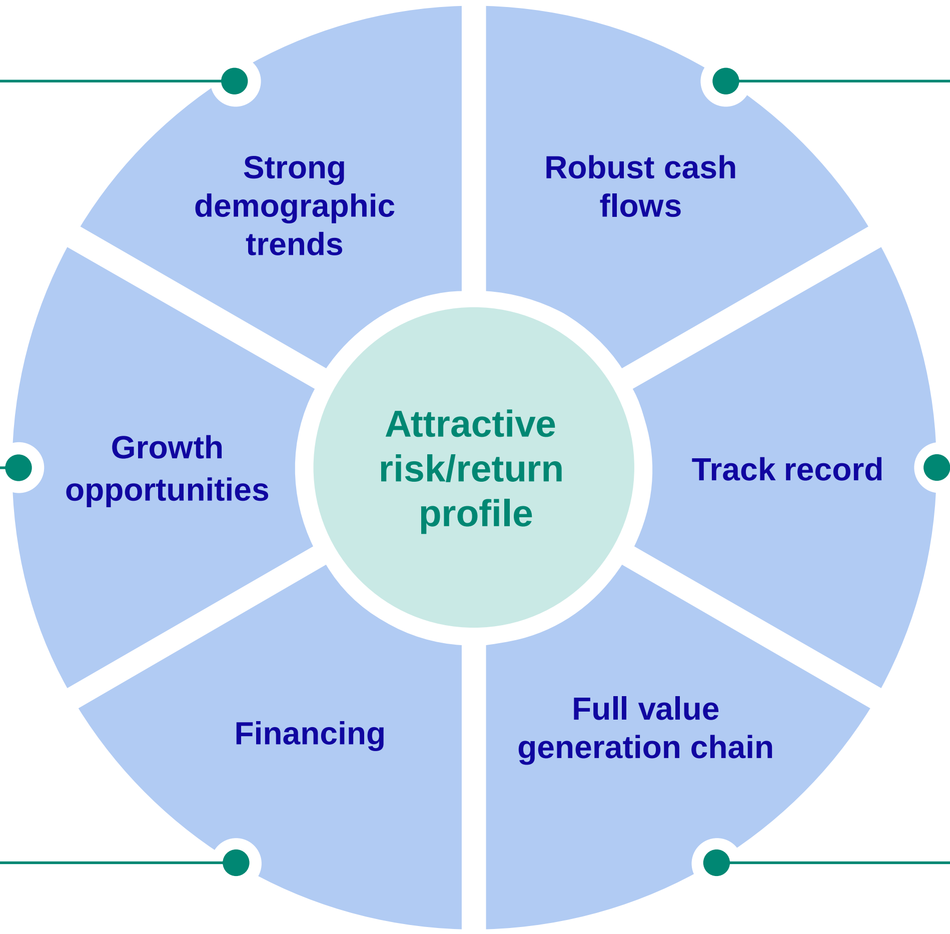
Well funded long-term care insurance

Fragmented market with need for consolidation

c. 20 years of experience in nursing through GEHAG

Competitive advantage by applying DW group financing conditions

Capability to manage assets & operations leads to higher profitability and lower risk profile



DEUTSCHE WOHNEN

Nursing & Assisted Living – Strategy update

Deutsche Wohnen is targeting an EBITDA contribution of 15% in the medium-term

- Segment contribution to group EBITDA at c. 12%

Further investments envisaged

- Redensification and new constructions to provide further growth opportunities, predominately in Hamburg region
- Opportunistic and selective M&A

Improvement of quality of assets and services

- Focus on self payers reduces regulatory risk

Adjust mix of nursing and assisted living towards higher proportion of assisted living

- Serviced apartments

Best in class Nursing and Assisted Living portfolio

Uferpalais, Berlin

Im Schlossgarten, Brandenburg

Wolkenstein, Saxony

Wilsdruff, Saxony

Bonn, North Rhine-Westphalia

Am Schwarzen Berg, Lower Saxony

Holstenhof, Hamburg

Am Albertpark, Saxony

Wiesbaden, Hessen

Finkenau, Hamburg

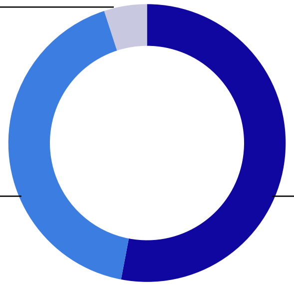
Nürnberg, Bavaria

Königstein, Hesse

DEUTSCHE WOHNEN

Highly fragmented market structure for nursing home operators

Nursing home operators split by type (# of beds)



Source: Knight Frank Research, 2020

Top private operators (by # of beds)

Operator	# of facilities	# of beds	Market share (%)
Korian	247	26,598	3.0%
Alloheim Gruppe	221	20,132	2.3%
Pro Seniore	120	14,928	1.7%
Orpea	134	11,868	1.4%
Kursana	96	9,043	1.0%
Azurit	84	8,030	0.9%
DOMICIL	49	6,135	0.7%

- Nursing home operator market is very fragmented
  - Top ten private operators only c. 13% market share, expected to increase further
  - Private operators manage c. 42%
  - Many small (family) operators, often with less than 10 facilities and capex backlog
- Occupancy levels vary widely across operators and regions
  - Average occupancy rate of c. 90%
  - Free capacity in many instances does not fulfil today’s standards for nursing homes (i. e.: free capacity ≠ available capacity)
- Significant consolidation trend among private operators in recent years
  - 3 of the top 5 operators are international companies
  - Consolidation is expected to continue and to accelerate professionalism (and therewith profitability) of overall sector
- Private operators increase their capacity the fastest (by acquisition or greenfield projects); growth of non-profit operators limited by funding constraints

Source: www.pflegemarkt.com, 2020

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