Deutsche Wohnen

INTERIM MANAGEMENT REPORT 30.09.2008

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» Berlin-Dahlem, Am Petersberg

» KEY FIGURES

» KEY FIGURES

Key figures of the consolidated balance sheet (in EUR millions)	30.09.2008	30.06.2008	31.03.2008	31.12.2007
Investment property	3,193.2	3,221.9	3,265.3	3,271.2
Current assets	184.5	182.7	120.6	133.7
Equity	922.9	936.6	913.5	936.1
Financial liabilities	2,125.1	2,170.9	2,176.7	2,179.6
Total assets	3,478.3	3,518.3	3,500.3	3,520.4
Net Asset Value	978.6	986.0	959.5	981.0
Net Asset Value per share	37.07	37.35	36.34	37.16

Key figures of the consolidated income statement (in EUR millions)	9 months	Q3 2008	Q2 2008	Q1 2008
Income from residential property management	113.3	37.7	36.3	39.3
Income from sales activities	7.3	2.5	4.0	0.8
Administration expenses	-28.6	-8.3	-9.7	-10.6
EBITDA	117.3	51.6	32.9	32.9
Result for the period	-13.2	-13.7	23.2	-22.7
Funds from Operations	19.6	8.8	5.0	5.9
Funds from Operations per share	0.74	0.33	0.19	0.22

Share	30.09.2008	30.06.2008	31.03.2008	31.12.2007
Share price (EUR)	8.87	9.57	18.01	21.10
Number of shares	26,400,000	26,400,000	26,400,000	26,400,000
Market capitalisation (in EUR millions)	234	253	475	557

Most important stock exchange	Xetra
Indices	SDAX, EPRA/Nareit, MSCI
ISIN/Tickersymbol (bearer share)	DE000A0HN5C6 / DWNI

» Berlin-Pankow, Paracelsusstraße

» INTERIM MANAGEMENT REPORT

» Improvement of EUR 9.9 million in operating cash flow and above-average loan repayment «

» Berlin stock: Vacancy rate decreased by almost 30% from 4.2 % to 3.0 % «

1. HIGHLIGHTS

The business model of Deutsche Wohnen AG has proved itself in a difficult market environment:

- Successful continuation of the operational business
  - Increase of 3.7 percent in average rents in our own stock; increase related to actual rents 4.3 percent
  - Reduction of vacancy rate
- Sales
  - Annual target in individual privatisation reached; income from disposals a steady 34 percent above the relevant fair value
  - Bloc sales: 1,065 dwellings with fair value gains of 3.5 million EUR
- Integration process concluded at year end
- Improvement in cash flow from operating activities by 9.9 EUR millions and above-average loan redemption lead to a reduction in debt (loan-to-value ratio 65.9 percent)

Operational business

We will reach our goal for the growth of expected rental income by the end of the year. We have realised an additional 4.8 EUR millions of expected rental income by means of index adjustments, new rentals and modernisation measures. The rent of 5.11 EUR per square meter which we forecast also takes into account block sales which will adjust the portfolio. If we are not able to achieve this by the end of the year, we currently estimate an average rent of 5.08 EUR/m².

Altogether we have been able to reduce slightly the vacancy rate in the complete stock, although there are differences between the locations. In Berlin, which is by far the largest single location (50 percent of the total stock), we were able to significantly reduce the vacancy rate in Core Stock Cluster A by almost 30 percent, from 4.2 percent to 3.0 percent. In the Rhine-Main area we have, as part of the reorganisation, created the conditions for a lasting reduction in the vacancy rate in 2009.

Sales activities

The following table summarises the sales activities as of 30.09.2008.

Sales volumes	Units	Transaction volume in EUR millions	Fair value in EUR millions	Difference in EUR millions
on balance sheet	518	37.2	27.4	9.8
notarised	1,072	75.9	68.1	7.8
total	**1,590**	**113.1**	**95.5**	**17.6**

» Personnel measures taken giving future savings of approx. EUR 10 million «

By 30.09.2008, in the course of the individual sales programme, 525 units with a sales volume of 55.8 EUR millions could be notarised. We have thus already exceeded our own planned targets. What should be stressed is that the disposals are on average significantly (34 percent) higher than the relevant fair value. 104 of the units, with a transaction volume of 8.0 EUR millions, are attributable to the third quarter.

From the cluster block sale it has so far been possible to dispose of 1,065 units to institutional investors, with a sales volume of 57.3 EUR millions and a fair value gain of 3.5m. EUR. With the transaction volumes achieved to date we have reached 55 percent of our internal turnover plan. The current market environment has led to a significantly lowered volume in the third quarter. In particular the lack of willingness or ability of banks to make credit available, or to do so only on significantly worse terms, has in some cases led to the collapse of already finalised sales contracts.

Organisation

The personnel measures which were concluded will result in future savings of 9.9 EUR millions. Altogether 142 jobs have been cut, which will incur one-off expenditures of 13 EUR millions. From the legal point of view, judicial decisions are still pending for 5 percent of the staff made redundant. The new structure offers a high degree of flexibility (including no collective pay commitment) and is in line with the new business model, with a clear shift in the direction of asset management and marketing.

The standardising and optimising of business processes is going according to plan and as at 30.09.2008 is leading to further special expenditures of 4 EUR millions. The result is that from 2009 we will be able to draw on a unified IT platform, central, group-wide purchasing, and a unified corporate appearance. We will thereby be able to realise further potential savings from 2009.

Liquidity / Refinancing

The cash flow statement shows a clear improvement compared to the same period in 2007. Despite a significantly higher interest burden the operational cash flow could be improved by 9.9 EUR millions. By means of targeted disinvestments, financial liabilities could be reduced by 58 EUR millions and 18 EUR millions invested in modernisation measures.

By successfully concluding long-term loan contracts, the prolongation risk for the next three years could be reduced to 160 EUR millions. Current interest rate policy leads to the expectation of a reduction in interest rates in future, and so to a stimulation of transaction activity. At the same time new opportunities on the interest costs side will follow for us, directly in the unhedged loan portfolio and indirectly with extensions.

» Stock in core portfolio: 33,808 residential units in growing urban centres «

2. PORTFOLIO STRUCTURE

As at the reporting date Deutsche Wohnen has a total of 51,724 dwellings under management.

Our stock in the core portfolio, currently with 33,808 dwellings, is in the growing conurbations such as Berlin and Frankfurt/Main or in interesting development areas such as South Rhine Valley, with strong economic industrial centres such as Ludwigshafen/Mannheim or cultural/scientific centres such as Karlsruhe/Heidelberg. It is here that we see the largest and most sustained rental potential with its consequent growth.

By far the largest single location is Berlin, with a portfolio share of almost 50 percent, or 67 percent of the Core Stock.

Portfolio Structure	Apartments				Commercial		Parking
	number	area in m² thousands	rent in EUR/m²	vacancy rate in %	number	area in m² thousands	number
Core stock	**33,808**	**2,039**	**5.22**	**4.3**	**383**	**68**	**8,053**
Berlin	22,761	1,369	5.00	3.6	282	38	1,858
Frankfurt/Main	3,664	217	6.67	3.8	44	16	1,843
Rhine-Main	3,295	204	5.75	9.0	51	14	1,943
South Rhine Valley	4,088	249	4.72	4.7	6	1	2,409
Sale portfolio	**15,295**	**970**	**4.77**	**11.4**	**63**	**6**	**5,856**
Individual sales	5,356	361	5.15	12.4	16	2	1,891
Block sales	9,939	609	4.54	10.7	47	4	3,965
Own stock*	**49,103**	**3,009**	**5.07**	**6.5**	**446**	**74**	**13,909**
DB 14	2,621	179	5.40	4.4	27	8	2,624
Own stock incl. DB14	**51,724**	**3,187**	**5.09**	**6.3**	**473**	**82**	**16,533**

* excluding Nordhessen

3. PORTFOLIO STRATEGY

Our business model is characterised by three fundamental principles:

Internal growth: utilisation of rental growth potentials

We plan to increase the rents in our portfolio by 3 to 4 percent annually. We achieve this by consistent use of changes in the rental index, by targeted modernisation measures, the costs of which can be recovered from the tenants, and by cutting the vacancy rate. In Berlin we have achieved annual increases of an average of 3 to 4 percent for over three years. We expect such a development for this year, too. The market environment, as well as the property and location characteristics of our portfolio, open up the possibility of further above-average growth.

Value-oriented privatisation

We have built our privatisation business, i.e. the sale of dwellings especially to their occupants, on a sustainable foundation. The former volume- and liquidity-driven sales strategy is no longer at the forefront in this regard. It is much more the case that properties are disposed of in the context of an ongoing portfolio concentration, not least in terms of fair value.

In the case of individual sales part of the portfolio, with 5,356 dwelling units at present, these are properties which have been acquainted for sale in previous years with the emphasis on Berlin and Rhine-Main. In our planning we have assumed a sale of around 500 units p.a., which is a sale rate of 10 percent p.a. of this part of the portfolio, or 1 percent p.a. of the total portfolio.

External growth: focusing on conurbations

Our strategy includes the concentration of our portfolio stock in those centres of Germany's population which show high rental growth potential. The acquisition of the Berlin stock of dwellings gave Deutsche Wohnen a further fast-growing location. Together with the Rhine-Main region, with the centres of Frankfurt, Wiesbaden and Mainz, a large proportion of the portfolio is already in the conurbations we strategically envisaged.

The block sales part of the portfolio, currently with 9,939 dwelling units, comprises all stocks which from a strategic aspect are to be sold within the next three years. Primarily this concerns stocks in the more rural regions of the states of Rheinland-Pfalz and Brandenburg. We use the liquidity generated by sales to repay our loans, or set it aside for new acquisitions.

Other business fields

After the successful disposal of AKF-Telekabel TV and Datennetze GmbH, Deutsche Wohnen now has only one non-core business area alongside its core business: out- and in-patient care, which is provided by KATHARINENHOF® Seniorenwohn- und Pflegeanlage Betriebs-GmbH. In recent years this has been beneficially developed by GEHAG GmbH and today stands on solid, profit-generating foundations.

In particular the occupancy rate of 97 percent, which is above the national average, and the associated turnover and income growth, which are above internal targets, show the revenue strengths of the business area. Reducing overhead costs is making the business even more efficient. A sale of the group at the internally calculated price should therefore be possible under normal conditions.

4. OPERATIONAL PERFORMANCE

Letting

The average rent of the core stock at 30.09.2008 is running at 5.22 EUR/m². Within three months rents could subsequently be increased by 0.03 EUR/m² (0.5 percent) over the previous quarter. As well as index adjustments, which this year play a secondary role, it is the rental performance which is to be particularly noted here.

At our most important location, Berlin, we have not only produced a significantly improved sales performance compared with last year, we have been able repeatedly to set rents in the not price-controlled stock that lie an average of 16 percent over previous year's rents. Altogether we were able to achieve rental growth in Cluster A in every region.

Based on an average market rent of 5.90 EUR/m² there is currently rental potential of 0.68 EUR/m² or 13.1 percent. Particularly in Cluster B we expect to realise the market potential of 1.42 EUR/m² (average 30 percent) via selective modernisation measures. At the implementation stage at present there are two districts of Berlin with a total volume of 1,000 dwelling units and rental growth potential of up to 2.00 EUR/m².

Letting	Rent Q3 in EUR/m²	Rent Q2 in EUR/m²	Rent Q1 in EUR/m²	Change from Q3 to Q2 in %	Market rent in EUR/m²	Potential in %
Core Stock	**5.22**	**5.19**	**5.14**	**0.5**	**5.90**	**13.1**
Cluster A	**5.30**	**5.28**	**5.23**	**0.4**	**5.80**	**9.4**
Berlin	5.04	5.02	4.97	0.4	5.60	11.1
Frankfurt/Main	6.67	6.65	6.61	0.3	7.60	13.9
Rhine-Main	5.76	5.74	5.67	0.3	6.00	4.2
South Rhine Valley	4.88	4.87	4.87	0.2	5.40	10.7
Cluster B	**4.68**	**4.63**	**4.57**	**0.9**	**6.10**	**30.4**
Berlin	4.65	4.61	4.53	0.9	6.00	29.0
Rhine-Main	5.70	5.68	5.65	0.3	8.30	45.6
South Rhine Valley	4.34	4.29	4.23	1.2	5.50	26.7

Vacancy Rate

The vacancy rate in the core stock could be decreased from 4.8 percent to 4.3 percent compared to the end of 2007. The changes due to the restructuring of the two locations can be seen in the changes over time in the current vacancy rate.

In Berlin, where the reorganisation of the set-up and business processes has been completed, we are already developing significantly better than planned. The vacancy rate in Cluster A could be reduced again in the third quarter from 3.4 percent to 3.0 percent. In comparison with 31.12.2007 the reduction in the vacancy rate amounts to altogether nearly 30 percent.

In the Rhine-Main area changes in the vacancy rate are not market driven (no decline in demand), but are much more a product of the intensive efforts of the staff in the work of restructuring. Today we have created the conditions for a lasting reduction in the vacancy rate in 2009.

Nevertheless we are recording a decline in the vacancy rate in the entire stock, because Berlin is clearly the largest single location and so can over-compensate for the delayed development in the Rhine-Main area. The high vacancy rate in Cluster B is intentional, against a background of outstanding rental potential; after completion of the modernisation work, marketing at market rents will begin.

Vacancy Rate	Q3 in %	Q2 in %	Q1 in %	2007 in %	Change from Q3 to Q2 in %	Total change in %
Core Stock	**4.3**	**4.5**	**4.7**	**4.8**	**-4.0**	**-10.4**
Cluster A	**3.8**	**3.9**	**4.1**	**4.2**	**-2.6**	**-9.8**
Berlin	3.0	3.4	3.9	4.2	-13.2	-29.3
Frankfurt/Main	3.8	3.3	3.3	2.8	13.6	34.3
Rhine-Main	8.9	7.9	7.2	7.4	12.7	19.9
South Rhine Valley	3.7	3.5	3.0	2.8	4.5	31.8
Cluster B	**8.2**	**8.7**	**9.1**	**9.3**	**-6.0**	**-11.8**
Berlin	8.2	9.2	9.7	10.1	-10.5	-18.9
Rhine-Main	9.9	8.9	8.9	8.5	11.6	16.8
South Rhine Valley	7.4	7.6	7.7	7.7	-2.1	-3.9

Sales

As part of the individual privatisation programme sales contracts for 525 dwellings with a sales volume of 55.8 EUR millions have been concluded in the first three quarters. The average selling price is 1,360 EUR per square meter and is thus 34 percent over the relevant fair value. For the Berlin properties average rental multipliers of 23x are agreed; for the Rhine-Main region multipliers of 18x. This illustrates not only the attractiveness of the Berlin location but also the developmental potential of properties situated in Western Germany. In terms of the individual privatisation programme we have already completely achieved our goals for this business year.

For the block sales, which belong to the adjustment of the portfolio, we have disposed of 1,065 properties in the first three quarters. In the completed sales, average prices of 810 EUR per square meter have been achieved, or 17x the expected rental income at the time. These stocks are primarily properties with low development potential. The effects of the current financial market crisis can be seen here in two respects: first, financial investors as buyers of large portfolios have disappeared, so that possible buyers are appearing in significantly smaller numbers; and second, institutional investors are finding it increasingly difficult to raise the necessary finance (the higher equity requirements of the banks play an important role here). We remain, however, optimistic that we will be able to implement the battered portfolio restructuring strategy within the estimated three years.

Sales	Number	Transaction volumes in EUR millions	Fair value in EUR millions	Difference in EUR millions
Single privatisation	525	55.8	41.7	14.1
Block sales	1,065	57.3	53.8	3.3
total	**1,590**	**113.1**	**95.5**	**17.6**

5. NET ASSETS, FINANCIAL POSITION AND RESULTS OF OPERATIONS

Results of operations	9 months in EUR millions	Q 3/2008 in EUR millions	Q 2/2008 in EUR millions	Q 1/2008 in EUR millions
Estimated rental income	157.1	52.6	52.4	52.2
Income shortfalls	-11.4	-3.8	-3.8	-3.8
Reduced rent	-1.1	-0.5	-0.2	-0.4
Earnings from operating costs	-4.4	-1.1	-1.9	-1.5
Net rent	**140.2**	**47.2**	**46.5**	**46.5**
Maintenance and renovation	-24.8	-8.6	-9.4	-6.8
Other expenses	-2.1	-0.8	-0.8	-0.5
Result from residential property management	**113.3**	**37.7**	**36.3**	**39.3**
Sales proceeds	37.2	14.9	14.7	7.6
Cost of sales	-2.5	-0.6	-0.8	-1.1
Carrying amount of assets disposed	-27.4	-11.8	-9.9	-5.7
Result from sales activities	**7.3**	**2.5**	**4.0**	**0.8**
Employee expenses	-19.2	-5.5	-6.6	-7.1
General administration expenses	-9.4	-2.8	-3.1	-3.5
Administration expenses*	**-28.6**	**-8.3**	**-9.7**	**-10.6**
KATHARINENHOF®	5.8	1.9	1.8	2.1
AKF	17.5	16.9	-0.1	0.7
Others	2.0	0.9	0.7	0.5
Further business segments	**25.3**	**19.7**	**2.4**	**3.3**
EBITDA	**117.3**	**51.6**	**32.9**	**32.9**
Depreciation, amortization and impairment losses	-2.2	-0.4	-0.9	-0.8
Market value adjustment	0.3	-0.2	0.0	0.5
EBIT	**115.4**	**51.0**	**32.0**	**32.5**
Market value adjustment of derivatives	-1.5	-27.6	50.0	-24.0
Financial earnings	-95.7	-33.9	-31.2	-30.6
EBT	**18.2**	**-10.5**	**50.8**	**-22.0**
Restructuring and reorganisation expenses	-20.8	-4.0	-15.5	-1.3
Tax	-10.6	0.9	-12.1	0.6
Earnings after tax	**-13.2**	**-13.7**	**23.2**	**-22.7**
per share	-0.50	-0.52	0.88	-0.86
FFO	**19.6**	**8.8**	**5.0**	**5.9**
per share	0.74	0.33	0.19	0.22

* excluding KATHARINENHOF® and AKF Group

Results

As well as what was in any case a positive operational trend, the third quarter has been affected by special features which have led to a deficit of 13.7 EUR millions.

» There was a positive contribution of 16.7 EUR millions from the deconsolidation of the AKF Group.
» Because of falling interest rates there was an accounting loss on the valuation of interest swaps (27.6 EUR millions) compared to the second quarter. For the nine month period there was an accounting loss of 1.5 EUR millions.
» In the third quarter DB 14 paid a special dividend of 5.8 EUR millions, which has to be accounted for in the consolidated financial statement as a charge of 4.4 EUR millions.
» In the third quarter there were non-recurring charges of 4 EUR millions arising from the reorganisation.

The result for the period shows a deficit of 13.7 EUR millions. Accumulated for the first three quarters, the deficit is altogether 13.2 EUR millions. For operational developments we refer to our comments in section '4. Operational Developments'.

Sale of AKF Group

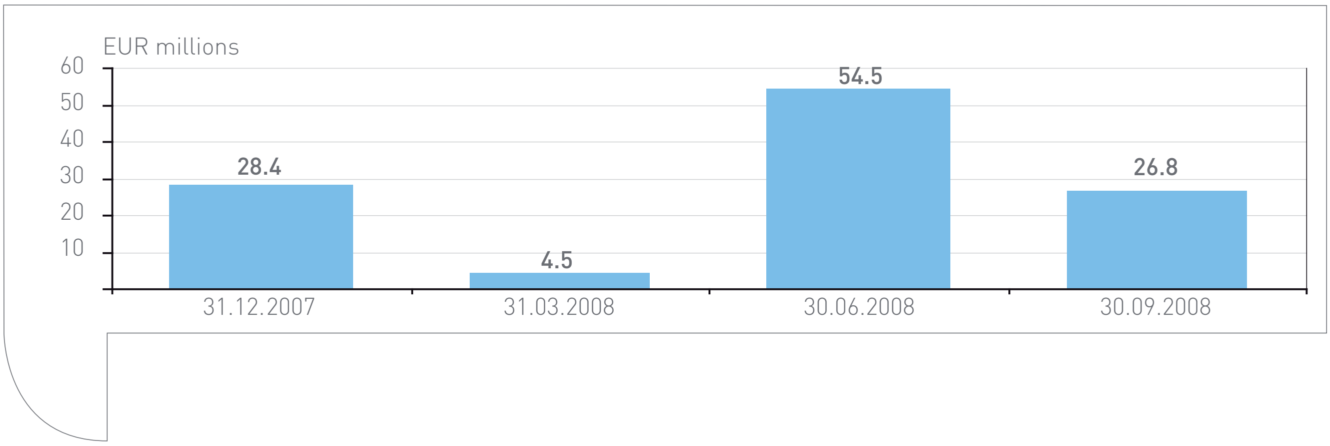
The sale of AKF-Telekabel TV and Datennetze GmbH, a wholly-owned subsidiary of GEHAG GmbH, came into effect on 04.07.2008. The gross selling price was 30 EUR millions, representing a multiplier of 12x in relation to the EBITDA 2007 of 2.5 EUR millions.

The deconsolidation led to a contribution to the net result of 16.7 EUR millions, which is reported under the profit from discontinued business segments and generated free liquidity of approx. 20 EUR millions.

Losses from the market value adjustment of derivatives

The derivatives interest swaps are entered at current value. They were not transacted for speculative purposes but solely for hedging against interest rate change risks and thus the cash flow risks of variable rate loans.

The volatility of interest rate policy, together with the crisis in the banking sector, is leading to continual adjustments, as the following graphic shows:



Financial results

The financial results are comprised as follows:

Financial result 9 months 2008	in EUR millions	in EUR millions
Financial income		2.4
Financial expenditures		-97.7
Current interest	-82.0	
Additions of accrued interest	-11.3	
Special dividend DB 14	-4.4	
		-95.3

In the financing expenditures, liquidity-neutral additions of accrued interest to the value of 11.3 EUR millions are accounted for, which mainly arise from accumulations of discounted financial liabilities (4.6 EUR millions), pension liabilities (1.7 EUR millions), liabilities to fund partners (1.7 EUR millions), and the EK 02 payment obligations (2.4 EUR millions).

Expenditures of 4.4 EUR millions are also included, which are due to a special DB 14 dividend of 5.8 EUR millions.

Restructuring and reorganisation costs

The restructuring and reorganisation costs (20.8 EUR millions) are directly connected to the completed personnel measures (13.0 EUR millions), the consolidation and optimising of business processes (4.0 EUR millions) and the restructuring of the portfolio (1.4 EUR millions).

Net asset position

The balance sheet total of 3,478 EUR millions at 30.09.2008 has changed only insignificantly from that at 31.12.2007 (3,520 EUR millions). Investment property represents with 92 percent (3,193.2 EUR millions) the largest item.

Current assets amounted to 184.5 EUR millions, of which the largest items were interest rate swaps at 31.4 EUR millions, cash and cash equivalents at 30.1 EUR millions and noncurrent assets held for sale at 68.3 EUR millions.

On 30.09.2008 equity was 922.9 EUR millions.

Current and noncurrent financial liabilities of 2,125.1 EUR millions are less than at the end of 2007 because of loan repayments (31.12.2007: 2,179.6 EUR millions). Allowing for the convertible bonds of 25.2 EUR millions there are total financial liabilities of 2,150.3 EUR millions (31.12.2007: 2,203.9 EUR millions).

We could thus improve our loan-to-value ratio to 65.9 percent (see table):

Loan-to-Value-Ratio	30.09.2008 in EUR millions	31.12.2007 in EUR millions
Investment property	3,193.2	3,271.2
Properties held for sale	68.3	4.6
	3,261.5	**3,275.8**
Noncurrent financial liabilities	1,985.0	2,034.1
Current financial liabilities	140.0	145.5
Convertible bonds	25.2	24.3
	2,150.2	**2,203.9**
Loan-to-Value-Ratio	**65.9 %**	**67.3 %**

» Funds from Operation: EUR 19.6 million resp. 0.74 per share «

Financial situation

The consolidated cash flow statement shows a clear improvement in liquidity compared to the same period in 2007. The operational cash flow improved by 52.5 EUR millions to 78.1 EUR millions. Despite a significantly higher interest burden (46.5 EUR millions) the cash flow from operating activities could be increased by 9.9 EUR millions over 2007. The company was able to generate funds from disinvestments to the value of 56 EUR millions, of which 18 EUR millions were reinvested in the portfolio. Financial liabilities were reduced by 58 EUR millions net. The financial resource fund comprised 30.1 EUR millions liquid assets at 30.09.2008. Further liquidity of approx. 76 EUR millions will come from sales already completed. In addition we have credit lines from banks in the amount of 82 EUR millions available at short notice.

Funds from operation at 30.09.2008 comprised 19.6 EUR millions, or 0.74 EUR per share, calculated as follows:

Funds From Operation	30.09.2008 in EUR millions	Q 3/2008 in EUR millions	Q 2/2008 in EUR millions	Q 1/2008 in EUR millions
Result for the period	-13.2	-13.7	23.2	-22.7
Depreciation, amortization and impairment losses	1.2	0.4	0.0	0.8
Value adjustment of investment property	-0.4	0.1	0.0	-0.5
Profit from relinquished business segments	0.3	0.0	0.3	0.0
Value adjustment of derivatives	1.5	27.4	-49.9	24.0
Non-liquidity-related financial expenses	11.3	3.8	4.0	3.5
Deconsolidation result AKF Group	-16.7	-16.7	0.0	0.0
Special dividend DB 14	4.4	4.4	0.0	0.0
Deferred taxes	10.4	-0.9	11.9	-0.6
Restructuring costs	20.8	4.0	15.5	1.3
FFO	**19.6**	**8.8**	**5.0**	**5.9**
FFO per share	**0.74**	**0.33**	**0.19**	**0.22**

Net asset value

At 30.09.2008 the net asset value amounted to 978.6 EUR millions, or 37.07 EUR per share. This is calculated from the equity at 30.09.2008 of 922.9 EUR millions, adjusted by the deferred taxes associated with the properties (55.7 EUR millions).

The stock exchange and the Deutsche Wohnen share

After two quarters that were already difficult the situation in the financial markets around the world has not eased in the third quarter. The global crisis on the financial markets has gathered even more momentum. In August several investment banks fell into liquidity difficulties, which pushed the already battered equity market even further down. There were few breathing spaces. As one more investment bank had to announce insolvency and another could only be rescued by a merger, as consumer confidence in the USA and Germany dwindled and the rescue package put forward by the US government was initially rejected, sentiment collapsed once more. Property shares were especially badly affected.

The DAX and SDAX suffered falls of -27 % or -35 % in the first nine months of the year. The EPRA Germany Index, which lists German property shares, even fell -44 %. The more broadly based European property share index, the EPRA Europe Index, lost -24 %.

After Deutsche Wohnen shares were able to perform better than the market at the beginning of the year, and by the middle of February had gained around 12 percent, at the end of March a cancellation of the dividend was announced and a clear drop in the share price followed. The further advance of the financial crisis and the first signs of effects on the overall economic situation are also not without effects on the Deutsche Wohnen share price. The shares suffered a fall from their value of 22.05 EUR at the end of 2007 of about 60 percent by 30.09.2008. They closed the third quarter at 8.87 EUR.

Supplementary report

There are no significant transactions after the report date that are known to us.

Risk report

Concerning risks we refer to the statements made in the risk report of the Consolidated Accounts dated 31.12.2007. As a consequence of the current financial crisis, the following are to be particularly noted: The risks resulting from the refinancing of loans are to date largely limited in the Deutsche Wohnen group thanks to a considerable proportion of long-term loans. Over the next three years our refinancing volume will be only 160 EUR millions. However, future problems in taking up and extending loans – particularly through the restrictive lending practices which have resulted from the financial crisis – cannot be absolutely ruled out.

The updated market valuation of the interest rate hedging instruments at the balance sheet date can, in the event of large swings in the interest rate, have a substantial influence on the company's results as reported according to IFRS – even when there are no liquidity-related incomes or expenditures resulting from them.

The routine valuation of our portfolio takes place on the 31.12.2008 accounting date. The improved underlying data such as rents and vacancy rates, especially in the core stock, are a positive influence on the valuation. Counter to this are the trends in financial conditions, and thus the risk premium which an investor today builds into a transaction. We are unable at present to assess definitively what effect these trends will have on the valuation of the portfolio.

» Residential property market relatively resistant to economic climate «

Forecast report

The continuing financial crisis and the accompanying uncertainty of the economic situation will have a crippling effect on the property market. Due to the credit crunch, major transactions are being significantly impeded or deferred. The pressure on returns is growing and yield expansion is foreseeable.

However, Germany has traditionally had one of the most stable property markets in the world. Within this market the residential property market has, because of its sound basic data (income and rental growth), a position which is relatively resistant to the economic climate. This applies particularly to the core regions of our portfolio.

We are therefore optimistic about our operational business for 2008 as a whole and predict that by the end of the year we will not only have kept to our operational result targets, but significantly exceeded them.

In our rental business the good growth in the first nine months is carrying on. We are raising the figure given in the Guidance we issued at the beginning of the year for a net cold rent of 188 EUR millions to 193 EUR millions. Improved renting and reduced vacancy rates are the drivers here.

In sales, too, a significant improvement in returns has emerged in the first nine months, and this will be maintained until the end of the year. In the area of our privatisation business we have already surpassed our target of 500 units sold. The returns we have thereby realised are 34 percent over fair value, so that we have already gone beyond our own target figure. By the end of the year we expect earnings of around 10 EUR millions from the notarised agreements and other transactions so far.

Turning to the block sales, we will possibly not reach our self-set target of 2,500 in quantitative terms. Qualitatively, on the other hand, we have on balance kept to our target of not selling below fair value. We are in negotiations regarding the sale of several larger and smaller portfolios. In the current market environment forecasts of the likelihood of closing a deal are almost impossible. We remain, however, optimistic that we will be able to implement the battered portfolio restructuring strategy within the estimated three years.

The KATHARINENHOF® business continues to develop stable. We can make no forecasts as to the success of the sales negotiations currently in progress.

The first positive outcomes of the successful restructuring of the group will be seen in the administrative expenses by the end of the year, which we can certainly reduce below the Guidance figure of 43 EUR millions.

Our operational result, as reflected in EBITDA, will be around 120 EUR millions at the end of the year – without the special effect of the AKF sale. We have thus exceeded our target result set at the beginning of the year of 104 EUR millions.

With the sale of the AKF Group, and the contribution of 16.7 EUR millions realised through it, EBITDA will be 137 EUR millions.

We cannot make a further forecast of the total result because of the extremely unpredictable trends in non-liquidity-related market value adjustments.

The generally expected trend towards falling interest rates will lead to further non-liquidity-related valuation losses with respect to the interest rate swaps employed for hedging interest rates; we cannot estimate their amount because of the uncertainty surrounding forecasts.

The routine valuation of our portfolio takes place on the 31.12.2008 accounting date. The improved underlying data such as rents and vacancy rates, especially in the core stock, are a positive influence on the valuation. Counter to this are the trends in financial conditions, and thus the risk premium which an investor today builds into a transaction. We are unable at present to assess definitively what effect these trends will have on the valuation of the portfolio.

Our business model has proved itself in extremely difficult markets. Through the successful integration and reorganisation programme we have turned Deutsche Wohnen this year into an efficient and highly professional platform. We are confident that we have thus laid the foundations for further operational success in the years ahead. We will use the opportunities growing from the crisis for our further growth.

» Wiesbaden, Am Hohen Stein

» INTERIM CONSOLIDATED FINANCIAL STATEMENT AS OF 30.09.2008

» INTERIM CONSOLITATED FINANCIAL STATEMENT AS OF 30.09.2008

Deutsche Wohnen AG, Frankfurt am Main Consolidated balance sheet at 30.09.2008	30.09.2008 in EUR thousands	2007 in EUR thousands
Assets		
Investment properties	3,193,201	3,271,205
Property, plant and equipment	18,600	27,948
Intangible assets	3,332	370
Other noncurrent financial liabilities	98	168
Shares in affiliated companies	417	435
Deferred tax assets	78,137	86,614
Noncurrent assets	**3,293,785**	**3,386,740**
Land and buildings held for sale	20,180	21,887
Other inventory	1,599	1,725
Receivables from goods and services	17,690	18,562
Derivatives	31,429	32,231
Receivables from current income taxes	6,017	2,879
Other assets	9,141	3,907
Cash, cash equivalents and bank overdrafts	30,108	47,874
Subtotal current assets	**116,164**	**129,065**
Noncurrent assets held for sale	68,328	4,597
Current assets	**184,492**	**133,662**
Total assets	**3,478,278**	**3,520,402**

» INTERIM CONSOLITATED FINANCIAL STATEMENT AS OF 30.09.2008

Deutsche Wohnen AG, Frankfurt am Main Consolidated balance sheet at 30.09.2008	30.09.2008 in EUR thousands	2007 in EUR thousands
Liabilities		
Equity apportionable to shareholders of the parent company		
Subscribed capital	26,400	26,400
Capital reserves	349,521	349,521
Accumulated consolidated profit	546,633	559,902
Subtotal equity	**922,554**	**935,823**
Minority shareholdings	302	302
Total equity	**922,856**	**936,125**
Noncurrent financial liabilities	1,985,047	2,034,087
Convertible bonds	25,164	24,339
Pension obligations	40,595	41,562
Liabilities to fund limited partners	48,186	46,631
Current tax liabilities	61,048	68,126
Other current provisions	11,600	11,375
Deferred tax liabilities	137,924	135,835
Total noncurrent liabilities	**2,309,563**	**2,361,955**
Current financial liabilities	140,039	145,468
Trade receivables	41,558	25,420
Other current provisions	17,237	9,440
Derivatives	4,613	3,804
Current tax liabilities	20,995	13,739
Other current liabilities	21,416	24,451
Total current liabilities	**245,859**	**222,322**
Total liabilities	**3,478,278**	**3,520,402**

» INTERIM CONSOLITATED FINANCIAL STATEMENT AS OF 30.09.2008

Deutsche Wohnen AG, Frankfurt am Main Consolidated income statement for the period 01.01–30.09.2008	9 months 2008 in EUR thousands	9 m. 2007 (adjusted) in EUR thousands	Q 3/2008 in EUR thousands	Q 3/2007 (adjusted) in EUR thousands
Revenues	**226,691**	**124,472**	**77,256**	**64,005**
Profit from housing privatization				
Sales proceeds	37,203	35,024	14,921	20,912
Carrying amounts of assets disposed	-27,417	-32,404	-11,857	-17,681
	9,786	2,620	3,065	3,231
Other operating income	8,654	2,195	3,214	980
Income from company merger	0	57,903	0	57,903
Profit from fair value adjustment of investment property	350	32,472	-146	-1,772
Total income	**245,481**	**219,662**	**83,388**	**124,347**
Expenses related to goods and services received	-93,915	-58,752	-33,287	-30,751
Employee expenses	-32,462	-19,506	-9,871	-9,942
Other operating expenses	-19,512	-23,743	-6,102	-14,281
Restructuring and reorganisation expenses	-20,768	0	-3,978	0
Total expenses	**-166,656**	**-102,001**	**-53,238**	**-54,974**
Interim result	**78,825**	**117,661**	**30,150**	**69,373**
Depreciation, amortization and impairment losses	-1,235	-983	-432	-487
Earnings before interest and tax (EBIT)	**77,590**	**116,678**	**29,718**	**68,886**
Financial income	2,443	2,900	1,668	1,942
Profit from the market value adjustment of derivatives	-1,524	7	-27,408	7
Financial expenses	-97,625	-37,957	-35,364	-20,850
Profit before tax	**-19,116**	**81,628**	**-31,386**	**49,985**
Income tax	-10,573	-23,040	913	-3,302
Profit from continuing business segments	-29,689	58,588	-30,473	46,683
Profit from discontinued business segments	16.420	0	16,749	0
Net result for the period	**-13,269**	**58,588**	**-13,724**	**46,683**
Of which is apportioned to shareholders in the parent company	-13,269	58,588	-13,724	46,683
Earnings per share				
basic	**-0.50**	**2.76**	**-0.52**	**2.20**
diluted	**-0.46**	**2.75**	**-0.50**	**2.19**

» INTERIM CONSOLITATED FINANCIAL STATEMENT AS OF 30.09.2008

Consolidated cash flow statement for the period 01.01.–30.09.2008	9 months 2008 in EUR thousands	9 months 2008 (adjusted) in EUR thousands
OPERATING ACTIVITIES		
Result for the period before interest and taxes	92,486	116,685
Non-cash expenses/income		
Non-cash income from company merger	0	-57,903
Income from deconsolidation	-17,134	0
Fair value adjustment of investment property	-350	-32,472
Depreciation, amortization and impairment losses	1,235	983
Adjustment of interest rate swap	1,524	-7
Other non-cash expenses/income	-5,180	-2,155
Change in net working capital		
Change in receivables, inventories and other current assets	-7,119	-7,060
Change in operational liabilities	12,651	7,563
Operating cash flow	**78,113**	**25,634**
Interest paid	-73,001	-26,469
Interest received	2,443	0
Tax paid	0	-1,531
Cash flow from operating activities	**7,555**	**-2,366**
INVESTMENT ACTIVITIES		
Proceeds from sale of property	37,254	73,477
Payments made to acquire investment property	-18,616	-116,709
Acquired receivables	0	-78,000
Proceeds from sale of subsidiary	18,770	0
Payments made to acquire subsidiary minus cash for acquisition	0	-148,528
Payments in connection with DB 14	-4,545	0
Cash flow from investment activities	**32,863**	**-269,760**
FINANCING ACTIVITIES		
Payments to shareholders (dividends)	0	-17,600
Proceeds from taking on loans	57,687	328,438
Repayment of loans	-115,871	-27,268
Cash flow from financing activities	**-58,184**	**283,760**
Net change in cash and cash equivalents	**-17,766**	**11,444**
Cash and cash equivalents at the start of the period	**47,874**	**33,516**
Cash and cash equivalents at the end of the period	**30,108**	**44,960**

Statement of changes in group equity as of 30.09.2008	Shares in thousands	Registered capital in EUR thousands	Capital Reserves in EUR thousands	Accumulated consolidated profit in EUR thousands	Total in EUR thousands	Minority share-holdings in EUR thousands	Equity in EUR thousands
Equity as of 30.06.2006	**20,000**	**10,226**	**207,053**	**201,383**	**418,662**	**0**	**418,662**
Effect of fair the value conversion (see Appendix A.6)				350,506	350,506		350,506
Correction of the first consolidation of DB 14 (see Appendix A.5)				8,779	8,779		8,779
Equity as of 30.06.2006 (adjusted)	**20,000**	**10,226**	**207,053**	**560,668**	**777,947**	**0**	**777,947**
Appropriations		9,774		26,524	36,298		36,298
Withdrawals			-36,298	0	-36,298		-36,298
Earnings recognised in equity				149	149		149
Distributions				-52,600	-52,600		-52,600
Consolidated profit after tax				10,925	10,925		10,925
Equity as of 31.12.2006	**20,000**	**20,000**	**170,755**	**545,666**	**736,421**	**0**	**736,421**
Issue of 6,400,000 shares relating to the GEHAG transaction	6,400	6,400	177,664	0	184,064		184,064
Equity relating to the convertible bonds issued in connection with the GEHAG transaction			1,102	0	1,102		1,102
Minority shareholdings related to company acquisition						302	302
Earnings recognised in equity				2,050	2,050		2,050
Distributions				-17,600	-17,600		-17,600
Consolidated profit after tax				29,786	29,786	0	29,786
Equity as of 31.12.2007	**26,400**	**26,400**	**349,521**	**559,902**	**935,823**	**302**	**936,126**
Result for the period				-13,269	-13,269	0	-13,269
Equity as of 30.09.2008	**26,400**	**26,400**	**349,521**	**546,634**	**922,555**	**302**	**922,857**

Consolidated statement of changes in equity as of 30.09.2007	Shares in thousands	Share capital in EUR thousands	Paid-in capital in EUR thousands	Accumulated consolidated earnings in EUR thousands	Equity in EUR thousands
Equity as of 30.06.2006	**20,000**	**10,226**	**207,053**	**201,383**	**418,662**
Effect of the fair value adjustment				350,506	350,506
Correction of the first consolidation of DB 14				8,779	8,779
Equity as of 30.06.2006 (adjusted)	**20,000**	**10,226**	**207,053**	**560,668**	**777,947**
Appropriations		9,774		26,524	36,298
Withdrawals			-36,298	0	-36,298
Earnings recognised in equity				149	149
Distributions				-52,600	-52,600
Result for the period				10,925	10,925
Equity as of 31.12.2006	**20,000**	**20,000**	**170,755**	**545,666**	**736,421**
Earnings recognised in equity				31	31
Distributions				-17,600	-17,600
Result for the period				58,588	58,588
Equity as of 30.09.2007	**20,000**	**20,000**	**170,755**	**586,685**	**777,440**

» Berlin-Zehlendorf, Riemeisterstraße

» NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

» NOTES TO THE CONSOLITATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Deutsche Wohnen AG is the holding company of the whole Deutsche Wohnen Group. With the new structure group-wide matters such as corporate strategy, portfolio management, human relations, investor relations/corporate communication, planning/controlling are from now on administered by the holding company. The operational subsidiaries concentrate on the management and privatisation of the dwellings, principally those in Berlin and Rhine-Main, and also in the Rhein-Pfalz area. Deutsche Wohnen is, after the acquisition of the GEHAG Group, the second-largest listed residential property company in Germany.

The consolidated financial statement is denominated in EUR millions or EUR thousands. Unless otherwise stated, all figures are rounded off to EUR thousands. For technical calculating reasons rounding differences from the mathematically exact figures may arise in tables and references.

2. PRINCIPLES AND METHODS OF THE CONSOLIDATED FINANCIAL STATEMENT

The condensed interim consolidated financial statement for the period from 01.01 to 30.09.2008 was prepared in accordance with IAS 34 Interim Financial Reporting, as applied in the EU.

This interim consolidated financial statement does not contain all the information and disclosures required for the consolidated financial statement and is therefore to be read in conjunction with the consolidated financial statement for the period to 31.12.2007.

The consolidated financial statement is basically formatted in accordance with the historical cost accounting method. Excluded from this in particular are the investment properties and derivatives, which are valued at fair value.

The consolidated financial statement comprise the accounts of Deutsche Wohnen and its subsidiaries up to 30.09.2008. The accounts of the subsidiaries are prepared to the same accounting date as the accounts of the parent company, using the same balancing and valuing methods.

In drawing up the financial statement, discretionary decisions, estimates and assumptions were made by management which effect the size of the reported earnings, assets, expenditures and liabilities on the accounting date, as well as the statement of possible debts. Due to the uncertainty associated with these assumptions and estimates, however, there can be results that lead in future to significant adjustments to the book value of the assets and liabilities affected.

The business activities of the Deutsche Wohnen Group are largely uninfluenced by seasonal or cyclical factors.

Because of the acquisition of the GEHAG Group the interim statements of 30.09.2008 and 30.09.2007 are comparable to only a very limited extent.

3. CHANGES TO THE CONSOLIDATED COMPANIES

Deutsche Wohnen Service GmbH, Berlin, (referred to in the following as 'the company' or 'DWS') was founded on 21.02.2008. The fully paid initial capital of 25,000 EUR is held by Deutsche Wohnen AG, Frankfurt. The entry in the commercial register as HRB 112612 was made on 25.03.2008.

The share in GEHAG Wohnungsverwaltungs- und Vertriebs-GmbH was disposed of for 1 EUR with a sale contract dated 06.06.2008.

The shares in AKF-Telekabel TV and Datennetze GmbH were disposed for a gross selling price of 30 EUR millions with a sale contract dated 18.06.2008. The deconsolidation yielded earnings of 16.7 EUR millions.

4. CHANGES TO THE ACCOUNTING AND VALUATION METHODS

In comparison with the previous year, Deutsche Wohnen is using fundamentally the same accounting and valuation methods. The following changes are significant:

Change-over to the fair value method for valuation of investment properties

In its consolidated accounts dated 31.12.2007 Deutsche Wohnen changed its valuation of investment properties from the historical cost method to the fair value method.

Due to the extensive information provided in the consolidated financial statement for 31.12.2007, attention should only be paid in what follows to the effects on the consolidated profit and loss account for the previous year in the period from 01.01. to 30.09.2007.

Following on from the change-over there occurred an adjustment to the privatisation income (profit from sale of dwellings), increased expenditure on related goods and services through the maintenance share of the management fee, a reduction in depreciation, a reduction of other operating income as a consequence of the write-off of the noncurrent accruals and deferrals, as well as a adjustment to fair value accounting affecting net income for the properties in the consolidated profit and loss account for the incomplete business year from 01.01. to 30.06.2007. The change in accounting also leads to a change in the recognised deferred taxes in the consolidated profit and loss account.

For the consolidated profit and loss account for the interim accounting period from 01.01. to 30.09.2007 there are changes to the following items:

Changes to income statement 01.01.–30.09.2007	01.01 – 30.09.2007 in EUR millions	Fair value adjustment in EUR millions	01.01 – 30.09.2007 adjusted in EUR millions
Carrying amounts of assets disposed	-21.2	-11.2	-32.4
Other operating income	3.3	-1.1	2.2
Fair value adjustment of investment property	0.0	32.5	32.5
Expenditure for related goods and services	-59.0	0.2	-58.8
Depreciations	-18.3	17.3	-1.0
Income taxes	-10.4	-12.6	-23.0
Effect on income for the period	**33.6**	**25.1**	**58.6**
Earnings per share - basic	1.58	1.18	2.76
Earnings per share - diluted	1.58	1.18	2.75

Note on the market adjustment of derivatives

For greater clarity we have shown the market adjustments of derivatives in their own entries in the consolidated profit and loss account.

5. SELECTED COMMENTS ON THE CONSOLIDATED BALANCE SHEET

92 percent of the assets of the Deutsche Wohnen Group consist of investment properties. The reduction compared to 31.12.2007 is mostly due to sales.

The property, plant and equipment assets consist principally of technical equipment, and furniture and office equipment. The reduction is primarily related to the deconsolidation of AKF.

The derivatives are interest rate swaps entered at current value; they were not transacted for speculative purposes but solely for hedging against interest rate change risks and thus the cash flow risks of variable rate loans. The market values have undergone strong fluctuations and moved in a slightly negative direction in the first 9 months:

Derivatives	31.12.007 in EUR millions	Change in EUR millions	30.09.2008 in EUR millions
Active	32.2	-0.8	31.4
Passive	-3.8	-0.8	-4.6
	28.4	**-1.6**	**26.8**

0.1 EUR millions are allotted to the AKF Group, so that only 1.5 EUR millions are disclosed in the consolidated profit and loss account.

The changes in equity can be seen in the statement of changes in equity on page 27.

Compared to the 31.12.2007 the financial liabilities have been reduced largely through loan repayments. In the first nine months loans totalling 115.9 EUR millions were redeemed. Against this are newly determined valuations of 57.7 EUR millions.

The share of outside capital in the convertible bonds of the GEHAG Group issued as a component of the purchase price is shown in the convertible bonds balance sheet item. The change is attributable to the accumulation of interest for the first nine months.

Tax liabilities are largely due to the financial obligations for EK 02.

The rise in other provisions is largely attributable to the accrued restructuring provisions (11.7 EUR millions) from 30.06.2008. These take into account all the known compensations and continuations of pay for redundant staff.

6. SELECTED COMMENTS ON THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

The consolidated profit and loss account is not comparable with the previous year because the GEHAG Group had at this point been consolidated for only two months. In addition, the accounting of investment property was changed from the historical cost to the fair value method in the first half year 2007.

The revenues are comprised as follows:

Revenues	9 m. 2008 in EUR millions	9 m. 2007 (adjusted) in EUR millions
Residential property management	198.8	116.3
Care activities	5.0	1.5
Care and assisted living	22.7	5.0
Telecommunication services	0.0	1.6
Other services	0.2	0.1
	226.7	**124.5**

The expenditures on related goods and services primarily concern expenses for the residential property business (87.3 EUR millions; same period last year: 53.6 EUR millions). The increase is due to the GEHAG transaction, through which the stock of properties has more than doubled.

The increase in personnel expenses from 19.5 EUR millions to 32.5 EUR millions is largely due to the increased number of staff from the GEHAG transaction. For the rest, the Care area is responsible for 12.3 EUR millions.

The restructuring and reorganisation expenses comprise the one-off effect of the personnel measures (13.0 EUR millions), the consolidation and optimising of business processes (4 EUR millions), and the restructuring of the portfolio (1.4 EUR millions).

The financial expenses are comprised as follows:

Financial expenses	9 m. 2008 in EUR millions	9 m. 2007 (adjusted) in EUR millions
Current interest	82.0	34.5
Special dividend DB 14	4.4	0
Interest accrued for liabilities and pensions	11.3	3.4
	97.7	**37.9**

The result from discontinued businesses comprises the result from the AKF Group. The total earnings of 20.9 EUR millions (thereof 16.7 EUR millions from deconsolidation) are contrasted with expenditures of 4.5 EUR millions. This gives a result of 16.4 EUR millions. Current taxes are not charged.

7. NOTES TO THE CASH FLOW STATEMENT

The cash and cash equivalents consist of cash assets and bank deposits. Due to the special dividend the liquid funds of DB 14 have fallen to 5.5 EUR millions. In addition we have immediately available credit lines with banks to the sum of 82 EUR millions. We will generate further additional liquidity of 76 EUR millions from sales already concluded.

8. NOTES TO THE SEGMENT REPORT

The following table shows the segment earnings and the segment result for the Deutsche Wohnen Group.

9. OTHER NOTES

Related companies and related persons

There have been no significant changes regarding related companies/persons in comparison with the statements made on 31.12.2007.

Management and supervisory board

There have been no changes to the management and supervisory board since the statements of 31.12.2007.

RISK REPORT

Concerning risks we refer to the statements made in the risk report of the Consolidated Accounts dated 31.12.2007. As a consequence of the current financial crisis, the following are to be particularly noted: The risks resulting from the refinancing of loans are to date largely limited in the Deutsche Wohnen group thanks to a considerably proportion of long-term loans. Over the next three years our refinancing volumes will be only 160 EUR millions. However, future problems in the taking up and extension of loans – particularly through the restrictive lending practices which have resulted from the financial crisis – cannot be absolutely ruled out.

The updated market valuation of the interest rate hedging instruments at the balance sheet date can in the event of large swings in the interest rate have a substantial influence on the company's results as reported according to IFRS – even when there are no liquidity-related incomes or expenditures resulting from them.

The routine valuation of our portfolio takes place on the 31.12.2008 accounting date. The improved underlying data such as rents and vacancy rates, especially in the core stock, are a positive influence on the valuation. Counter to this are the trends in financial conditions, and thus the risk premium which an investor today builds into a transaction. We are unable at present to assess definitively what effect these trends will have on the valuation of the portfolio.

Frankfurt am Main, November 2008

The Management Board

Segment result	Segment revenues from third parties		Segment result	
	9 m. 2008 in EUR millions	9 m. 2007 adjusted in EUR millions	9 m. 2008 in EUR millions	9 m. 2007 adjusted in EUR millions
Residential property management	198.8	116.3	111.5	62.7
Privatisation of dwellings	37.2	35.0	7.2	0.1
Services	43.2	6.6	21.0	-2.7
Other, and group functions	10.1	3.8	-153.0	-35.2
	289.3	**161.7**	**-13.3**	**24.8**

» Michael Zahn

» Helmut Ullrich

BALANCE SHEET OATH OF THE MANAGEMENT BOARD

"We assure to the best of our knowledge and in accordance with the applicable financial accounting principles that the consolidated interim financial statements as of September 30, 2008, convey a view of the revenue, financial and asset position of the company which corresponds with the actual circumstances, and that in the interim management report the business performance including the financial result and the position of the Group are portrayed in a manner which conveys a view which corresponds with the actual circumstances, and that the significant opportunities and risks of the company's likely development are depicted."

Frankfurt am Main, November 2008

Deutsche Wohnen AG

Michael Zahn
Speaker of the Management Board

Helmut Ullrich
Member of the Management Board

» IMPRINT

MANAGEMENT BOARD (AS OF NOVEMBER 2008)

Michael Zahn
» Speaker of the Management Board
Berlin

Helmut Ullrich
» Member of the Management Board
Berlin

SUPERVISORY (AS OF NOVEMBER 2008)

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» Chairman
Bad Homburg

Dr. Andreas Kretschmer
» Deputy Chairman
Düsseldorf

Jens Bernhardt
Königstein

Matthias Hünlein
Oberursel

Dr. Florian Stetter
Erding

Uwe E. Flach
Frankfurt am Main

REGISTERED OFFICE

Deutsche Wohnen AG

Registered Office
Pfaffenwiese 300
65929 Frankfurt am Main

Mainz Office
Rhabanusstraße 3
55118 Mainz
Telephone +49 (0)6131 4800 301
Fax +49 (0)6131 4800 4441

Berlin Office
Mecklenburgische Straße 57
D–14197 Berlin
Telephone +49 (0)30 89786 0
Fax +49 (0)30 89786 191

E-Mail
ir@deutsche-wohnen.com

deutsche-wohnen.com

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Title photo
Weiße Stadt, Berlin-Reinickendorf, built 1929–1930, 2008 included in the UNESCO World Heritage List – together with two other Berlin housing estates in the Deutsche Wohnen portfolio: Hufeisensiedlung and Siemensstadt.

Deutsche
Wohnen