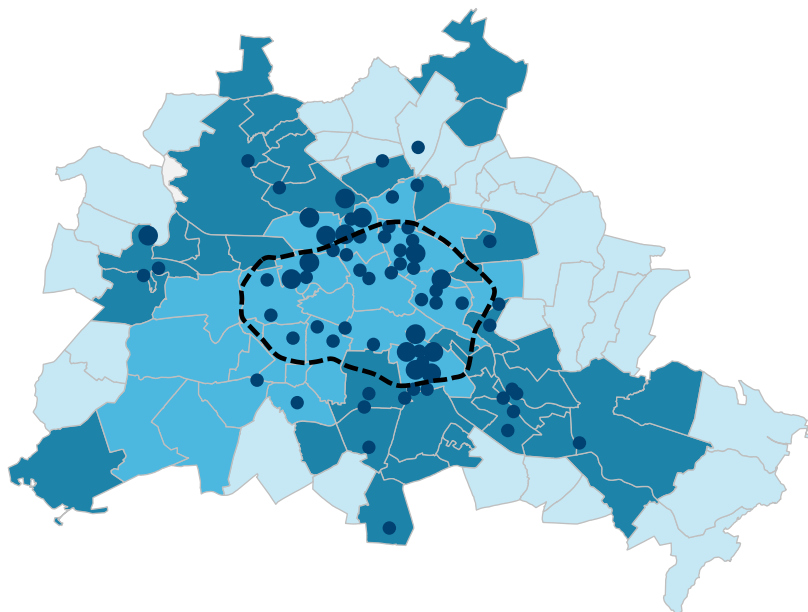


Deutsche Wohnen AG

- » **Portfolio acquisition of c. 4,200 units in Berlin**
6 March 2017

» Acquisition of high quality portfolio in Berlin consisting of c. 3,900 residential units with focus on central locations

Majority of portfolio in central Berlin

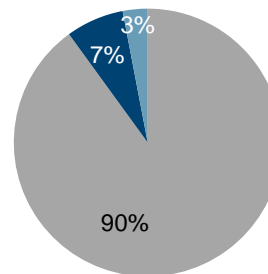


Berlin urban railway circle
■ Hot Spot ■ Growth ■ Stable ● Acquisition portfolio

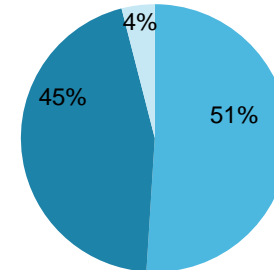
KPIs

Units	4,166
Thereof residential units	3,893
Area (incl. commercial units)	274,000 sqm
Acquisition price	EUR 655m
Implied acquisition price per sqm	EUR 2,390
In-place rent multiple	~30x
Market rent multiple	~20x
Vacancy rate	~7%

Mainly popular „Altbau⁽¹⁾“ located in hot spot and growth areas in Berlin



■ "Altbau"
■ 50's & 60's buildings
■ 90's buildings



■ Hot Spot
■ Growth
■ Stable

1) "Altbau" consists of pre-war buildings

» Attractive pricing in light of rent upside and vacancy potential

Significant upside potential		
	In-place rent	Market rent
Net rent p.a.	EUR 22m	EUR 32m ¹⁾
Residential net rent per sqm	EUR 6.95	EUR >10
Implied net rent multiple	~30x	~20x ¹⁾
Vacancy rate	~7%	<2%

- High quality portfolio of predominantly “Altbau”²⁾ buildings entirely located in Berlin with limited incremental investment needs
- Significant rent upside potential of ~45%
- Vacancy of ~7% (50% capex driven) provides near-term upside potential (Berlin average vacancy <2%)
- Initial EBITDA contribution of c. EUR 15 million
- Closing expected for Q2 2017

- Aim to significantly increase NOI margin (from 67% to more than 80%) mainly through vacancy reduction, rent and property management
- Financing of acquisition from proceeds of recent successful placement of convertible bonds and new shares

1) 2% vacancies assumed, for commercial area the same market rent as for residential considered

2) “Altbau” consists of pre-war buildings

» Mainly consisting of attractive “Altbau” properties



Portfolio exhibition

deutsche-wohnen.com

» Disclaimer

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