

Deutsche Wohnen SE

—
Full Year Results 2019

Conference Call 25 March 2020

Agenda

01 Strategy Update & Highlights

02 Market and Portfolio

03 Financials and Outlook

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Highlights FY 2019

Operating business strong in 2019

- L-f-I rental growth at 3.4% (Berlin at 3.7%), 2019 guidance beat (~3%)
- Average gross margin of almost EUR 800m disposal business at 35%
- Adj. EBITDA (excl. disposals) +16% with margin increase of 4.7pp yoy
- FFO I per share increased by 10% to EUR 1.50 per share – dividend proposal of EUR 0.90 per share

Strong capital growth leading to further uplift of EPRA NAV

- L-f-L valuation uplift of 6%, (including capitalized investments even >7%)
- EPRA NAV per share at EUR 47.02 (+11% yoy)

Acquisition and development

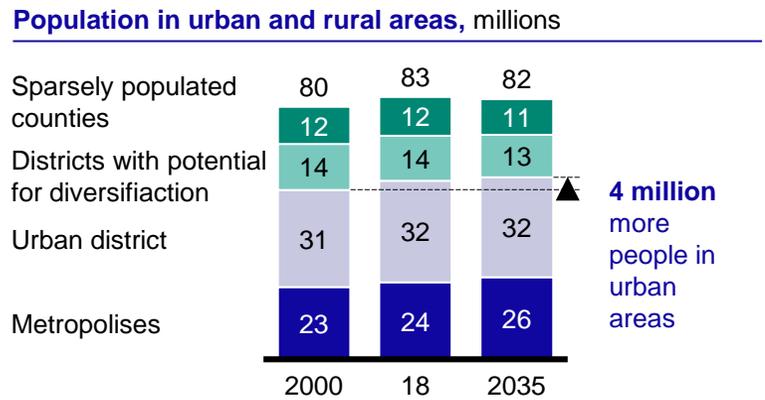
- EUR 600m acquisition of development pipeline with 13 development projects in German metropolitan regions
- Further acquisition of 1,300 residential units in Dresden and Leipzig for EUR 290m
- Continued quality improvement through portfolio recycling

EUR 750m share buyback programme

- 38% of buyback completed for average price of EUR 35.77
- Ongoing buyback of shares through discretionary bank mandate at a significant discount to NAV

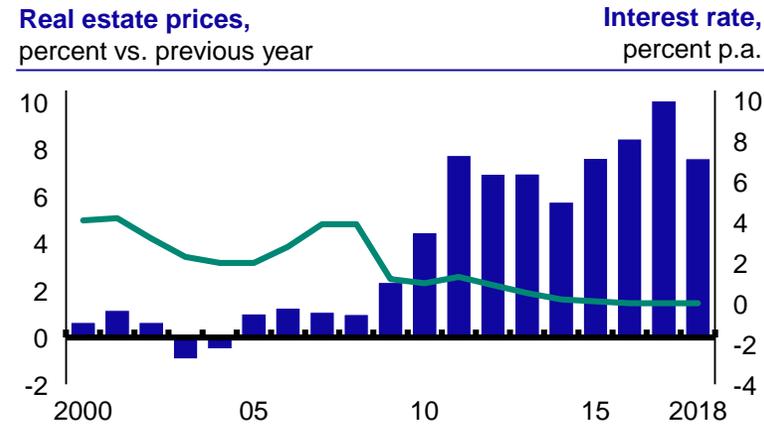
Deutsche Wohnen portfolio ideally positioned to continue to benefit from the existing megatrends

Urbanization



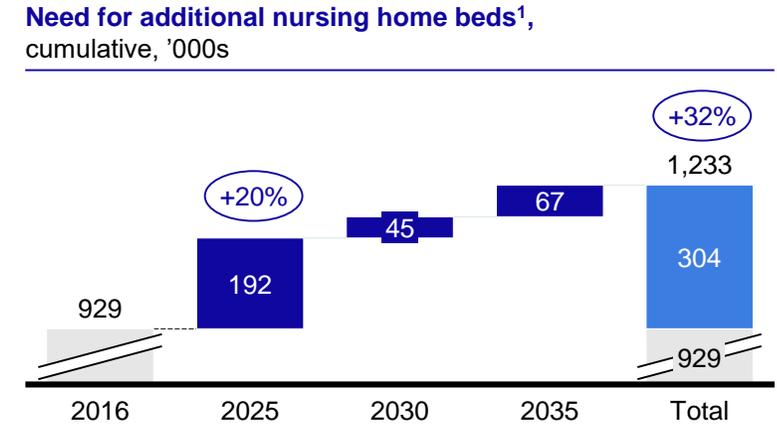
Continued growth of cities anticipated; rural areas to experience dramatic loss in population

Persistent low interest rate period



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

Aging society



A further increase in demand for care expected. In addition, there is currently already an unmet need for Assisted Living housing of 550,000 units



Meeting the **increasing demand for residential space in metropolises** through new construction and redensification of the existing portfolio

Investment pressure in real estate remains high, especially in **growth markets**

The demand for additional care, especially in metropolises, will increase. **Nursing & Assisted Living portfolio is well suited to meet this demand.** Further potential through the construction of new nursing home facilities

¹ Assumption of constant regular utilization and proportional (linear) correlation to development of the older demand group
 Source: Berlin Institute for Population and Development; federal and federal state statistics offices; Deutsche Bundesbank; ECB; DB research; CareInvest; Germany's Nursing Home Atlas 2018

Acquisition of attractive development platform to enter new metropolitan regions

Strengthen footprint in metropolitan regions within Germany

- Provide new housing in metropolitan regions with strong supply demand imbalance
- Continued focus on value generation through quality improvement
- Attractive development pipeline in prospering metropolitan regions
- Improve CO2 footprint through sustainable, environmental friendly new construction

Deepening of value chain

- Established development pipeline provides additional growth potential
- Flexibility of use (build to hold/ build to sell)

Increase scale in development and transfer of know-how

- Ramp-up development activities by creating a development platform on a holding level
- Advantages through knowledge transfer

Making use of strong financing capacities on a holding level

- Strong balance sheet provides financing advantage
- Synergies with Deutsche Wohnen's existing development in residential and nursing & assisted living segments

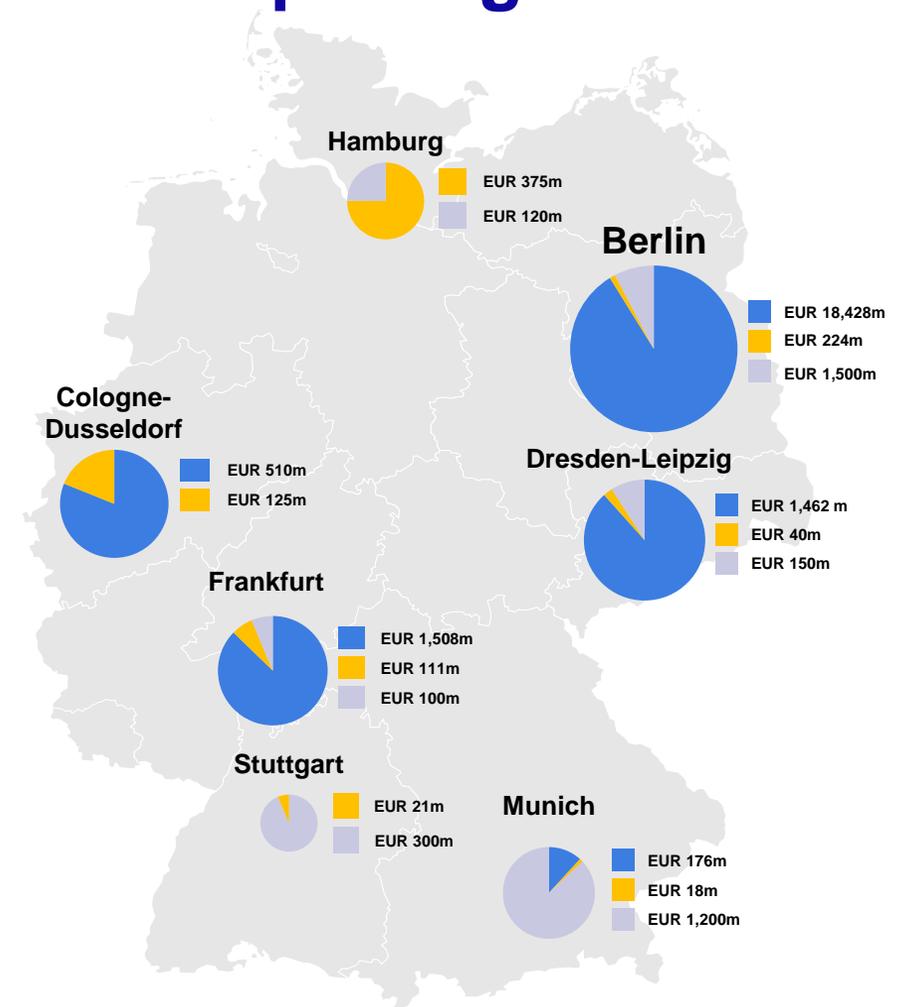
Isaria will strengthen our focus on dynamic hotspot regions

Metropolises	GAV/GDV* (EUR m)	%	Residential (EUR m)	Nursing & Assisted Living (EUR m)	Development** (EUR m)
Berlin	20,202	76	18,428	224	~1,500
Frankfurt	1,727	7	1,508	111	~100
Dresden-Leipzig	1,653	6	1,462	40	~150
Munich	1,485	6	176	18	~1,200
Cologne-Dusseldorf	635	2	510	125	0
Hamburg	499	2	0	375	~120
Stuttgart	333	1	0	21	~300
Total	26,535	100	22,084	914	>3,000

*excluding portfolio outside of hotspot regions (combined 24,000 units nation-wide)

**combined Isaria & DW; excluding Nursing & Assisted Living

▪ **Maintaining scope on residential platform; acquisition complements existing focus of DW's portfolio regions and facilitates access to southern Germany**

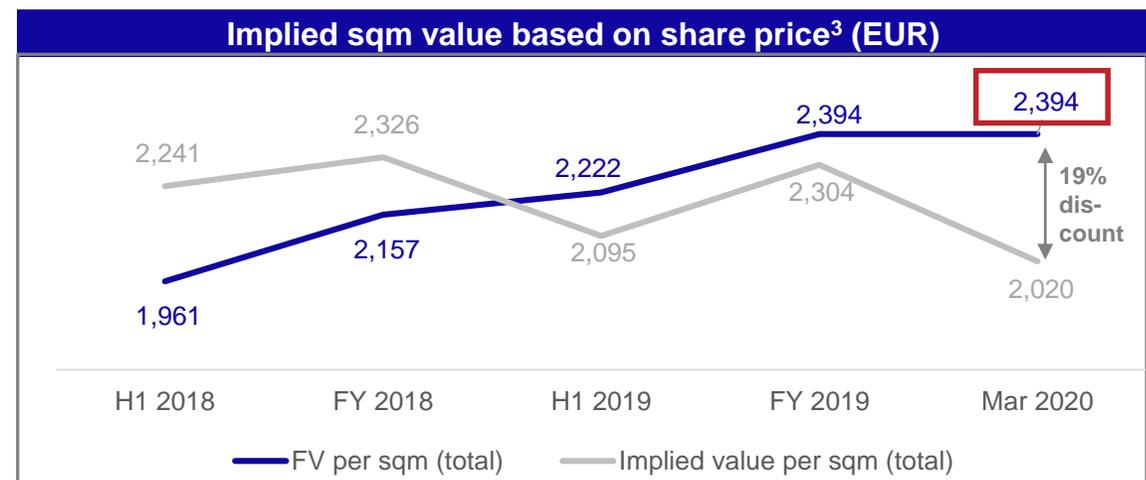
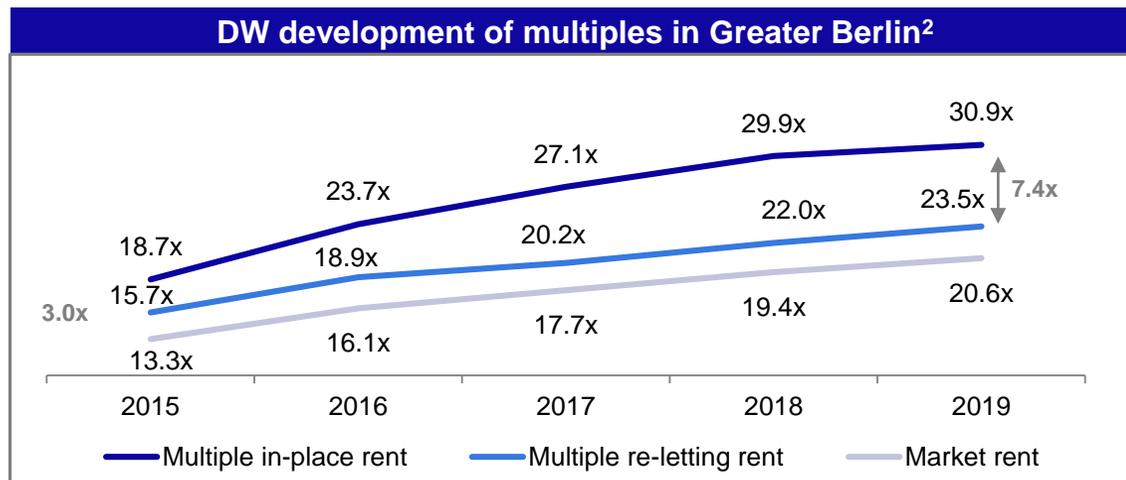


Value generation for all stakeholders



Focussed portfolio attractively valued

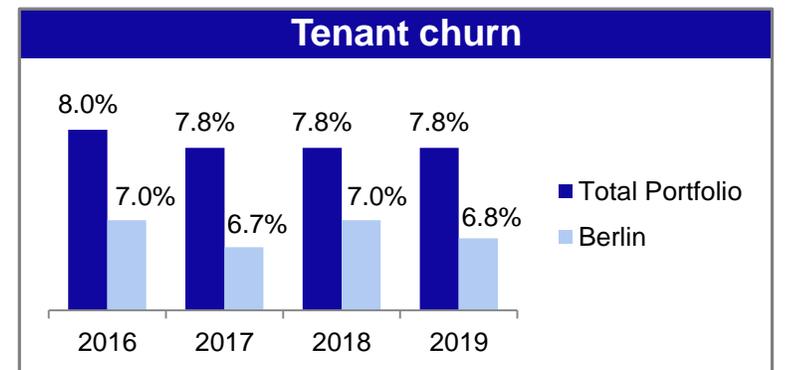
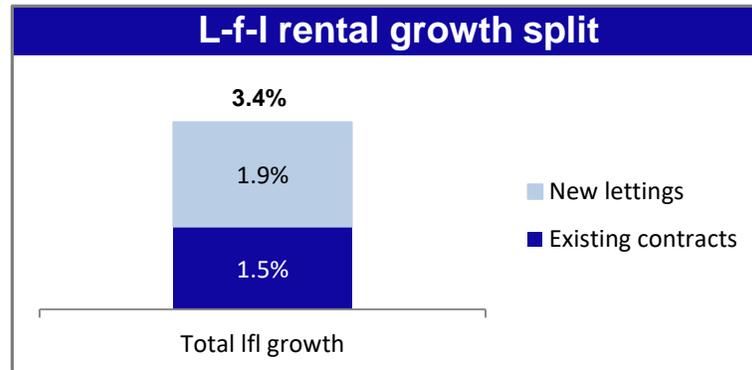
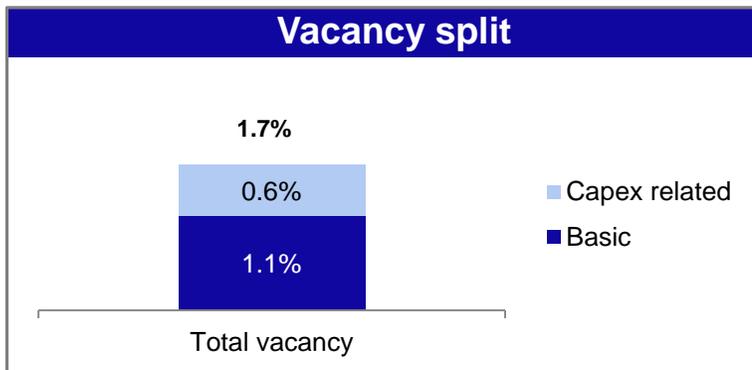
Strategic cluster	Residential units (#)	% of total (measured by fair value)	In-place rent (EUR/sqm/month)	Fair value (EUR/sqm)	Multiple in-place rent (x)	Multiple re-letting rent (x)	Reversionary potential ¹ (in EUR/sqm/month)	Vacancy (in %)
Core ⁺	148,168	95.3%	7.02	2,490	29.5	22.8	2.21	1.7%
Core	12,949	4.7%	6.00	1,356	19.1	15.8	1.06	3.0%
Non-core	144	<0.1%	5.15	638	11.0	9.7	0.89	6.7%
Total	161,261	100%	6.94	2,394	28.8	22.4	1.97	1.8%
<i>Thereof Greater Berlin</i>	<i>115,740</i>	<i>76.0%</i>	<i>6.95</i>	<i>2,584</i>	<i>30.9</i>	<i>23.5</i>	<i>2.22</i>	<i>1.4%</i>



1 Unrestricted residential units (letting portfolio); reversionary potential = re-letting rent compared to in-place rent (letting portfolio)
 2 Market rent based on CBRE asking rents and Deutsche Wohnen Fair Values
 3 Calculation based on market cap plus net debt divided by area in sqm based on Deutsche Wohnen share price of EUR 29.39 as per 23 March 2020
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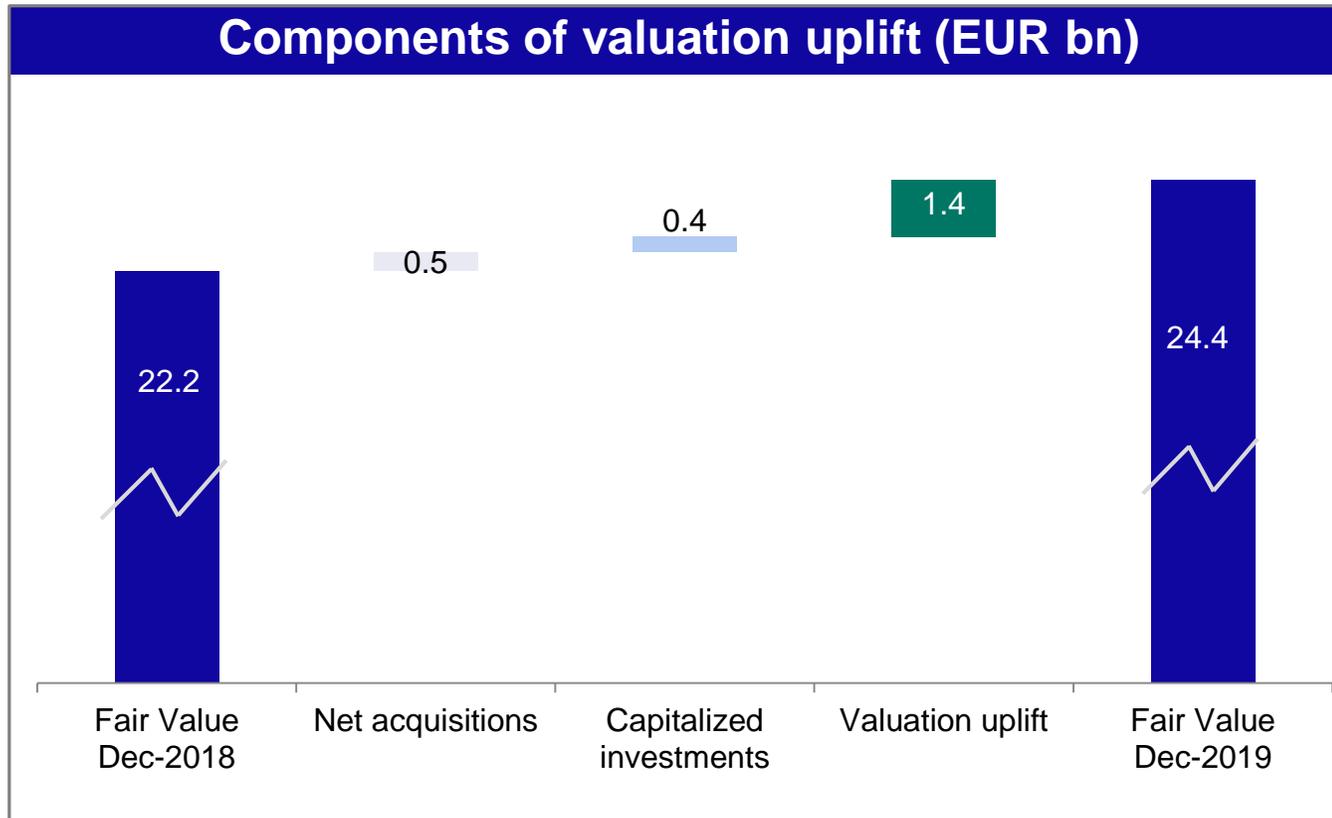
Like-for-like development above guidance with 3.4%

Like-for-like 31/12/2019	Residential units (#)	In-place rent 31/12/2019 (EUR/sqm/month)	In-place rent 31/12/2018 (EUR/sqm/month)	Change (y-o-y)	Vacancy 31/12/2019 (in %)	Vacancy 31/12/2018 (in %)	Change (y-o-y)
Letting portfolio ¹	150,789	6.89	6.66	3.5%	1.5%	1.9%	-0.4 pp
Core ⁺	138,264	6.97	6.74	3.5%	1.4%	1.9%	-0.5 pp
Core	12,525	6.01	5.85	2.8%	2.9%	2.5%	0.4 pp
Total	156,750	6.87	6.64	3.4%	1.7%	2.0%	-0.3 pp
Thereof Greater Berlin	110,656	6.97	6.72	3.7%	1.3%	1.8%	-0.5 pp



¹ Excluding non-core and disposal stock

Total value uplift of EUR 1.4bn

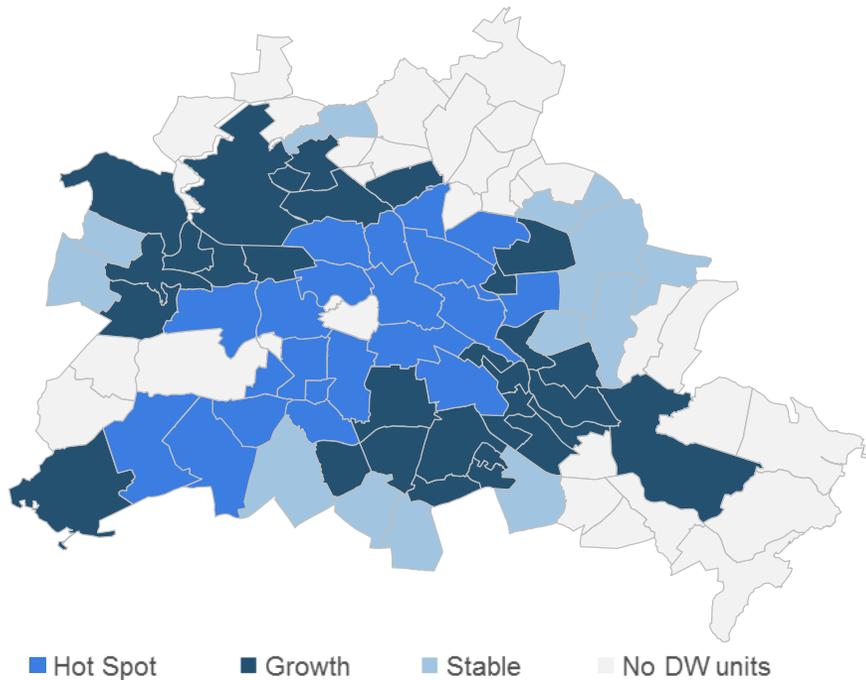


Uplift by clusters

	% of Fair Value	2019 Fair Value EUR/m ²	2018 Fair Value EUR/m ²	Change in Fair Value
Core+	95.3%	2,490 €	2,284 €	9.0%
Hotspot	31.8%	3,105 €	2,826 €	9.9%
Growth	44.5%	2,441 €	2,244 €	8.8%
Stable	19.0%	1,939 €	1,803 €	7.6%
Core	4.7%	1,356 €	1,217 €	11.5%

▪ 6% capital growth on a I-f-I basis, including capitalized investments even >7%

Berlin valuation overview



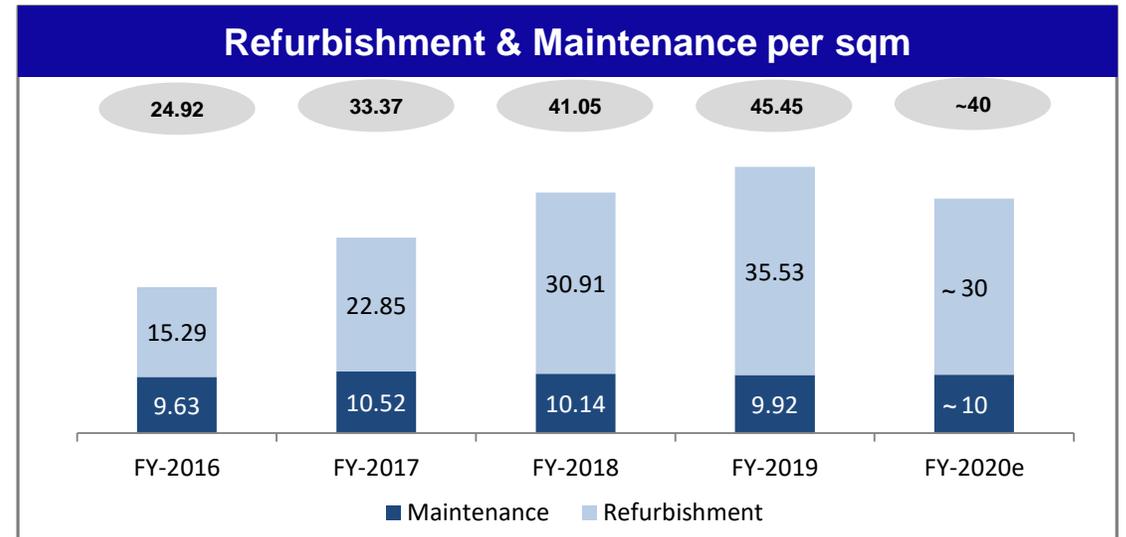
As of 31/12/2019	Hot Spot City centre & wealthy southwest	Growth City-edge areas	Stable Big outskirts settlements	Total Berlin
Residential units ¹⁾	36,138	46,708	28,834	111,680
Share in FV	38.3%	40.0%	21.7%	100.0%
In-place rent in EUR/sqm	7.46	7.01	6.33	6.96
Re-letting multiple	24.4x	24.0x	21.7x	23.6x
Reversionary potential (EUR/sqm/month)	3.28	2.00	1.53	2.29
Vacancy	2.3%	1.3%	0.7%	1.5%
FV in EUR/ sqm	3,071	2,614	2,043	2,605
Multiple in-place rent	34.6x	31.0x	26.8x	31.2x

▪ Fair Value per sqm increased by c. 7% in Greater Berlin to EUR 2,584 (Berlin EUR 2,605)

▪ Price development of Deutsche Wohnen condominium's reaches EUR 3,200 on average in Berlin

Ongoing investments into the portfolio

	FY-2019		FY-2018	
	EUR m	EUR / sqm ¹	EUR m	EUR / sqm ¹
Maintenance (expensed through p&l)	102.4	9.92	102.9	10.14
Refurbishment (capitalized on balance sheet)	366.7	35.53	313.5	30.91
Total	469.1	45.45	416.4	41.05

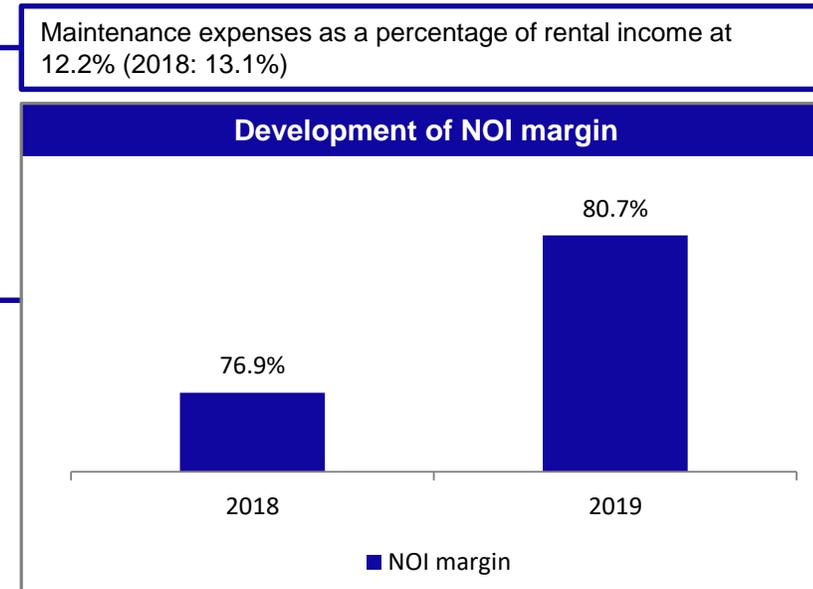


- Re-letting investments delivered a yield on cost of c. 10% (unlevered) in 2019
- Total investments of EUR 400m expected for 2020 including re-letting investments to manage rental development according to the nationwide regulation
- Around 90% of complex refurbishment investments have been allocated towards hot spot and growth regions

¹ Annualized figure, based on quarterly average area

Strong letting business leading to improved NOI margin

in EUR m	FY-2019	FY-2018
Income from rents (rental income)	837.3	785.5
Income relating to utility/ ancillary costs	359.4	337.4
Income from rental business	1,196.7	1,122.9
Expenses relating to utility/ ancillary costs	(350.7) ¹	(347.2)
Rental loss	(7.1)	(7.7)
Maintenance	(102.4)	(102.9)
Others	(6.7) ¹	(8.9)
Earnings from Residential Property Management	729.8	656.2
Personnel, general and administrative expenses	(54.5) ¹	(52.2)
Net Operating Income (NOI)	675.3	604.0
NOI margin in %	80.7¹	76.9
NOI in EUR / sqm / month	5.45	4.96



▪ Rental income growth of 6.6%. NOI margin increased by 3.8pp (+1.5pp without accounting effects)

¹ Due to the first time application of IFRS 16 of EUR 18.9m (relating to utility and ancillary cost) limited comparability to 2018

Attractive margins of disposal business despite revaluations

Disposals	Privatization		Institutional sales		Total	
	FY-2019	FY-2018	FY-2019	FY-2018	FY-2019	FY-2018
with closing in						
No. of units	314	374	6,867	1,597	7,181	1,971
Proceeds (EUR m)	90.0	68.7	677.3	111.6	767.3	180.3
Book value (EUR m)	56.3	48.8	513.3	81.4	569.6	130.2
Price in EUR per sqm	3,435	2,444	1,614	1,025	1,722	1,317
Earnings (EUR m)	25.6	14.5	160.5	28.6	186.1	43.1
Gross margin	60%	41%	32%	37%	35%	39%
Cash flow impact (EUR m)	78.6	60.4	672.0	84.4	750.6	144.8

- Total gross margin of 35% despite high proportion of below average product disposed in 2019
- Achieved privatization prices in Berlin on average >3,200 EUR/sqm in 2019
- Continued strong demand for residential properties to be used for selected disposals to further enhance the overall portfolio quality

Note: Table only considers disposals that already had transfer of titles

Major disposal portfolios in 2019

	Residential portfolios		Nursing portfolio
Region	Kiel, Lübeck, Chemnitz	Berlin	Across Germany
No. of units	6,350	2,175	13 externally managed facilities
Signing	Aug-19	Dec-19	Dec-19
Disposal price	EUR 615m	EUR 358m	EUR 160m
Disposal price per unit	c. EUR 1,600 per sqm	c. EUR 2,280 per sqm	EUR 93k per unit
Gross margin	34%	30%	At book value
Rental impact 2020 / p.a.	- EUR 28m/ - EUR 28m p.a.	- EUR 2.9m/ - EUR 12.5m p.a.	- EUR 9m/ - EUR 12m p.a.
Transfer of titles	Dec 2019	Q4 2020 / Q1 2021	Q2 2020

▪ **Opportunistic portfolio streamlining to continue in 2020**

Increasing EBITDA contribution from Nursing business

Operations (in EUR m)	FY-2019	FY-2018
Total income	225.2	98.8
Total expenses	(206.7)	(92.3)
EBITDA operations	18.5	6.5
EBITDA margin	8.2%	6.6%
Internal lease expenses properties	26.8	15.7 ¹
EBITDAR	45.3	22.2
EBITDAR margin	20.1%	22.5%

Assets (in EUR m)	FY-2019	FY-2018
Lease income	72.2	51.7
Total expenses	(2.4)	(2.9)
EBITDA assets	69.8	48.8

Operations & Assets (in EUR m)	FY-2019	FY-2018
Total EBITDA	88.3	55.3

in EUR m	FY-2019	FY-2018
Nursing & Assisted Living	207.2	85.2
Other	18.0	13.6

in EUR m	FY-2019	FY-2018
Staff	(138.2)	(54.2)
Rent / lease (inter-company) ¹	(26.8)	(15.2)
Other	(41.7)	(22.9)

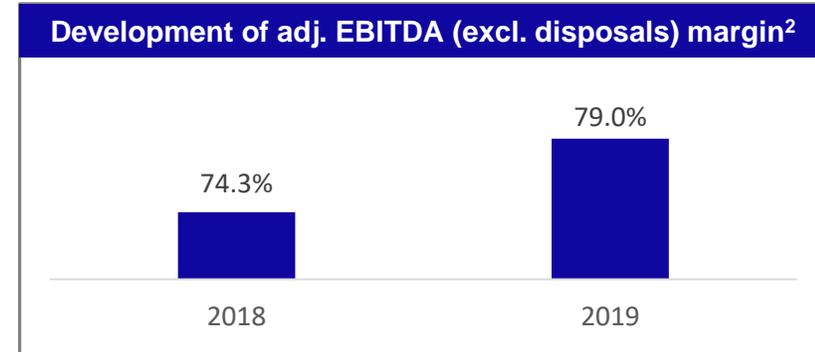
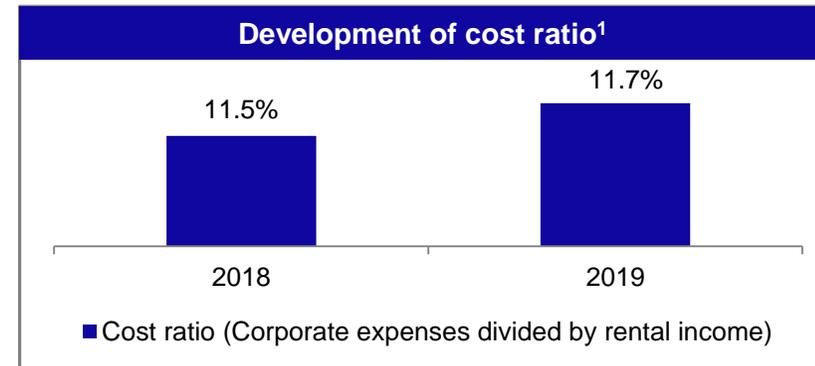
2019 saw further pressure on EBITDAR margin from integration of P&W Hamburg

- Fair value of nursing facilities unchanged at EUR 1.3bn with contracted annual lease revenues of ~ EUR 70m

¹ Limited comparability with FY-2018 figures as a result of first time application of IFRS 16

All business segments contributed towards EBITDA growth

in EUR m	FY-2019	FY-2018
Earnings from Residential Property Management	729.8	656.2
Earnings from Disposals	186.1	43.1
Earnings from Nursing and Assisted Living	88.3	55.3
Segment contribution	1,004.2	754.6
Corporate expenses	(101.4)	(93.7)
Other operating expenses/income	(29.7)	(1.8)
EBITDA	873.1	659.1
One-offs	28.1	2.9
Adj. EBITDA (incl. Disposals)	901.2	662.0
Earnings from Disposals	(186.1)	(43.1)
Corporate expenses for Disposals	3.5	3.1
Adj. EBITDA (excl. Disposals)	718.6	622.0

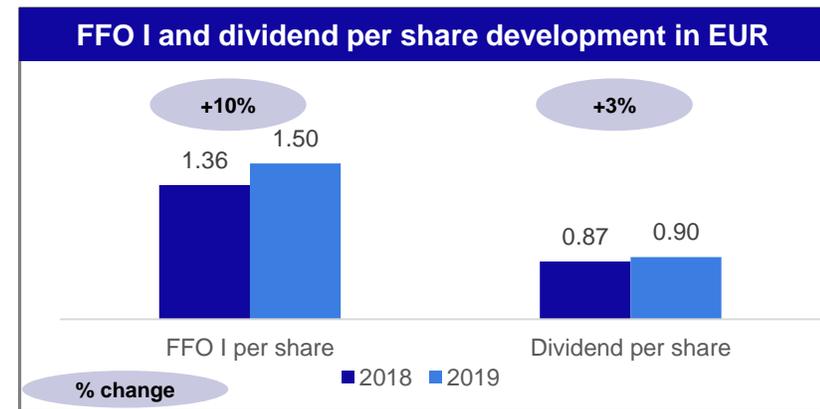
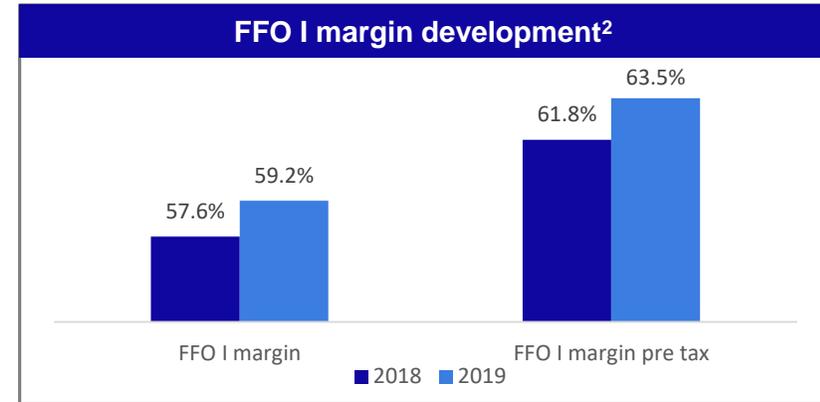


- Stable development of cost ratio with 11.7% in 2019
- Adjusted EBITDA margin (excl. disposals) increased by 4.7pp, excluding accounting effects by 2.1pp

1 Personnel and other administrative cost, related to disposals, are excluded
 2 Defined as adj. EBITDA excluding disposals divided by rental and lease income
 deutsche-wohnen.com

FFO I per share growth of 10% yoy to EUR 1.50

in EUR m	FY-2019	FY-2018
EBITDA (adjusted)	901.2	662.0
Earnings from Disposals	(186.1)	(43.1)
Corporate expenses for Disposals	3.5	3.1 ¹
Finance lease broadband cable network	2.9	2.0
Long-term remuneration compensation (share based)	0.0	0.3
At equity valuation	2.8	2.6
Interest expense/ income (recurring)	(136.5)	(103.6)
Income taxes	(39.7)	(34.5)
Minorities	(10.0)	(6.3)
FFO I	538.1	482.5
Earnings from Disposals	186.1	43.1
Corporate expenses for Disposals	(3.5)	(3.1)
FFO II	720.7	522.5
Weighted avg. number of shares outstanding (m)	358.1	355.7
FFO I per share in EUR	1.50	1.36



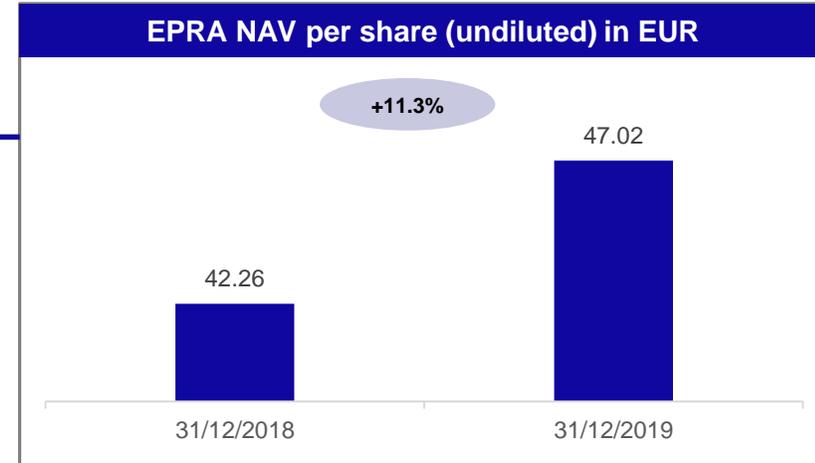
- **Solid FFO I growth of c. 10% to EUR 1.5 per share**

¹ Personnel and other administrative cost, related to disposals, are no longer included in FFO I. Prior year figures were changed, accordingly

² FFO I margin defined as FFO I divided by rental and lease income

Strong capital growth reflected in EPRA NAV per share, up 11%

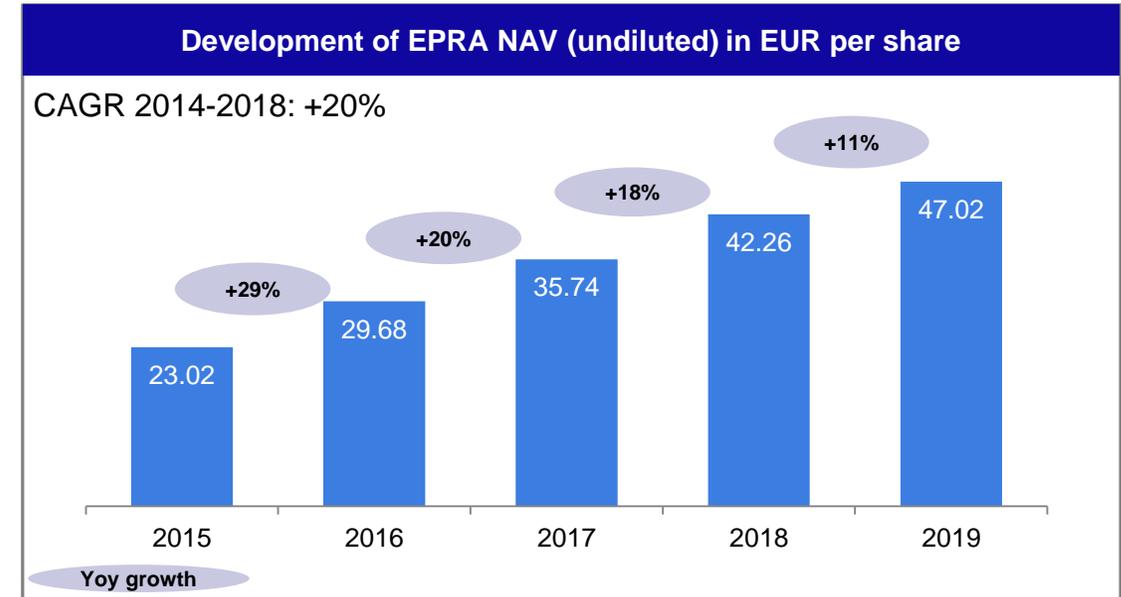
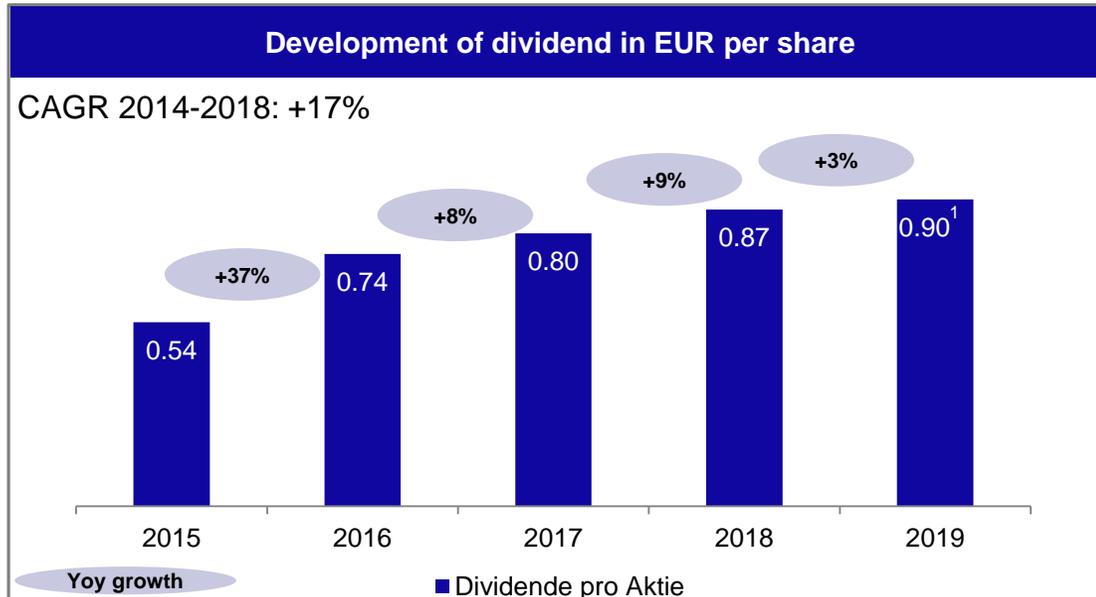
in EUR m	31/12/2019	31/12/2018
Equity (before non-controlling interests)	12,700.4	11,559.1
Fair values of derivative financial instruments	50.8	14.6
Deferred taxes (net)	4,040.1	3,514.1
EPRA NAV (undiluted)	16,791.3	15,087.8
<i>Shares outstanding in m</i>	357.1	357.0
EPRA NAV per share in EUR (undiluted)	47.02	42.26
Effects of exercise of convertibles ¹	0.0	0.0
EPRA NAV (diluted)	16,791.3	15,087.8
<i>Shares diluted in m</i>	357.1	357.0
EPRA NAV per share in EUR (diluted)	47.02	42.26



- EPRA NAV increased by 11% yoy

¹ Effects of convertible bonds are only considered if the respective instruments are in the money/ dilutive. Currently both convertible bonds are out-of-the-money

Strong generation of total shareholder return



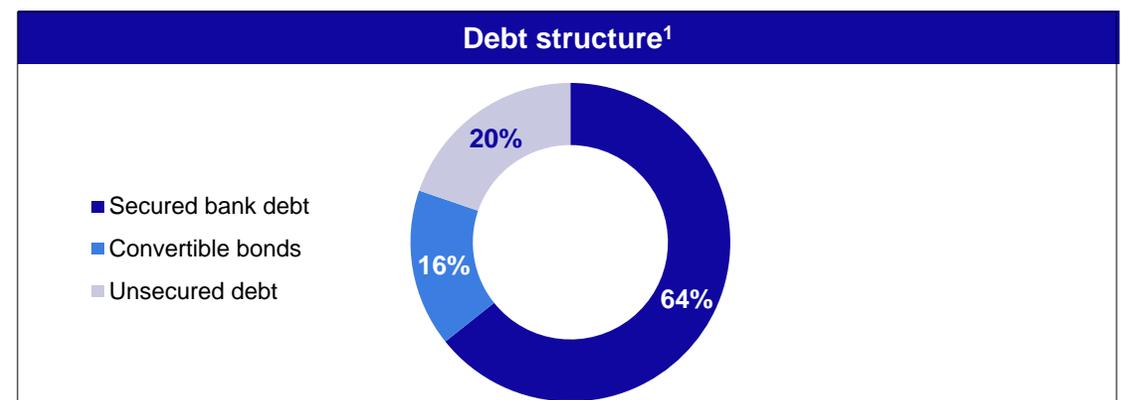
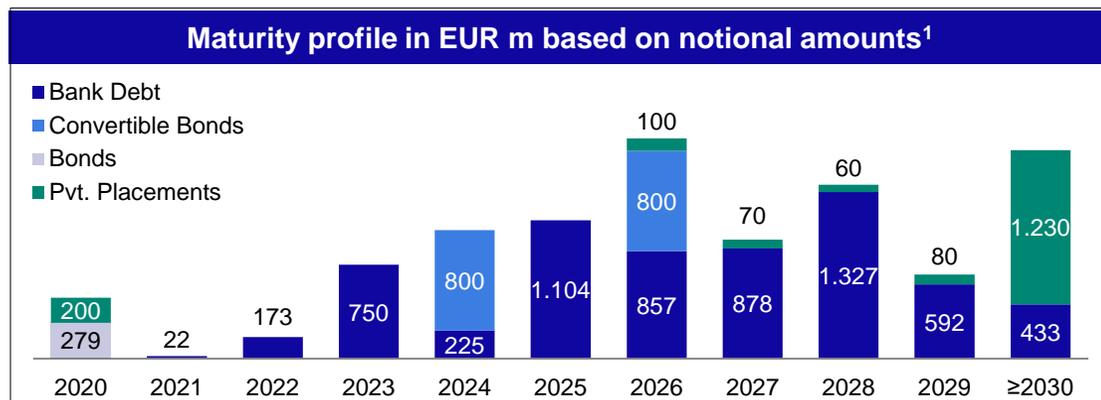
- DW consistently generated high shareholder return based on capital growth and dividend payments while reducing its risk profile
- Considering suggested dividend of EUR 0.90 per share, DW expected to deliver a shareholder return for 2019 of EUR 5.66 or c. 13% of 2018 EPRA NAV (undiluted)

¹ To be decided by AGM 2020

Conservative long-term capital structure

Rating	A- (negative outlook) / A3 (negative outlook)
Ø maturity	~ 7.5 years
% secured bank debt	63%
% unsecured debt	37%
Ø interest cost	~ 1.3% (~ 88% hedged)
LTV target range	35-40%

- < EUR 700m upcoming maturities in next 3 years
- Prolongation of EUR 400m RCFs until 2022
- LTV at 35.4% as of 31 December 2019
- ICR (adjusted EBITDA excl. disposals / net cash interest) ~5.7x
- Short-term access to c. EUR 1bn liquidity through CP program and RCFs



¹ As of 31 December 2019; excluding commercial papers

Update on Berlin rent regulation

Subject	Final details of rent freeze law	Timing	Implications
Rent reductions at 120% of rent ceiling	Landlords are not allowed to receive higher rents than requested according to the rent freeze law (before tenants had to apply for rent reductions)	Starting from 23 rd November 2020	<ul style="list-style-type: none"> Rental income of c. EUR 500m affected by regulation Rental loss expected to be c. EUR 9m in 2020 and c. EUR 31m in 2021 This translates into 4-5% of total income which is at risk Negative rental impact expected to be recovered in case unconstitutionality of Berlin rent freeze law has been confirmed by highest court
Reversal of rent increases ¹	Rent increases after 18 th June 2019 need to be revoked going forward but not retroactively	Starting from 23 rd February 2020	
New lettings	At respective rent ceiling level or previous tenant's rent (if lower)	Starting from 23 rd February 2020	
Inflation adjustments	Inflation adjustments from 2022 onwards and in line with wage inflation	As of 2022	

▪ We are convinced that the new rent freeze law in Berlin is not in line with the constitution. Some local and district court rulings support this view

▪ Constitutional review (Normenkontrollklage) expected to be submitted by CDU and FDP in Q2 2020

¹ Mainly affects rent increases between June 18th 2019 and February 23rd 2020 from index adjustments

Delivery on guidance 2019 and outlook for 2020

	FY 2019	FY 2020 / comments
FFO I (EUR m)	<p>535 538.1 Guidance Delivery</p>	<ul style="list-style-type: none"> FFO I flat
LTV	<p>35-40% 35.4% Guidance Delivery</p>	<ul style="list-style-type: none"> 35-40% target range
Like-for-like rental growth	<p>3% 3.4% Guidance Delivery</p>	<ul style="list-style-type: none"> c. 1% I-f-I rental growth on a cash flow basis
Disposals	<p>Gross margin 35% Delivery</p>	<ul style="list-style-type: none"> Focus on opportunistic disposals predominately in Core regions
Dividend	<ul style="list-style-type: none"> For 2019 we will propose a dividend per share of EUR 0.90 at the AGM, resulting in a pay-out of c. 60% of FFO I Reduction of pay-out ratio from originally 65% to 60% to finance EUR 30m relief fund for tenants affected by the Corona crisis 	

1 FFO I guidance does not include recent acquisitions

2 To be decided by AGM 2020

Appendix

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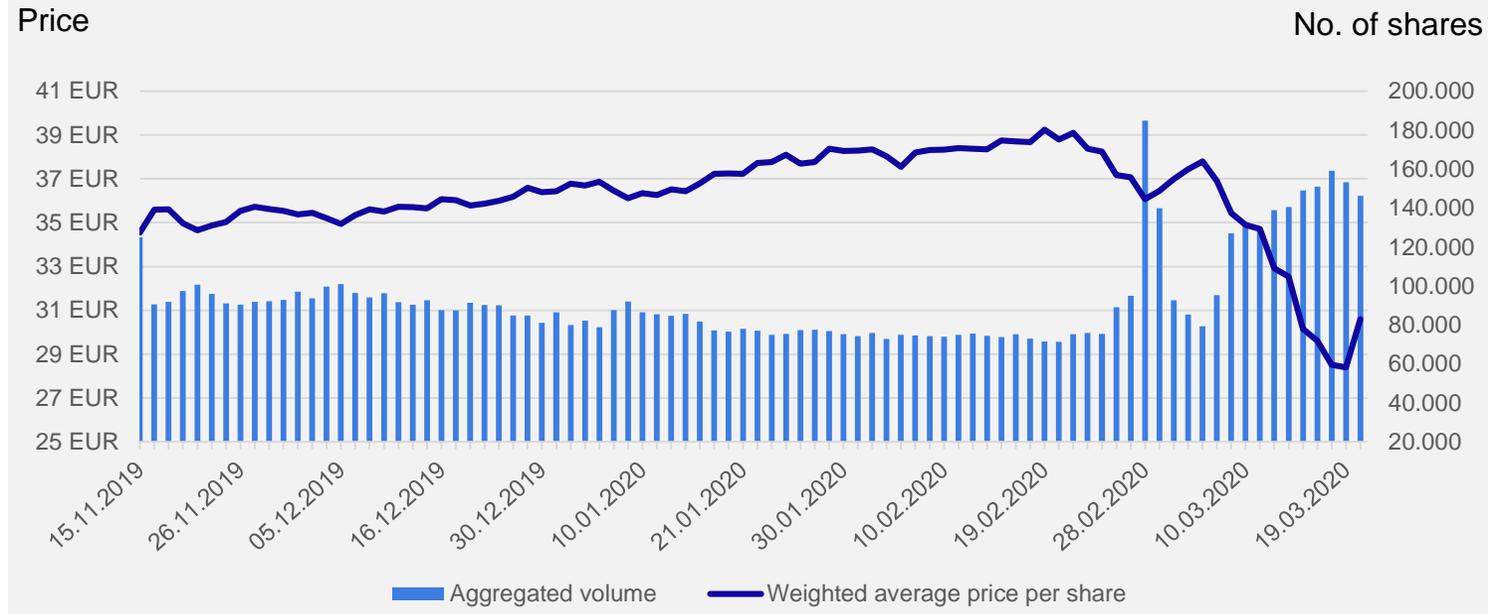


Update on Share Buyback program (as of 20 March 2020)

Key Terms of SBB

- **Volume**
 - up to EUR 25m shares, or
 - up to EUR 750m
- **Time period**
 - 15th Nov 2019 to 30th Oct 2020
- **Technical details**
 - External mandate for execution
 - Purchased at market prices
 - Up to 25% of daily XETRA volume
 - SBB can be suspended and resumed at any time
- **Disclosure**
 - Weekly updates on webpage

Development of SBB – average price vs volume in shares



Status quo

No. of shares purchased	8.03m	Settlement amount	EUR 287.4m
% of buyback completed	38.3%	Average price	EUR 35.7794

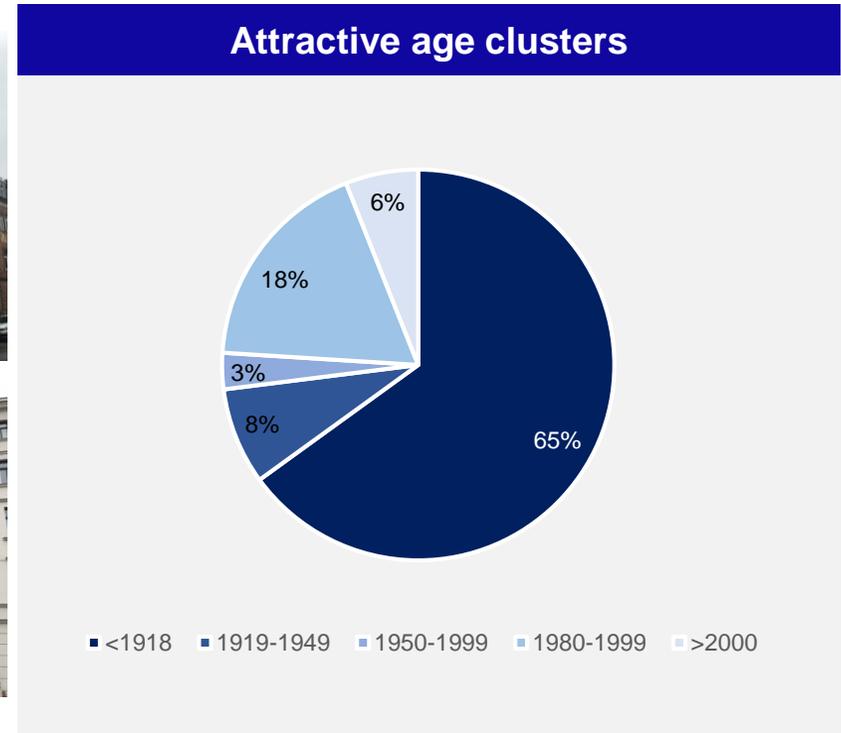
Acquisition and Development

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Bolt-on acquisition in Dresden-Leipzig metropolitan area

Object of purchase	<ul style="list-style-type: none"> 1,318 residential units 144 commercial units
Acquisition price	<ul style="list-style-type: none"> EUR 290m / c. EUR 2,560 per sqm
Net cold rent	<ul style="list-style-type: none"> EUR 9m p.a.
Multiple	<ul style="list-style-type: none"> 35x in-place rent Vacancy rate of c. 10%
Deal type	<ul style="list-style-type: none"> Asset deal
Financing	<ul style="list-style-type: none"> Through balance sheet capacity and targeted disposal proceeds
Expected closing	<ul style="list-style-type: none"> Q3 2020



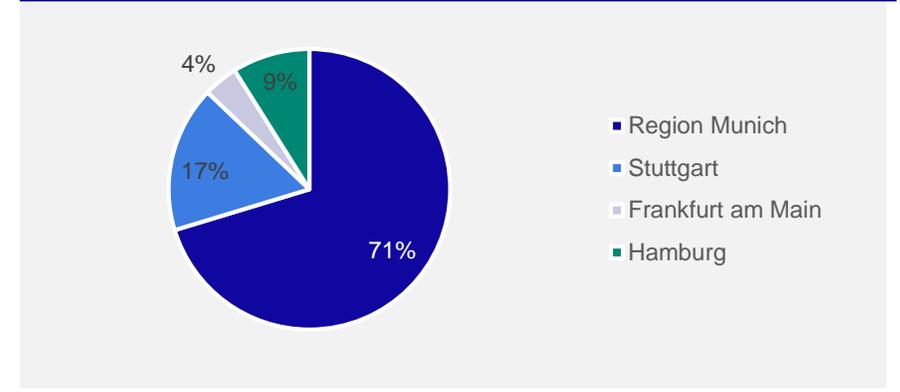
- Increasing our exposure to Dresden-Leipzig area to c. 11,000 units
- Further enhancing overall portfolio quality – acquired units offer potential for future privatization

Isaria – Strong development pipeline across asset classes

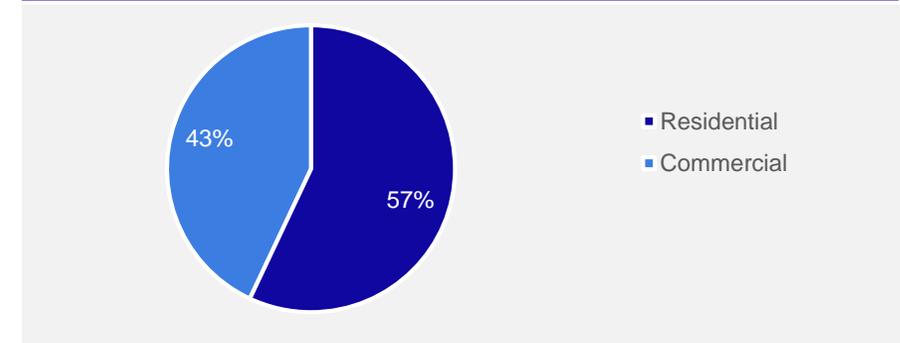
Object of purchase	<ul style="list-style-type: none"> 13 development projects of ISARIA AG
Acquisition price	<ul style="list-style-type: none"> c. EUR 600m (enterprise value)
Exp. Rent for pipeline	<ul style="list-style-type: none"> EUR 60m p.a. / c. EUR 15 per sqm Thereof 2,700 residential units
Investment	<ul style="list-style-type: none"> Total investments EUR 1.8bn
Initial yield	<ul style="list-style-type: none"> 3.3% / multiple 30x
Financing	<ul style="list-style-type: none"> Debt financing Further asset disposals Deutsche Wohnen LTV to be kept in target range
Expected closing	<ul style="list-style-type: none"> Q2-Q3 2020



Regional split of pipeline (by area)



Development split of asset classes (by area)



▪ Residential development capabilities to provide political support in addressing supply demand imbalance in German cities

Berlin rent freeze

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Key points of Berlin rent regulation in force since 23rd of February 2020

General

- Applies to all residential apartments except for subsidized housing stock and new construction (age cluster after 2014)
- Rents are basically fixed to the rent level of June 18th, 2019 for 5 years and rent caps between 3.92 and 9.80 EUR/sqm have been defined
- Landlords shall provide existing tenants and new tenants with information on the applicable rent and the relevant criteria within 2 months after application
- Penalty fines of up to EUR 500k for individual cases

Existing contracts

- Modernization increase up to 1 EUR/sqm possible if rent caps are exceeded by max. 1 EUR and only for defined measures
- Rent ceiling levels can increase by 1 EUR if at least three of five defined quality criteria are fulfilled
- Starting from 2022 and up to 1.3% p.a. inflation adjustment up to the rental ceiling depending on wage inflation
- If individual rent level exceeds 120% of the respective cap landlords have to reduce rent (starting from 23rd Nov 2020)

New lettings

- The lower of rent ceiling or rent level of the previous tenant
- Rent ceiling levels can increase by 1 EUR if at least three of five defined quality criteria are fulfilled

Deutsche Wohnen Berlin properties clustered by building age

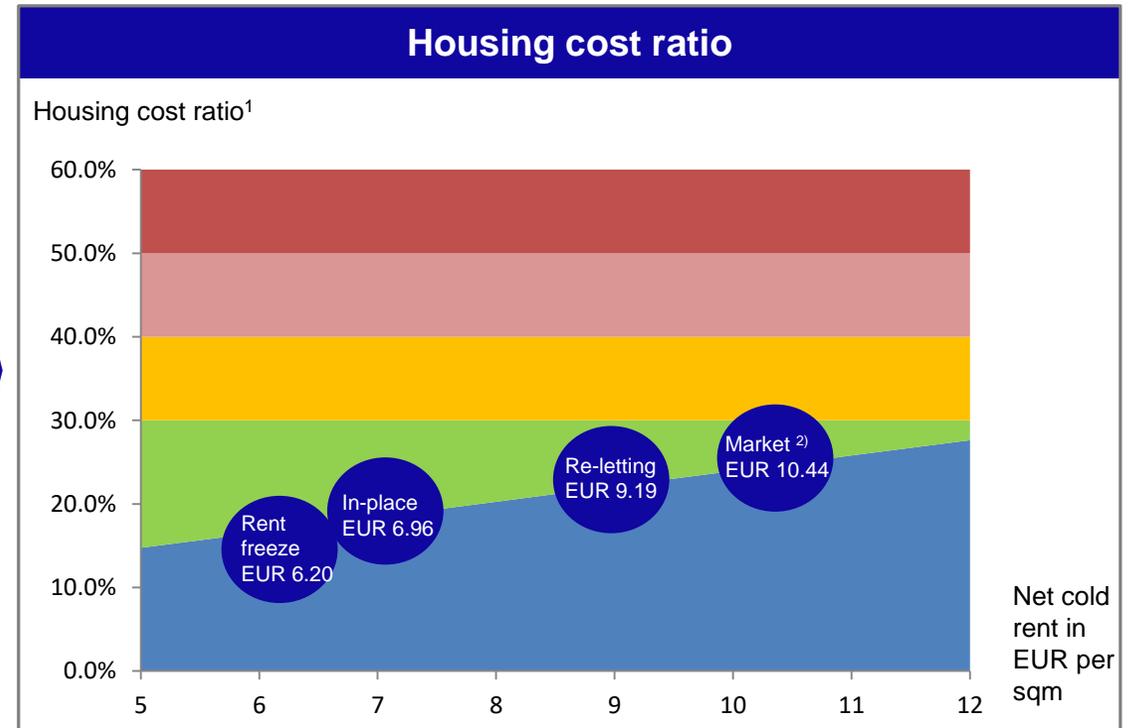
Age cluster	DW proportion ¹⁾	Rental ceiling (EUR/sqm/month)	Average net cold rent per month based on rental ceiling ³⁾ (EUR)
< 1918	6%	6.45	387
1919-1949	32%	6.27	376
1950-1964	26%	6.08	365
1965-1972	9%	5.95	357
1973-1990	20%	6.04	362
1991-2002	4%	8.13	488
Ø Deutsche Wohnen		EUR 6.20²⁾ rental ceiling vs EUR 6.96 DW in-place rent	372

- Average rental cap at EUR 6.20 per sqm and c. 11% below Deutsche Wohnen in-place rent of EUR 6.96 per sqm for the Berlin portfolio
- Average monthly rent would amount to EUR 372 per month for a 60sqm apartment, regardless of individual income situation, micro-location and quality
- Berlin rent regulation is structured to provide relief for high income households

Source: Senatsverwaltung für Stadtentwicklung
 1) Focus on relevant Deutsche Wohnen clusters >3% of Berlin portfolio
 2) Weighted average rental ceiling for unrestricted units of Deutsche Wohnen portfolio in Berlin according to proposed law
 3) Based on 60 sqm apartment for typical 2 person household

Size matters – Deutsche Wohnen’s below average apartment size is a clear affordability advantage

Affordability of average Deutsche Wohnen flat in Berlin				
	DW In-place rent	DW-rent freeze	DW re-letting rent	Market rent ²
Net cold rent per sqm (EUR)	6.96	6.20	9.19	10.44
Ancillary cost per sqm (EUR)	3.00	3.00	3.00	3.00
Gross rent per sqm (EUR)	9.96	9.20	12.19	13.44
Monthly rent (EUR)	598	552	731	806
Housing cost ratio ¹	18%	17%	22%	25%



▪ Average apartment size of c. 60 sqm on average screens affordable

¹ Based on net disposable household purchasing power in Berlin at EUR 3,258 according to CBRE 2018 (CBRE 2017: EUR 3,046)

² CBRE asking rent Berlin in 2019 at EUR 10.44 per sqm

Sustainability



CSR Ratings continuously improved

	Participation DW since	Rating 2015	Rating 2016	Rating 2017	Rating 2018	Rating 2019
<p>(a) = active (r) = reactive</p>	2015	No award	No award	Most Improved Gold Award	Gold Award	Gold Award
	2013	„Green Star” (2 of 5 stars; 48/100)	„Green Star” (2 of 5 stars; 50/100)	„Green Star” (2 of 5 stars; 53/100)	„Green Star” (2 of 5 stars; 56/100)	„Green Star” (2 of 5 stars; 65/100)
	2015	D- (= „poor”) / Not Prime	D+ (= „poor”) / Not Prime	D+ (= „poor”) / Not Prime	C (= „medium”) / Prime Status	C (= „medium”) / Prime Status confirmed
	2014	53/100 = Average Performer	53/100 = Average Performer	62/100 = Average Performer	67/100 = Average Performer (Position 56 of 304)	No 2019 update received
	2013	A = Average	A = Average	AA = Leader	AA = Leader	AA = Leader

▪ Deutsche Wohnen - a member of the new DAX 50 ESG index

Portfolio and Financials

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Strong like-for-like development as of 31 December 2019

Like-for-like 31/12/2019	Residential units (#)	In-place rent ² 31/12/2019 (EUR/sqm)	In-place rent ² 31/12/2018 (EUR/sqm)	Change (y-o-y)	Vacancy 31/12/2019 (in %)	Vacancy 31/12/2018 (in %)	Change (y-o-y)
Letting portfolio¹	150,789	6.89	6.66	3.5%	1.5%	1.9%	-0.4pp
Core⁺	138,264	6.97	6.74	3.5%	1.4%	1.9%	-0.5pp
Greater Berlin	110,656	6.97	6.72	3.7%	1.3%	1.8%	-0.5pp
Rhine-Main	9,229	8.22	7.98	3.0%	1.3%	1.2%	+0.1pp
Dresden/Leipzig	8,086	6.10	5.93	2.8%	3.7%	4.3%	-0.6pp
Rhineland	4,845	6.31	6.19	1.8%	0.9%	1.0%	-0.1pp
Mannheim/Ludwigshafen	4,556	6.23	6.09	2.3%	1.2%	2.5%	-1.3pp
Other Core ⁺	892	10.69	10.48	2.1%	0.6%	0.3%	+0.3pp
Core	12,525	6.01	5.85	2.8%	2.9%	2.5%	+0.4pp
Hanover/Brunswick	8,922	6.14	5.95	3.2%	2.6%	2.3%	+0.3pp
Other Core	3,603	5.65	5.56	1.6%	3.6%	2.8%	+0.8pp
Total³	156,750	6.87	6.64	3.4%	1.7%	2.0%	-0.3pp

1 Excluding non-core and disposal stock

2 Contractually owed rent from rented apartments divided by rented area

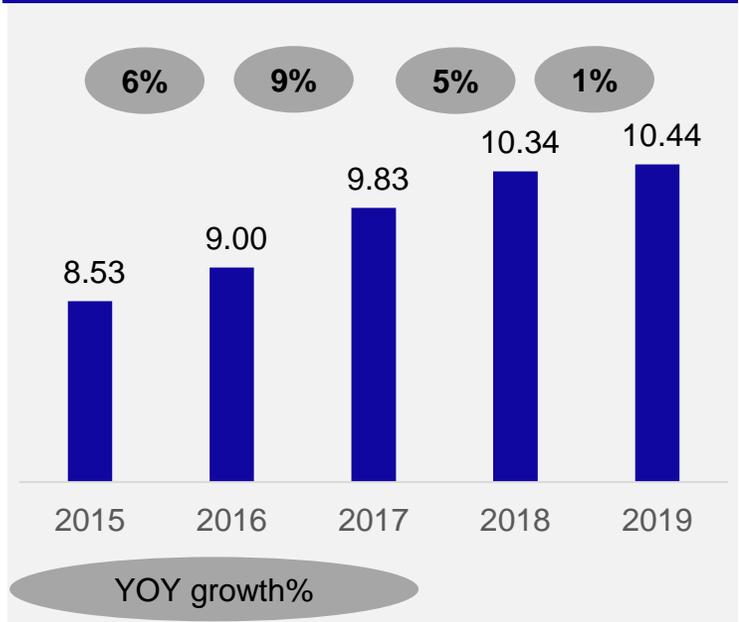
3 Total I-f-I stock incl. non-Core

Portfolio valuation 2019 versus 2018

Regions	Residential units (#)	FV 31/12/2019 (EUR m)	FV 31/12/2019 (EUR/sqm)	Multiple in-place rent 31/12/2019	Multiple re-letting rent 31/12/2019	Multiple spread
Core*	148,168	23,087	2,490	29.5	22.8	6.7x
Greater Berlin	115,740	18,428	2,584	30.9	23.5	7.4x
Rhine-Main	10,832	1,842	2,702	26.3	21.1	5.2x
Dresden/Leipzig	9,294	1,404	2,104	28.8	23.1	5.6x
Rhineland	6,694	867	1,992	23.4	19.4	3.9x
Mannheim/Ludwigshafen	4,665	370	1,223	16.4	13.8	2.6x
Other Core*	943	176	3,184	24.6	20.4	4.1x
Core	12,949	1,145	1,356	19.1	15.8	3.3x
Hanover/Brunswick	9,109	825	1,370	18.8	15.4	3.4x
Other Core	3,840	320	1,323	19.9	17.2	2.7x
Non-Core	144	6	638	11.0	9.7	1.3x
Total	161,261	24,237	2,394	28.8	22.4	6.4x

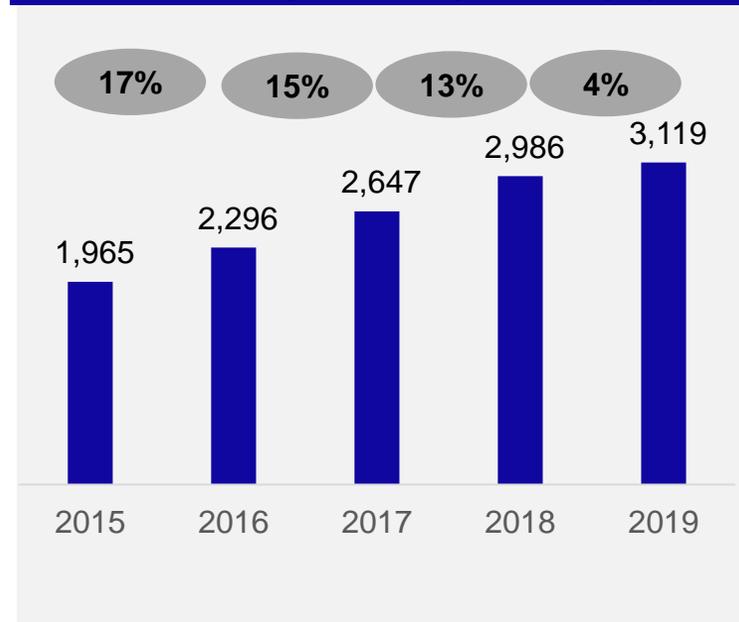
Update on Berlin residential market

Development of asking rents (EUR / sqm)



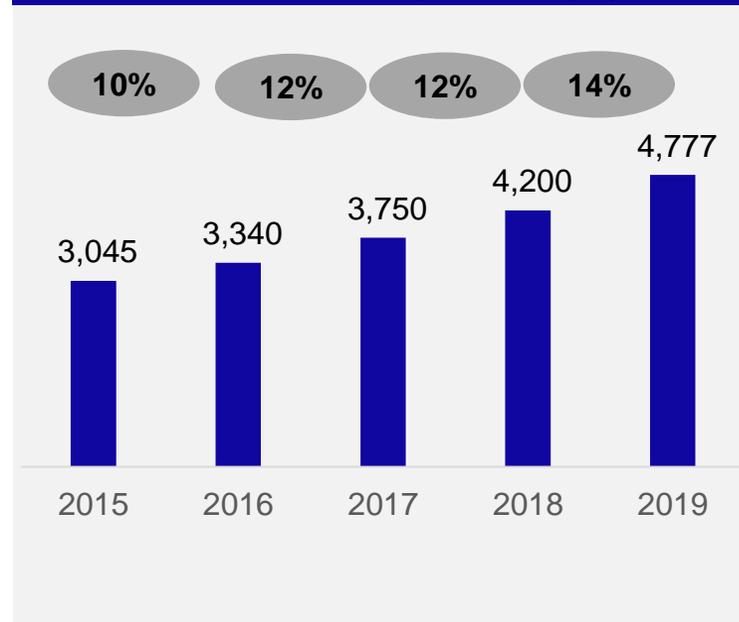
Market rent growth is slowing in 2019...

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



... also price growth for multi family homes is loosing pace...

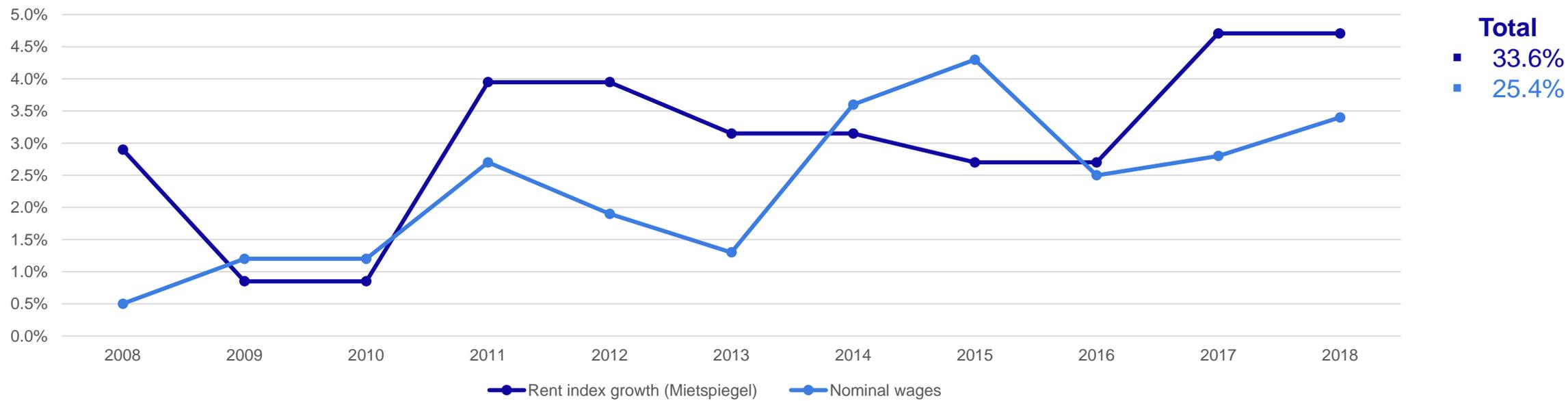
Development of asking prices for condominiums (EUR / sqm)



... while condominium prices are gaining traction in an undersupplied market where tenants can get their desired apartment through acquisitions

Source: CBRE

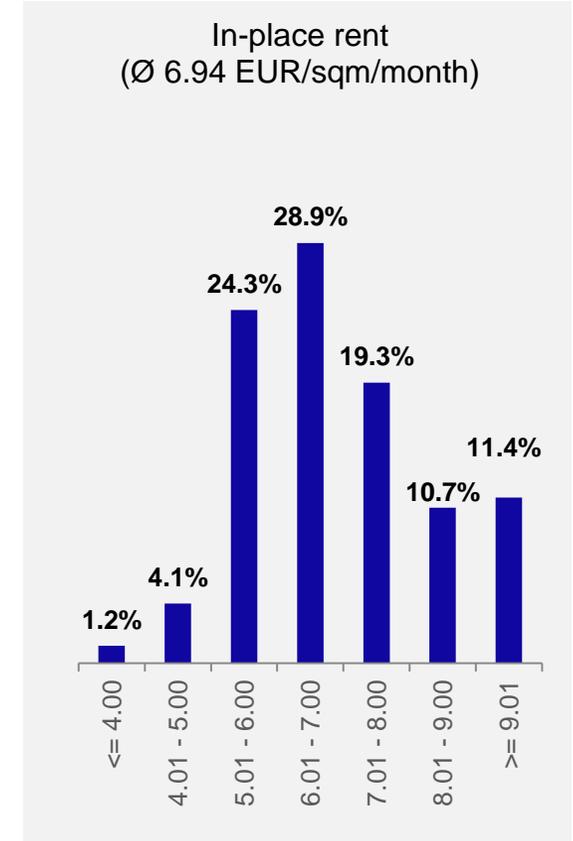
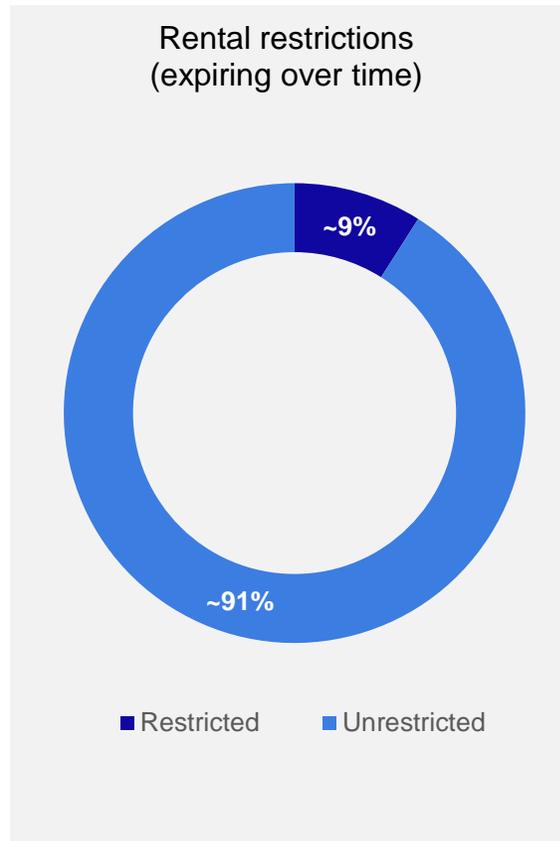
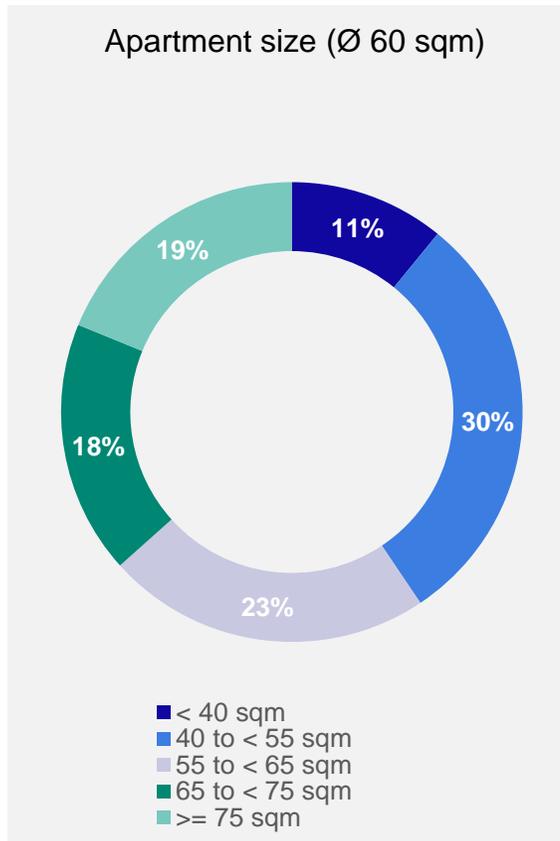
Development of rents and wages in Berlin



■ Based on a housing cost ratio of 20-25% the increase of existing rents (Mietspiegel) has been compensated by wage inflation over the last 10 years

Source: Statistical Office Berlin - Brandenburg

Portfolio structure – characteristics meeting strong demand



Figures for total portfolio as of 31 December 2019
deutsche-wohnen.com

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

Siemensstadt, Berlin



Hellersdorf, Berlin



Carl-Legien-Siedlung, Berlin



Südwestkorso, Berlin



Oranienkiez, Berlin



Hufeisensiedlung, Berlin



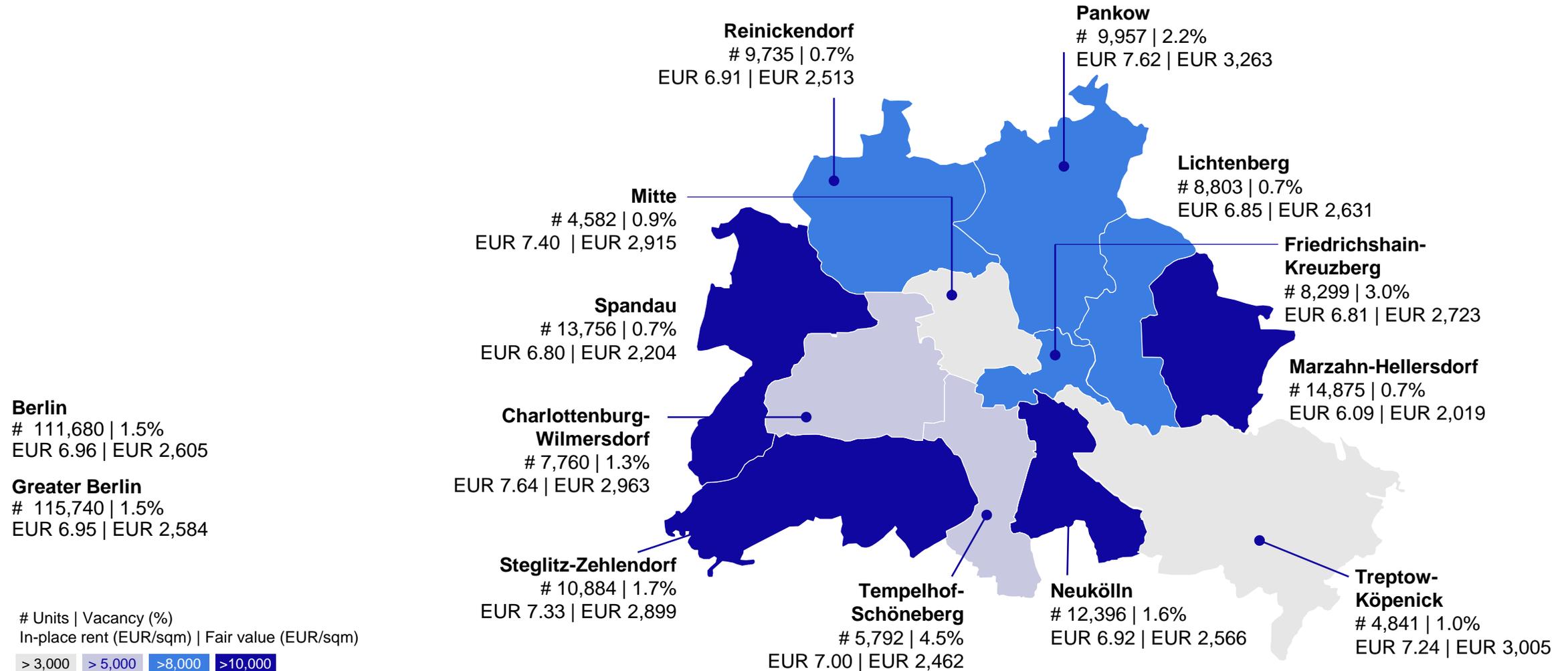
Dresden



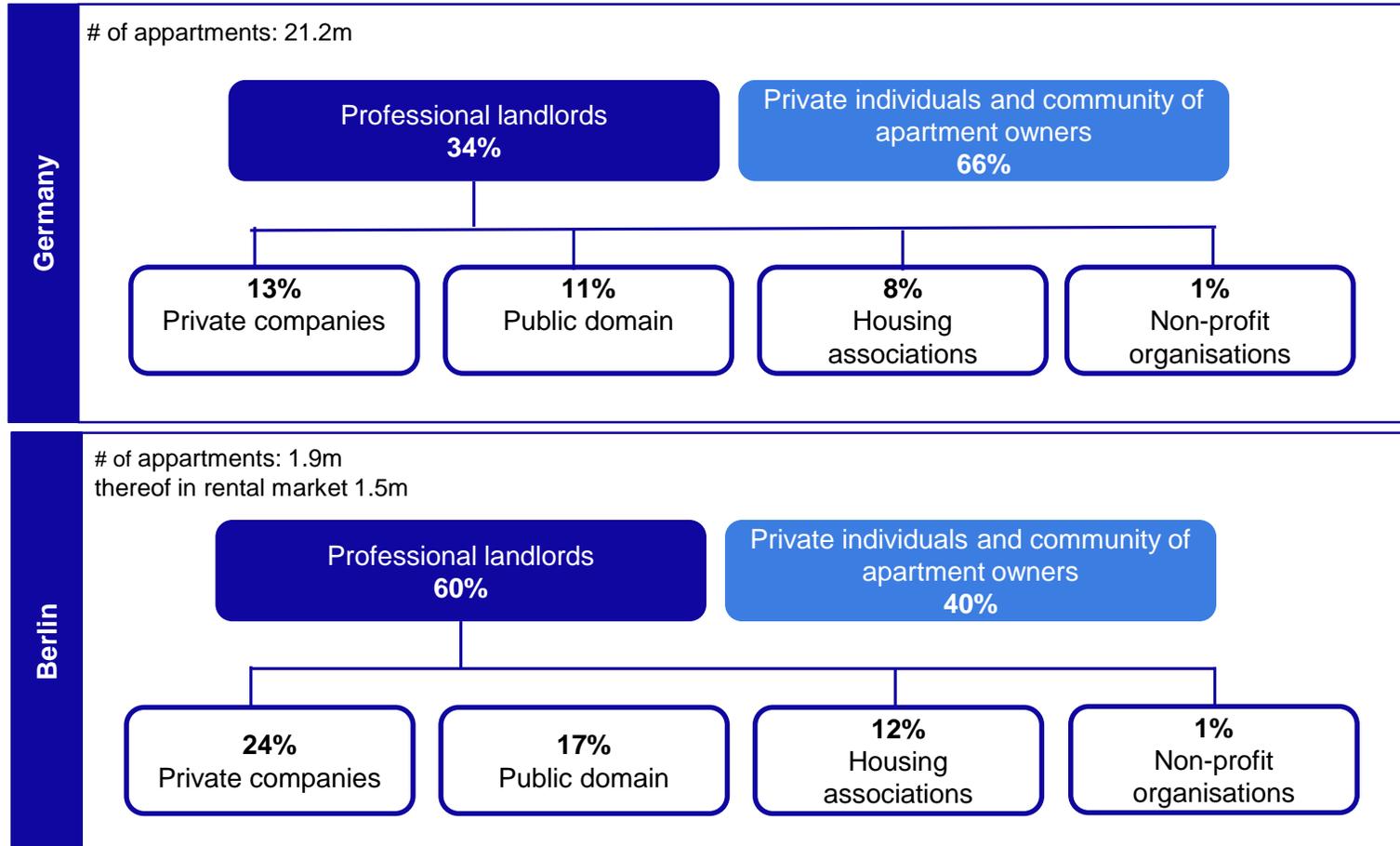
Otto-Suhr-Siedlung, Berlin



The Berlin portfolio at a glance



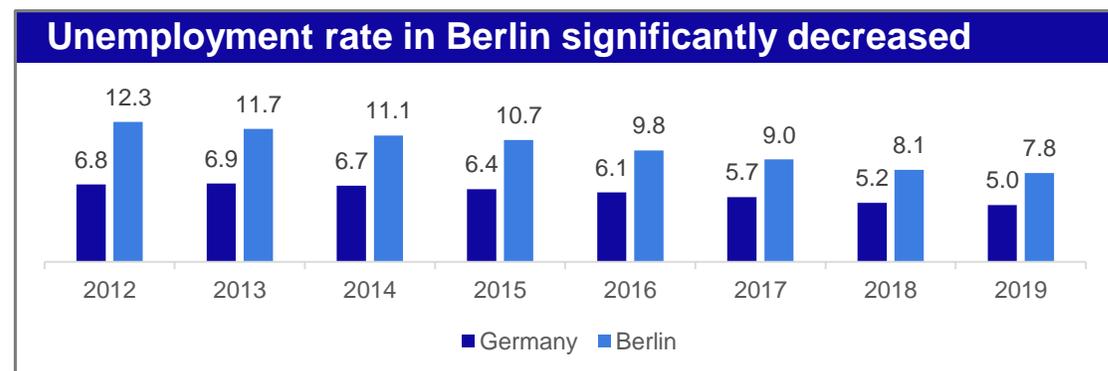
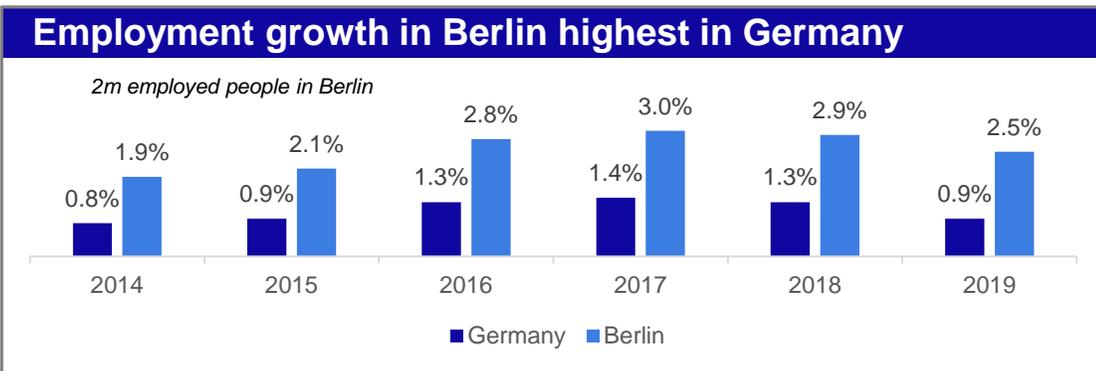
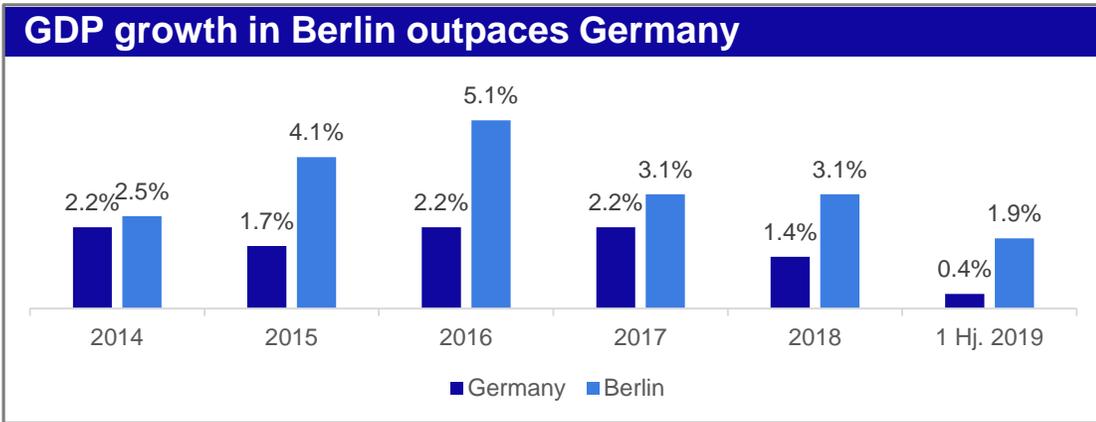
Ownership structure of residential real estate in Germany and Berlin



- 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
- Unprofessional, 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

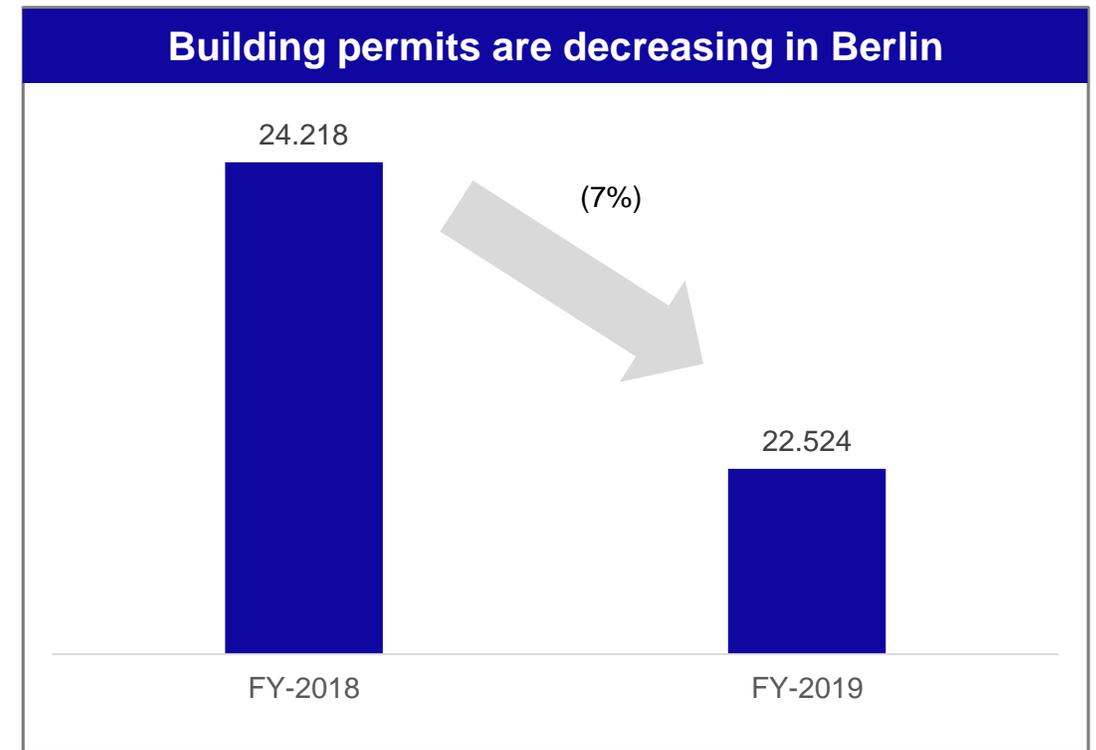
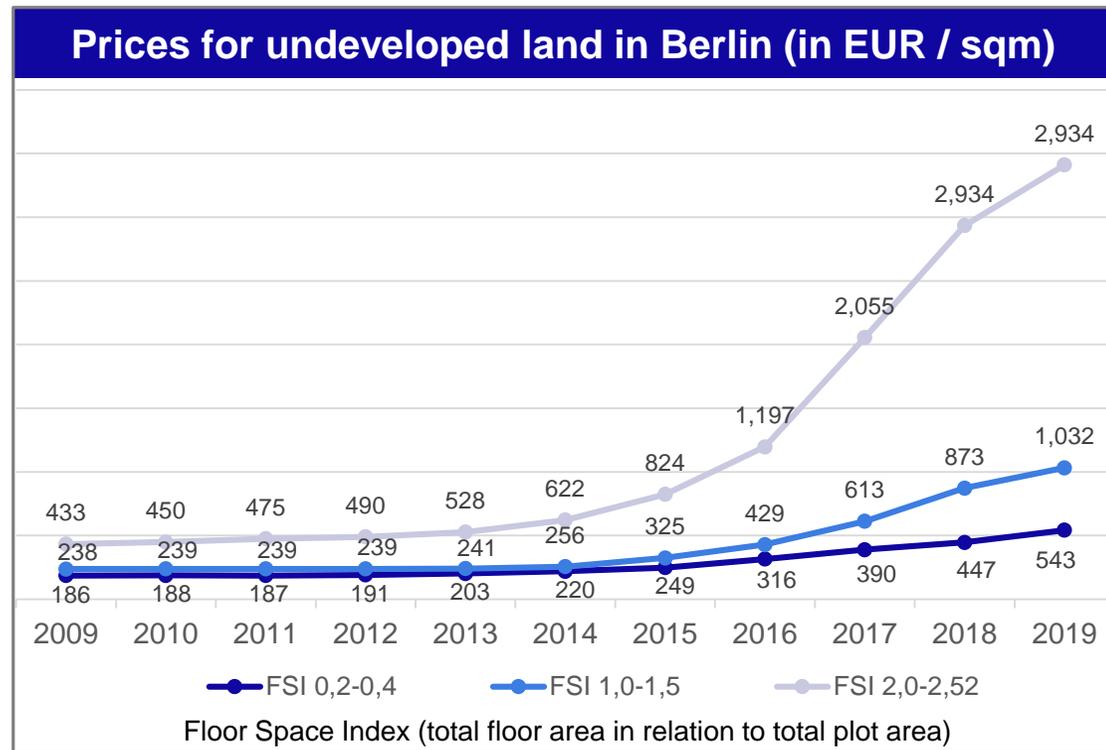
Excellent macro trends in Berlin



▪ **Berlin continues to show strong positive underlying macroeconomic trends**

Source: German Federal Statistical Office

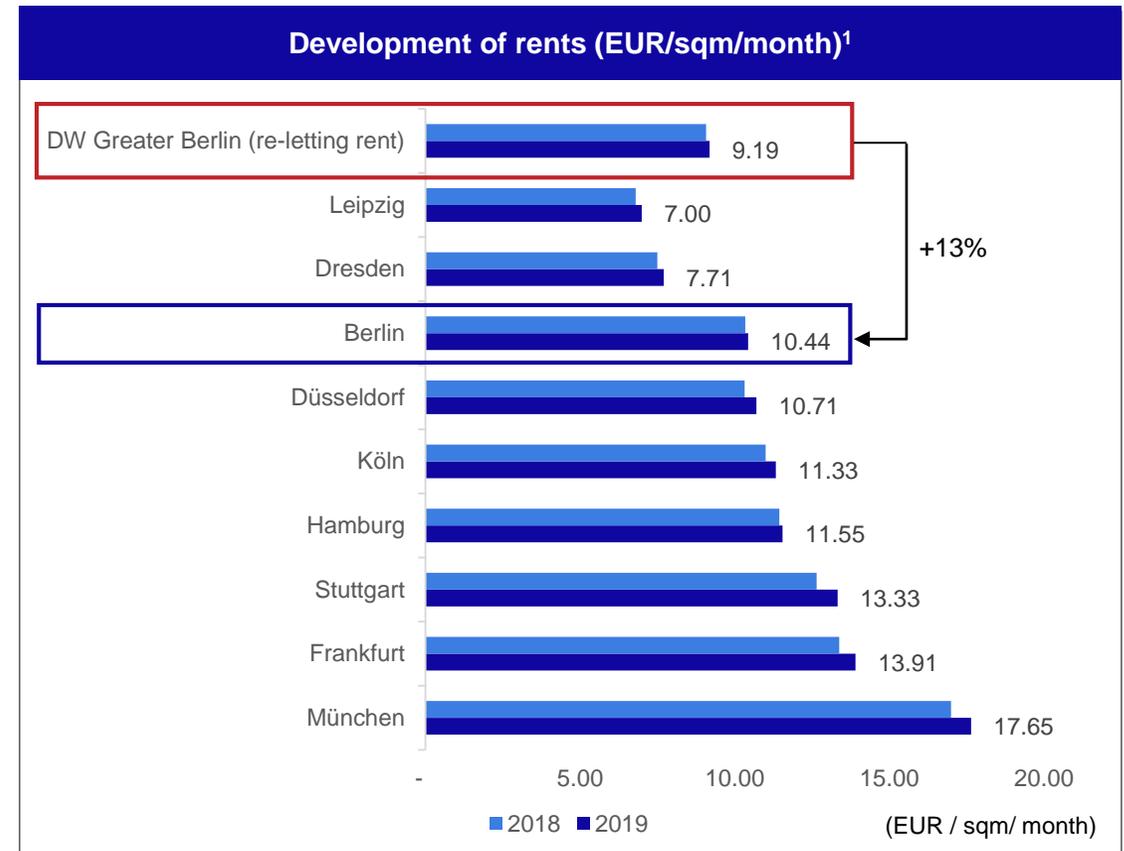
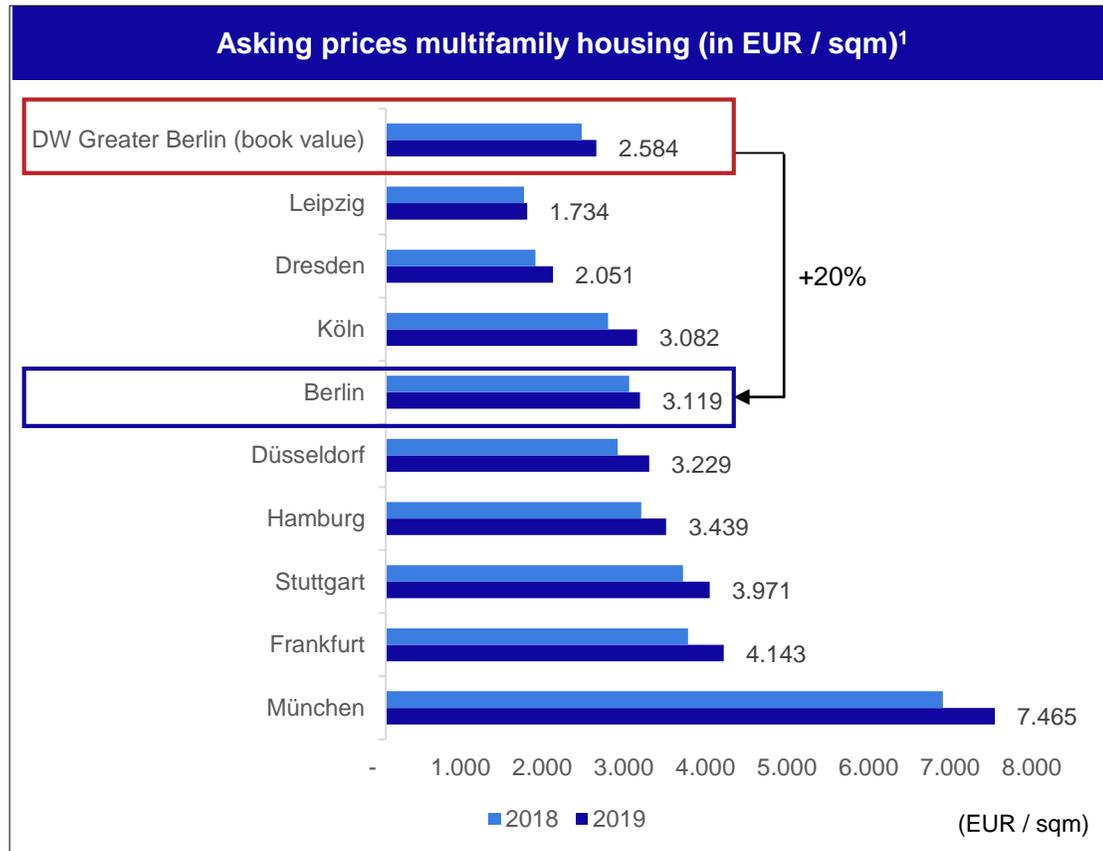
Development of land prices and building permits in Berlin



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

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

Current level of rents and prices in TOP German cities



▪ **Dynamic and liquid transaction market sourced by various pockets of demand continues to drive prices in metropolitan areas**

1 CBRE 2020

Bridge from adjusted EBITDA to profit

in EUR m	FY-2019	FY-2018
EBITDA (adjusted)	901.2	662.0
Depreciation	(40.9)	(9.6)
At equity valuation	2.8	2.6
Financial result (net)	(159.6)	(115.5)
EBT (adjusted)	703.5	539.5
Valuation properties	1,406.7	2,179.3
Goodwill impairment	(2.0)	(0.7)
One-offs	(32.1)	(11.0)
Valuation SWAP and convertible bonds	28.5	(80.3)
EBT	2,104.6	2,626.8
Current taxes	(19.0)	(27.6)
Deferred taxes	(484.7)	(736.6)
Profit	1,600.9	1,862.6
<i>Profit attributable to the shareholders of the parent company</i>	1,529.5	1,833.0
Earnings per share ¹	4.27	5.15

in EUR m	2019	2018
Interest expenses	(135.5)	(106.3)
<i>In % of gross rents</i>	~16%	~14%
Accrued interest on liabilities and pension (non-cash)	(25.9)	(15.8)
Interest income	1.8	6.6
Financial result (net)	(159.6)	(115.5)

¹ Based on weighted average shares outstanding (2019: 358.1 m and 2018: 355.7 m shares)

Summary balance sheet

Assets

in EUR m	31/12/2019	31/12/2018
Investment properties	25,433.3	23,781.7
Other non-current assets	442.2	291.2
Derivatives	1.1	0.9
Deferred tax assets	0.1	0.1
Non current assets	25,876.7	24,073.9
Land and buildings held for sale	468.9	477.1
Trade receivables	25.0	22.4
Other current assets	795.5	151.7
Cash and cash equivalents	685.6	332.8
Current assets	1,975.0	984.0
Total assets	27,851.7	25,057.9

Equity and Liabilities

in EUR m	31/12/2019	31/12/2018
Total equity	13,107.3	11,908.1
Financial liabilities	6,327.7	6,184.6
Convertibles	1,682.8	1,697.2
Bonds	2,014.1	1,200.4
Tax liabilities	26.2	36.0
Deferred tax liabilities	3,713.8	3,244.7
Derivatives	52.1	15.6
Other liabilities	927.7	771.3
Total liabilities	14,744.4	13,149.8
Total equity and liabilities	27,851.7	25,057.9

- Investment properties represent 91% of total assets
- Strong balance sheet structure offering comfort throughout market cycles

Management board and areas of responsibilities



Michael Zahn

Chief Executive Officer
(Appointed until 31.12.2023)

More than 20 years in the firm

Areas of responsibility:

- Strategy
- Asset Management
- M&A/ Disposals
- Corporate Communication
- Procurement & Strategic Participations
- HR
- Marketing
- IT



Philip Grosse

Chief Financial Officer
(Appointed until 31.08.2024)

Since 2013 at Deutsche Wohnen, since 2016 CFO

Areas of responsibility:

- Corporate Finance & Treasury
- Accounting/ Tax
- Risk Management
- Internal / Audit
- Investor Relations
- Legal/Compliance



Henrik Thomsen

Chief Development Officer
(Appointed until 31.12.2023)

Since 2019 at Deutsche Wohnen

Areas of responsibility:

- Property Development & Technical Maintenance
- Technology Investments
- Neighborhood Development



Lars Urbansky

Chief Operating Officer
(Appointed until 31.03.2023)

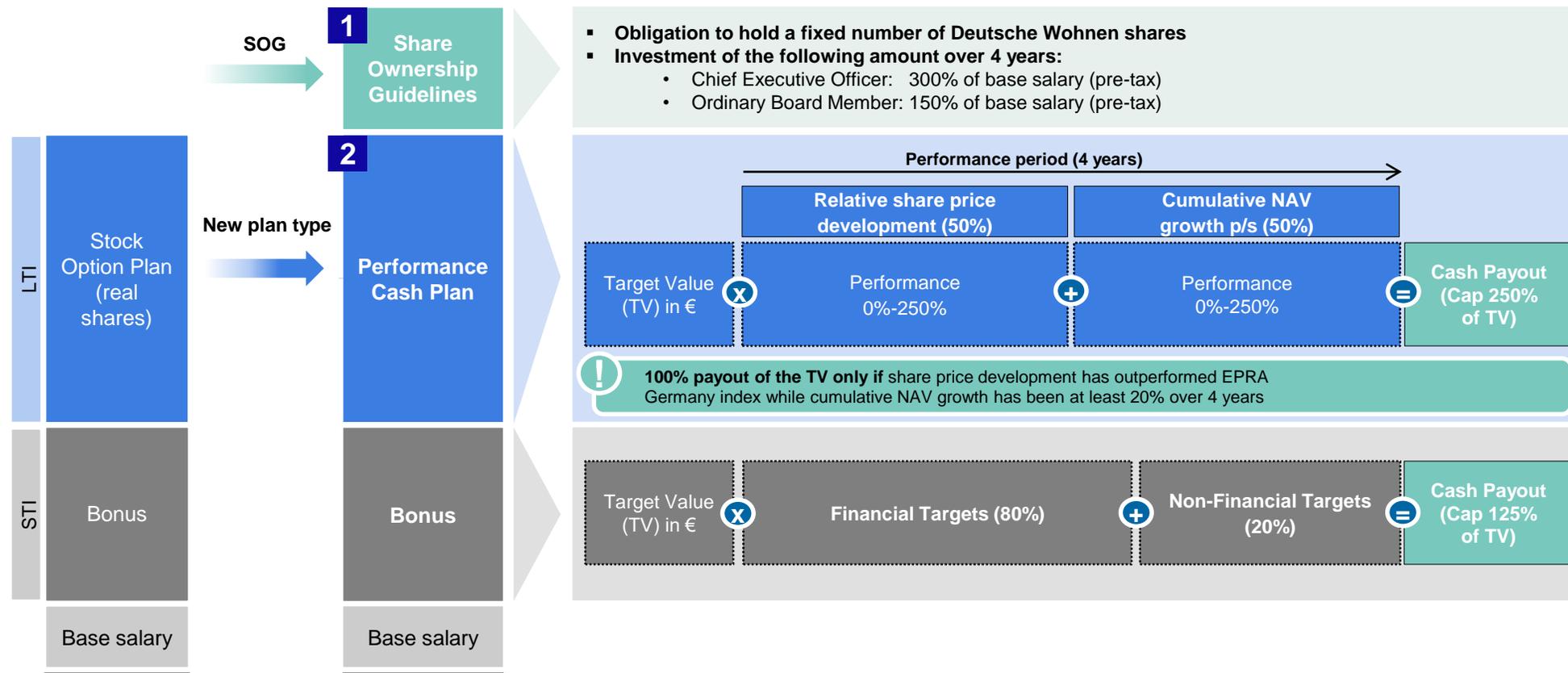
Since 23 years with Deutsche Wohnen, previously Gehag, since 2014 Managing Director rent development

Areas of responsibility:

- Property Management
- Rent Development
- Customer Service
- Property Development & Technical Maintenance

Executive Board compensation system – as of 1 January 2018

- 1** Introduction of Share Ownership Guidelines (SOGs)
- 2** Conversion of the Stock Option Plan into a Performance Cash Plan
- ➔ Reduction of the plan's complexity and meeting of investor and proxy advisor expectations



STI = Short Term Incentive; LTI = Long Term Incentive

Disclaimer

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