

January - March

Interim Statement Q1

Key Figures

Financial Key Figures in € million	3M 2020	3M 2021	Change in %	12M 2020
Total Segment Revenue	998.8	1,145.5	14.7	4,370.0
Adjusted EBITDA Total	456.1	506.1	11.0	1,909.8
Adjusted EBITDA Rental	381.1	403.1	5.8	1,554.2
Adjusted EBITDA Value-add	37.2	45.8	23.1	152.3
Adjusted EBITDA Recurring Sales	26.4	47.1	78.4	92.4
Adjusted EBITDA Development	11.4	10.1	-11.4	110.9
EBITDA IFRS	428.1	475.4	11.0	1,822.4
Group FFO	335.5	382.9	14.1	1,348.2
thereof attributable to Vonovia shareholders	321.5	368.4	14.6	1,292.0
thereof attributable to Vonovia hybrid capital investors	10.0	10.0	0.0	40.0
thereof attributable to non-controlling interests	4.0	4.5	12.5	16.2
Group FFO per share in €	0.62	0.68	9.4	2.38
Income from fair value adjustments of investment properties	4.1	2.4	-41.5	3,719.8
EBT	318.1	374.4	17.7	5,014.4
Profit for the period	211.6	247.0	16.7	3,340.0
Cash flow from operating activities	348.6	299.9	-14.0	1,430.5
Cash flow from investing activities	-345.2	-107.1	-69.0	-1,729.9
Cash flow from financing activities	-75.3	1,347.4	-	402.6
Total cost of maintenance, modernization and new construction	414.5	379.9	-8.3	1,935.9
thereof for maintenance expenses and capitalized maintenance	123.0	135.7	10.3	592.0
thereof for modernization	208.1	165.1	-20.7	908.4
thereof for new construction	83.4	79.1	-5.2	435.5

Key Balance Sheet Figures in € million	Dec. 31, 2020	Mar. 31, 2021	Change in %
Fair value of the real estate portfolio	58,910.7	58,984.6	0.1
EPRA NTA	35,488.6	35,772.9	0.8
EPRA NTA per share in €*	62.71	63.22	0.8
LTV (%)	39.4	39.1	-0.3 pp

Non-financial Key Figures	3M 2020	3M 2021	Change in %	12M 2020
Number of units managed	488,294	487,191	-0.2	489,709
thereof own apartments	415,323	414,715	-0.1	415,688
thereof apartments owned by others	72,971	72,476	-0.7	74,021
Number of units bought	-	135	-	1,711
Number of units sold	1,047	1,252	19.6	3,677
thereof Recurring Sales	760	1,182	55.5	2,442
thereof Non-core Disposals	287	70	-75.6	1,235
Number of new apartments completed	122	379	>100	2,088
thereof own apartments	122	149	22.1	1,442
thereof apartments for sale	-	230	-	646
Vacancy rate (in %)	2.8	2.8	-	2.4
Monthly in-place rent in €/m ²	6.94	7.18	3.5	7.16
Organic rent increase (in %)	3.9	3.0	-0.9 pp	3.1
Number of employees (as of Mar. 31/Dec. 31)	10,499	10,684	1.8	10,622

* Based on the shares carrying dividend rights on the reporting date Mar. 31, 2020: 542,273,611, Mar. 31, 2021: 565,887,299 and Dec. 31, 2020: 565,887,299.

Content

Business Development in the First Three Months of 2021

- 2 Overview
- 4 Vonovia SE on the Capital Market
- 7 Economic Development in the
First Three Months of 2021
- 19 Business Outlook

Condensed Interim Consolidated Financial Statements

- 22 Consolidated Income Statement
- 23 Consolidated Statement of
Comprehensive Income
- 24 Consolidated Balance Sheet
- 26 Consolidated Statement of Cash Flows

Information

- 28 Portfolio Information
- 30 Financial Calendar, Contact

Business Development in the First Three Months of 2021

Overview

- > The business model proves to still be robust.
- > Vonovia reported stable business development in the first three months of 2021 despite the ongoing coronavirus pandemic.
- > Group FFO increased by 14.1% from € 335.5 million in the first quarter of 2020 to € 382.9 million in the first quarter of 2021. This development was driven largely by organic growth through investments and sales.
- > Tenant services still available in full with no significant disruption of business operations.
- > Continued focus on preventing social hardship.

2	Overview
4	Vonovia SE on the Capital Market
7	Economic Development in the First Three Months of 2021
19	Business Outlook

Sustained Earnings

Group FFO

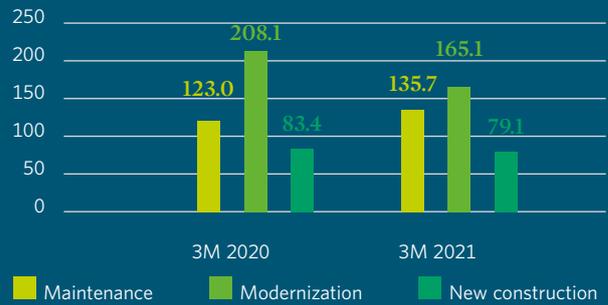
in € million



Maintenance, Modernization and New Construction

Investments

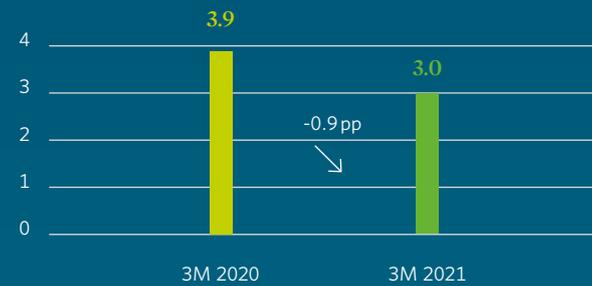
in € million



Organic Rent Growth

Organic Rent Growth

in %



Vacancy

Vacancy Rate

in %



Net Assets

EPRA NTA

in € million



Fair Value of the Real Estate Portfolio

Fair Value of the Real Estate Portfolio

in € million



Vonovia SE on the Capital Market

Shares in Vonovia

Whereas 2020 was characterized by volatile and negative trends in international indices, the situation started to change at the beginning of 2021. The stock markets appear to be bouncing back, rising to new highs.

By way of example, Germany's leading index, the DAX 30, and the EURO STOXX 50 gained 9.4% and 9.7% respectively in the first three months of 2021, while the FTSE EPRA/Nareit Europe Index showed a sideways movement and Vonovia shares lost around 7%. Other German residential real estate stocks also showed similarly negative performance in the first quarter of 2021.

We attribute the drop in the prices of German residential real estate shares, including Vonovia shares, to the following market-related factors in particular:

The capital markets are positioning themselves for the post-COVID-19 era. Unlike in the previous year, there is now higher demand in the current environment for cyclical stocks and securities that lost considerable ground in 2020 than there is for the more defensive profile of German residential real estate stocks in general, and also Vonovia in particular. The increase at the longer end of the yield curve and the marked upward move in yields on government bonds, particularly ten-year U.S. bonds, are also likely to have created a more challenging environment for Vonovia shares in the first quarter of 2021.

Although there are currently signs of a shift on the international capital markets, we believe that the environment for the German residential real estate sector remains positive overall. The main long-term megatrends will remain the dominant forces driving our business: urbanization and the resulting imbalance between supply and demand, climate change and the reduction of CO₂ emissions in the housing stock, demographic change and senior-friendly apartment conversion. We are optimistic as we look ahead to the future and are confident that we will remain financially successful.

The market capitalization of Vonovia amounted to around € 31.5 billion as of March 31, 2021.

Shareholder Structure

The chart below shows the voting rights pursuant to Sections 33 and 34 of the German Securities Trading Act (WpHG) as notified by the shareholders in relation to the current share capital. It is important to note that the number of voting rights reported could have changed within the respective thresholds without triggering an obligation to notify the company.

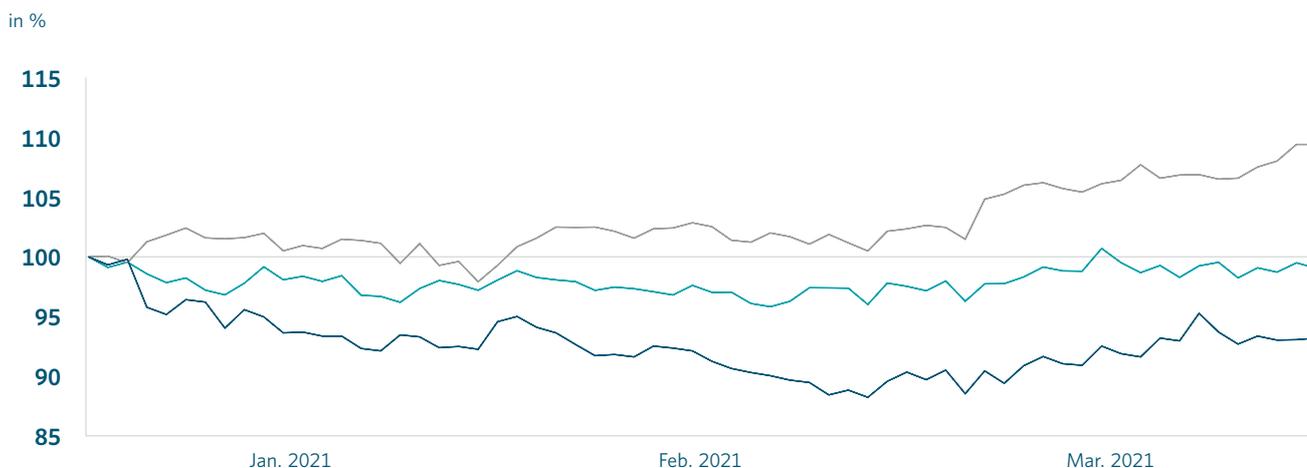
Based on the German stock exchange's definition of free float, only the interest held by Norges Bank (Ministry of Finance on behalf of Norway) does not count toward the free float. This means that 93.7% of Vonovia shares were in free float on March 31, 2021. The underlying voting rights notifications and corresponding financial instruments reported by shareholders or other instruments pursuant to Sections 38, 39 WpHG can be found online at

<https://investoren.vonovia.de/en/news-and-publications/disclosure-of-voting-rights/>

Share Price Development

■ Vonovia SE ■ DAX ■ FTSE EPRA Europe

Source: FactSet



In line with the long-term strategic focus of Vonovia, the majority of its investors also have a long-term focus. The company's investors include pension funds, sovereign wealth funds and international asset managers in particular. There are also a large number of individual shareholders, although they only represent a small proportion of the total capital.

Investor Relations Activities

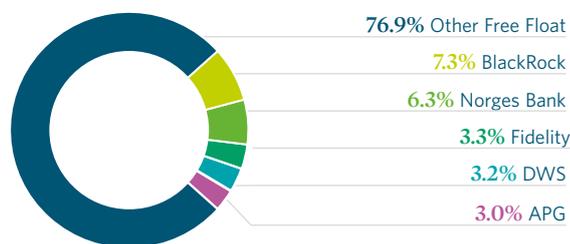
Vonovia SE is committed to transparent, ongoing dialogue with its shareholders and potential investors. We are continuing with our road shows and meetings during the coronavirus pandemic, albeit on a virtual basis. In the first three months of 2021, Vonovia participated in a total of 14 investors' conference days and organized 11 roadshow days.

In addition, numerous one-on-one meetings, video conferences and conference calls were held with investors and analysts to keep them informed of current developments and special issues.

We will continue to communicate openly with the capital market. Various road shows, conferences and participation in investor forums have already been planned. Information can be found in the Financial Calendar on our Investor Relations website.

<https://investoren.vonovia.de/en/service/financial-calendar>

Major Shareholders (as of March 31, 2021)



Annual General Meeting

Vonovia conducted its second virtual Annual General Meeting on April 16, 2021. Given the health-related risks and official requirements imposed as a result of the coronavirus pandemic, it was impossible to hold an Annual General Meeting allowing participants to be physically present, as had been the case in 2020. The Annual General Meeting was chaired by Jürgen Fitschen, Chairman of the Supervisory Board of Vonovia SE.

Together with Rolf Buch, CEO of Vonovia SE, he spoke to the company's shareholders from a studio set up at the corporate headquarters in Bochum. The Annual General Meeting, which also featured sign language interpretation, was streamed live in the Investor Portal on the Investor Relations website.

Shareholders had submitted more than 800 questions for the general debate electronically in advance. Their voting rights could be exercised before and during the Annual General Meeting electronically, per postal vote or by authorizing the company's proxies.

With more than 800 participants representing 77% of the share capital present at the same time, all resolution proposals were approved with a large majority. The dividend of € 1.69 per share proposed to the company's shareholders for the 2020 fiscal year also found broad support among Vonovia's shareholders. This corresponds to a dividend yield of 2.8% based on the cut-off date of December 31, 2020, and an increase of 8% compared to the previous year. Shareholders are once again able to choose either a conventional cash dividend or payment in the form of shares.

Analyst Assessments

26 international analysts currently publish studies on Vonovia on a regular basis (as of March 31, 2021). The average target share price was € 64.14 as of March 31, 2021. Of these analysts, 77% issued a "buy" recommendation, with 15% issuing a "hold" recommendation and 8% recommending that investors sell the company's shares.

Share Information (as of March 31, 2021)

First day of trading	Jul. 11, 2013
Subscription price	€ 16.50
Total number of shares	565,887,299
Share capital in €	565,887,299
ISIN	DE000A1ML7J1
WKN	A1ML7J
Ticker symbol	VNA
Common code	94567408
Share class	Registered shares with no par value
Stock exchange	Frankfurt Stock Exchange
Market segment	Regulated market
Indices	DAX, Euro Stoxx 50, DAX 50 ESG, Dow Jones Sustainability Index Europe, STOXX Global ESG Leaders, EURO STOXX ESG Leaders 50, STOXX Europe ESG Leaders 50, FTSE EPRA/NAREIT Developed Europe and GPR 250 World

Economic Development in the First Three Months of 2021

Key Events During the Reporting Period

The coronavirus pandemic is still having a pronounced adverse impact on the world's economies. Vonovia's business model has proven to be robust and resilient to date. As the pandemic is still not having any considerable impact on its net assets, financial position and results of operations, Vonovia can report positive business development in the first quarter of 2021, too.

During the coronavirus pandemic, we were always able to successfully maintain our business processes and protect our employees and customers alike. Digitized processes allowed a large number of our employees to switch seamlessly between working on location and working from home.

On January 11, 2021, the Management Board of Vonovia SE decided to merge Vonovia Finance B.V., Amsterdam, Netherlands, with Vonovia SE on a cross-border basis. The notarized deeds regarding the transaction were not yet drawn up at the time of reporting.

On January 12, 2021, Vonovia continued to forge ahead with the digitalization of its finance division and issued its first fully digital registered bond in the amount of € 20 million with a term of three years. The issue used security tokens that allow ownership rights to real assets to be transferred on the internationally established Stellar blockchain. The transaction is a novelty on the capital market and was settled using the online marketplace firstwire.

On March 24, 2021, Vonovia issued its first green bond in the amount of € 600 million. The bond runs for ten years with an annual interest rate of 0.625%. The green bond is one of the Group's ways of continuing with its own sustainability strategy and it sees this instrument as a future-oriented addition to its financing strategy. Vonovia plans to use this additional liquidity to finance sustainability projects in Germany, Austria and Sweden, among other things. These include investments in new construction and modernization projects as well as the field of renewable energy, for instance, in generating solar energy through additional photovoltaic installations.

Results of Operations

Vonovia had a successful start in the 2021 fiscal year. The ongoing coronavirus pandemic still did not have any significant impact on the company's operational and financial performance.

In many areas, our business processes again continued virtually unhindered thanks to employees working from home. The employees of the craftsmen's organization were active on site almost without restriction.

In the first quarter of 2021, we observed stable demand for rental apartments and no negative impact on market values as a result of the coronavirus pandemic. Vonovia experienced only a very low level of rent losses in the first three months of 2021, and expects defaults to remain low in the future, too. The coronavirus pandemic had only a minor impact on modernization and/or new construction measures in the first quarter of 2021.

As of March 31, 2021, Vonovia managed a portfolio comprising 414,715 of its own residential units (March 31, 2020: 415,323), 138,796 garages and parking spaces (March 31, 2020: 138,383) and 6,552 commercial units (March 31, 2020: 6,673). The locations span 627 cities, towns and municipalities (March 31, 2020: 640) in Germany, Sweden and Austria. 72,476 residential units (March 31, 2020: 72,971) are also managed by Vonovia for other owners.

As of March 31, 2021, Vonovia employed a total of 10,684 people (March 31, 2020: 10,499).

Total Segment Revenue increased by 14.7% from € 998.8 million in the first quarter of 2020 to € 1,145.5 million in the first quarter of 2021. The main drivers behind the development in total segment revenue in the first quarter of 2021 were income from disposal of properties in the Recurring Sales segment, income from disposals in the Development segment and the increase in rental income due to organic growth. Detailed information on total segment revenue is provided below:

Total Segment Revenue

in € million	3M 2020	3M 2021	Change in %	12M 2020
Rental income	564.6	582.2	3.1	2,288.5
Other income from property management unless included in the operating expenses in the Rental segment	11.9	13.9	16.8	50.2
Income from disposals Recurring Sales	108.6	192.7	77.4	382.4
Internal revenue Value-add	248.1	259.7	4.7	1,053.0
Income from disposal of properties (Development)	45.4	84.2	85.5	297.7
Fair value Development to hold	20.2	12.8	-36.6	298.2
Total Segment Revenue	998.8	1,145.5	14.7	4,370.0

Group FFO

The following key figures provide an overview of the development in Group FFO and other value drivers in the reporting period. The year-on-year comparison is slightly affected

by the acquisition of Bien-Ries GmbH (today operating under BUWOG - Rhein-Main Development GmbH, referred to hereafter as BUWOG West) at the beginning of April 2020.

Group FFO

in € million	3M 2020	3M 2021	Change in %	12M 2020
Revenue in the Rental segment	564.0	581.7	3.1	2,285.9
Expenses for maintenance	-79.4	-80.3	1.1	-321.1
Operating expenses in the Rental segment	-103.5	-98.3	-5.0	-410.6
Adjusted EBITDA Rental	381.1	403.1	5.8	1,554.2
Revenue in the Value-add segment	260.4	273.8	5.1	1,104.6
thereof external revenue	12.3	14.1	14.6	51.6
thereof internal revenue	248.1	259.7	4.7	1,053.0
Operating expenses in the Value-add segment	-223.2	-228.0	2.2	-952.3
Adjusted EBITDA Value-add	37.2	45.8	23.1	152.3
Revenue in the Recurring Sales segment	108.6	192.7	77.4	382.4
Fair value of properties sold adjusted to reflect effects not relating to the period from assets held for sale in the Recurring Sales segment	-79.4	-141.9	78.7	-274.0
Adjusted result Recurring Sales	29.2	50.8	74.0	108.4
Selling costs in the Recurring Sales segment	-2.8	-3.7	32.1	-16.0
Adjusted EBITDA Recurring Sales	26.4	47.1	78.4	92.4
Revenue from disposal of "Development to sell" properties	45.4	84.2	85.5	297.7
Cost of Development to sell	-38.2	-71.4	86.9	-235.9
Gross profit Development to sell	7.2	12.8	77.8	61.8
Fair value Development to hold	20.2	12.8	-36.6	298.2
Cost of Development to hold*	-15.9	-10.4	-34.6	-235.4
Gross profit Development to hold	4.3	2.4	-44.2	62.8
Rental revenue Development	0.2	0.3	50.0	1.2
Operating expenses in the Development segment	-0.3	-5.4	>100	-14.9
Adjusted EBITDA Development	11.4	10.1	-11.4	110.9
Adjusted EBITDA Total	456.1	506.1	11.0	1,909.8
FFO interest expense	-90.1	-85.8	-4.8	-380.1
Current income taxes FFO	-11.8	-20.3	72.0	-52.4
Consolidation**	-18.7	-17.1	-8.6	-129.1
Group FFO	335.5	382.9	14.1	1,348.2

* Excluding capitalized interest on borrowed capital in 3M 2021 of € 0.0 million (3M 2020 € 0.2 million).

** Thereof intragroup profits in 3M 2021: € 7.0 million (3M 2020: € 7.1 million), gross profit development to hold in 3M 2021: € 2.4 million (3M 2020: € 4.3 million), IFRS 16 effects 3M 2021: € 7.7 million (3M 2020: € 7.3 million).

As of the end of the first quarter of 2021, our apartments were once again almost fully occupied. At 2.8% at the end of March 2021, the apartment vacancy rate was exactly on a par with the prior-year level seen at the end of March 2020.

Rental income in the **Rental segment** rose by 3.1% from € 564.0 million in the first three months of 2020 to € 581.7 million in the first three months of 2021, largely due to organic growth resulting from new construction and modernization

measures. Of the rental income in the Rental segment, € 467.0 million is attributable to rental income in Germany (3M 2020: € 457.9 million), € 88.2 million to rental income in Sweden (3M 2020: € 80.3 million) and € 26.5 million to rental income in Austria (3M 2020: € 25.8 million).

The current increase in rent due to market-related factors amounted to 0.7% (3M 2020: 1.0%). We were also able to achieve an increase in rent of 1.7% thanks to property value improvements achieved as part of our modernization program (3M 2020: 2.3%). The corresponding **like-for-like rent increase** amounted to 2.4% (3M 2020: 3.3%). Under consideration of rent increases due new construction measures and measures to add extra stories of 0.6% (3M 2020: 0.6%), the **organic increases** in rent totals 3.0% (3M 2020: 3.9%). The average monthly in-place rent within the Group at the end of March 2021 amounted to € 7.18 per m² compared to € 6.94 per m² at the end of March 2020. The monthly in-place rent in the German portfolio at the end of March 2021 amounted to € 6.98 per m² (March 31, 2020: € 6.83 per m²), with the figure for the Swedish portfolio amounting to € 10.18 per m² (March 31, 2020: € 9.20 per m²) and the figure for the Austrian portfolio amounting to € 4.79 per m² (March 31, 2020: € 4.65 per m²). The rental income from the portfolio in Sweden reflects inclusive rents, mean-

ing that the amounts contain operating, heating and water supply costs. The rental income from the Austrian property portfolio additionally includes maintenance and improvement contributions (EVB).

We continued with our modernization, new construction and maintenance strategy in the first quarter of 2021. The total volume of maintenance, modernization and new construction activity fell by 8.3%, from € 414.5 million in the first three months of 2020 to € 379.9 million in the first three months of 2021. While the volume of maintenance measures in the first three months of 2021 totaled € 135.7 million, up by 10.3% on the value of € 123.0 million seen in the first three months of 2020, the modernization measures fell by 20.7% from € 208.1 million in the first three months of 2020 to € 165.1 million in the first three months of 2021. The decline in the volume of modernization measures is largely due to significantly lower investing activities in Berlin as a result of the rent freeze and isolated restrictions related to COVID-19. However, we do consider the current lower level of investment volume sufficient to reach the targets of our climate path. At € 79.1 million, new construction in the first three months of 2021 was down by 5.2% on the prior-year value of € 83.4 million.

Maintenance, Modernization and New Construction

in € million	3M 2020	3M 2021	Change in %	12M 2020
Expenses for maintenance	79.4	80.2	1.0	321.1
Capitalized maintenance	43.6	55.5	27.3	270.9
Maintenance measures	123.0	135.7	10.3	592.0
Modernization measures	208.1	165.1	-20.7	908.4
New construction (to hold)	83.4	79.1	-5.2	435.5
Modernisation and new constuction measures	291.5	244.2	-16.2	1,343.9
Total cost of maintenance, modernization and new construction	414.5	379.9	-8.3	1,935.9

Operating expenses in the Rental segment in the first quarter of 2021 were down by 5.0% on the figures for the first quarter of 2020, from € 103.5 million to € 98.3 million. All in all, **Adjusted EBITDA Rental** rose by 5.8%, from € 381.1 million in the first three months of 2020 to € 403.1 million in the first three months of 2021.

The **Value-add segment** was slightly impacted by the coronavirus pandemic due to individual construction delays affecting modernization measures. Vonovia's own craftsmen's organization made a contribution to the segment's stable development overall.

We continued to expand our business activities relating to the provision of cable television to our tenants, residential environment, insurance and metering services, and energy supply services.

In the 2020 fiscal year, we changed the reporting of revenue for the Value-add segment with the introduction of a new performance indicator, Total Segment Revenue

Details can be found in chapter [A2] of the Notes to the 2020 consolidated financial statements and in the segment reporting in the 2020 Annual Report. Key changes result from the separate reporting of ancillary costs outside of the

segments in gross terms as well as the decision not to take account of revenue from the management of subcontractors in our internal Value-add income.

External revenue from our Value-add activities with our end customers in the first quarter of 2021 was up by 14.6% on the first quarter of 2020, from € 12.3 million to € 14.1 million. Group revenue rose by 4.7% from € 248.1 million in the first three months of 2020 to € 259.7 million in the first three months of 2021. In total, revenue from the Value-add segment came to € 273.8 million in the first quarter of 2021, up by 5.1% on the value of € 260.4 million seen in the first quarter of 2020. **Adjusted EBITDA Value-add** amounted to € 45.8 million in the first three months of 2021, 23.1% higher than the figure of € 37.2 million reported for the first three months of 2020.

We continued to pursue our selective sales strategy in the first quarter of 2021. In the **Recurring Sales segment**, we report all business activities relating to the sale of single residential units (Privatization). Income from the disposal of properties in the Recurring Sales segment came to € 192.7 million in the first three months of 2021, up by 77.4% on the value of € 108.6 million reported in the same period of 2020; of this, € 149.7 million are attributed to sales in Germany (3M 2020: € 80.5 million) and € 43.0 million to sales in Austria (3M 2020: € 28.1 million). We privatized 1,182 apartments in the first three months of 2021 (3M 2020: 760), thereof 982 in Germany (3M 2020: 621) and 200 in Austria (3M 2020: 139). Adjusted EBITDA Recurring Sales came in at € 47.1 million in the first three months of 2021, up by 78.4% on the value of € 26.4 million seen in the first three months of 2020. The fair value step-up for Recurring Sales came in at 35.8% in the first three months of 2021, down slightly on the comparative value of 36.8% for the first three months of 2020. This is due primarily to lower step-ups for sales in Germany compared to the previous year. The step-ups in Austria were considerably higher than in Germany overall.

Outside of the Recurring Sales segment we sold 70 residential units of the Non-core Disposal portfolio as part of our portfolio adjustment (3M 2020: 287) with total proceeds of € 9.0 million (3M 2020: € 49.8 million). At 64.1%, the fair value step-up for Non-core Disposals was considerably higher than for the same period in the previous year (36.0%). The individual sales of land contributed to this increase.

In the first quarter of 2021, the **Development segment**, with **Development to sell** business and **Development to hold** business, contributed positively to earnings in Germany, Austria and Sweden, thereby contributing to the successful growth of Vonovia.

In the **“Development to sell”** business, a total of 230 residential units were completed in Germany in the first three

months of 2021 (3M 2020: 0). In the first three months of 2021, income from the disposal of properties amounted to € 84.2 million (3M 2020: € 45.4 million), with € 54.4 million attributable to project development in Germany (3M 2020: € 23.9 million) and € 29.8 million to project development in Austria (3M 2020: € 21.5 million). The resulting gross profit for **“Development to sell”** came to € 12.8 million in the first quarter of 2021 (3M 2020: € 7.2 million).

In the **“Development to hold”** business, a total of 149 units were completed in the first three months of 2021 (3M 2020: 122), thereof 68 in Germany (3M 2020: 114) and 81 in Sweden (3M 2020: 8). In the Development to hold business, a fair value of € 12.8 million was achieved in the first three months of 2021 (3M 2020: € 20.2 million), with € 2.5 million attributable to project development in Germany (3M 2020: € 20.2 million) and € 10.3 million to project development in Sweden (3M 2020: € 0.0 million). The gross profit for **“Development to hold”** totaled € 2.4 million in the first three months of 2021 (3M 2020: € 4.3 million).

Adjusted EBITDA for the Development segment amounted to € 10.1 million in the first quarter of 2021, down by 11.4% on the value of € 11.4 million seen in the first quarter of 2020. This was due primarily to higher operating expenses. The increase in operating costs compared to the previous year is related to the integration of BUWOG West and the resulting higher material and personnel costs as well as business expenses.

In the first three months of the year, the primary key figure for the sustained earnings power, **Group FFO**, increased by 14.1%, from € 335.5 million in the first three months of 2020 to € 382.9 million in the first three months of 2021, largely due to organic growth resulting from new construction and modernization measures as well as due to higher sales proceeds in the Recurring Sales segment. This trend was fueled primarily by the positive development in Adjusted EBITDA Total, which rose by 11.0% from € 456.1 million to € 506.1 million during the reporting period.

In the first quarter of 2021, the **non-recurring items** eliminated in the **Adjusted EBITDA Total** amounted to € 4.4 million, considerably lower compared to the prior-year value of € 14.8 million. The following table gives a detailed list of the non-recurring items:

Non-recurring Items

in € million	3M 2020	3M 2021	Change in %	12M 2020
Transactions*	6.1	4.2	-31.1	24.0
Personnel matters	1.7	0.1	-94.1	27.5
Business model optimization	7.0	2.3	-67.1	13.9
Research and development	-	1.1	-	-
Refinancing and equity measures	-	-3.3	-	-3.9
Total non-recurring items	14.8	4.4	-70.3	61.5

* Including one-time expenses in connection with acquisitions, such as HR measures relating to the integration process and other follow-up costs.

Reconciliations

The **financial result** changed from € -94.8 million in the first three months of 2020 to € -82.2 million in the first three months of 2021. FFO interest expense is derived from the financial result as follows:

Reconciliation of Financial Result/FFO Interest Expense

in € million	3M 2020	3M 2021	Change in %	12M 2020
Interest income	13.7	2.2	-83.9	21.9
Interest expense	-102.0	-79.0	-22.5	-411.4
Other financial result excluding income from investments	-6.5	-5.4	-16.9	-46.0
Financial result*	-94.8	-82.2	-13.3	-435.5
Adjustments:				
Other financial result excluding income from investments	6.5	5.4	-16.9	46.0
Effects from the valuation of interest rate and currency derivatives	11.0	-7.0	-	42.4
Prepayment penalties and commitment interest	1.8	1.5	-16.7	6.2
Effects from the valuation of non-derivative financial instruments	-9.0	-16.1	78.9	-48.6
Interest accretion to provisions	1.5	1.0	-33.3	6.2
Interest income from bond issue	-11.9	-	-100.0	-11.9
Accrued interest/other effects	-17.6	-4.9	-72.2	-6.0
Net cash interest	-112.5	-102.3	-9.1	-401.2
Adjustment for IFRS 16 Leases	2.4	2.4	-	10.5
Adjustment of income from investments in other real estate companies	-	-	-	2.4
Adjustment of interest paid due to taxes	3.3	0.7	-78.8	23.7
Adjustment of accrued interest	16.7	13.4	-19.8	-15.5
Interest expense FFO	-90.1	-85.8	-4.8	-380.1

* Excluding income from other investments.

The **profit for the period** in the first three months of 2021 amounted to € 247.0 million as against € 211.6 million in the first three months of 2020.

Reconciliation of Profit for the Period/Group FFO

in € million	3M 2020	3M 2021	Change in %	12M 2020
Profit for the period	211.6	247.0	16.7	3,340.0
Financial result*	94.8	82.2	-13.3	435.5
Income taxes	106.5	127.4	19.6	1,674.4
Depreciation and amortization	19.3	21.2	9.8	92.3
Net income from fair value adjustments of investment properties	-4.1	-2.4	-41.5	-3,719.8
EBITDA IFRS	428.1	475.4	11.0	1,822.4
Non-recurring items	14.8	4.4	-70.3	61.5
Total period adjustments from assets held for sale	13.2	20.0	51.5	-15.3
Financial income from investments in other real estate companies	-0.1	-	-100.0	-2.4
Other (Non-core Disposals)	-11.3	-3.1	-72.6	-52.7
Intragroup profits	7.1	7.0	-1.4	33.5
Gross profit Development to hold	4.3	2.4	-44.2	62.8
Adjusted EBITDA Total	456.1	506.1	11.0	1,909.8
Interest expense FFO**	-90.1	-85.8	-4.8	-380.1
Current income taxes FFO	-11.8	-20.3	72.0	-52.4
Consolidation	-18.7	-17.1	-8.6	-129.1
Group FFO	335.5	382.9	14.1	1,348.2
Group FFO per share in €***	0.62	0.68	9.4	2.38

* Excluding income from other investments.

** Incl. financial income from investments in other real estate companies.

*** Based on the shares carrying dividend rights on the reporting date Mar. 31, 2020: 542,273,611, Mar. 31, 2021: 565,887,299 and Dec. 31, 2020: 565,887,299.

Assets

Consolidated Balance Sheet Structure

	Dec. 31, 2020		Mar. 31, 2021	
	in € million	in %	in € million	in %
Non-current assets	60,632.0	97.1	60,735.0	94.7
Current assets	1,785.4	2.9	3,384.7	5.3
Total assets	62,417.4	100.0	64,119.7	100.0
Equity	24,831.8	39.8	25,006.6	39.0
Non-current liabilities	34,669.8	55.5	35,530.4	55.4
Current liabilities	2,915.8	4.7	3,582.7	5.6
Total equity and liabilities	62,417.4	100.0	64,119.7	100.0

The Group's **total assets** increased by € 1,702.3 million as against December 31, 2020, rising from € 62,417.4 million to € 64,119.7 million as of March 31, 2021. Investment properties

reported under non-current assets increased by € 112.8 million, due primarily to capitalized construction and modernization costs.

Cash and cash equivalents increased by € 1,537.2 million due to borrowings on the debt market, contributing significantly to the increase in assets.

The value of goodwill and trademark rights only changed due to currency effects and amounted to 2.4% of total assets.

As of March 31, 2021, the **gross asset value (GAV)** of Vonovia's property assets came to € 59,291.0 million, which corresponds to 92.5% of total assets compared with € 59,207.1 million, or 94.9%, at the end of 2020.

The € 174.8 million increase in **total equity** from € 24,831.8 million to € 25,006.6 million results in particular from the profit for the period in the amount of € 247.0 million. Other comprehensive income of € -57.1 million, affected in particular by an effect from currency translation, had the opposite effect.

This brings the **equity ratio** to 39.0 %, compared with 39.8% at the end of 2020.

Liabilities rose by € 1,527.5 million from € 37,585.6 million to € 39,113.1 million. The amount of non-derivative financial liabilities rose by € 1,415.4 million, with € 847.5 million attributable to the increase in non-current non-derivative financial liabilities and € 567.9 million attributable to the increase in current non-derivative financial liabilities. Deferred tax liabilities increased by € 84.6 million.

Net Assets

The net asset value figures of Vonovia are based on the best practice recommendations of the EPRA (European Public Real Estate Association).

At the end of the first quarter of 2021, the EPRA NTA amounted to € 35,772.9 million, up by 0.8% compared to the value of € 35,488.6 million seen at the end of 2020. EPRA NTA develops in line with the increase in total equity. EPRA NTA per share increased from € 62.71 at the end of 2020 to € 63.22 at the end of the first quarter of 2021.

EPRA Net Tangible Assets (EPRA NTA)

in € million	Dec. 31, 2020	Mar. 31, 2021	Change in %
Total equity attributable to Vonovia shareholders	23,143.8	23,322.0	0.8
Deferred tax in relation to fair value gains of investment properties*	10,466.8	10,572.6	1.0
Fair value of financial instruments**	54.9	37.9	-31.0
Goodwill as per the IFRS balance sheet	-1,494.7	-1,476.5	-1.2
Intangibles as per the IFRS balance sheet	-117.0	-115.2	-1.5
Real estate transfer tax*	3,434.8	3,432.1	-0.1
EPRA NTA	35,488.6	35,772.9	0.8
EPRA NTA per share in €***	62.71	63.22	0.8

* Proportion of hold portfolio.

** Adjusted for effects from cross currency swaps.

*** Based on the number of shares on the reporting date Dec. 31, 2020: 565,887,299, Mar. 31, 2021: 565,887,299.

Fair Values

Major market developments and valuation parameters that have an impact on the fair values of Vonovia are assessed on an ongoing basis. The positive development of known parameters observed in the first quarter of 2021, and the continued positive market environment generally indicate an increase in value. This reliable development is continuously examined for the purposes of presenting it in the interim consolidated financial statements on June 30, 2021. As in the previous year, Vonovia will be performing a new valuation for major parts of the portfolio at the end of the first half of the year.

In addition, buildings under construction (new construction/development to hold) were completed during the reporting period. A fair value measurement is performed for the first time when the properties are completed. This resulted in a valuation effect of € 2.4 million for the period from January 1 to March 31, 2021 (3M 2020: € 4.1 million).

At the end of January 2020, the Berlin House of Representatives had passed the Act on Rent Controls in the Housing Sector in Berlin (referred to in short as "rent freeze"). This was declared unconstitutional and, as a result, null and void by the German Federal Constitutional Court on April 15, 2021. It is impossible to predict the potential effects of this decision on the development of real estate values at the present time. Any effects will materialize in transaction activity subject to a time lag. Vonovia will be keeping an eye on this process and incorporating any findings into the regular calculation of market values. The potential implications can be estimated via the sensitivities shown in the notes to the consolidated financial statements for 2020.

The recognition and valuation of investment properties are explained in detail in the consolidated financial statements for 2020.

Financial Position

Cash Flow

The Group cash flow is as follows:

Key Data from the Statement of Cash Flow

in € million	3M 2020	3M 2021
Cash flow from operating activities	348.6	299.9
Cash flow from investing activities	-345.2	-107.1
Cash flow from financing activities	-75.3	1,347.4
Influence of changes in foreign exchange rates	-	-3.0
Net changes in cash and cash equivalents	-71.9	1,537.2
Cash and cash equivalents at the beginning of the period	500.7	613.3
Cash and cash equivalents at the end of the period	428.8	2,150.5

The cash flow from **operating activities** came to € 299.9 million for the first three months of 2021, compared with € 348.6 million for the first three months of 2020. The drop is due primarily to the development in working capital.

The cash flow from **investing activities** shows a payout balance of € 107.1 million for the first three months of 2021. Payments for the acquisition of investment properties came to € 309.6 million in the first three months of 2021 (3M 2020: € 417.9 million). On the other hand, income from portfolio sales in the amount of € 213.6 million was collected (3M 2020: € 135.6 million).

The cash flow from **financing activities** includes payments for regular and unscheduled repayments in the amount of € 152.6 million (3M 2020: € 726.2 million) and, on the other hand, proceeds from issuing financial liabilities in the amount of € 1,641.9 million (3M 2020: € 784.7 million). Payouts for transaction and financing costs amounted to € 25.0 million (3M 2020: € 4.5 million). Interest paid in the first three months of 2021 amounted to € 106.1 million (3M 2020: € 115.6 million).

Net changes in **cash and cash equivalents** came to € 1,537.2 million.

Financing

According to the publication dated March 30, 2021, Vonovia's credit rating as awarded by the agency Standard & Poor's is unchanged at **BBB+** with a stable outlook for the long-term corporate credit rating and A-2 for the short-term corporate credit rating. At the same time, the credit rating for the issued and unsecured bonds is **BBB+**.

Vonovia received an A- rating from the largest European rating agency Scope Group, which was most recently confirmed in a publication dated August 17, 2020.

A European medium-term notes program (**EMTN program**) was launched in the past for the Group via Vonovia Finance B.V., allowing funds to be raised quickly at any time using bond issues, without any major administrative outlay. This program was transferred to Vonovia SE in the first quarter of 2021. The annual update of the prospectus for the EMTN program has already been carried out by Vonovia SE and was approved by the financial supervisory authority of the Grand Duchy of Luxembourg on March 11, 2021.

As of the reporting date of March 31, 2021, Vonovia had placed a total bond volume of € 16.9 billion, € 16.4 billion of which relates to the EMTN program.

Via its Dutch subsidiary Vonovia Finance B.V., Vonovia issued an EMTN bond of € 500.0 million that matures in January 2041 with effect from January 28, 2021. The bond will bear interest at a rate of 1.00% p.a.

Berlin Hyp provided Vonovia Finance B.V. with secured financing of € 200.0 million with a term of ten years, with the agreement signed in December 2020 and the funds disbursed in February 2021.

Deutsche Pfandbriefbank issued Vonovia SE with a promissory note loan of € 100.0 million with a term of two years in March 2021.

On March 24, 2021, Vonovia SE issued a green bond with a total volume of € 600.0 million. The bond will bear interest at a rate of 0.625% and have a term of ten years.

Liabilities amounting to around SEK 788.0 million (around € 78.0 million) were repaid as scheduled in the Swedish subgroup in the first quarter of 2021.

The **debt maturity profile** of Vonovia's financing was as follows as of March 31, 2021:

Debt maturity profile on March 31, 2021 (face values)

in € million



In connection with the issue of unsecured bonds, Vonovia has undertaken to comply with the following standard market covenants:

- > Limitations on incurrence of financial indebtedness
- > Maintenance of consolidated coverage ratio
- > Maintenance of total unencumbered assets

The existing structured and secured financing arrangements also require adherence to certain standard market covenants. Any failure to meet the agreed financial covenants could have a negative effect on the liquidity status.

The LTV (loan to value) is as follows as of the reporting date:

in € million	Dec. 31, 2020	Mar. 31, 2021	Change in %
Non-derivative financial liabilities	24,084.7	25,500.1	5.9
Foreign exchange rate effects	-18.9	-28.8	52.4
Cash and cash equivalents	-613.3	-2,150.5	>100
Net debt	23,452.5	23,320.8	-0.6
Sales receivables	-122.3	-108.9	-11.0
Adjusted net debt	23,330.2	23,211.9	-0.5
Fair value of the real estate portfolio	58,910.7	58,984.6	0.1
Shares in other real estate companies	324.8	324.6	-0.1
Adjusted fair value of the real estate portfolio	59,235.5	59,309.2	0.1
LTV	39.4%	39.1%	-0.3 pp

The financial covenants have been fulfilled as of the reporting date.

in € million	Dec. 31, 2020	Mar. 31, 2021	Change in %
Non-derivative financial liabilities	24,084.7	25,500.1	5.9
Total assets	62,417.4	64,119.7	2.7
LTV bond covenants	38.6%	39.8%	1.2 pp

Business Outlook

Vonovia achieved a positive business development in the first three months of the 2021 fiscal year despite the ongoing coronavirus pandemic. The Rental, Recurring Sales and Value-add segments showed positive development. The Development segment reported a slight downward trend. Unlike in the previous year, this segment contains Bien Ries, which was acquired at the beginning of April 2020, in the first three months of 2021.

The forecast for the 2021 fiscal year is based on the accounting principles used in the consolidated financial statements. The current forecast does not take into consideration any larger acquisitions of real estate portfolios.

Our forecast for the 2021 fiscal year is based on determined and updated corporate planning for the Vonovia Group as a whole, and considers current business developments, possible opportunities and risks, and the potential impact of the coronavirus pandemic. It also considers the key overall macroeconomic developments and the economic factors that are relevant to the real estate industry and our corporate strategy. Further information is provided in the sections of the 2020 Group management report entitled "Fundamental Information About the Group" and "Development of the Economy and the Industry." Beyond this, the Group's further development remains exposed to general opportunities and risks. These have also been described in the chapter on opportunities and risks in the 2020 Group management report.

We expect that the coronavirus pandemic will not have a significant impact on the key operational and financial figures and therefore will have no impact on future business development.

At the end of January 2020, the Berlin House of Representatives passed the Act on Rent Controls in the Housing Sector in Berlin (referred to in short as "rent freeze"), which took effect in February, 2020. In April 2021, the act was found to be unconstitutional. Vonovia has opted not to claim back payments for lost rent in a deliberate move to take pressure off its tenants during these times dominated by the coronavirus pandemic, which have been difficult for everyone.

We therefore expect Total Segment Revenue to increase further in 2021. We are also currently observing stable demand for rental apartments and no negative impact on market values as a result of the coronavirus pandemic. In addition, we expect the value of our company to increase in 2021 and predict a moderate increase in EPRA NTA per share, excluding any further market-related changes.

Vonovia predicts that all operating segments will contribute to the increase in Adjusted EBITDA Total and Group FFO. The largest absolute increases are expected to be seen in the Rental and Development segments. This is based, among other things, on the assumption that CO₂ tax can be apportioned to tenants under the German Ancillary Costs Ordinance (Betriebskostenverordnung).

The following table provides an overview of our forecast and presents material and selected key figures.

	Actual 2020	Forecast for 2021	Forecast for 2021 in the 2021 Q1 Report
Total Segment Revenue	€ 4.4 billion	€ 4.9–5.1 billion	€ 4.9–5.1 billion
EPRA NTA per share*	€ 62.71	suspended	suspended
Adjusted EBITDA Total	€ 1,909.8 million	€ 1,975–2,025 million	€ 1,975–2,025 million
Group FFO	€ 1,348.2 million	€ 1,415–1,465 million	€ 1,415–1,465 million
Group FFO per share*	€ 2.38	suspended	suspended
Sustainability Performance Index (SPI)	-	-100%	-100%
Revenue in the Rental segment	€ 2,285.9 million	€ 2.3–2.4 billion	€ 2.3–2.4 billion
Organic rent growth (eop)	3.1%	Increase of -3.0–3.8%**	Increase of -3.8%
Modernization and new constuction	€ 1,343.9 million	€ 1.3–1.6 billion	€ 1.3–1.6 billion
Number of units sold			
Recurring Sales	2,442	-2,500	-2,500
Step-up Recurring Sales	39.6%	-30%	-30%

* Based on the shares carrying dividend rights on the reporting date.

** Depending on whether or not the Act on Rent Controls in the Housing Sector in Berlin (MietenWoG Bln) is found to be constitutional at the end of 2021, we expect rent increases at the upper/lower end of the forecast.

Bochum, April 26, 2021

The Management Board

Condensed Interim Consolidated Financial Statements

22	Consolidated Income Statement
23	Consolidated Statement of Comprehensive Income
24	Consolidated Balance Sheet
26	Consolidated Statement of Cash Flows
28	Portfolio Information
30	Financial Calendar, Contact

Consolidated Income Statement

in € million	Jan. 1- Mar. 31, 2020	Jan. 1- Mar. 31, 2021
Income from property letting	760.5	782.6
Other income from property management	17.6	19.3
Income from property management	778.1	801.9
Income from disposal of properties	158.4	201.7
Carrying amount of properties sold	-134.6	-183.4
Revaluation of assets held for sale	5.4	16.0
Profit on disposal of properties	29.2	34.3
Income from the disposal of properties (Development)	45.4	84.2
Cost of sold properties	-38.2	-71.4
Profit on the disposal of properties (Development)	7.2	12.8
Net income from fair value adjustments of investment properties	4.1	2.4
Capitalized internal expenses	141.1	144.6
Cost of materials	-354.9	-353.2
Personnel expenses	-143.5	-151.8
Depreciation and amortization	-19.3	-21.2
Other operating income	35.3	31.4
Impairment losses on financial assets	-7.2	-3.3
Gains resulting from the derecognition of financial assets measured at amortized cost	1.1	0.0
Other operating expenses	-67.6	-52.1
Net income from investments accounted for using the equity method	-	0.1
Interest income	13.7	2.2
Interest expenses	-102.0	-79.0
Other financial result	2.8	5.3
Earnings before tax	318.1	374.4
Income taxes	-106.5	-127.4
Profit for the period	211.6	247.0
Attributable to:		
Vonovia's shareholders	197.5	234.7
Vonovia's hybrid capital investors	7.4	7.4
Non-controlling interests	6.7	4.9
Earnings per share (basic and diluted) in €	0.36	0.41

Consolidated Statement of Comprehensive Income

in € million	Jan. 1- Mar. 31, 2020	Jan. 1- Mar. 31, 2021
Profit for the period	211.6	247.0
Change in unrealized gains/losses	13.2	15.7
Taxes on the change in unrealized gains/losses	-4.3	-4.8
Net realized gains/losses	-2.7	-5.8
Taxes due to net realized gains/losses	1.7	2.7
Profit on cash flow hedges	7.9	7.8
Changes in the period	-162.9	-103.7
Tax effect	24.6	13.0
Profit on currency translation differences	-138.3	-90.7
Items which will be recognized in profit or loss in the future	-130.4	-82.9
Changes in the period	0.1	-0.6
Taxes on changes in the period	-0.1	0.1
Profit on equity instruments at fair value in other comprehensive income	-	-0.5
Change in actuarial gains/losses, net	-	39.3
Tax effect	-	-13.0
Profit on actuarial gains and losses from pensions and similar obligations	-	26.3
Items which will not be recognized in profit or loss in the future	-	25.8
Other comprehensive income	-130.4	-57.1
Total comprehensive income	81.2	189.9
Attributable to:		
Vonovia's shareholders	67.1	177.3
Vonovia's hybrid capital investors	7.4	7.4
Non-controlling interests	6.7	5.2

Consolidated Balance Sheet

Assets

in € million	Dec. 31, 2020	Mar. 31, 2021
Intangible assets	1,611.7	1,591.7
Property, plant and equipment	387.6	384.6
Investment properties	58,071.8	58,184.6
Financial assets	416.0	427.8
Other assets	128.5	129.9
Deferred tax assets	16.4	16.4
Total non-current assets	60,632.0	60,735.0
Inventories	8.7	8.9
Trade receivables	268.9	317.4
Financial assets	0.4	16.1
Other assets	119.0	206.9
Income tax receivables	39.8	43.6
Cash and cash equivalents	613.3	2,150.5
Real estate inventories	570.4	561.3
Assets held for sale	164.9	80.0
Total current assets	1,785.4	3,384.7
Total assets	62,417.4	64,119.7

Equity and Liabilities

in € million	Dec. 31, 2020	Mar. 31, 2021
Subscribed capital	565.9	565.9
Capital reserves	9,037.9	9,037.9
Retained earnings	13,368.2	13,629.7
Other reserves	171.9	88.5
Total equity attributable to Vonovia shareholders	23,143.9	23,322.0
Equity attributable to hybrid capital investors	1,001.6	1,011.5
Total equity attributable to Vonovia shareholders and hybrid capital investors	24,145.5	24,333.5
Non-controlling interests	686.3	673.1
Total equity	24,831.8	25,006.6
Provisions	711.3	654.3
Trade payables	5.0	0.2
Non-derivative financial liabilities	22,375.1	23,222.6
Derivatives	76.8	62.0
Lease liabilities	467.3	472.4
Liabilities to non-controlling interests	26.8	26.9
Financial liabilities from tenant financing	45.3	45.2
Other liabilities	2.6	2.6
Deferred tax liabilities	10,959.6	11,044.2
Total non-current liabilities	34,669.8	35,530.4
Provisions	389.0	415.0
Trade payables	229.5	222.3
Non-derivative financial liabilities	1,709.6	2,277.5
Derivatives	222.2	238.1
Lease liabilities	27.8	27.2
Liabilities to non-controlling interests	16.3	15.8
Financial liabilities from tenant financing	118.1	118.0
Other liabilities	203.3	268.8
Total current liabilities	2,915.8	3,582.7
Total liabilities	37,585.6	39,113.1
Total equity and liabilities	62,417.4	64,119.7

Consolidated Statement of Cash Flows

in € million	Jan. 1- Mar. 31, 2020	Jan. 1- Mar. 31, 2021
Profit for the period	211.6	247.0
Net income from fair value adjustments of investment properties	-4.1	-2.4
Revaluation of assets held for sale	-5.4	-16.0
Depreciation and amortization	19.3	21.2
Interest expenses/income and other financial result	94.9	82.3
Income taxes	106.5	127.4
Results from disposals of investment properties	-23.8	-18.3
Results from disposals of other non-current assets	-	0.2
Other expenses/income not affecting cash	-0.2	-3.4
Change in working capital	-36.8	-107.6
Income tax paid	-13.4	-30.5
Cash flow from operating activities	348.6	299.9
Proceeds from disposals of investment properties and assets held for sale	135.6	213.6
Proceeds from disposals of other assets	-	0.3
Payments for investments of investment properties	-417.9	-309.6
Payments for investments of other assets	-37.2	-15.6
Payments for acquisition of shares in consolidated companies, in due consideration of liquid funds	-29.2	-
Interest received	3.5	4.2
Cash flow from investing activities	-345.2	-107.1

in € million	Jan. 1- Mar. 31, 2020	Jan. 1- Mar. 31, 2021
Cash paid to non-controlling interests	-1.8	-3.8
Proceeds from issuing financial liabilities	784.7	1,641.9
Cash repayments of financial liabilities	-726.2	-152.6
Cash repayments of lease liabilities	-8.3	-7.0
Payments for transaction costs in connection with capital measures	-2.7	-23.6
Payments for other financing costs	-1.8	-1.4
Payments in connection with the disposal of shares in non-controlling interests	-3.6	-
Interest paid	-115.6	-106.1
Cash flow from financing activities	-75.3	1,347.4
Influence of changes in foreign exchange rates on cash and cash equivalents	-	-3.0
Net changes in cash and cash equivalents	-71.9	1,537.2
Cash and cash equivalents at the beginning of the period	500.7	613.3
Cash and cash equivalents at the end of the period*	428.8	2,150.5

* Includes € 1,278.0 million (Mar. 31, 2020: € 0.0 million) in current securities classified as cash equivalents and total restricted cash of € 128.3 million (Mar. 31, 2020: € 58.0 million).

Portfolio Information

Vonovia manages its own real estate portfolio with a fair value of € 59.0 billion as of March 31, 2021. The vast majority of our apartments are located in regions with positive economic and demographic development prospects.

Portfolio Structure

Mar. 31, 2021	Fair value*		Residential units	Vacancy (in %)	In-place rent (in €/m ²)**
	(in € million)	(in €/m ²)			
Strategic	43,757.2	2,100	327,680	2.6	6.97
Operate	14,791.0	2,082	106,957	2.8	7.31
Invest	28,966.2	2,110	220,723	2.5	6.80
Recurring Sales	3,908.4	2,255	25,402	3.2	7.11
Non-core Disposals	174.0	1,216	1,349	10.3	7.53
Vonovia Germany	47,839.7	2,107	354,431	2.6	6.98
Vonovia Sweden	6,098.6	2,046	38,331	2.5	10.18
Vonovia Austria	2,805.7	1,569	21,953	5.0	4.79
Total	56,744.0	2,065	414,715	2.8	7.18

In order to boost transparency in portfolio presentation, we also break our portfolio down into 15 regional markets. These markets are core towns/cities and their surroundings, mainly urban areas. With a focus on those regional markets that are

particularly relevant for Vonovia we take a forward-looking approach and give an overview of our strategic core portfolio in Germany..

Breakdown of Strategic Housing Stock by Regional Market

Mar. 31, 2021	Fair value*		Residential units	Vacancy (in %)	In-place rent (in €/m ²)**
	(in € million)	(in €/m ²)			
Regional market					
Berlin	7,841.2	2,747	43,296	1.3	6.63
Rhine Main Area	4,926.6	2,789	27,176	2.0	8.62
Southern Ruhr Area	4,482.8	1,665	43,125	3.4	6.49
Rhineland	4,209.7	2,181	28,326	2.4	7.50
Dresden	4,054.5	1,769	38,471	3.8	6.36
Hamburg	3,091.0	2,421	19,677	1.7	7.50
Kiel	2,545.2	1,781	24,272	2.3	6.68
Munich	2,502.0	3,822	9,694	1.1	8.53
Stuttgart	2,318.5	2,671	13,582	1.7	8.19
Hanover	2,060.6	1,977	16,178	2.6	6.98
Northern Ruhr Area	1,896.7	1,218	24,970	3.2	6.02
Bremen	1,325.2	1,802	11,842	3.3	6.13
Leipzig	1,051.1	1,703	9,093	3.3	6.26
Westphalia	1,031.3	1,649	9,467	3.3	6.59
Freiburg	698.3	2,506	4,034	1.3	7.72
Other strategic locations	3,208.2	1,870	26,572	3.3	7.08
Total strategic locations Germany	47,243.0	2,115	349,775	2.6	6.99

* Fair value of the developed land excluding € 2,240.6 million, of which € 630.1 million for undeveloped land and inheritable building rights granted, € 426.7 million for assets under construction, € 834.0 million for development and € 349.8 million for other.

** Shown based on the country-specific definition.

Total Vonovia Housing Portfolio

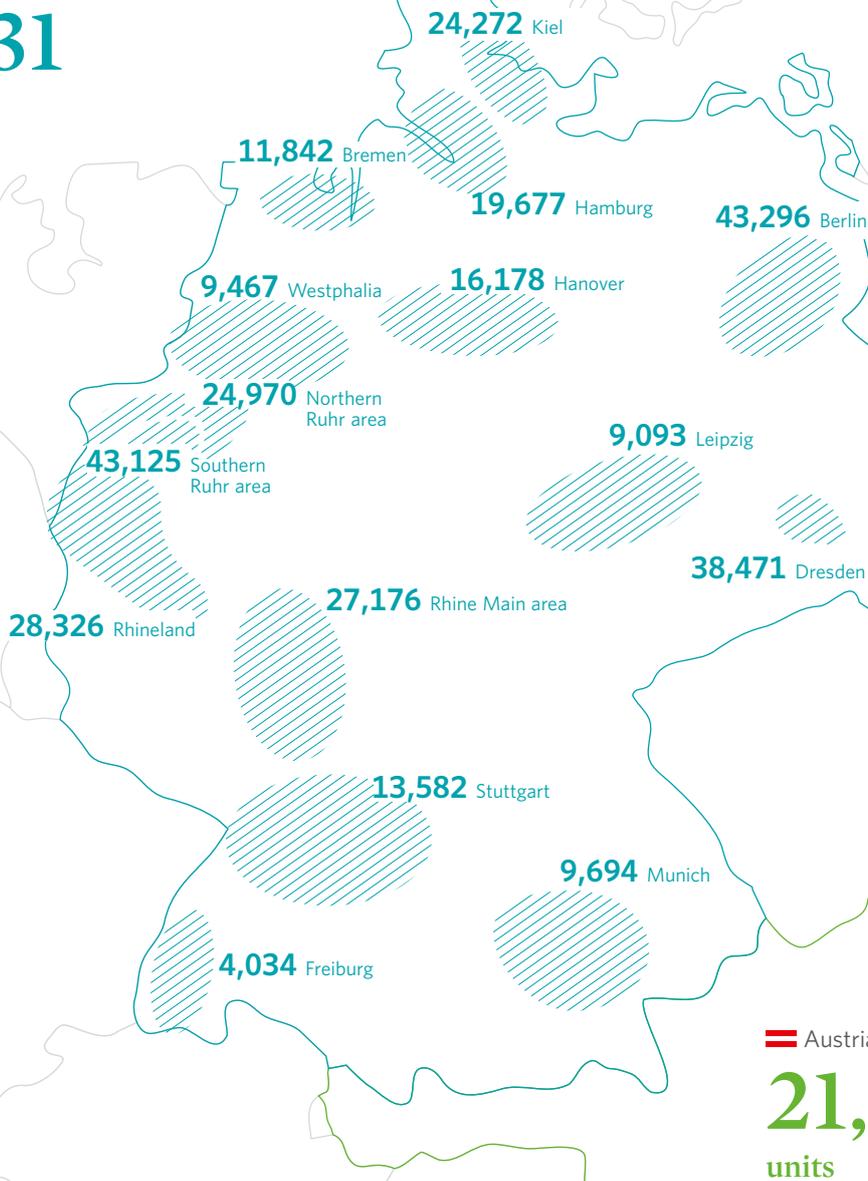
414,715

Sweden

38,331
units

Germany

354,431
units*



Austria

21,953
units

* Including 26,572 residential units at other strategic locations and 4,656 residential units at non-strategic locations.

Financial Calendar

May 4, 2021

Publication of the interim financial report for the first three months of 2021

August 6, 2021

Publication of the interim financial report for the first half of 2021

November 4, 2021

Publication of the interim financial report for the first nine months of 2021

Contact

Vonovia SE

Universitätsstraße 133
44803 Bochum
Phone +49 234 314-0
Fax +49 234 314-1314
info@vonovia.de

Your Contacts

Investor Relations

Rene Hoffmann
Head of Investor Relations
Phone +49 234 314-1629
Fax +49 234 314-2995
Email: rene.hoffmann@vonovia.de

Corporate Communications

Klaus Markus
Head of Corporate Communications
Phone +49 234 314-1149
Fax +49 234 314-1309
Email: klaus.markus@vonovia.de

Note

This interim financial report is published in German and English. The German version is always the authoritative text. The interim financial report can be found on the website at www.vonovia.de.

EPRA is a registered trademark of the European Public Real Estate Association.

Disclaimer

This interim financial report contains forward-looking statements. These statements are based on the current experiences, assumptions and forecasts of the Management Board as well as information currently available to the Management Board. The forward-looking statements are not guarantees of the future developments and results mentioned therein. The future developments and results depend on a large number of factors. They involve certain risks and uncertainties and are based on assumptions that may prove to be inaccurate. These risk factors include but are not limited to those discussed in the risk report of the 2020 Annual Report. We do not assume any obligation to update the forward-looking statements contained in this interim report. This interim report does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy any securities of Vonovia SE.

Imprint

Published by
The Management Board of Vonovia SE

Concept and Realization:
Berichtsmanufaktur GmbH, Hamburg

Translation:
EnglishBusiness AG, Hamburg

As of May 2021
© Vonovia SE, Bochum

