

PRESS RELEASE

Interim result as at 30 September 2014 Deutsche Wohnen strongly positioned

- Group profit more than doubled to EUR 144.9 million
- FFO I (without disposals) increased by 93% to EUR 166.3 million, FFO II (incl. disposals) up by 97% to EUR 205.1 million
- Improvement of financing structure and cash flow

Frankfurt/Main and Berlin, 12 November 2014. In the first nine months of the financial year 2014 Deutsche Wohnen earned a Group profit of EUR 144.9 million (previous year: EUR 66.5 million). Essentially, this doubling of Group profit was made possible by the takeover of GSW Immobilien AG. The Funds from Operations (FFO I, without disposals) increased in comparison to the previous year by 93% to EUR 166.3 million (previous year: EUR 86.3 million). Calculated per share, it increased by around 9% to EUR 0.58. Considering the disposals segment, FFO II improved by 97% to EUR 205.1 million (previous year: EUR 104.2 million) and on a per share basis it rose by around 13% to EUR 0.72. As at the reporting date, the Loan-to-Value Ratio (LTV) was brought down to 54.7% (31 December 2013: 57.3%). The intrinsic value of the company, measured as EPRA NAV (undiluted), had risen in the reporting period to EUR 14.34 per share (31 December 2013: EUR 13.99 per share).

Further improvement in key operating figures

As at 30 September 2014 the portfolio of Deutsche Wohnen comprised 146,822 residential units with a fair value of around EUR 8.8 billion. The average in-place rent for the entire holdings was EUR 5.65 per sqm as at the reporting date, with a vacancy rate of 2.4%. Deutsche Wohnen continues to benefit from the ongoing high demand for housing in Germany's metropolitan areas – in which 80% of its holdings (Core*) are located.

Accordingly, in the first nine months of 2014 it was possible to increase the gross rental income to EUR 469.3 million (previous year: EUR 259.5 million), with a Net Operating

Income (NOI) of EUR 354.5 million (previous year: EUR 189.0 million). Over the last twelve months Deutsche Wohnen (incl. GSW) achieved rental growth in its entire portfolio of 2.8% on a like-for-like basis, with a consistently low vacancy rate of 2.4%. In its Core⁺ regions the company achieved like-for-like rental growth of 3.1%, with a vacancy rate of 2.0%. The Core regions, which for the most part consist of acquisitions made in the years 2012 and 2013, have also developed positively. Here it was possible to achieve a gross rental increase of 2.2% and to reduce the vacancy rate further to 2.8% (previous year: 3.8%).

In comparison to the previous year (EUR 17.9 million), earnings from disposals rose markedly to EUR 38.8 million. In the first nine months of 2014 a total of 4,089 units were sold, 2,037 of which as privatisations. Deutsche Wohnen continues to benefit here from the high demand for property as a form of investment.

Refinancing makes considerable savings possible

With its successful refinancing transaction of EUR 1.76 billion in autumn this year Deutsche Wohnen has been able to improve its financing structure and its cash flow profile significantly. The future interest savings will amount to around EUR 39 million a year.

“We have made use of the favourable market environment and positioned Deutsche Wohnen outstandingly well, to generate further growth in future and moreover be forearmed to deal with a possible rise in interest rates,” explained Michael Zahn, CEO of Deutsche Wohnen AG.

Deutsche Wohnen

Deutsche Wohnen is one of the largest publicly listed residential property companies in Germany and Europe with a business focus on managing and developing its residential property portfolio. As at 30 September 2014 the portfolio comprised a total of 148,900 units, of which 146,800 are residential units and 2,100 commercial properties. In addition, the company operates around 2,200 nursing places/apartments in the business area of Nursing and Assisted Living. The company is listed in the Deutsche Börse's MDAX and is also included in the leading indices EPRA/NAREIT and GPR 100.