

# Make Room for Innovation

VONOVIA

Capital Markets Day 2016 / Essen / June 6<sup>th</sup> 2016

Extension Services

Konstantina Kanellopoulos / Head of Product Management

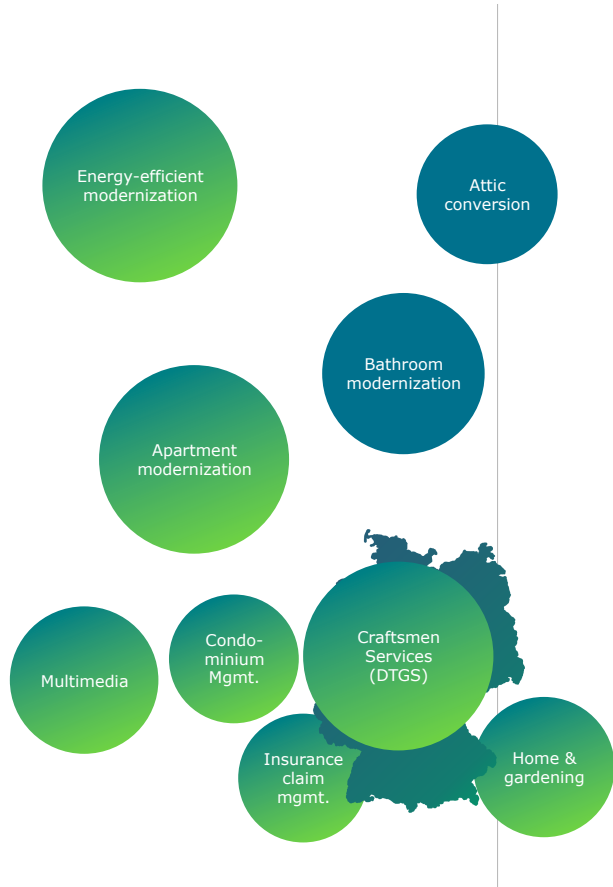
# VONOVIA



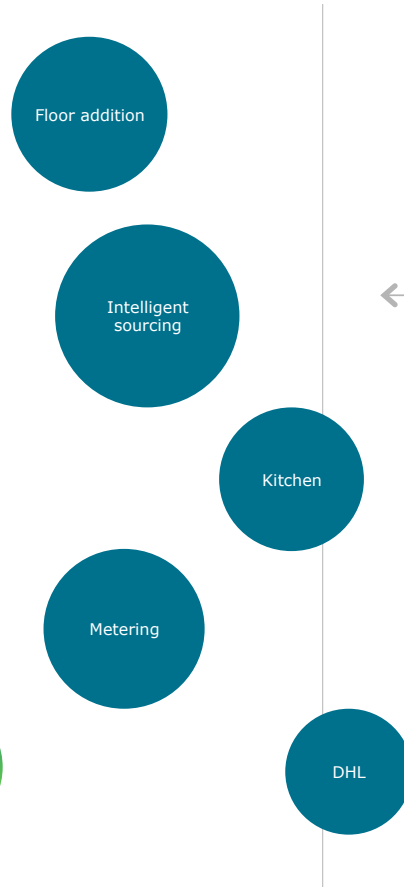
Rental

Extension

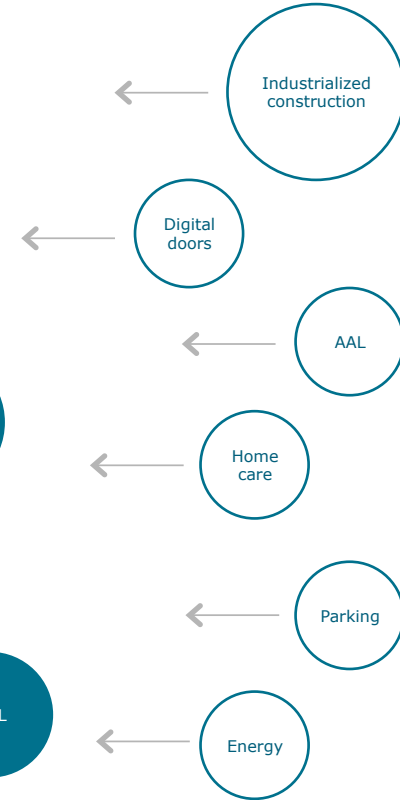
Sales



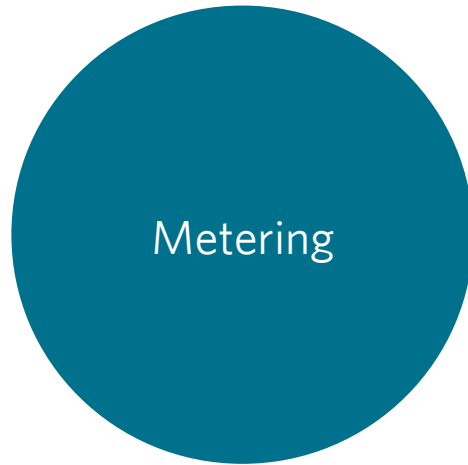
UP AND RUNNING



NEW BUSINESS



PROOF OF CONCEPT 3



# Smart metering: Service expansion

# Today:

Walk-by process

- Reading of heating and water meter once a year
- Wireless reading on-site, occasionally with entry into apartment

# Future:

Remote reading

- Automatic reading of heating and water meters twice monthly
- Remote reading via GSM modem without need to enter apartment



Heating  
Cost  
Allocator

Water  
Meter



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GSM  
Modem





## Pilot

1,000 apartments  
6,000 meters

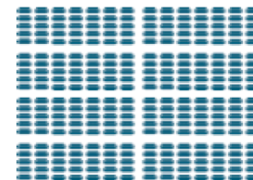


## Roll-Out

30,000 apartments  
150,000 meters

€ 1 m

Revenue



## 5-Year

250,000 apartments  
1,250,000 meters

€ 13 m

Revenue





## Pilot

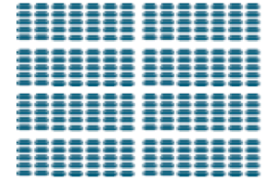
1,000 apartments  
6,000 meters



## Roll-Out

30,000 apartments  
150,000 meters

€ 1 m  
Revenue



## 5-Year

250,000 apartments  
1,250,000 meters

€ 13 m  
Revenue

# NEW DATA DRIVEN SOLUTIONS



# Customer benefits

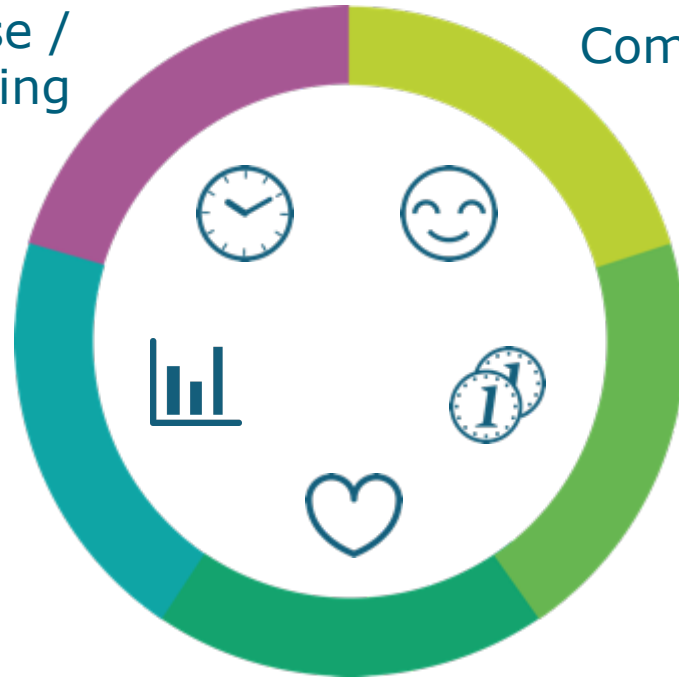
Precise / regular monitoring

Comfort

Predictive energy usage

Cost savings

Higher customer satisfaction



Lucrative

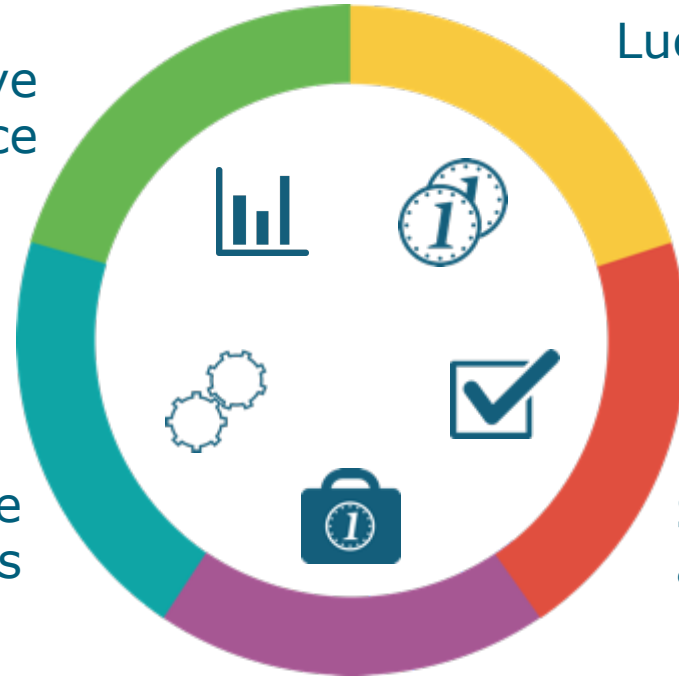
Predictive  
maintenance

# Business benefits

Less service  
technicians

Simple billing  
and admin

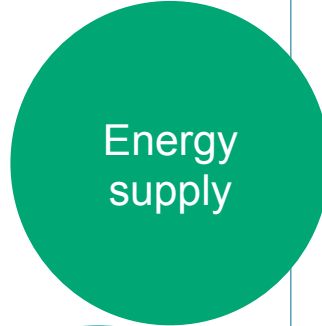
Enabling  
further business  
models



# Potential for growth

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New  
Products/  
Services



Current  
Business

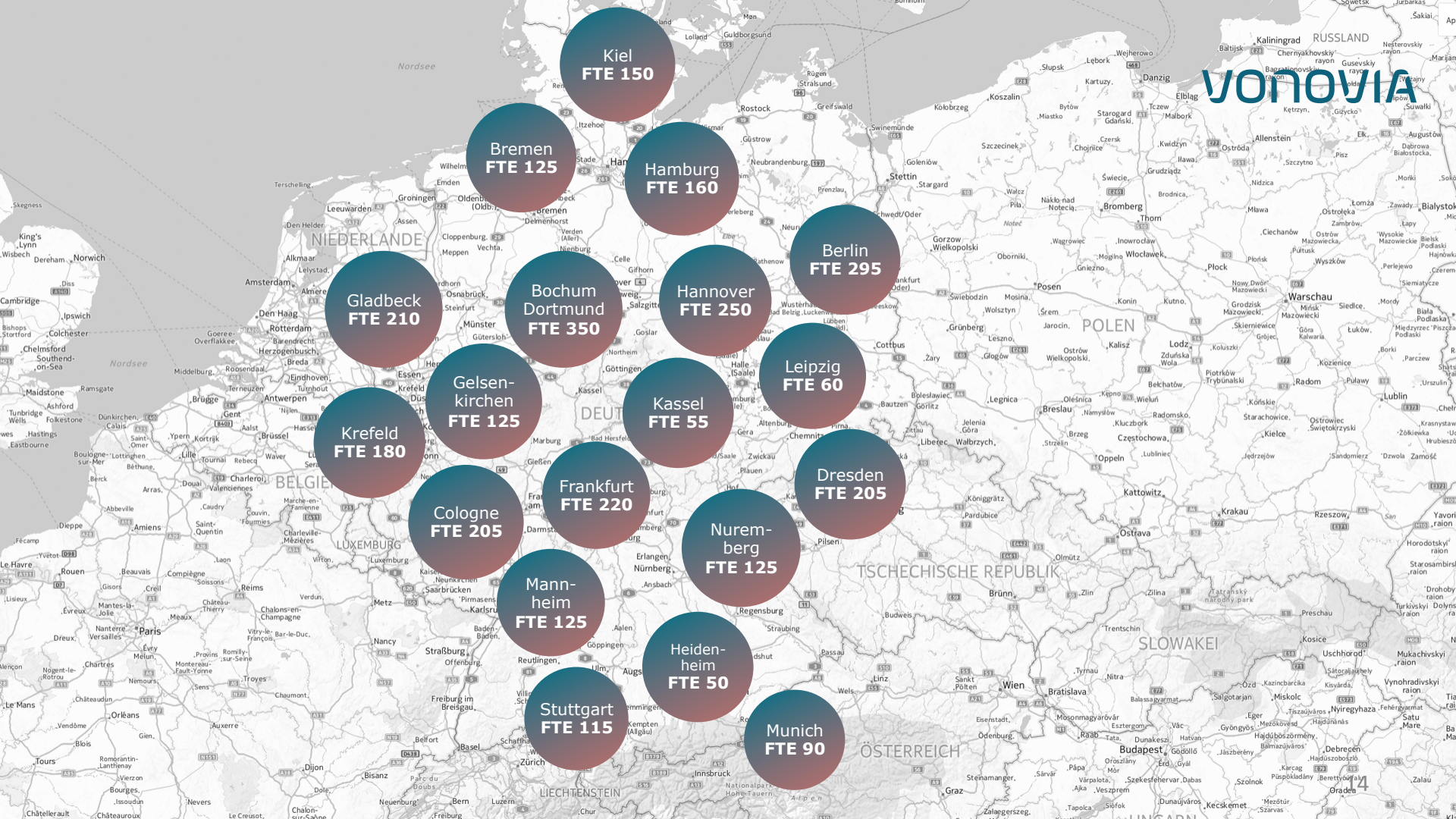


Vonovia Portfolio

Internal & External Growth

# Craftsmen Services

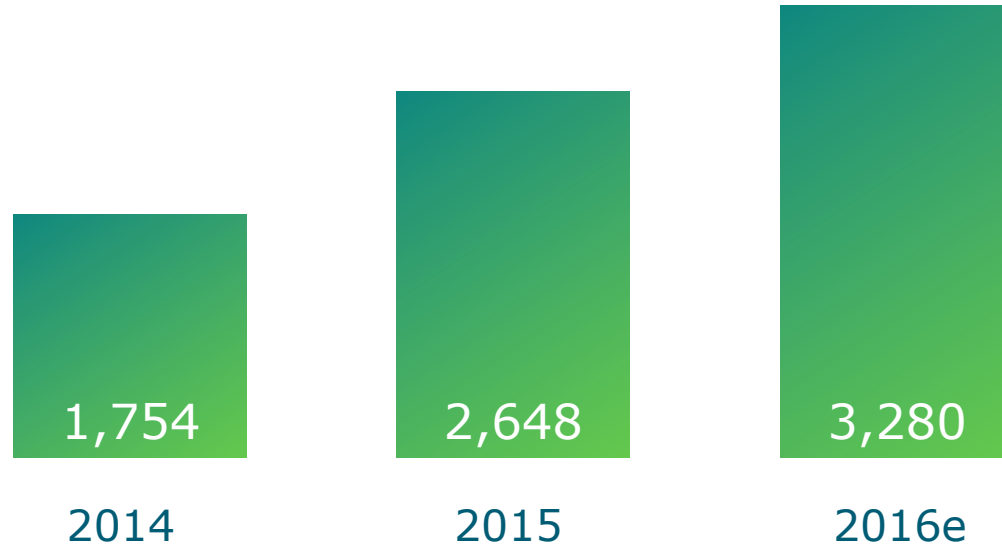
Vonovia is at the forefront of a new era of craftsmen services, very different from conventional ways of servicing properties.



# A successful growth story

ΥΟΗΘΥΙΑ

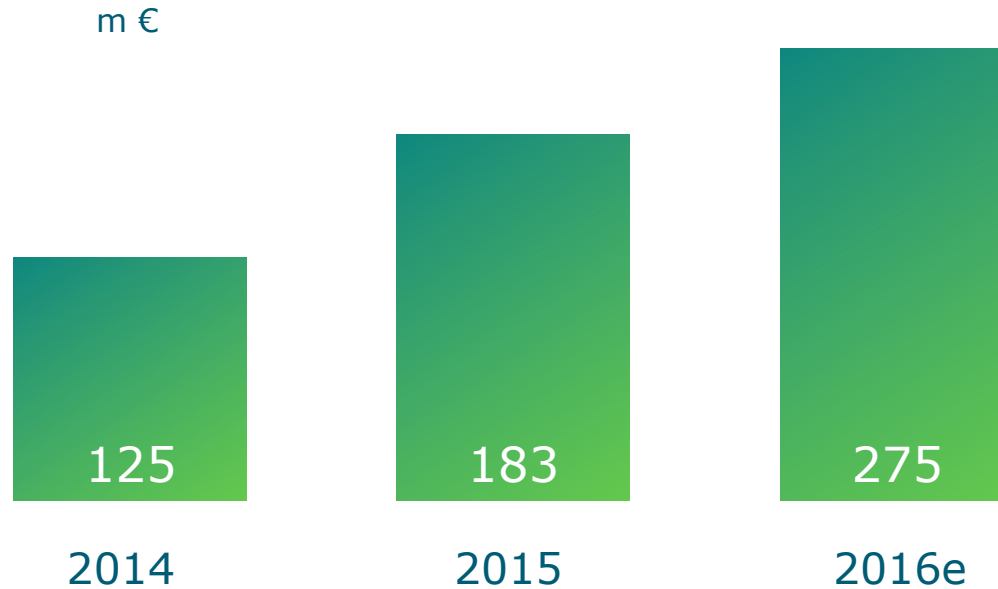
FTE (year end)



A fast growing craftsmen force

# A successful growth story

ΥΠΟΝΟΜΙΑ

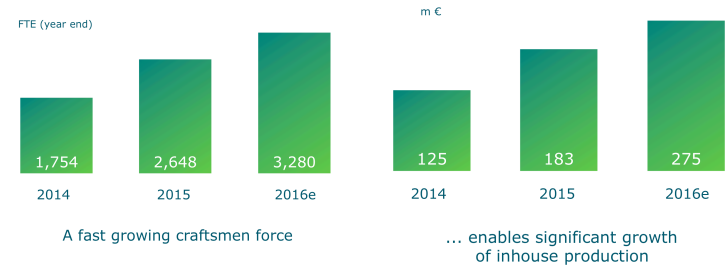


... enables significant growth  
of inhouse production



# A successful growth story

ΥΠΟΝΟΜΙΑ

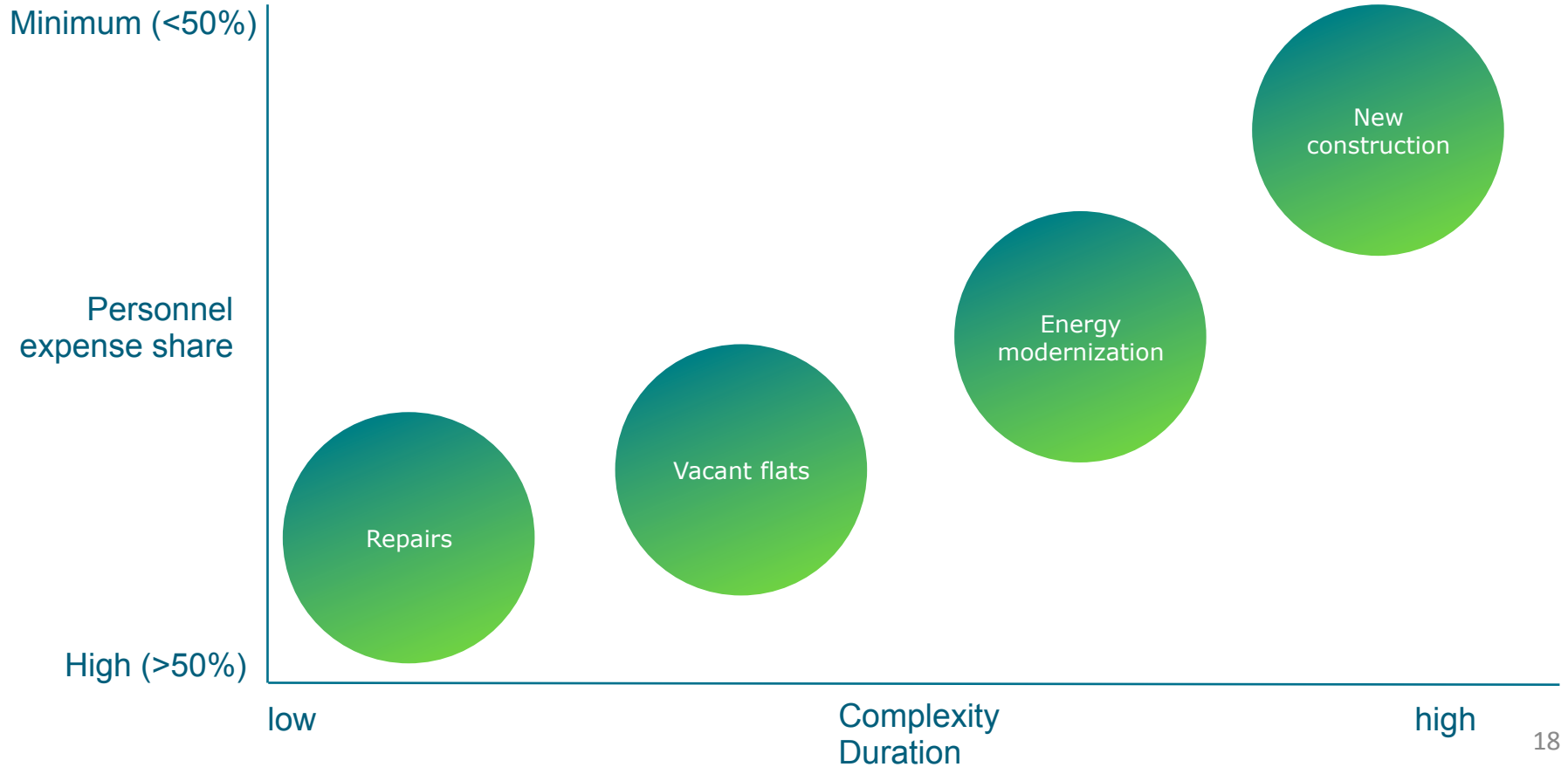


## Insourcing rationale proven

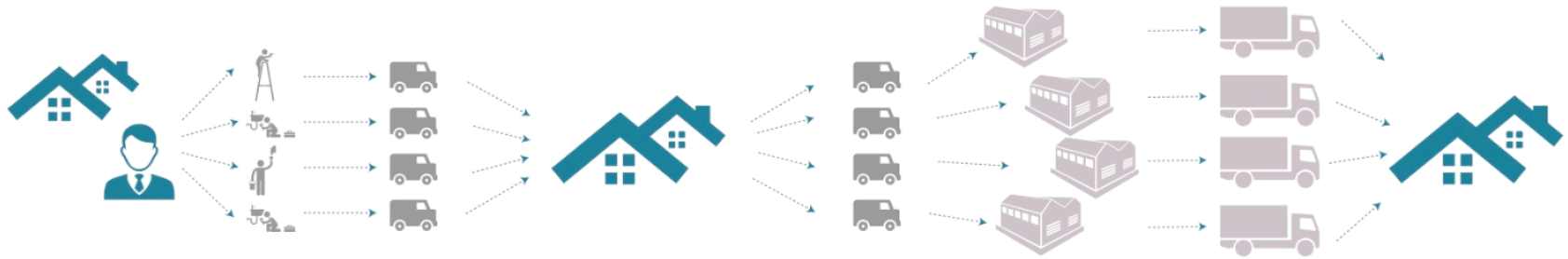
- Positive impact on customer satisfaction by improving the technical service offering
- Inhouse craftsmen organization sets the basis for growing investment programs
- In 2015 more than 19% savings (contribution margin) on inhouse production achieved
- Development of innovative solutions and products such as balconies and windows

# Strategic direction

ΥΠΟΝΟΜΙΑ

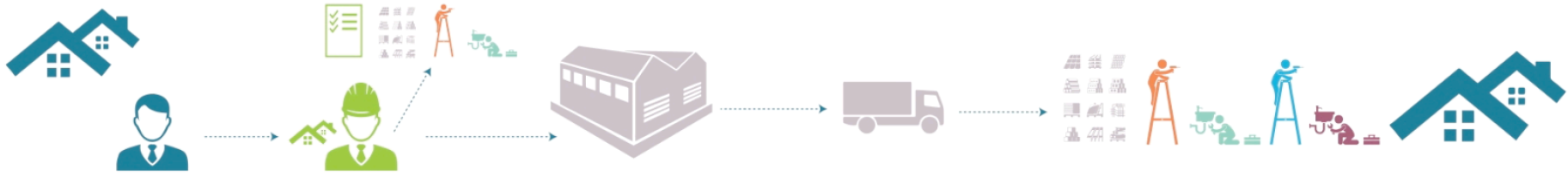


## Vacancy renovation logistics - the old way



Highly inefficient from a budget, time and productivity perspective...and imagine they are missing materials, then it's back to the wholesaler!

## Vacancy renovation logistics - the new way



By standardizing floor plans, using digital checklists and a central materials warehouse, workers can start working immediately upon arriving at the vacancy.

## Savings

Illustrative saving based on a single apartment

- Price for vacant flat renovation: € 10,000
- Vonovia inhouse production cost: € 8,100
- Vonovia cost with new logistic process: € 7,800

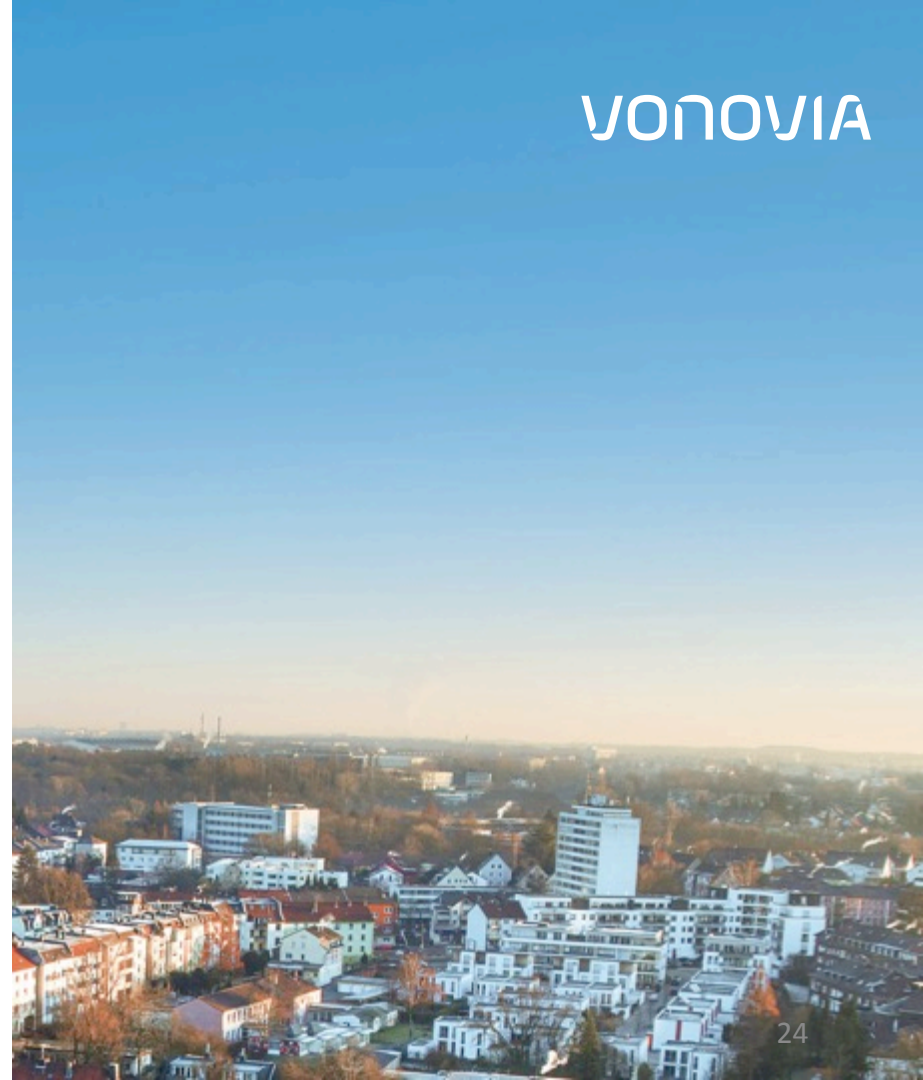
## Productivity

- Standardized processes
- Centralized logistics
- Decrease in construction times
- Insourcing = higher quality, quantity and availability
- Less worker illness

In the past,  
we simply  
rented out  
apartments

...

VONOVIA







VONOVIA

... nowadays  
we ask our  
customers  
what they  
need.

And that is what I  
would like to do now...

... ask you what you need  
to know more about.

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