

VONOVIA

Company Presentation

November 2017

1. Our Market

2. Our Company

3. Our Numbers

German Residential – Safe Harbor and Low Risk



Rental regulation safeguards high degree of stability

- Contrary to many other jurisdictions such as the USA, rental growth in Germany is regulated and not directly linked to CPI, GDP development etc.
- Rents are regulated via "Mietspiegel" (city-specific rent indices), which look at the asking rents of the previous four years to determine a rent growth level for existing tenants for the next two years.

Germany: regulated market ensures sustainable rent growth



USA: rent growth is highly volatile



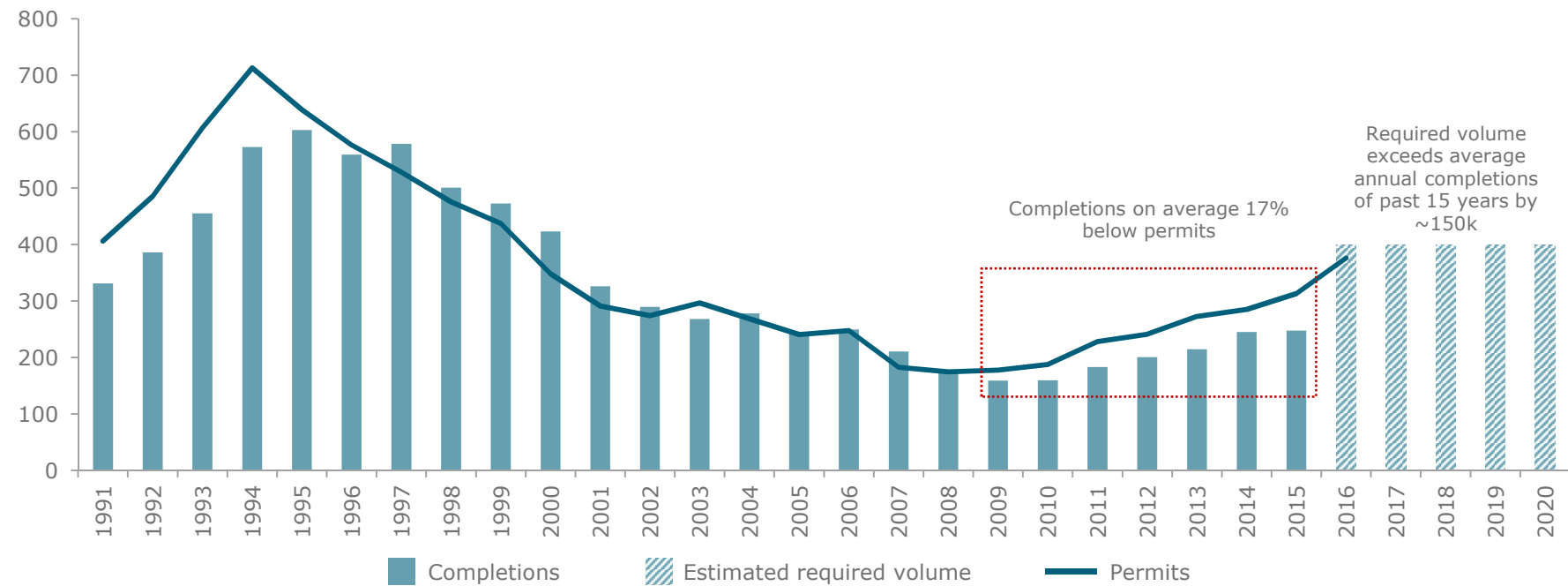
Sources: Federal Statistics Office, GdW (German Association of Professional Homeowners), REIS, BofA Merrill Lynch Global Research, OECD.
 Note: Due to lack of q-o-q US rent growth data, the annual rent growth for a year is assumed to also be the q-o-q rent growth of that year.

German Residential – Landlords Benefit from Structural Imbalance between Supply and Demand

New supply falls short of demand

- Consensus estimates see shortage of around 1 million apartments in urban areas. Three main constraints stand in the way of material changes in the short and even medium term:
 - Building permits take several years because city administrations lack qualified personnel.
 - Severe shortage of building capacity after years of downsizing.
 - Substantial gap between in-place values and market replacement cost render construction in affordable segment economically unfeasible

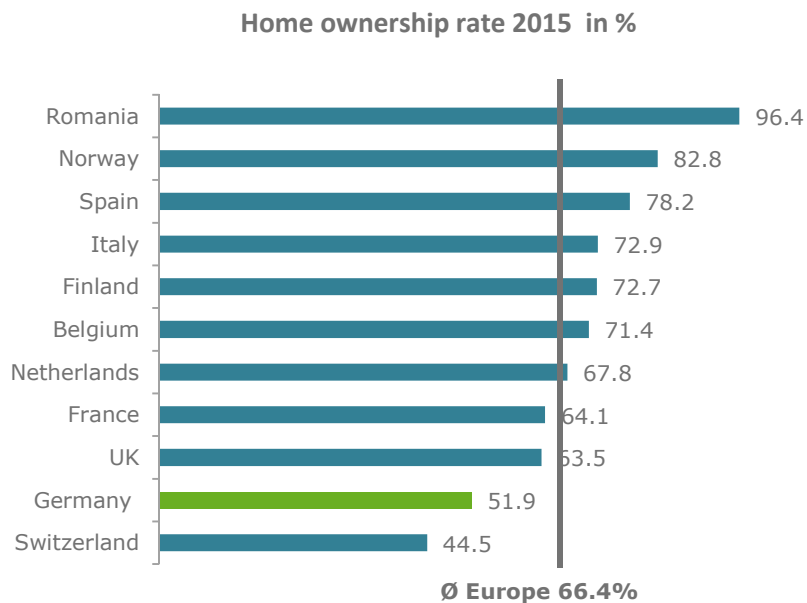
Residential building permits and new construction volume ('000 units)



Sources: Federal Statistics Office, IW Köln, GdW (German Association of Professional Homeowners)

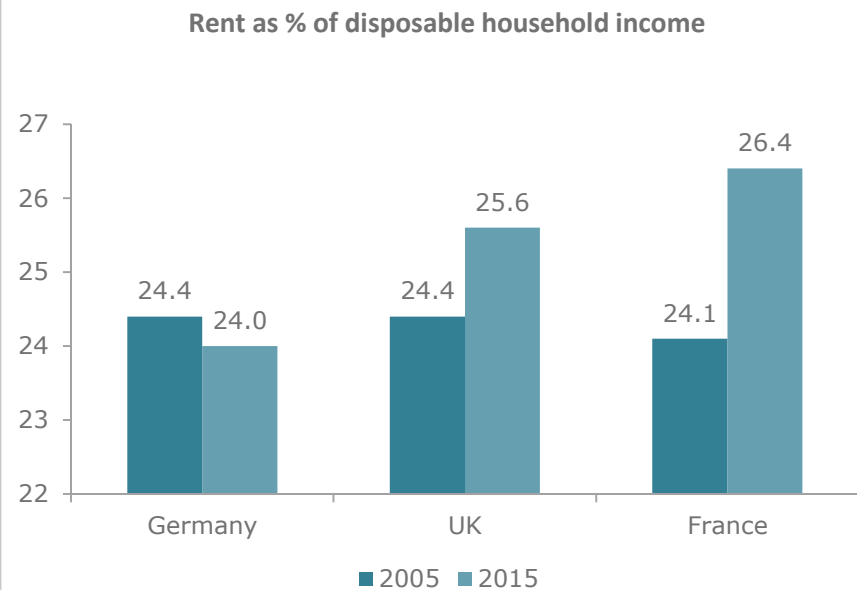
Low home ownership ratio – Germans prefer to rent

- With the exception of Switzerland, Germany has the lowest homeownership ratio in Europe.
- Rental regulation, favorable tenant laws, the general perception that home buying is a life-time decision and comparatively stringent financing requirements are main drivers for low homeownership rate.



Rental housing very affordable in Germany

- Affordability in Germany is higher than in the UK or France.
- Whereas most other European countries saw an increase, the share of rent-related payments in relation to disposable income declined in Germany between 2005 and 2015.



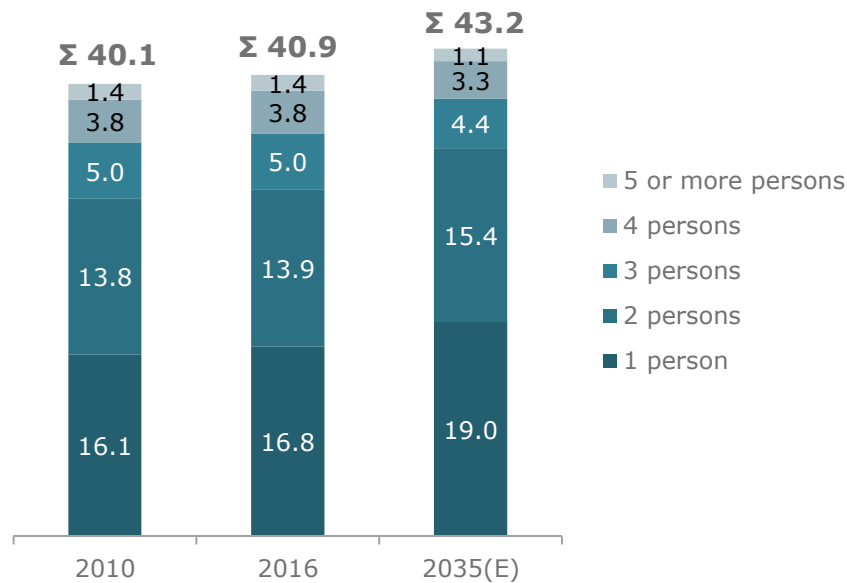
Share of disposable household income spent on rent, water, electricity and fuel

Sources: Federal Statistics Office, Eurostat

Growing number of smaller households

- While the overall population in Germany is expected to slightly decline, the number of households is forecast to grow until at least 2030 with a clear trend towards smaller households.
- The household growth is driven by various demographic and social trends including divorce rates, employment mobility etc.

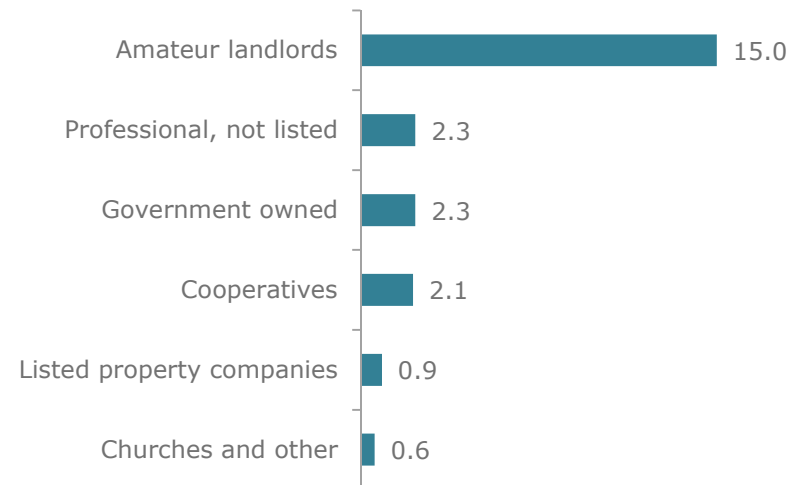
Distribution of household sizes (million)



Fragmented ownership structure

- Germany is the largest housing market in Europe with ~42m housing units, of which ~23m are rental units.
- Ownership structure is highly fragmented and majority of owners are non-professional landlords.
- Listed sector represents ~4% of total rental market.

Ownership structure (million units)



Sources: German Federal Statistics Office, GdW (German Association of Professional Homeowners). 2035(E) household numbers are based on trend scenario of the German Federal Statistics Office.

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Illustration of Germany at Night

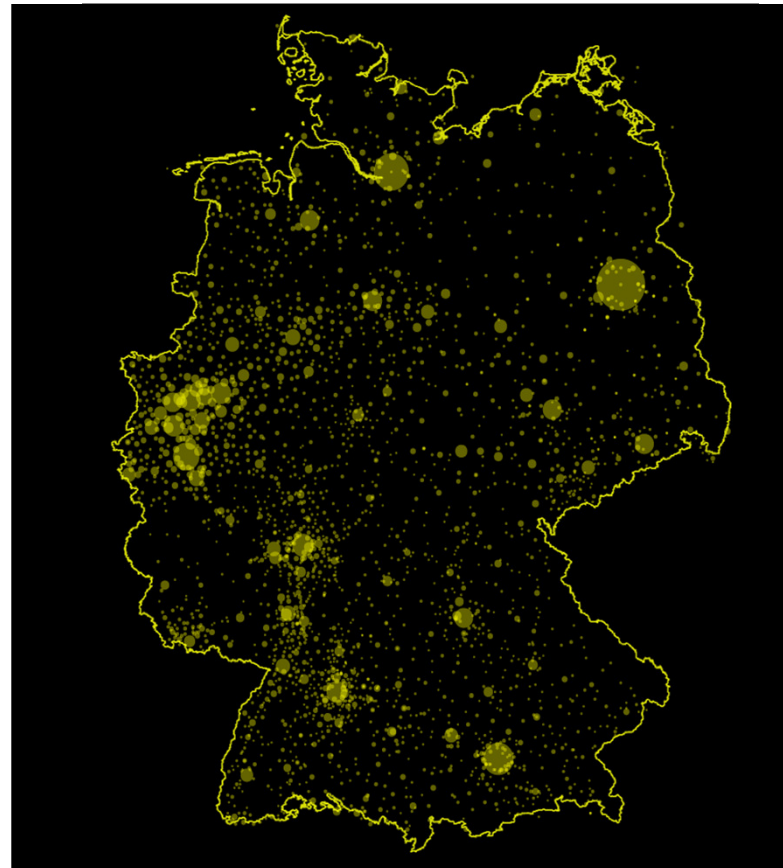
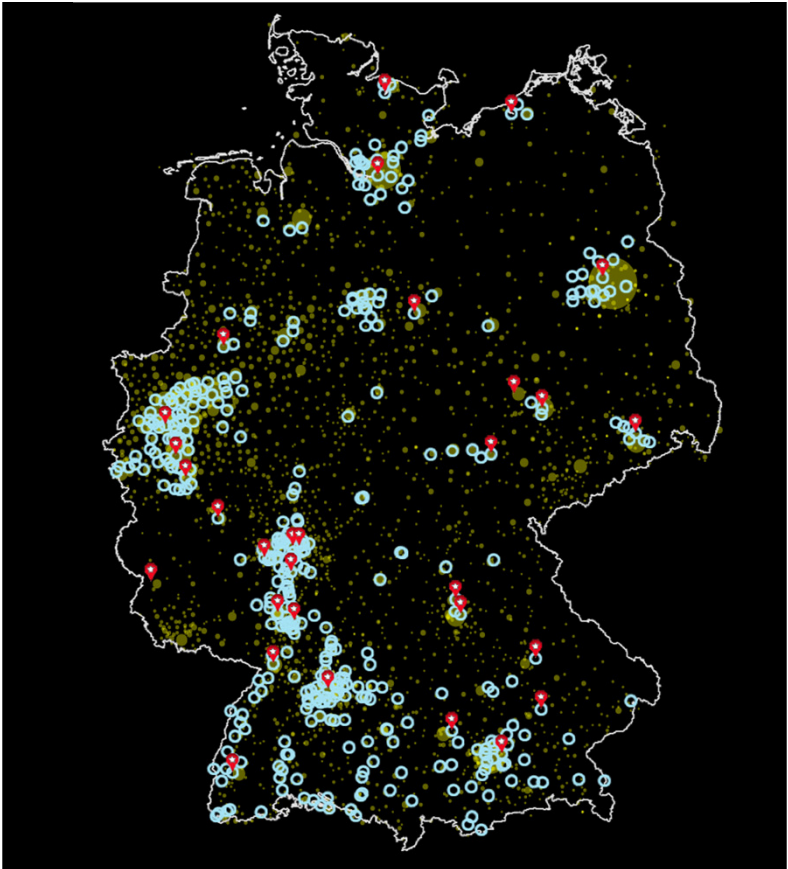


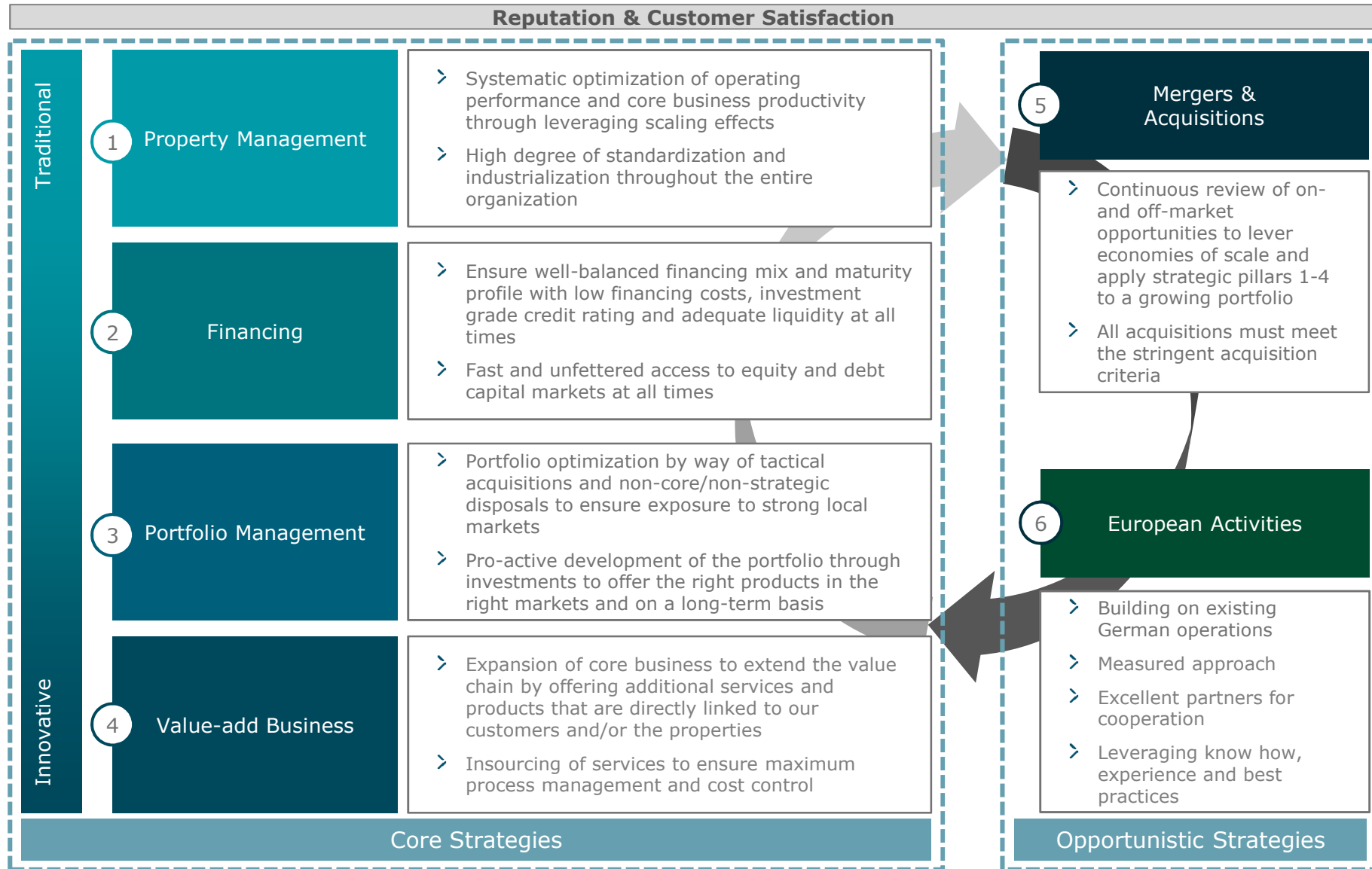
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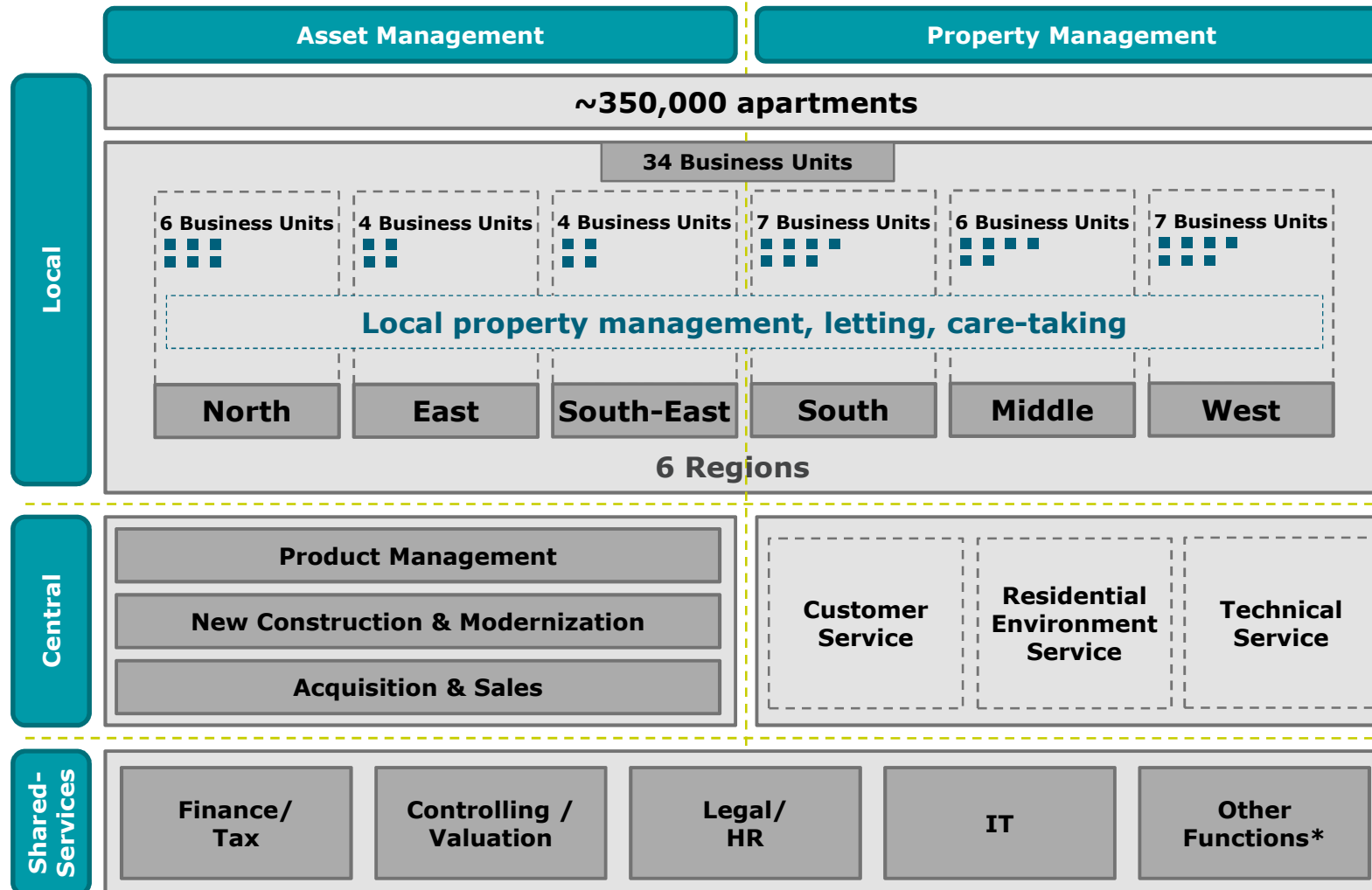


Note: Vonovia Strategic Portfolio

High-influx cities ("Schwarmstädte"). For more information: http://investoren.vonovia.de/websites/vonovia/English/4050/financial-reports-_-presentations.html

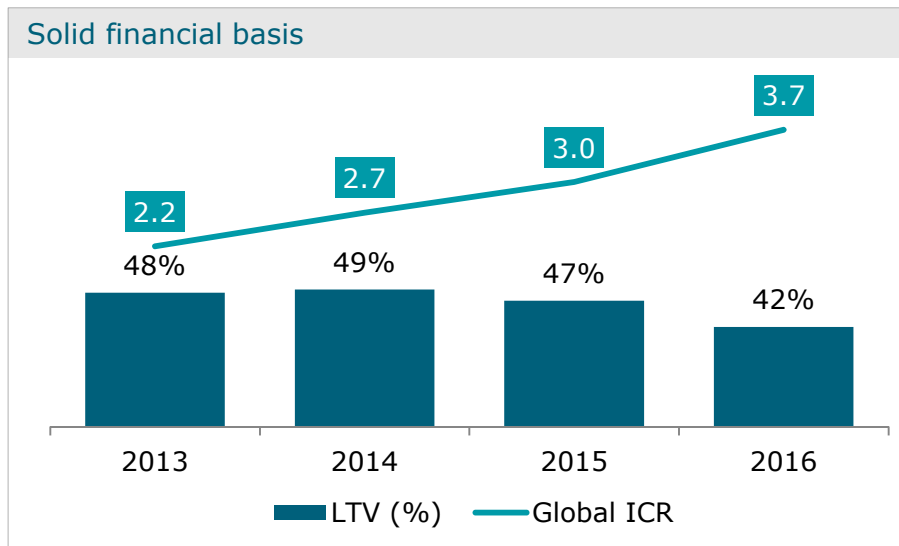
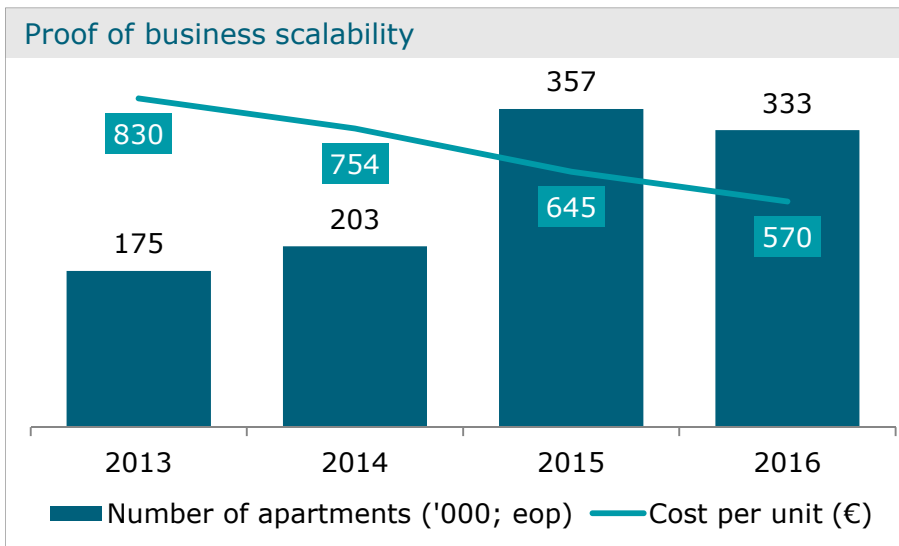
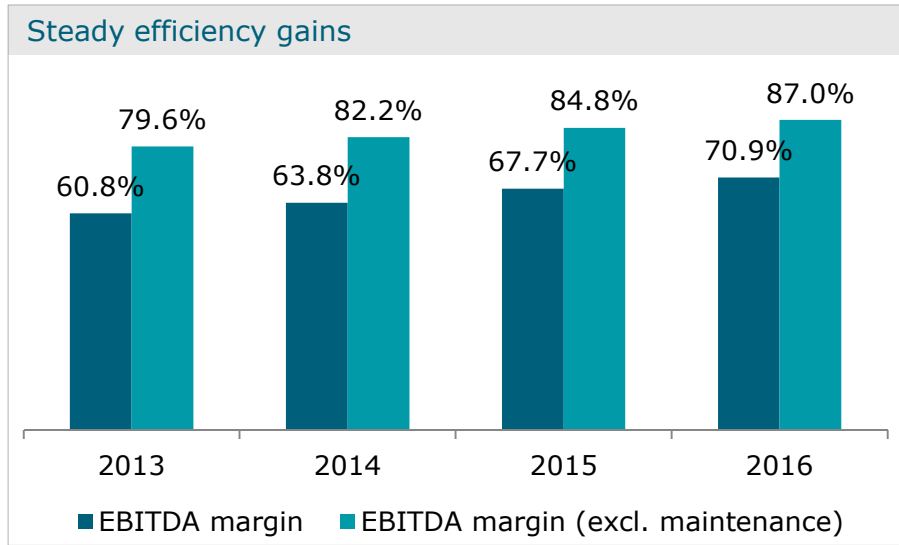
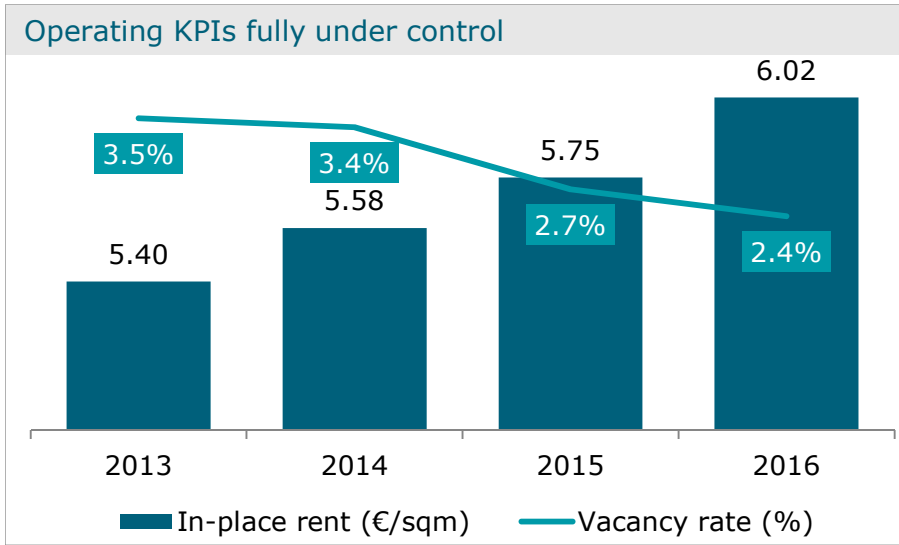
Proven 4+1 Strategy is Evolving into 4+2 Strategy to Include European Metropolitan Areas



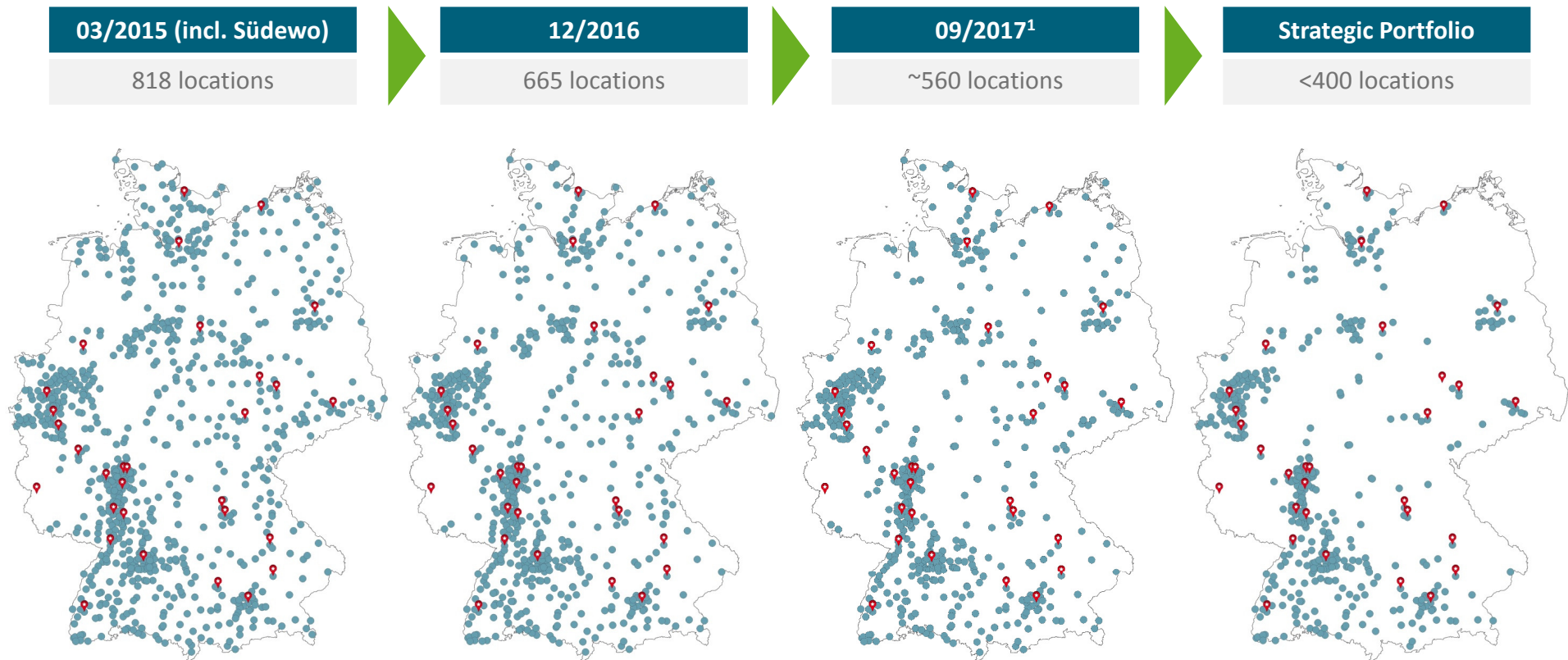


*Other shared services: Internal Audit, Communications, Central Procurement, Insurances, Investor Relations, Accounting

Track Record



Substantial Reduction of Portfolio Locations

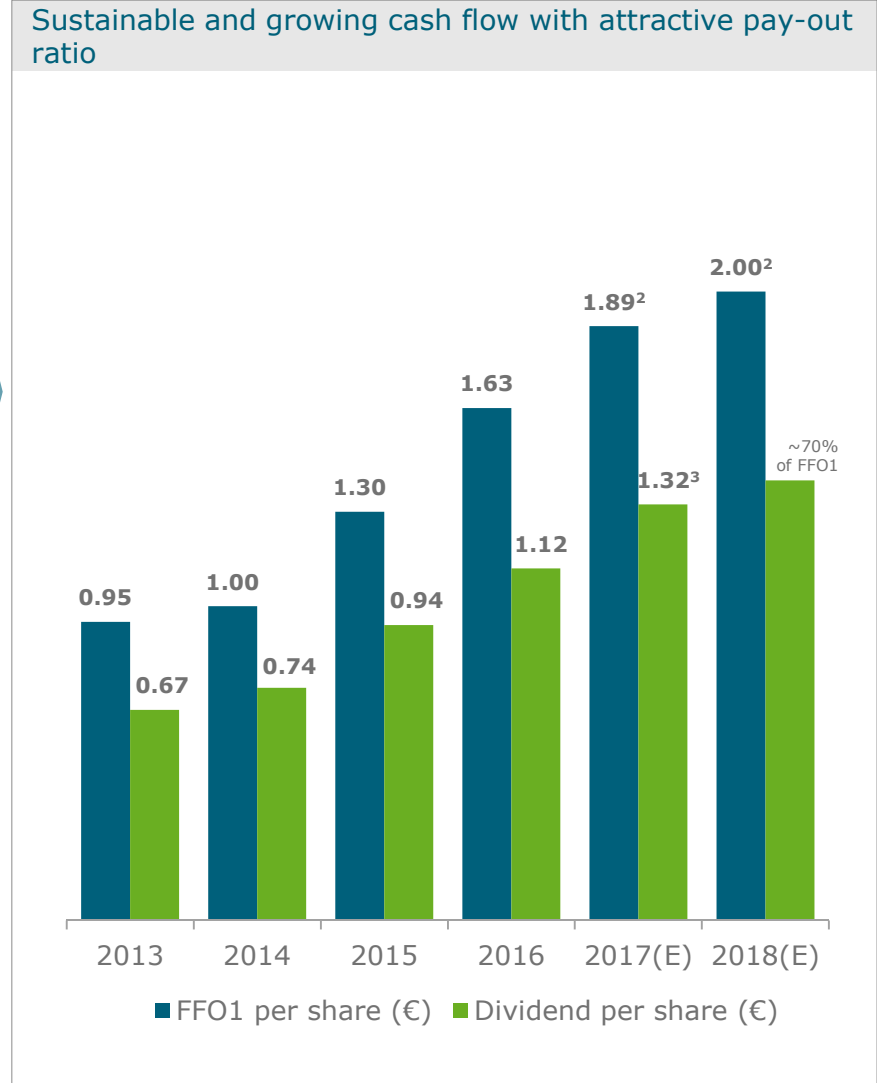
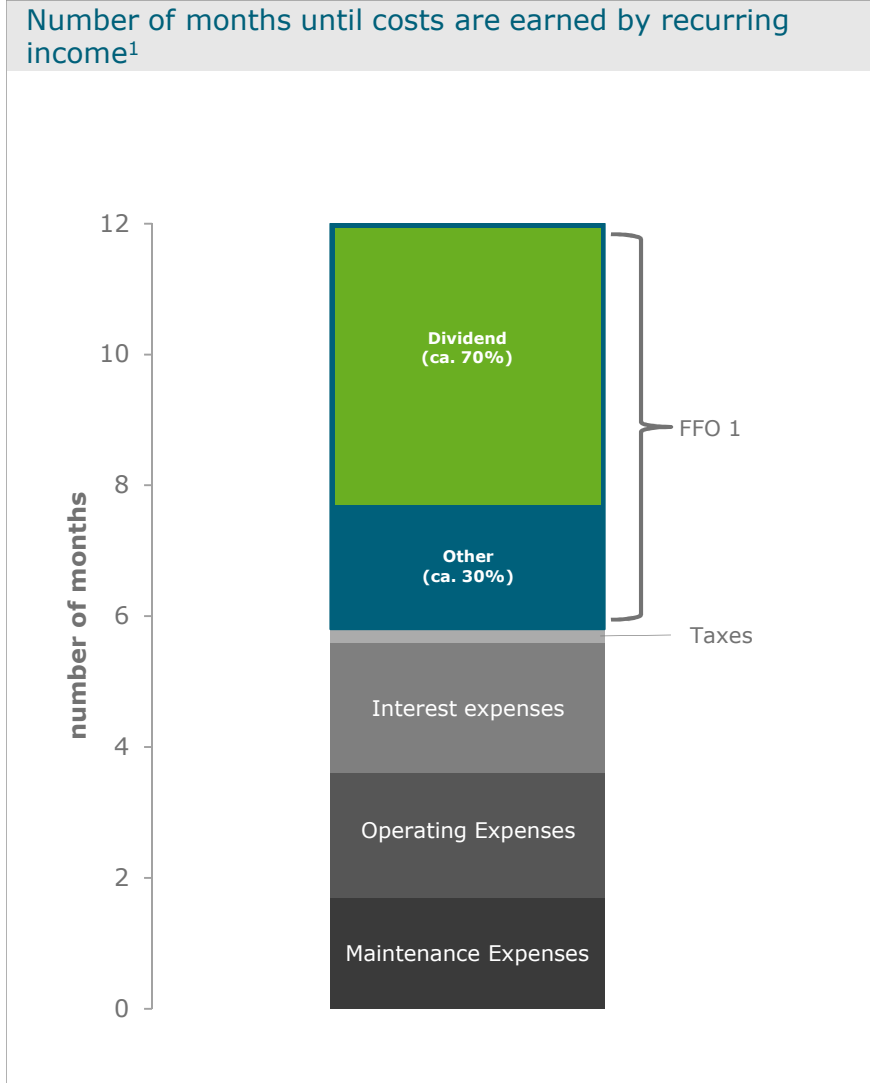


● Vonovia location

📍 High-influx cities ("Schwarmstädte"). For more information: http://investoren.vonovia.de/websites/vonovia/English/4050/financial-reports-_-presentations.html

¹ Excluding locations for which the disposal is planned or has already been approved by the management board to be executed within 2017. The actual disposal will take place later than 2017 for some of these transactions.

Attractive Dividend Policy



¹ Rental income + EBITDA Value-add Business and Other; excluding sales effects. ² Midpoint guidance. ³ Intended to be proposed to the 2018 Annual General Meeting.

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<p>Final Guidance 2017</p>	<p>Confirmed towards upper end</p> <ul style="list-style-type: none"> ➢ Organic rent growth expected at the top end of the range with ~4%. ➢ FFO1 €910m - €920m (€1.88 - €1.90 per share). ➢ DPS of €1.32¹ (+18%).
<p>Organic Growth</p>	<p>Built-in organic growth momentum continues in 9M 2017 and beyond</p> <ul style="list-style-type: none"> ➢ Organic rent growth of 3.9% y-o-y (prior year: 2.8%). ➢ Adj. EBITDA Operations up 10.8% y-o-y. ➢ FFO1 per share up 15.4% y-o-y (18.7% on average NOSH). ➢ Growth momentum most evident in quarterly comparison.
<p>Valuation</p>	<p>First indication for full-year valuation shows positive fundamentals remain in place</p> <ul style="list-style-type: none"> ➢ Continuously improving performance, growing investments and ongoing yield compression drive value growth also in secondary locations. ➢ Expected fair value growth between €4.0bn - €4.5bn for full year 2017 (€1.5bn in H1 2017).
<p>Investments</p>	<p>Investment program on a broad footing supports organic growth potential</p> <ul style="list-style-type: none"> ➢ Introducing IRR as additional KPI to reflect investment programs' evolution over time. ➢ Sufficient investment potential identified for many years to come.
<p>Initial Guidance 2018</p>	<p>Guidance for 2018 shows internal strength going forward</p> <ul style="list-style-type: none"> ➢ Organic rent growth 4.6% - 4.8%. ➢ Stable top line due to non-core disposals in 2017 and 2018. ➢ FFO1 €960m - €980m (€1.98 - €2.02 per share²).

¹ Intended to be proposed to the 2018 Annual General Meeting. ² Based on current 485.1m shares outstanding.

Built-in Organic FFO1 Growth Continues in 9M

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- › The average portfolio size was of a broadly similar size y-o-y.
- › Organic rent growth, better average portfolio quality and increased contribution from Value-add Business drove Adj. EBITDA Operations growth to 10.8%.
- › 15.4% FFO1 per share growth despite slight dilution from convert, scrip dividend and Gagfah merger.

		9M 2017	9M 2016	Delta	
Average number of residential sqm	` 000	22,134	21,685	+2.1%	
Average number of residential units	#	354,095	347,690	+1.8%	
Organic rent growth (y-o-y)	%	3.9	2.8	+110bps	
In-place rent (eop)	€/month/sqm	6.19	5.94	+4.2%	
Vacancy rate (eop)	%	2.9	2.8	+10bps	
Rental income	€m	1,249.4	1,156.1	+8.1%	+€93.3m
Maintenance expenses	€m	-192.2	-184.1	+4.4%	
Operating expenses	€m	-191.3	-177.9	+7.5%	
Adj. EBITDA Rental	€m	865.9	794.1	+9.0%	+€71.8m
Adj. EBITDA Value-add business	€m	76.0	45.1	+68.5%	
Adj. EBITDA Operations	€m	922.1	832.3	+10.8%	+€89.8m
FFO interest expenses	€m	-216.5	-249.1	-13.1%	
Current income taxes FFO1	€m	-15.1	-11.6	+30.2%	
FFO1	€m	690.5	571.6	+20.8%	+€118.9m
FFO1 per share (eop NOSH)	€	1.42	1.23	+15.4%	
FFO1 per share (avg. NOSH)	€	1.46	1.23	+18.7%	

Quarterly Analysis Reveals Organic Growth Momentum **VONOVIA**

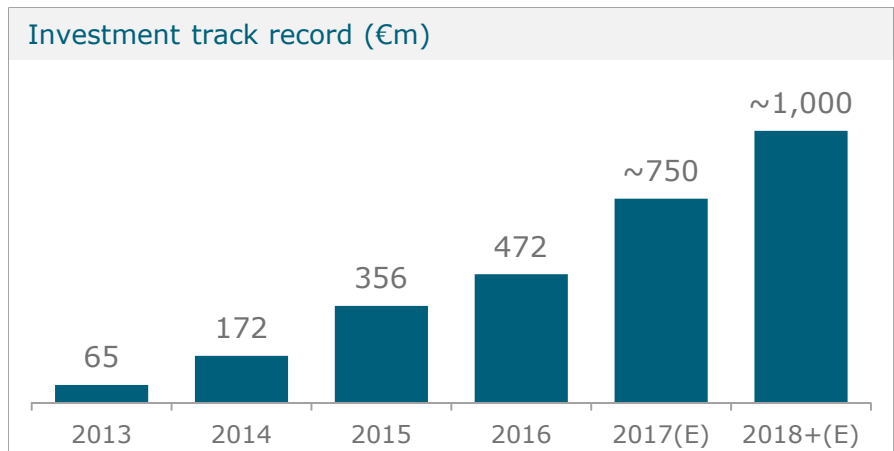
- › Comparing this year's Q3 vs. Q1 emphasizes the organic growth momentum.
- › Adj. EBITDAs and FFO are growing due to operational improvements and an increasing contribution from Value-add Business, in spite of a declining portfolio as a result of non-core disposals.

		Q3 2017	Q1 2017	Delta	
Average number of residential sqm	'000	21,950	22,276	-1.5%	
Average number of residential units	#	351,145	356,411	-1.5%	
Organic rent growth (y-o-y)	%	3.9	3.4	+50bps	
In-place rent (eop)	€/month/sqm	6.19	6.06	+2.1%	
Vacancy rate (eop)	%	2.9	2.7	+20bps	
Rental income	€m	416.2	417.2	-0.2%	-€1.0m
Maintenance expenses	€m	-64.9	-63.1	+2.9%	
Operating expenses	€m	-58.9	-68.5	-14.0%	
Adj. EBITDA Rental	€m	292.4	285.6	+2.4%	+€6.8m
Adj. EBITDA Value-add business	€m	30.4	19.8	+53.5%	
Adj. EBITDA Operations	€m	314.5	300.1	+4.8%	+€14.4m
FFO interest expenses	€m	-78.5	-76.8	+2.2%	
Current income taxes FFO1	€m	-3.2	-5.1	-37.3%	
FFO1	€m	232.8	218.2	+6.7%	+€14.6m
FFO1 per share (eop NOSH)	€	0.46	0.47	-2.1%	
FFO1 per share (avg. NOSH)	€	0.48	0.47	+2.1%	

Accelerating Rent Growth Momentum

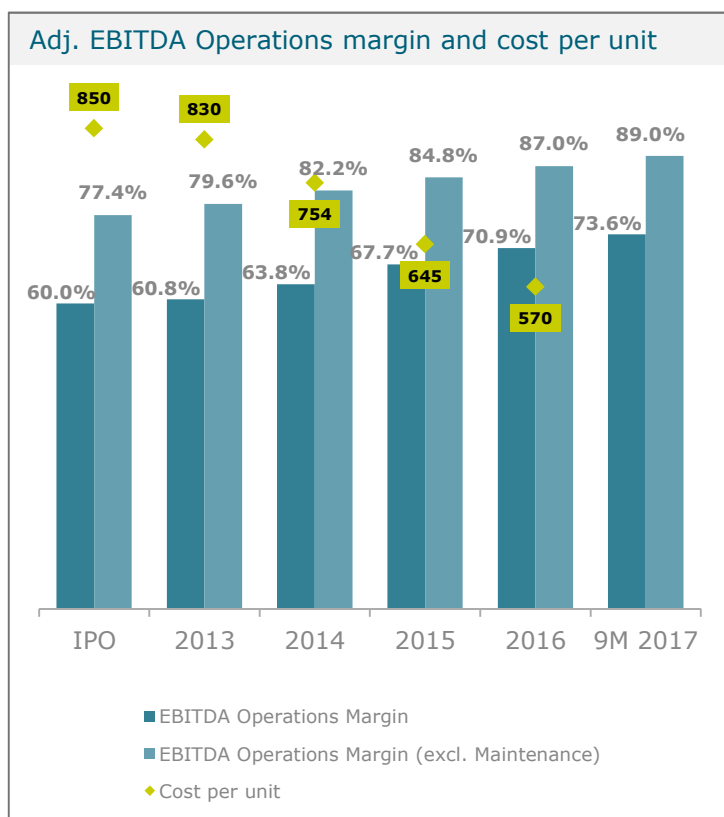
Rent growth drivers (last 12M)	9M 2017	9M 2016	Delta
Sitting tenants (incl. subsidized rents)	1.2%	0.9%	+30 bps
New lettings	0.5%	0.7%	-20 bps
Subtotal market-driven rent growth	1.7%	1.5%	+20 bps
Modernization	2.1%	1.3%	+80 bps
Subtotal I-f-I rent growth	3.8%	2.8%	+100 bps
Space creation	0.1%	0.0%	+10 bps
Subtotal organic rent growth	3.9%	2.8%	+110 bps
Portfolio management (+ acquisitions ./ sales)	0.3%	1.6%	-130 bps
Total rent growth	4.2%	4.4%	-20 bps

Positive rent growth trajectory						
	2013	2014	2015	2016	2017 (E)	2018+ (E)
Market driven	1.6%	1.6%	1.7%	1.5%	↑	↑
Modernization	0.4%	0.9%	1.2%	1.8%	↑	↑
Space creation	---	---	---	---	↑	↑
Organic rent growth	1.9%	2.5%	2.9%	3.3%	~4.0%	4.6% - 4.8%



Continued EBITDA Expansion

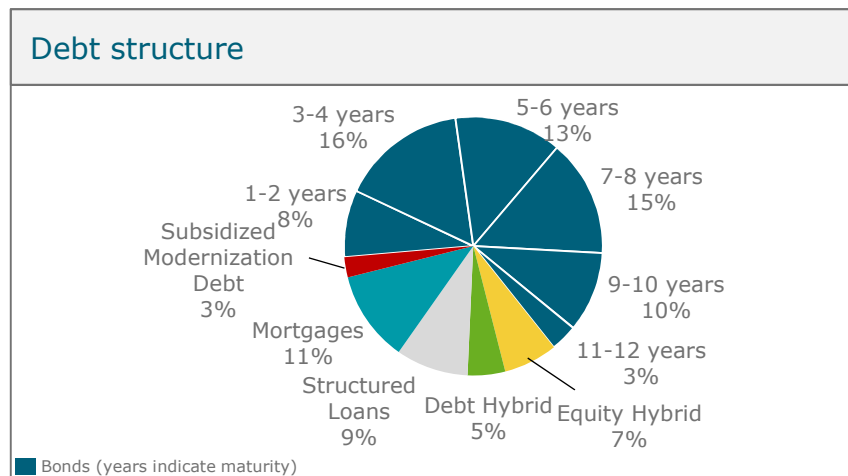
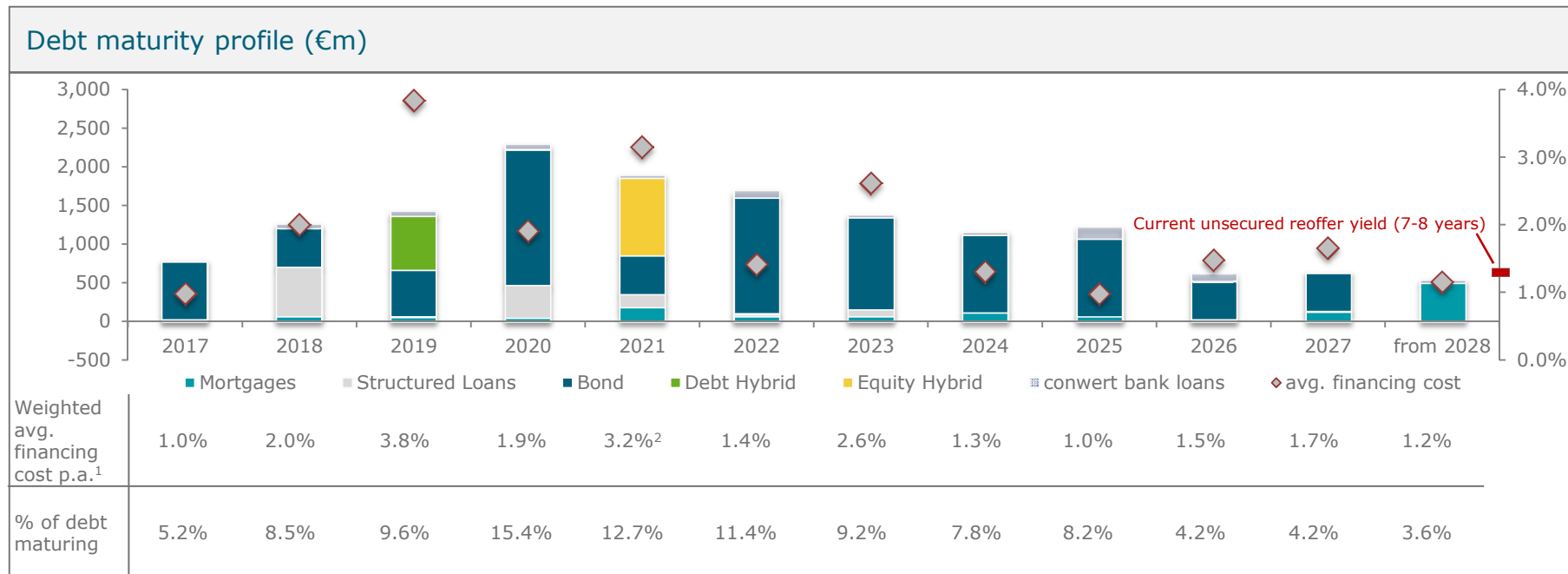
- **9.0% EBITDA Rental growth** translates into an **EBITDA Operations growth of 10.8% y-o-y** because of the growing contribution from the Value-add Business.
- EBITDA Operations **margin expansion** (excl. maintenance) continues with **200 bps ytd**.



€m (unless indicated otherwise)	9M 2017	9M 2016	Delta
Rental income	1,249.4	1,156.1	+8.1%
Maintenance expenses	-192.2	-184.1	+4.4%
Operating expenses	-191.3	-177.9	+7.5%
Adj. EBITDA Rental	865.9	794.1	+9.0%
Income	795.4	574.4	+38.5%
of which external	115.1	91.6	+25.7%
of which internal	680.3	482.8	+40.9%
Operating expenses	-719.4	-529.3	+35.9%
Adj. EBITDA Value-add business	76.0	45.1	+68.5%
Adj. EBITDA Other ¹	-19.8	-6.9	>100%
Adj. EBITDA Operations	922.1	832.3	+10.8%

¹ Mainly consolidation

Smooth Maturity Profile with Diverse Funding Mix

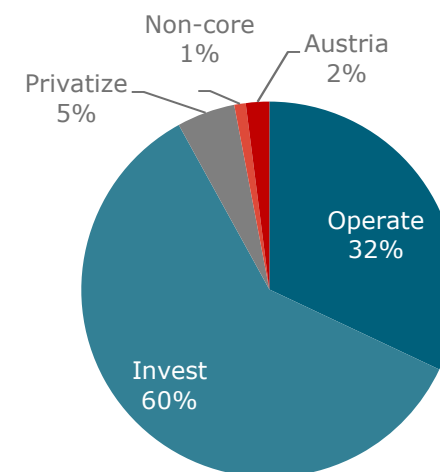


KPIs	September 30, 2017	Target
LTV	42.4%	Mid-to low forties
Unencumbered assets in %	61.9%	≥50%
Secured debt / total assets	9%	Ongoing optimization with most economic funding
Debt/EBITDA ³ multiple	10.9x	
Fixed/hedged debt ratio	98%	
Global ICR (YTD)	4.6x	
Financing cost	2.0%	
Weighted avg. maturity	7.8 years	

¹ Average financing cost of debt maturing in the relevant year. ² Weighted avg. financing costs excl. Equity Hybrid. Including Equity Hybrid avg. interest rate of debt maturing in 2021 is 3.6%. ³ Net Debt as of Sep 30 over 9M EBITDA Operations annualized.

Pro-active Portfolio Management Clustering

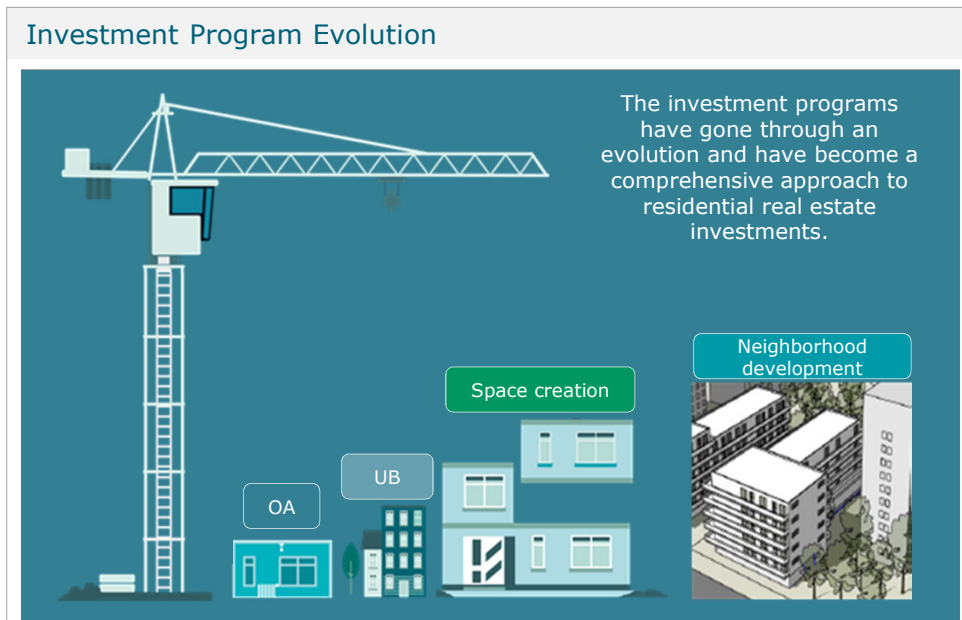
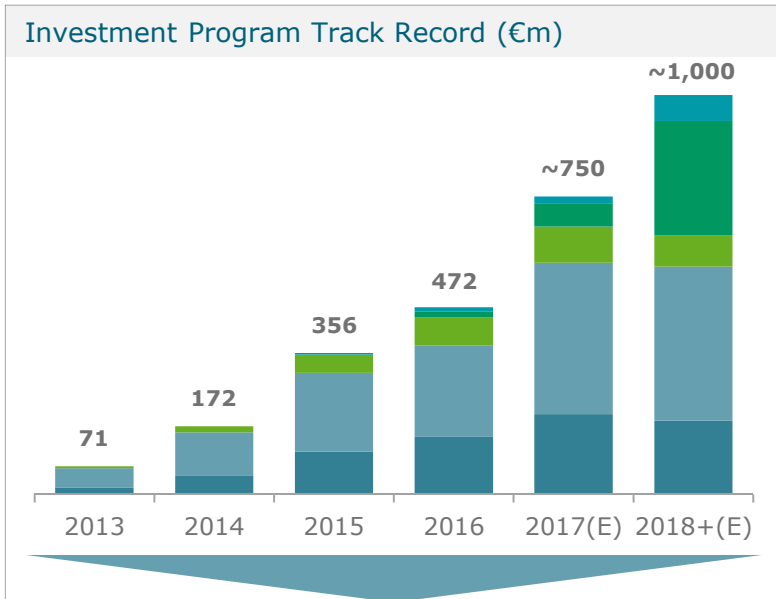
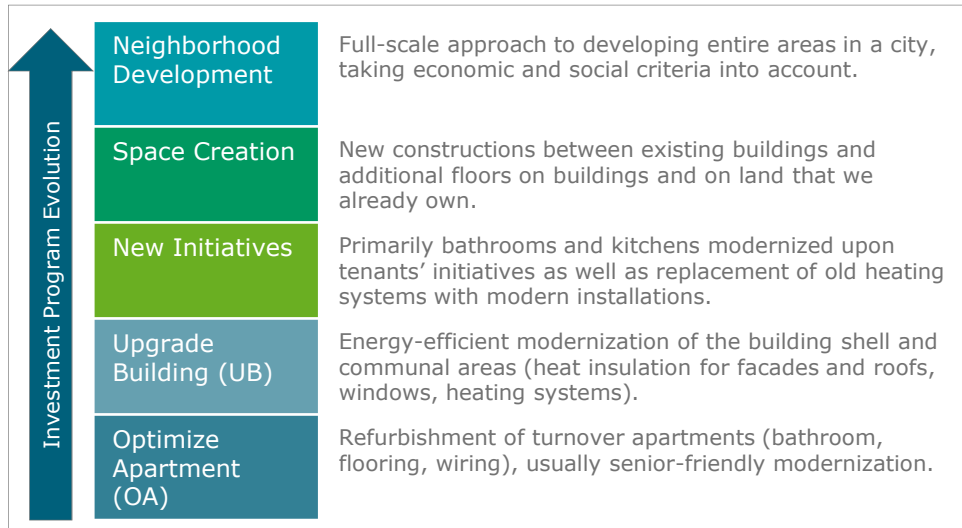
- As the investment program continues to evolve beyond the two original categories Optimize Apartments and Upgrade Buildings, an unambiguous allocation of properties into these two clusters becomes increasingly meaningless. Going forward, we will therefore distinguish only between Operate and Invest for the Strategic Portfolio.
- Similarly, as the Non-strategic and Non-core portfolios continue to shrink, there is no longer a need to distinguish between the two. Going forward, we will merge and report them as one cluster under Non-core.



Sep. 30, 2017	Residential	In-place rent	Vacancy rate	Fair value	
	units	(€/sqm/month)	(%)	(€bn)	% of total
Operate	106,126	6.32	2.7	9.7	32%
Invest	215,313	6.20	2.6	18.5	60%
Subtotal Strategic Clusters	321,439	6.24	2.6	28.2	92%
Privatize	15,719	6.04	4.3	1.5	5%
Non-core	10,829	4.85	9.2	0.4	1%
Total Germany	347,987	6.19	2.9	30.2	98%
Austria	2,147	6.35	2.4	0.6	2%
Total Residential Portfolio	350,134	6.19	2.9	30.8	100%

Fair value of the developed land excluding €182.4 million for undeveloped land, inheritable building rights granted and other.

Investment Program on an Increasingly Broader Footing



- > The investment program has not only grown in size but also in complexity.
- > While a **yield-to-cost** calculation is appropriate for investments that generate relatively quick pay-back periods, such as OA or UB, the larger investments space creation and neighborhood development generate value only over a longer period of time.
- > For these types of projects, an **IRR** calculation is more adequate and after using it for internal reporting purposes already from the program inception, we will now use this metric in the external reporting as well.
- > The **target IRR** for the **overall investment** program is **>8%**.
- > OA and UB will continue to be measured against a 7% yield-to-cost target.

Concept

- Expansion of core business to extend the value chain by offering additional services and products that are directly linked to our customers and/or the properties and offer the same cash flow stability as the rental business.
- Insourcing of services to ensure maximum process management and cost control.
- Two types of Value-add Business
 1. External income (e.g. multimedia, smart metering)
 2. Internal savings (e.g. craftsmen, resi environment)
- New initiatives always follow same low risk pattern of
 - Prototype development
 - Proof of concept in pilot phase
 - Roll-out across portfolio

Economics

- NAV does not account for Vonovia's Value-add Business.
- Applying the impairment test WACC¹ to the 2017E Adj. EBITDA Value-add Business translates into an additional value of ~€5 per share (~15% on top of current Adj. NAV).

Penetration	
Multimedia	ca. 75%
Smart metering	ca. 15%
Residential environment	ca. 25%
Craftsmen VTS	ca. 70% (maintenance) ca. 30% (modernization) target is around 70% to allow for enough flexibility in the volumes and to enable continuous benchmarking to market prices

Adj. EBITDA Value-add Business (€m)

Year	Value (€m)	Change (%)
2014	23.6	-
2015	37.6	+59%
2016	57.0	+52%
2017E	~100	+~75%

¹ Pre-tax WACC of 4.1% as per Dec. 31, 2016.

2018 Guidance Underlines Organic Growth Potential

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	2016 Actuals	2017 Guidance	2018 Guidance
Organic rent growth (eop)	3.3%	~4%	4.6% - 4.8%
Vacancy (eop)	2.4%	~2.5%	<2.5%
Rental Income (€m)	1,538.1	1,660 - 1,680	1,660 - 1,680
FFO1 (€m)	760.8	910 - 920 (towards the upper end)	960 - 980
FFO1 (€/share)	1.63	1.88 - 1.90 (towards the upper end)	1.98 - 2.02 ²
Maintenance (€m)	320.1	~350	~360
Modernization & Investments (€m)	472.3	~750	~1,000
Privatization (number of units)	2,701	~2,600	~2,300
FV step-up (Privatization)	36.2%	~30%	~30%
Non-core (number of units)	23,930	up to 10k	opportunistic
FV step-up (Non-Core)	5.4%	~7%	>0%
Dividend/share	€ 1.12	€1.32 ¹	~70% of FFO1

¹ Intended to be proposed to the 2018 Annual General Meeting. ² Based on current number of 485.1m shares outstanding.

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Financial Calendar 2017

2017

Nov 8	Interim results 9M 2017
Nov 13-16	Roadshow (Europe)
Nov 17	Roadshow (Brussels)*
Nov 28	UBS Global Real Estate CEO/CFO Conference (London)
Nov 29	Roadshow (Geneva)*
Dec 1	Société Générale The Premium Review Conference (Paris)
Dec 5	Berenberg European Corporate Conference (Pennyhill)*
Dec 11	HSBC Global Real Estate Conference (Cape Town)

2018

Jan 9-10	Commerzbank German Investment Seminar (NYC)
Jan 10	J.P.Morgan European Real Estate CEO Conference (London)
Jan 15	Kepler Cheuvreux German Corporate Conference (Frankfurt)
Mar 6	FY 2017 results
May 3	Interim results 3M 2018
May 9	Annual General Meeting
June 4-5	Capital Markets Day
Aug 2	Interim results 6M 2018
Nov 6	Interim results 9M 2018

*IR only

Appendix

Final Guidance 2017 - Confirmed towards Upper End

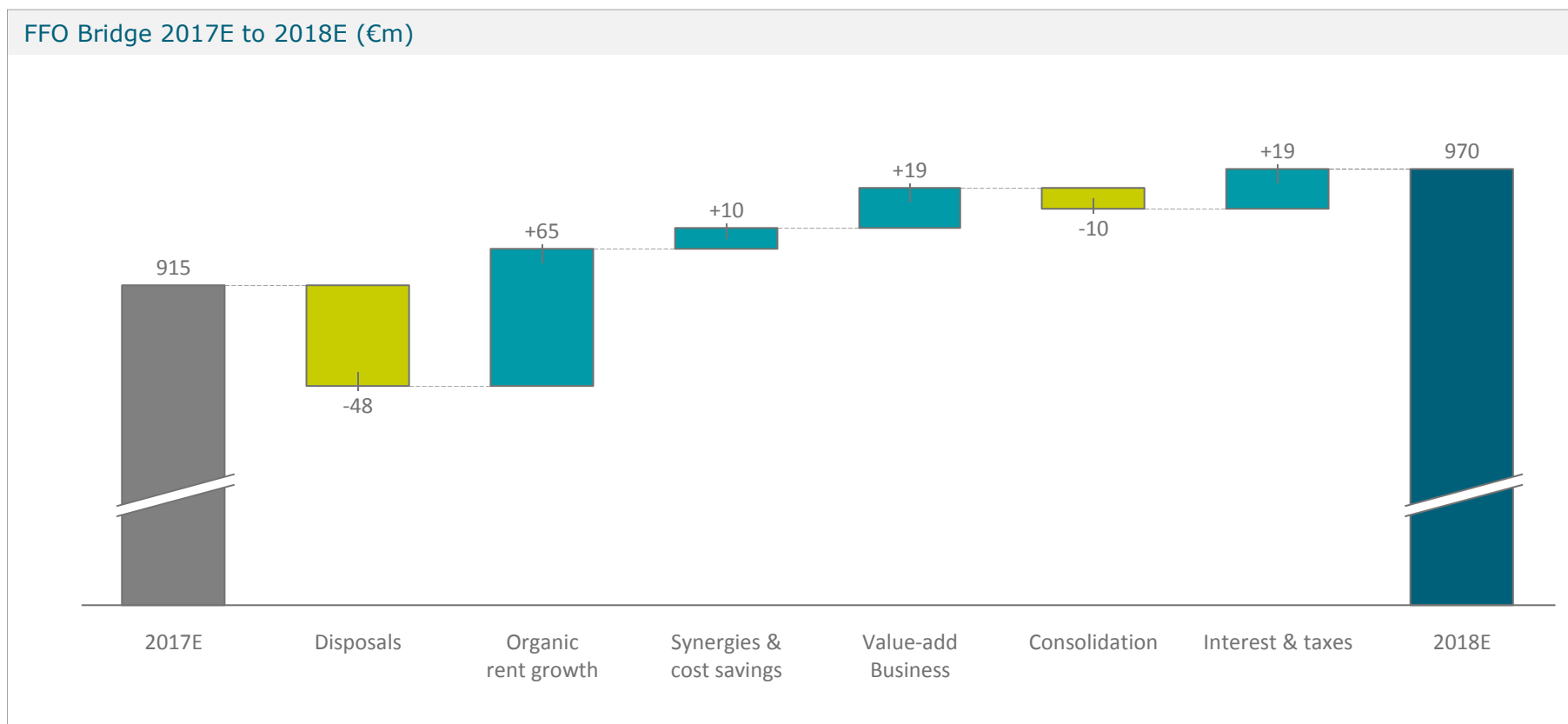
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	2016 Actuals	2017 Guidance (March 2017, <u>excl.</u> convert)	2017 Guidance (Aug. 2017, <u>incl.</u> convert)	2017 Final Guidance (Nov. 2017, <u>incl.</u> convert)
Organic rent growth (eop)	3.3%	3.5% - 3.7%	3.8% - 4.0%	~4%
Vacancy (eop)	2.4%	<2.5%	<2.5%	~2.5%
Rental Income (€m)	1,538.1	1,530 - 1,550	1,660 - 1,680	1,660 - 1,680
FFO1 (€m)	760.8	830 - 850	900 - 920	910 - 920 (towards the upper end)
FFO1 (€/share)	1.63	1.78 - 1.82	1.86 - 1.90	1.88 - 1.90 (towards the upper end)
Maintenance (€m)	320.1	~340	~340	~350
Modernization & Investments (€m)	472.3	700 - 730	~730	~750
Privatization (number of units)	2,701	~2,300	~2,300	~2,600
FV step-up (Privatization)	36.2%	~35%	~30%	~30%
Non-core (number of units)	23,930	opportunistic	opportunistic	up to 10k
FV step-up (Non-Core)	5.4%	>0%	>0%	~7%
Dividend/share	€ 1.12	~70% of FFO1	~70% of FFO1	€1.32 ¹

¹ Intended to be proposed to the 2018 Annual General Meeting.

Organic Growth Drives FFO 2018

- ~€55m FFO growth (+6.0%) from organic improvements in spite of €48m less FFO contribution as a result of non-core disposals.



Note: 2017E and 2018E FFO numbers reflect mid points of guidance ranges.

LTV Well within Target Range

Debt/EBITDA Multiple of 10.9x

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› LTV down to 42.4% and well within target range of 40%-45%.

€m (unless indicated otherwise)	Sep. 30, 2017	Jun. 30, 2017	Mar. 31, 2017	Dec. 31, 2016
Non-derivative financial liabilities	13,921.1	14,257.6	14,435.3	13,371.0
Foreign exchange rate effects	-26.5	-137.2	-194.8	-209.9
Cash and cash equivalents	-339.8	-378.1	-1,007.9	-1,540.8
Net debt	13,554.8	13,742.3	13,232.6	11,620.3
Sales receivables	-177.6	-180.0	-144.4	-135.4
Additional loan amount for outstanding acquisitions	---	---	275.0	---
Adj. net debt	13,377.2	13,562.3	13,363.2	11,484.9
Fair value of real estate portfolio	30,948.1	30,830.2	29,607.6	27,115.6
Shares in other real estate companies	605.4	564.6	520.4	503.1
Adj. fair value of real estate portfolio	31,553.5	31,394.8	30,128.0	27,618.7
LTV	42.4%	43.2%	44.4%	41.6%

Debt/EBITDA multiple is adj. net debt as of Sep 30 over 9M EBITDA Operations annualized.

FFO1 per Share +15.4%

VONOVIA

- Driven by better operational performance and lower interest expenses, FFO1 per share was up 15.4% y-o-y for eop NOSH and up 18.7% for avg. NOSH¹.

€m (unless indicated otherwise)	9M 2017	9M 2016	Delta
Adj. EBITDA Operations	922.1	832.2	10.8%
FFO interest expense	-216.5	-249.1	-13.1%
Current income taxes FFO1	-15.1	-11.6	30.2%
FFO1	690.5	571.6	20.8%
of which attributable to Vonovia's shareholders	650.6	536.2	21.3%
of which attributable to Vonovia's hybrid capital investors	30.0	30.0	-
of which attributable to non-controlling interests	9.9	5.4	83.3%
Capitalized maintenance	-50.3	-47.3	6.3%
AFFO	640.2	524.3	22.1%
Current income taxes FFO 2	-23.8	-33.1	-28.1%
Adjusted EBITDA Sales	81.3	65.5	24.1%
FFO2	748.0	604.0	23.8%
FFO1 € / share (eop NOSH)	1.42	1.23	15.4%
FFO1 € / share (avg. NOSH)	1.46	1.23	18.7%

¹ See page 59 for reconciliation of number of shares.

Adj. NAV per Share Up 9.0% YTD

VONOVIA

- Adj. NAV per share is up 9.0% in the first nine months driven by the operating performance, the inclusion of conwert and the H1 valuation and in spite of the 4.1% increase in the number of shares outstanding¹ following the Gagfah cross-border merger, scrip dividend and conwert squeeze out.

€m (unless indicated otherwise)	Sep. 30, 2017	Jun. 30, 2017	Mar. 31, 2017	Dec. 31, 2016
Equity attributable to Vonovia's shareholders	13,784.0	13,368.0	12,706.5	12,467.8
Deferred taxes on investment properties and assets held for sale	5,385.4	5,307.9	4,827.4	4,550.3
Fair value of derivative financial instruments ²	36.2	39.0	29.0	44.4
Deferred taxes on derivative financial instruments	-10.3	-12.1	-14.3	-15.4
EPRA NAV	19,195.3	18,702.8	17,548.6	17,047.1
Goodwill	-2,931.8	-2,931.8	-2,931.8	-2,718.9
Adj. NAV	16,263.5	15,771.0	14,616.8	14,328.2
EPRA NAV €/share	39.57	39.25	37.43	36.58
Adj. NAV €/share	33.53	33.10	31.18	30.75

¹ See page 59 for reconciliation of number of shares. ² Adjusted for effects from cross currency swaps.

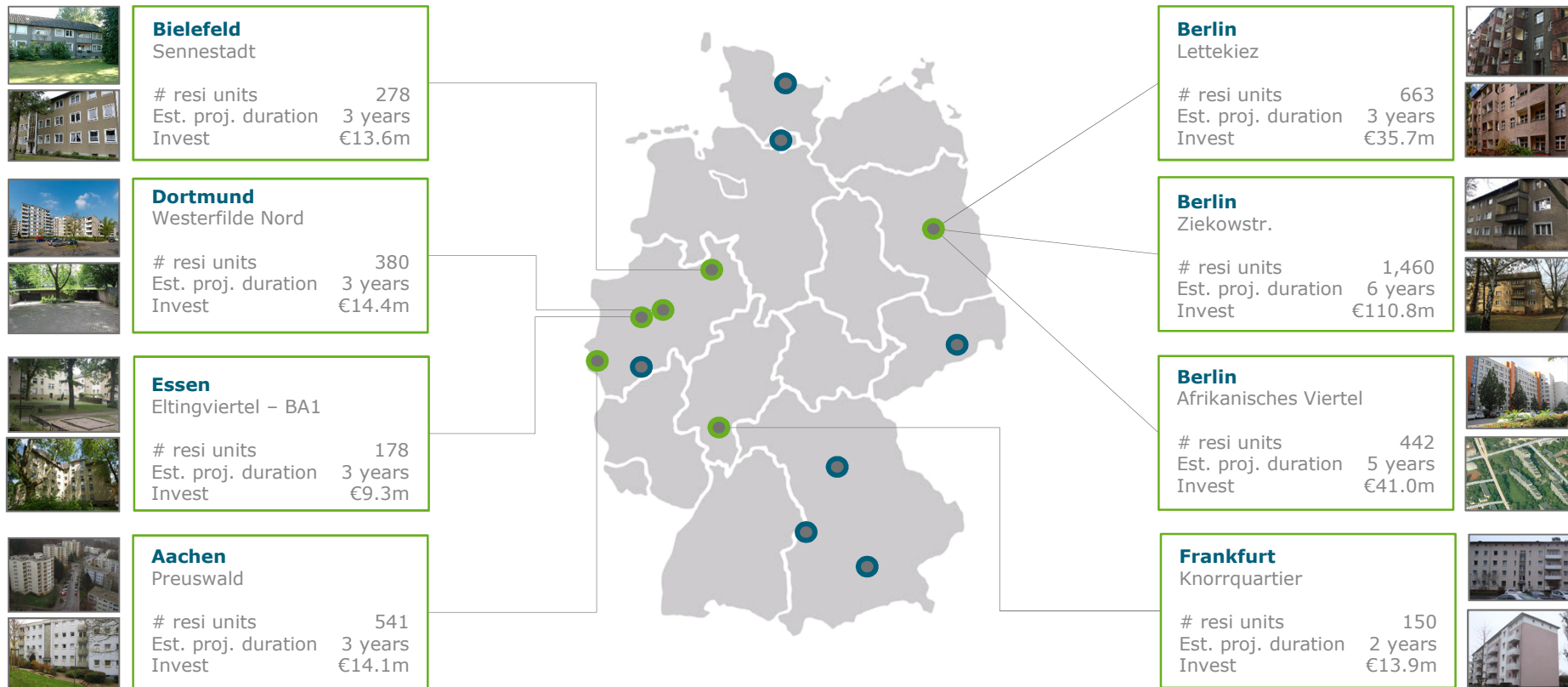
Outlook FY2017 Valuation

€m	FY2016	H1 2017	H2 2017E	FY2017E
Performance	862	393	550 - 750	940 - 1,140
Rental development		363	450 - 650	810 - 1,010
Investments		30	~ 100	~ 130
Investments	440	290	~ 460	~ 750
VTS margin	9	10	~ 10	~ 20
Investments (cash out)	431	280	~ 450	~ 730
Yield compression	2,470	830	1,500 - 1,800	2,330 - 2,630
Total	3,772	1,513	2,500 - 3,000	4,000 - 4,500

- Strong rental development in Vonovia's portfolio and the market
- Investments with approximately 20% additional valuation uplift
- Effect of Yield Compression more differentiated than in 2015:
 - Less momentum in prime locations (e.g. Berlin, Hamburg, Cologne)
 - Significant increase in secondary locations (e.g. Leipzig, Hanover, Bremen)
 - Considerable yield compression also in formerly weaker markets (e.g. Potsdam, Magdeburg)

Note: Based on recent forecast of Vonovia calculations. Valuation results are subject to change during the ongoing valuation process.

Multitude of Attractive Neighborhood Development Projects Identified and Underway



Additional mid-term potential already identified	Bonn Tannenbusch	Hamburg Wilhelmsburg	Dresden Johannstadt	Kiel Mettenhof	Munich Bauernfeind	Nuremberg Gartenstadt
	Hamburg Steilshoop	Dresden Neustädter Markt	Dresden Altreick	Dresden Altgruna	Kiel Wik	Ulm Dichterviertel

Sales – Steady Cash Flow at Attractive Margins

VONOVIA

- Overall sales volume lower than in prior-year period mostly as a result of portfolio transaction with LEG including privatizations in 9M 2016.
- Non-core / Non-strategic sales include a relatively large share of commercial properties from conwert portfolio.

	<u>PRIVATIZATION</u>		<u>NON-CORE / NON-STRATEGIC</u>		<u>TOTAL</u>	
	9M 2017	9M 2016	9M 2017	9M 2016	9M 2017	9M 2016
€m (unless indicated otherwise)						
Units sold	1,704	2,150	6,600	19,772	8,304	21,922
Income from disposals	214.4	205.5	736.8	782.7	951.2	988.2
Fair value of disposals	-161.6	-151.8	-688.5	-753.0	-850.1	-904.8
Adj. profit from disposals	52.8	53.7	48.3	29.7	101.1	83.4
Fair value step-up (%)	32.7%	35.4%	7.0%	3.9%		
Selling costs					-19.8	-17.9
Adj. EBITDA Sales					81.3	65.5

Gagfah
-
cross-border
merger

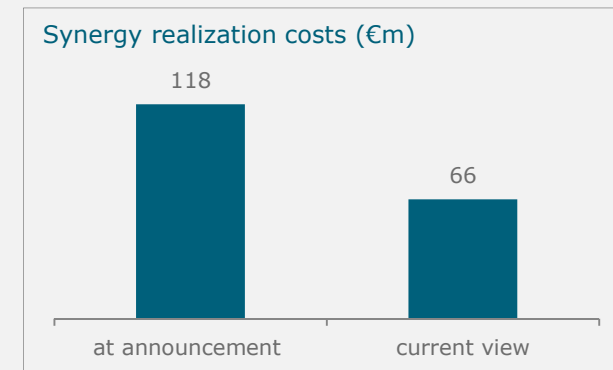
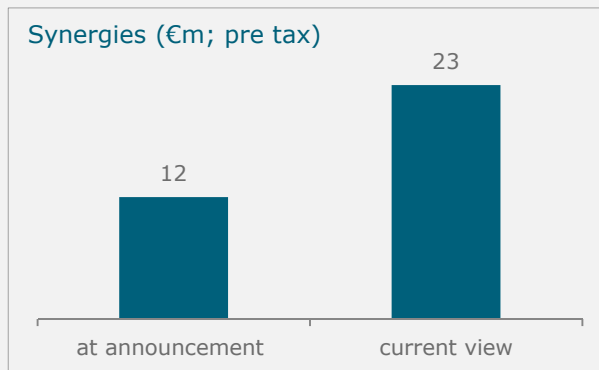
- › On July 12, the capital increase was entered into the commercial register, creating the new Vonovia shares required to exchange against the remaining outstanding shares held by Gagfah minorities, effectively closing the cross border merger and terminating Gagfah as a legal entity.

conwert
-
squeeze out

- › On Aug. 29, the conwert EGM resolved to squeeze out the remaining minority shareholders in exchange for a cash consideration of €17.08 per conwert share.
- › The squeeze out was entered into the commercial register in Austria on October 24 and became effective on October 25.
- › As a result, all previously outstanding minority shares in conwert Immobilien Invest SE were transferred to Vonovia SE.
- › The conwert shares were delisted from the Austrian stock exchange as of October 25.

conwert
-
synergies

- › Based on final estimates, conwert will be delivering higher synergies at lower realization costs as compared to our expectations at announcement in Sep 2016.



MoU signed
with SNI on
Oct. 18,
2017

- › Agreement on fields of cooperation, knowledge transfer and **exchange of best practices.**
- › Part of Vonovia's efforts to analyze the **potential for an expansion of activities** into **European metropolitan areas.**
- › **This follows Vonovia's preliminary analysis** suggesting that residential real estate markets in European metropolitan areas function in ways and under regulatory and operating frameworks that are similar to the German residential market.
- › The cooperation with SNI forms part of Vonovia's new strategic element "European Activities," which is opportunistic just like "Mergers & Acquisitions" and complimentary to the four core strategies.
- › No impact on German core business.

Recent
activities

- › 1 workshop with Vonovia and SNI representatives conducted in Montpellier.
- › 7 workshops planned in Paris and Bochum for the remainder of the year.
- › Preliminary findings to be presented to management at the end of January 2018.

Corporate Investment grade rating

Rating agency	Rating	Outlook	Last Update
Standard & Poor's	BBB+	Stable	06 Sep 2016

Bond ratings

Name	Tenor & Coupon	ISIN	Amount	Issue price	Coupon	Final Maturity Date	Rating
Bond 002 (EUR-Bond)	6 years 3.125%	DE000A1HNW52	€ 600m	99.935%	3.125%	25 July 2019	BBB+
Bond 004 (USD-Bond)	10 years 5.000%	US25155FAB22	USD 250m	98.993%	4.580% ¹	02 Oct 2023	BBB+
Bond 005 (EMTN)	8 years 3.625%	DE000A1HRVD5	€ 500m	99.843%	3.625%	08 Oct 2021	BBB+
Bond 006 (Hybrid)	60 years 4.625%	XS1028959671	€ 700m	99.782%	4.625%	08 Apr 2074	BBB-
Bond 007 (EMTN)	8 years 2.125%	DE000A1ZLUN1	€ 500m	99.412%	2.125%	09 July 2022	BBB+
Bond 008 (Hybrid)	perpetual 4%	XS1117300837	€ 1,000m	100.000%	4.000%	perpetual	BBB-
Bond 009A (EMTN)	5 years 0.875%	DE000A1ZY971	€ 500m	99.263%	0.875%	30 Mar 2020	BBB+
Bond 009B (EMTN)	10 years 1.500%	DE000A1ZY989	€ 500m	98.455%	1.5000%	31 Mar 2025	BBB+
Bond 010A (EMTN)	2 years 0.950%+3M EURIBOR	DE000A18V120	€ 750m	100.000%	0.835% hedged	15 Dec 2017	BBB+
Bond 010B (EMTN)	5 years 1.625%	DE000A18V138	€ 1,250m	99.852%	1.625%	15 Dec 2020	BBB+
Bond 010C (EMTN)	8 years 2.250%	DE000A18V146	€ 1,000m	99.085%	2.2500%	15 Dec 2023	BBB+
Bond 011A (EMTN)	6 years 0.875%	DE000A182VS4	€ 500m	99.530%	0.875%	10 Jun 2022	BBB+
Bond 011B (EMTN)	10 years 1.500%	DE000A182VT2	€ 500m	99.165%	1.5000%	10 Jun 2026	BBB+
Bond 012 (EMTN)	2 years 0.380%+3M EURIBOR	DE000A185WC9	€ 500m	100.000%	0.140% hedged	13 Sep 2018	BBB+
Bond 013 (EMTN)	8 years 1.250%	DE000A189ZX0	€ 1,000m	99.037%	1.250%	06 Dec 2024	BBB+
Bond 14A (EMTN)	5 years 0.750%	DE000A19B8D4	€ 500m	99.863%	0.750%	25 Jan 2022	BBB+
Bond 14B (EMTN)	10 years 1.750%	DE000A19B8E2	€ 500m	99.266%	1.750%	25 Jan 2027	BBB+
Bond 15 (EMTN)	8 years 1.125%	DE000A19NS93	€ 500m	99.386%	1.125%	08 Sep 2025	BBB+
Bond 16 (EMTN)	2 years 0.350%+3M EURIBOR	DE000A19SE11	€ 500m	100.448%	0.350%+3M EURIBOR	20 Nov 2019	BBB+

¹ EUR-equivalent Coupon

Covenants and KPIs (September 30, 2017)

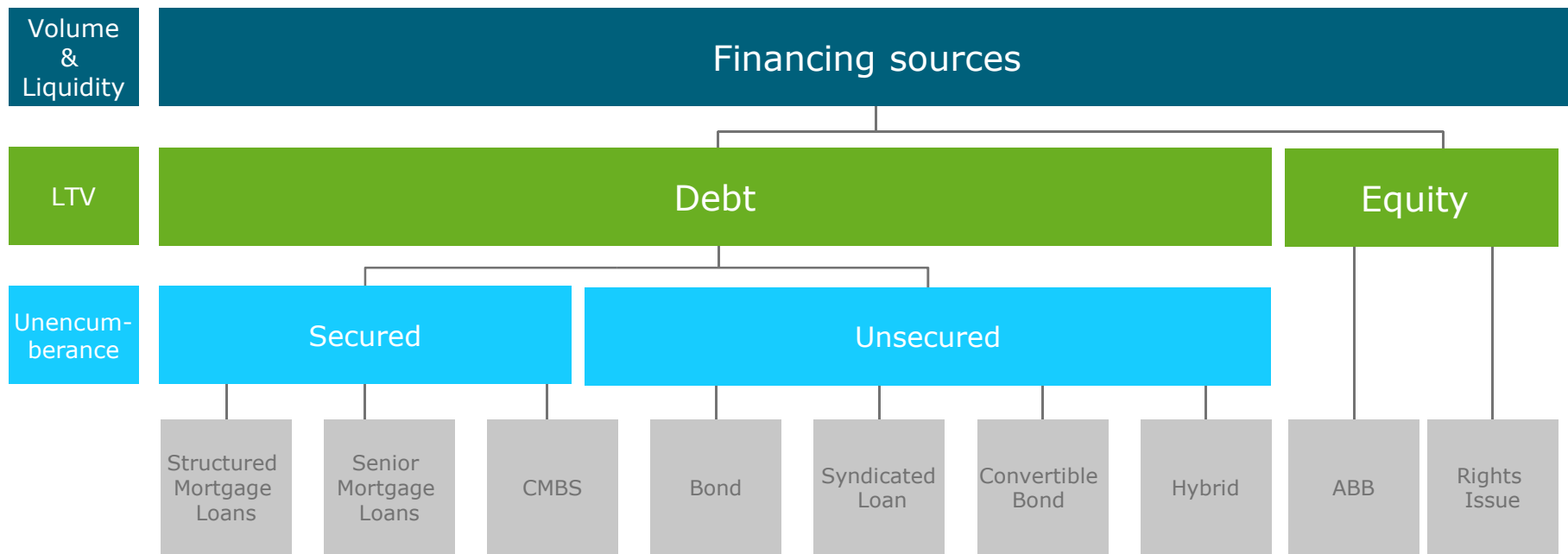


> Bond KPIs

Covenant	Level	Sep. 30, 2017
LTV		
Total Debt / Total Assets	<60%	39%
Secured LTV		
Secured Debt / Total Assets	<45%	9%
ICR		
Last 12M EBITDA / Last 12M Interest Expenses	>1.80x	4.5x
Unencumbered Assets		
Unencumbered Assets / Unsecured Debt	>125%	223%

> Rating KPIs







Covenant	Level (BBB+)
Debt to Capital	
Total Debt / Total Equity + Total Debt	<60%
ICR	
Last 12M EBITDA / Last 12M Interest Expense	>1.80x



Neighborhood Development Project Berlin Reinickendorf

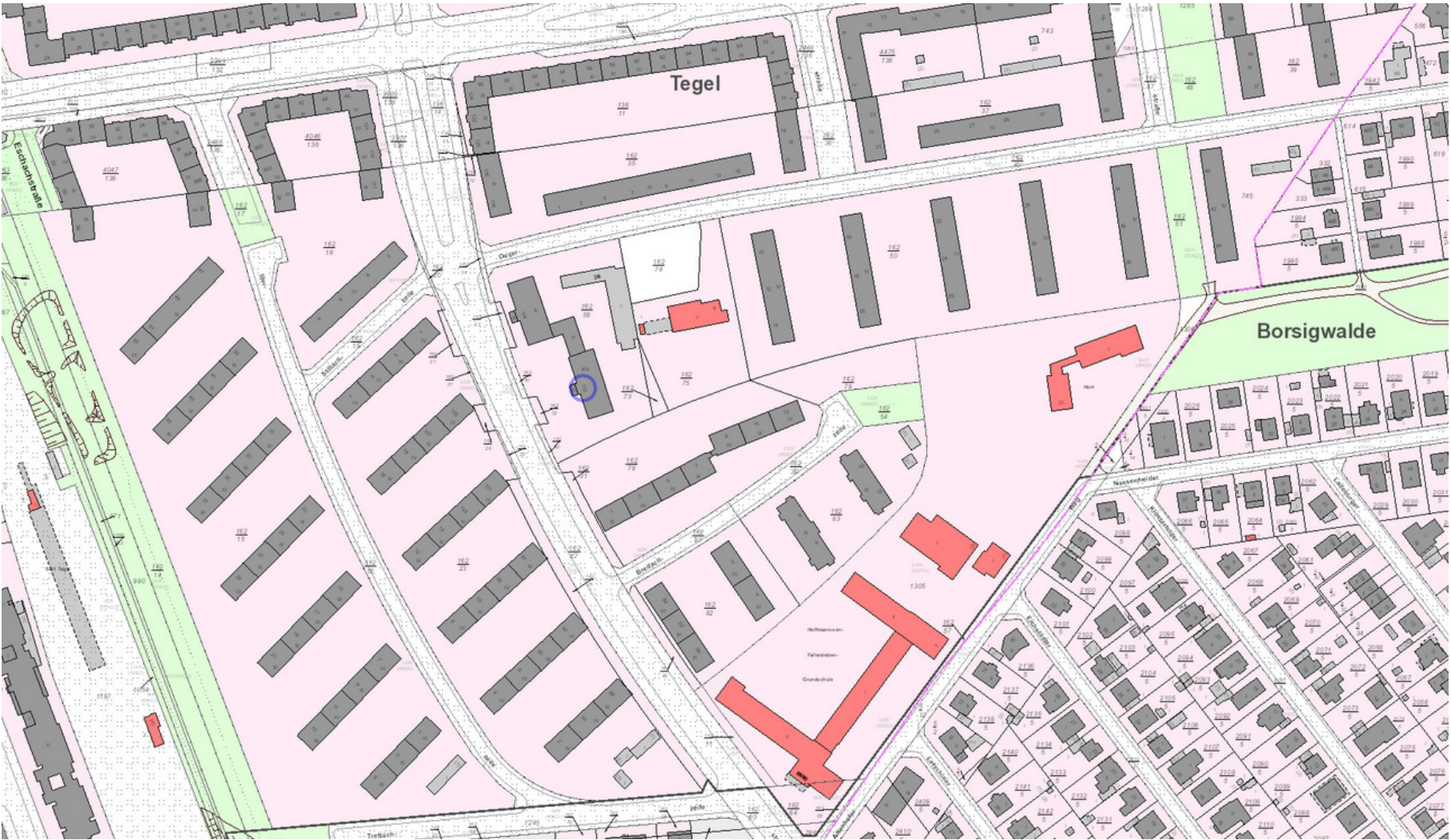
VONOVIA



-  Primary school
-  Secondary school
-  Kindergarten
-  Shopping Center
-  Supermarket
-  Public transport S-Bahn/ subway



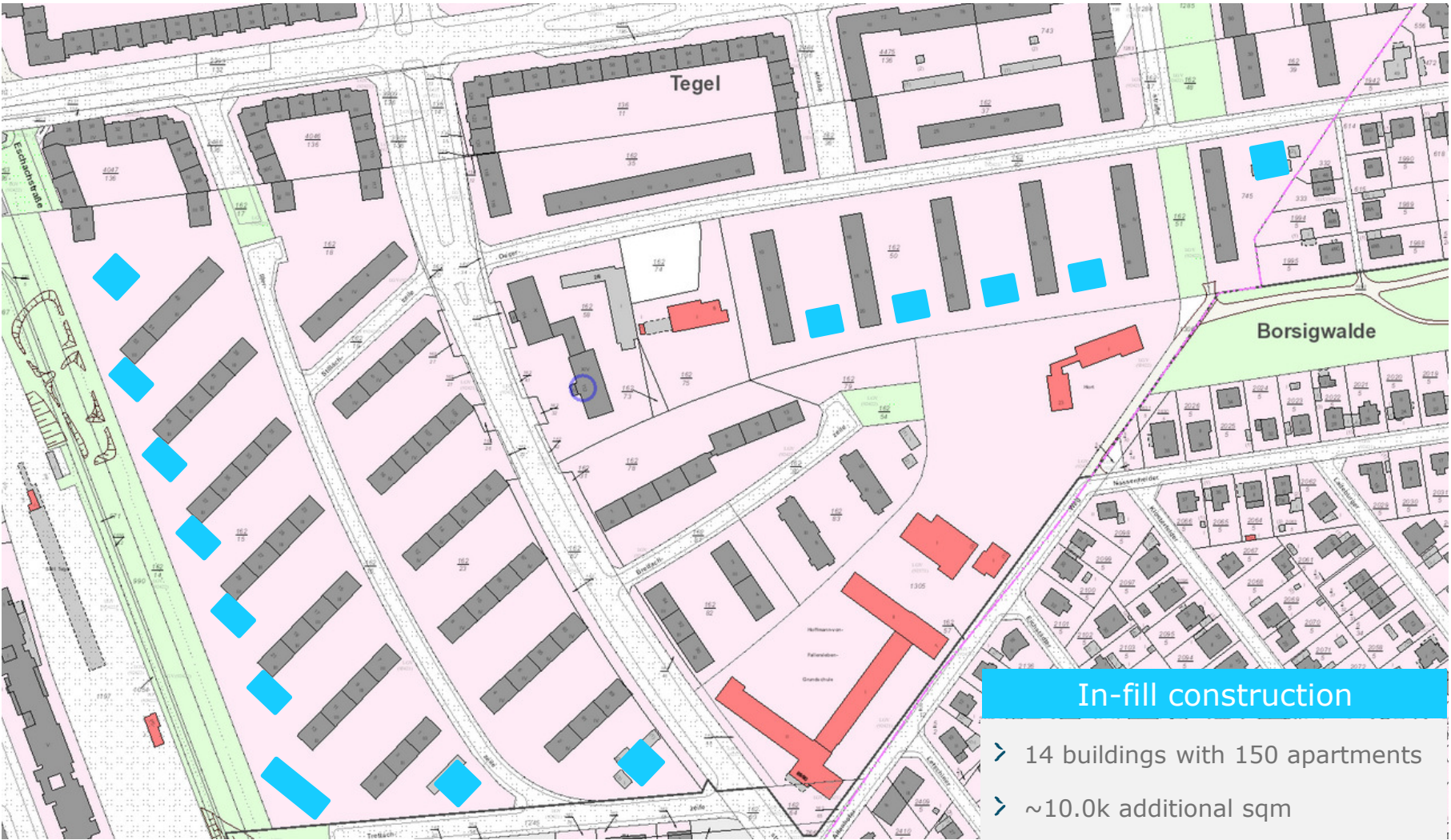
- 1,107 resi units built between 1953 and 1956
- Ø in-place rent €5.96/sqm vs. market rent of ~€9.00/sqm
- Ø apt. size 53 sqm
- Excellent infrastructure especially for families and senior citizens
- S-Bahn and subway station immediately adjacent on the west-end side of the property
- High recreational value
- Good supply of shopping and daily amenities



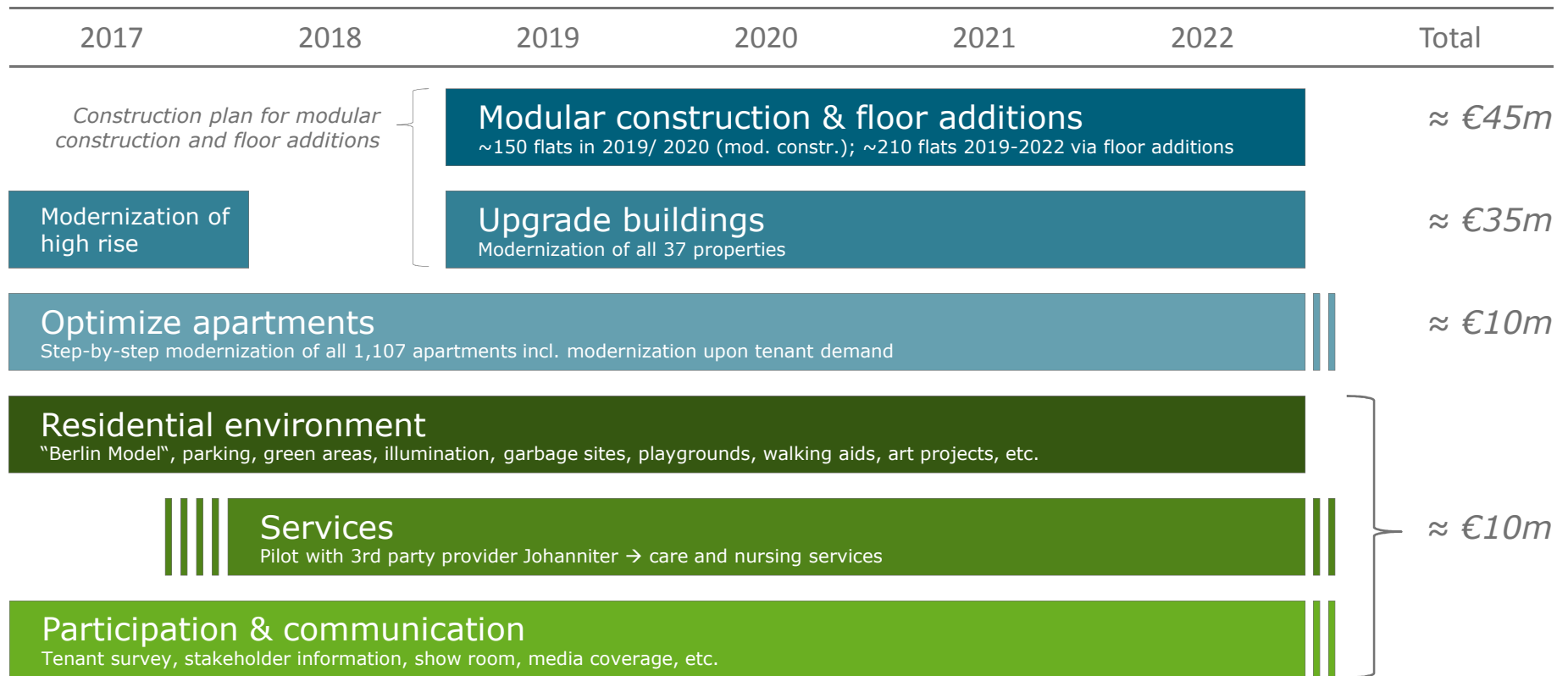
Adding 210 New Apartments through Floor Additions



Adding 150 New Apartments through In-fill Construction



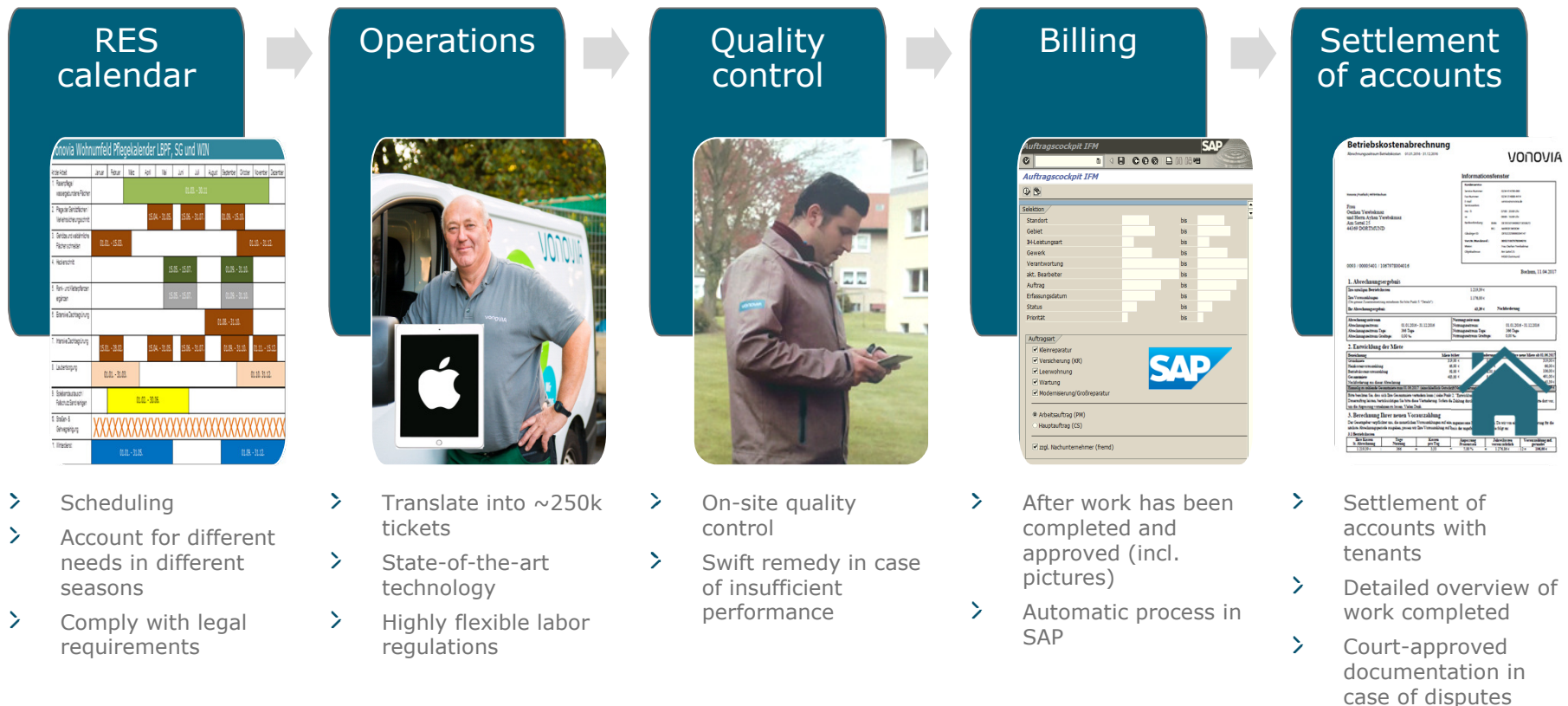
Indicative Timeline



Σ investments ~€100m @ IRR > 10%

Innovation Example: Residential Environment Services **VONOVIA**

- Innovative approach to a traditional residential business: residential environment services (mowing lawns, trimming trees and bushes, etc.), which form part of the tenants' recoverable expenses.
 - Insourcing of capacities for improved quality control and better cost basis.
 - Digitization of entire process to achieve higher standardization and process control.



Improvements Across All KPIs

VONOVIA

		9M 2017	9M 2016	Delta
Average number of residential sqm	` 000	22,134	21,685	+2.1%
In-place rent (eop)	€/month/sqm	6.19	5.94	+4.2%
Organic rent growth	%	3.9	2.8	+1.1pp
Vacancy rate (eop)	%	2.9	2.8	+0.1pp
Rental income	€m	1,249.4	1,156.1	+8.1%
Cost per average unit	€	381	402	-5.2%
Adj. EBITDA Operations	€m	922.1	832.3	+10.8%
Rental	€m	865.9	794.1	+9.0%
Value-add Business	€m	76.0	45.1	+68.5%
Other (i.e. consolidation)	€m	-19.8	-6.9	>100%
FFO1	€m	690.5	571.6	+20.8%
FFO1 per share (eop NOSH)	€	1.42	1.23	+15.4%
FFO1 per share (avg. NOSH)	€	1.46	1.23	+18.7%
AFFO	€m	640.2	524.3	+22.1%
Adj. EBITDA Sales	€m	81.3	65.5	+24.1%
Adj. EBITDA (Total)	€m	1,003.4	897.8	+11.8%
FFO 2	€m	748.0	604.0	+23.8%

		Sep. 30, 2017	Dec. 31, 2016	Delta
Fair value of real estate portfolio	€m	30,948.1	27,115.6	+14.1%
EPRA NAV	€/share	39.57	36.58	+8.2%
Adj. NAV	€/share	33.53	30.75	+9.0%
LTV	%	42.4	41.6	+80bps

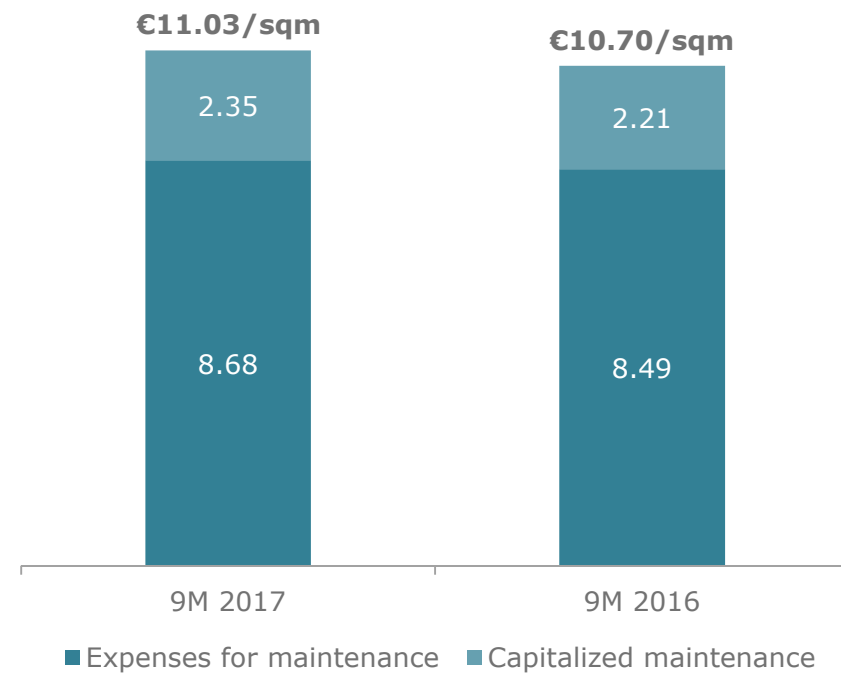
All Strategic Markets Show Upward Potential

VONOVIA

Regional Market	Fair value		In-place rent									
	(€m)	(€/sqm)	Residential units	Living area ('000 sqm)	Vacancy (%)	Total (p.a., €m)	Residential (p.a., €m)	Residential (€/sqm/month)	Organic rent growth (%)	Multiple (in-place rent)	Average rent growth forecast CBRE (5 yrs) (%)	Average rent growth (%) from Optimize Apartments
Berlin	4,657	1,828	38,678	2,450	1.7	192	181	6.26	3.3	24.3	3.3	48.5
Rhine Main Area (Frankfurt, Darmstadt, Wiesbaden)	3,206	1,765	27,994	1,785	1.7	166	160	7.60	3.5	19.4	3.2	40.5
Rhineland (Cologne, Düsseldorf, Bonn)	3,120	1,472	30,720	2,060	3.0	169	161	6.71	4.6	18.5	2.8	28.0
Dresden	2,712	1,159	38,603	2,196	2.7	157	147	5.75	6.1	17.2	3.6	35.8
Southern Ruhr Area (Dortmund, Essen, Bochum)	2,712	975	44,489	2,719	3.7	181	175	5.57	3.9	14.9	2.0	28.9
Hamburg	1,796	1,659	16,561	1,049	2.1	88	84	6.75	4.3	20.3	3.0	39.7
Munich	1,687	2,565	9,722	640	1.1	62	58	7.63	2.8	27.3	4.5	48.3
Stuttgart	1,593	1,722	14,212	895	1.8	83	79	7.46	2.1	19.3	2.8	39.1
Northern Ruhr Area (Duisburg, Gelsenkirchen)	1,339	784	27,181	1,686	4.2	106	103	5.31	4.2	12.6	1.7	23.0
Hanover	1,203	1,273	14,610	927	3.0	69	66	6.12	4.1	17.5	2.7	36.5
Kiel	936	1,112	13,982	811	1.7	57	54	5.65	3.4	16.4	2.2	38.1
Bremen	859	1,154	11,922	723	3.3	47	45	5.38	2.0	18.2	2.9	30.4
Leipzig	680	1,097	9,169	587	4.1	41	39	5.72	1.9	16.4	2.4	24.6
Westphalia (Münster, Osnabrück)	622	981	9,669	627	2.3	41	40	5.50	2.8	15.0	2.5	32.1
Freiburg	512	1,829	4,051	277	1.7	23	22	6.87	3.0	22.1	3.7	44.0
Other Strategic Locations	1,974	1,268	23,968	1,522	2.9	116	112	6.29	4.9	17.0	3.1	36.3
Total Strategic Locations	29,608	1,371	335,531	20,953	2.7	1,599	1,524	6.23	3.9	18.5	2.9	35.0

Note: Difference between number of resi units in strategic locations and number of resi units in strategic clusters is due to privatization units that are included in the strategic locations but not in the strategic clusters.

€m (unless indicated otherwise)	9M 2017	9M 2016	Delta
Expenses for maintenance	192.2	184.1	4.4%
Capitalized maintenance	52.0	48.0	8.3%
Total	244.2	232.1	5.2%
Maintenance capitalization ratio	21%	21%	



Reconciliation IFRS Profit to FFO

VONOVIA

€m (unless indicated otherwise)	9M 2017	9M 2016	Delta
IFRS PROFIT FOR THE PERIOD	1,205.2	278.3	>100%
Financial result ¹	218.2	354.1	-38.4%
Income taxes	663.8	177.1	>100%
Depreciation and amortization	23.0	16.4	+40.2%
Income from fair value adjustments of investment properties	-1,164.7	-	-
= EBITDA IFRS	945.5	825.9	+14.5%
Non-recurring items	75.9	70.3	+8.0%
Total period adjustments from assets held for sale	-5.0	11.2	>-100%
Income from investments in other real estate companies	-13.0	-9.6	+35.4%
= ADJUSTED EBITDA	1,003.4	897.8	+11.8%
Adjusted EBITDA Sales	-81.3	-65.5	+24.1%
= ADJUSTED EBITDA OPERATIONS	922.1	832.3	+10.8%
Interest expenses FFO ²	-216.5	-249.1	-13.1%
Current income taxes FFO1	-15.1	-11.6	+30.2%
= FFO1	690.5	571.6	+20.8%
Capitalized maintenance	-50.3	-47.3	+6.3%
= AFFO	640.2	524.3	+22.1%
Current income taxes FFO2	-23.8	-33.1	-28.1%
FFO2 (FFO1 incl. Adjusted EBITDA Sales / Current income taxes sales)	748.0	604.0	+23.8%
FFO1 per share in € (eop NOSH)	1.42	1.23	+16.0%
AFFO per share in € (eop NOSH)	1.32	1.13	+17.3%
Number of shares (million) eop	485.1	466.0	+4.1%

¹ Excluding income from investments. ² Including financial income from investments in other real estate companies.

€m (unless indicated otherwise)	9M 2017	9M 2016	Delta
Income from property letting	1,753.9	1,640.3	+6.9%
Other income from property management	34.0	29.1	+16.8%
Income from property management	1,787.9	1,669.4	+7.1%
Income from disposal of properties	951.2	988.2	-3.7%
Carrying amount of properties sold	-905.6	-953.9	-5.1%
Revaluation of assets held for sale	60.5	37.9	+59.6%
Profit on disposal of properties	106.1	72.2	+47.0%
Net income from fair value adjustments of investment properties	1,164.7	-	
Capitalized internal expenses	326.8	227.7	+43.5%
Cost of materials	-866.8	-790.6	+9.6%
Personnel expenses	-307.1	-267.1	+15.0%
Depreciation and amortization	-23.0	-16.4	+40.2%
Other operating income	75.8	70.5	+7.5%
Other operating expenses	-196.7	-166.7	+18.0%
Financial income	46.2	22.4	>100%
Financial expenses	-244.9	-366.0	-33.1%
Earnings before taxes	1,869.0	455.4	>100%
Income taxes	-663.8	-177.1	>100%
Profit for the period	1,205.2	278.3	>100%
Attributable to:			
Vonovia's shareholders	1,117.6	182.7	>100%
Vonovia's hybrid capital investors	22.4	22.4	
Non-controlling interests	65.2	73.2	-10.9%
Earnings per share (basic and diluted) in €	2.36	0.39	>100%

IFRS Balance Sheet (1/2 – Total Assets)

VONOVIA

€m (unless indicated otherwise)	Sep. 30, 2017	Dec. 31, 2016	Delta
Assets			
Intangible assets	2,956.5	2,743.1	+7.8%
Property, plant and equipment	145.3	115.7	+25.6%
Investment properties	30,760.2	26,980.3	+14.0%
Financial assets	665.3	585.9	+13.6%
Other assets	21.9	15.2	+44.1%
Deferred tax assets	24.9	19.6	+27.0%
Total non-current assets	34,574.1	30,459.8	+13.5%
Inventories	6.0	5.0	+20.0%
Trade receivables	221.0	164.4	+34.4%
Financial assets	0.0	153.2	-100.0%
Other assets	148.8	102.7	+44.9%
Income tax receivables	30.9	34.6	-10.7%
Cash and cash equivalents	339.8	1,540.8	-77.9%
Assets held for sale	95.8	61.6	+55.5%
Total current assets	842.3	2,062.3	-59.2%
Total assets	35,416.4	32,522.1	+8.9%

IFRS Balance Sheet (2/2 – Total Equity and Liabilities)

VONOVIA

€m (unless indicated otherwise)	Sep. 30, 2017	Dec. 31, 2016	Delta
Equity and liabilities			
Subscribed capital	485.1	466.0	+4.1%
Capital reserves	5,965.1	5,334.9	+11.8%
Retained earnings	7,212.8	6,665.4	+8.2%
Other reserves	121.0	1.5	>100%
Total equity attributable to Vonovia's shareholders	13,784.0	12,467.8	+10.6%
Equity attributable to hybrid capital investors	1,031.5	1,001.6	+3.0%
Total equity attributable to Vonovia's shareholders and hybrid capital investors	14,815.5	13,469.4	+10.0%
Non-controlling interests	660.6	419.0	+57.7%
Total equity	15,476.1	13,888.4	+11.4%
Provisions	609.9	607.9	+0.3%
Trade payables	0.6	1.3	-53.8%
Non derivative financial liabilities	11,769.5	11,643.4	+1.1%
Derivatives	14.1	19.1	-26.2%
Liabilities from finance leases	94.4	94.7	-0.3%
Liabilities to non-controlling interests	26.6	9.9	>100%
Other liabilities	70.7	83.3	-15.1%
Deferred tax liabilities	4,557.2	3,769.5	+20.9%
Total non-current liabilities	17,143.0	16,229.1	+5.6%
Provisions	343.0	370.8	-7.5%
Trade payables	130.9	138.8	-5.7%
Non derivative financial liabilities	2,151.6	1,727.6	+24.5%
Derivatives	8.2	57.5	-85.7%
Liabilities from finance leases	4.9	4.5	+8.9%
Liabilities to non-controlling interests	4.5	2.7	+66.7%
Other liabilities	154.2	102.7	+50.1%
Total current liabilities	2,797.3	2,404.6	+16.3%
Total liabilities	19,940.3	18,633.7	+7.0%
Total equity and liabilities	35,416.4	32,522.1	+8.9%

Cash Flow

VONOVIA

€m	9M 2017	9M 2016	Delta
Cash flow from operating activities	719.0	636.7	12.9%
Cash flow from investing activities	-1,165.2	326.5	>-100%
Cash flow from financing activities	-754.8	-2,953.0	-74.4%
Net changes in cash and cash equivalents	-1,201.0	-1,989.8	-39.6%
Cash and cash equivalents at the beginning of the period	1,540.8	3,107.9	-50.4%
Cash and cash equivalents at the end of the period	339.8	1,118.1	-69.6%

Maintenance and Modernization



€m (unless indicated otherwise)	9M 2017	9M 2016	Delta
Expenses for maintenance	192.2	184.1	4.4%
Capitalized maintenance	52.0	48.0	8.3%
Modernization work	508.6	284.6	78.7%
Maintenance and modernization total¹	752.8	516.7	45.7%

¹ Incl. intra-Group profits for 9M 2017: €53.3m (thereof €1.7m capitalized maintenance and €16.8m modernization); 9M 2016: €36.1m (thereof €0.7m capitalized maintenance and €5.8m modernization); new construction in 9M 2017 €22.8m, new construction in 9M 2016: €11.8m (included in modernization measures).

Income from Property Management

VONOVIA

€m (unless indicated otherwise)	9M 2017	9M 2016	Delta
Rental income	1,252.5	1,159.3	8.0%
Ancillary cost	501.4	481.0	4.2%
Income from Property Letting	1,753.9	1,640.3	6.9%
Other income from property management	34.0	29.1	16.8%
Income from property management	1,787.9	1,669.4	7.1%

Rental income under IFRS definition. Includes €3.1m of rental income attributable to Value-add Business.

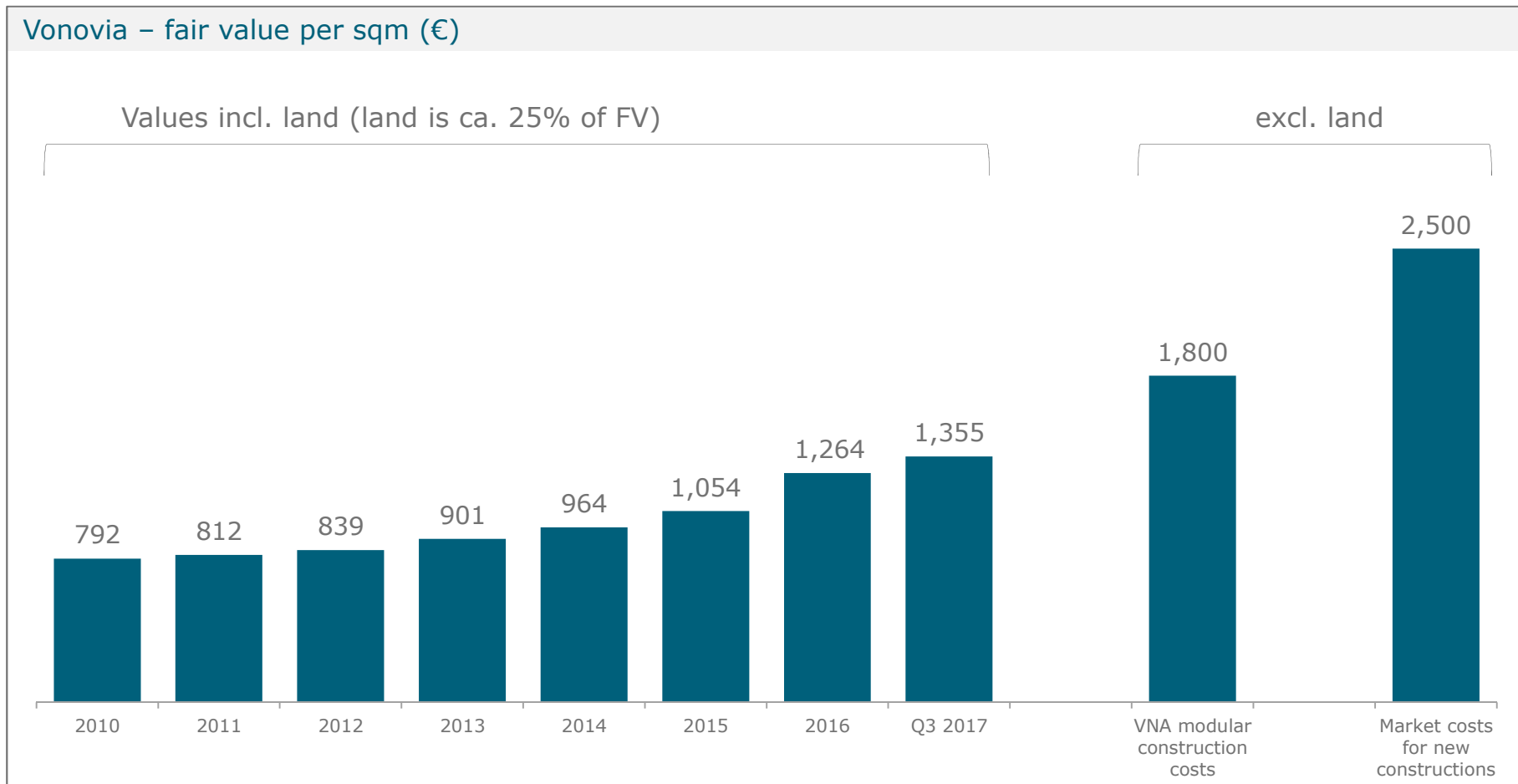
Cost of Materials

VONOVIA

€m (unless indicated otherwise)	9M 2017	9M 2016	Delta
Expenses for ancillary costs	472.0	461.8	+2.2%
Expenses for maintenance	322.0	266.4	+20.9%
Other cost of purchased goods and services	72.8	62.4	+16.7%
Total cost of materials	866.8	790.6	+9.6%

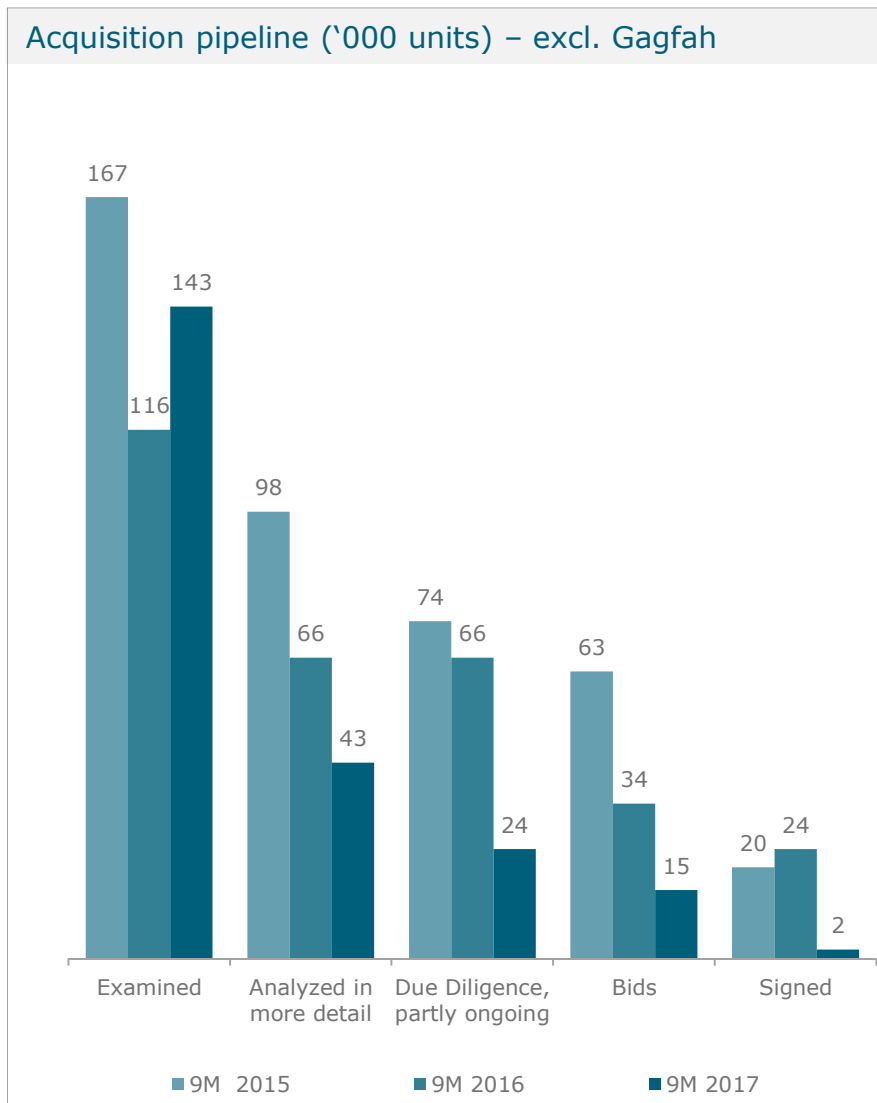
Conservative Valuation

- In-place values are still less than half of replacement values, in spite of accelerating valuation growth in recent years.



Note: VNA 2010 – 2014 refers to Deutsche Annington Portfolio at the time; construction costs excluding land.

Acquisitions – Opportunistic but Disciplined



Acquisition criteria

- No quantitative acquisition target.
- No management incentive for external growth.
- Any potential acquisition must meet all four stringent acquisition criteria assuming a 50/50 equity/debt financing.

Strategic fit

FFO/share accretive **NAV/share non-dilutive**

BBB+ Rating (stable)

Historical Key Figures (1/2)

VONOVIA

Financial Key Figures (€m, unless stated otherwise)	9M2017	2016	2015	2014	2013
Rental income	1,249.4	1,538.1	1,414.6	789.3	728.0
Adjusted EBITDA Operations	922.1	1,094.0	957.6	503.4	442.4
Adjusted EBITDA Rental	865.9	1,046.2	924.4	482.6	433.0
Adjusted EBITDA Value-add Business	76.0	57.0	37.6	23.6	10.5
Adjusted EBITDA Other	-19.8	-9.2	-4.4	-2.8	-1.1
Income from disposal of properties	951.3	1,227.9	726.0	287.3	353.5
Adjusted EBITDA Sales	81.3	92.5	71.1	50.1	27.7
Adjusted EBITDA	1,003.4	1,186.5	1,028.7	553.5	470.1
EBITDA IFRS	945.5	1,083.7	838.4	500.3	431.0
FFO1	690.5	760.8	608.0	286.6	223.5
thereof attributable to Vonovia shareholders	650.6	713.4	555.5	275.1	218.4
thereof attributable to Vonovia hybrid capital investors	30.0	40.0	33.0	-	-
thereof attributable to Non-controlling interests	9.9	7.4	19.5	11.5	5.1
FFO2	748.0	823.8	662.1	336.7	251.2
AFFO	640.2	689.2	520.5	258.3	203.5
FFO1 per share in €	1.42	1.63	1.30	1.00	0.95
Income from fair value adjustments of investment properties	1,164.7	3,236.1	1,323.5	371.1	553.7
EBT	1,869.0	3,859.8	1,734.5	589.1	689.6
Profit for the period	1,205.2	2,512.9	994.7	409.7	484.2
Cash flow from operating activities	719.0	828.9	689.8	453.2	259.6
Cash flow from investing activities	-1,165.2	416.4	-3,239.8	-1,177.9	171.3
Cash flow from financing activities	-754.8	-2,812.4	4,093.1	1,741.7	-353.2
Maintenance and modernization	752.8	792.4	686.3	345.5	228.4
thereof for maintenance expenses and capitalized maintenance	244.2	320.1	330.7	173.8	157.6
thereof for modernization	508.6	472.3	355.6	171.7	70.8

The key figures of prior years have been adjusted to match the definitions of the 2016 fiscal year. The key figures per share are based on the shares carrying dividend rights on the corresponding reporting date. Values for 2013 and 2014 are TERP-adjusted.

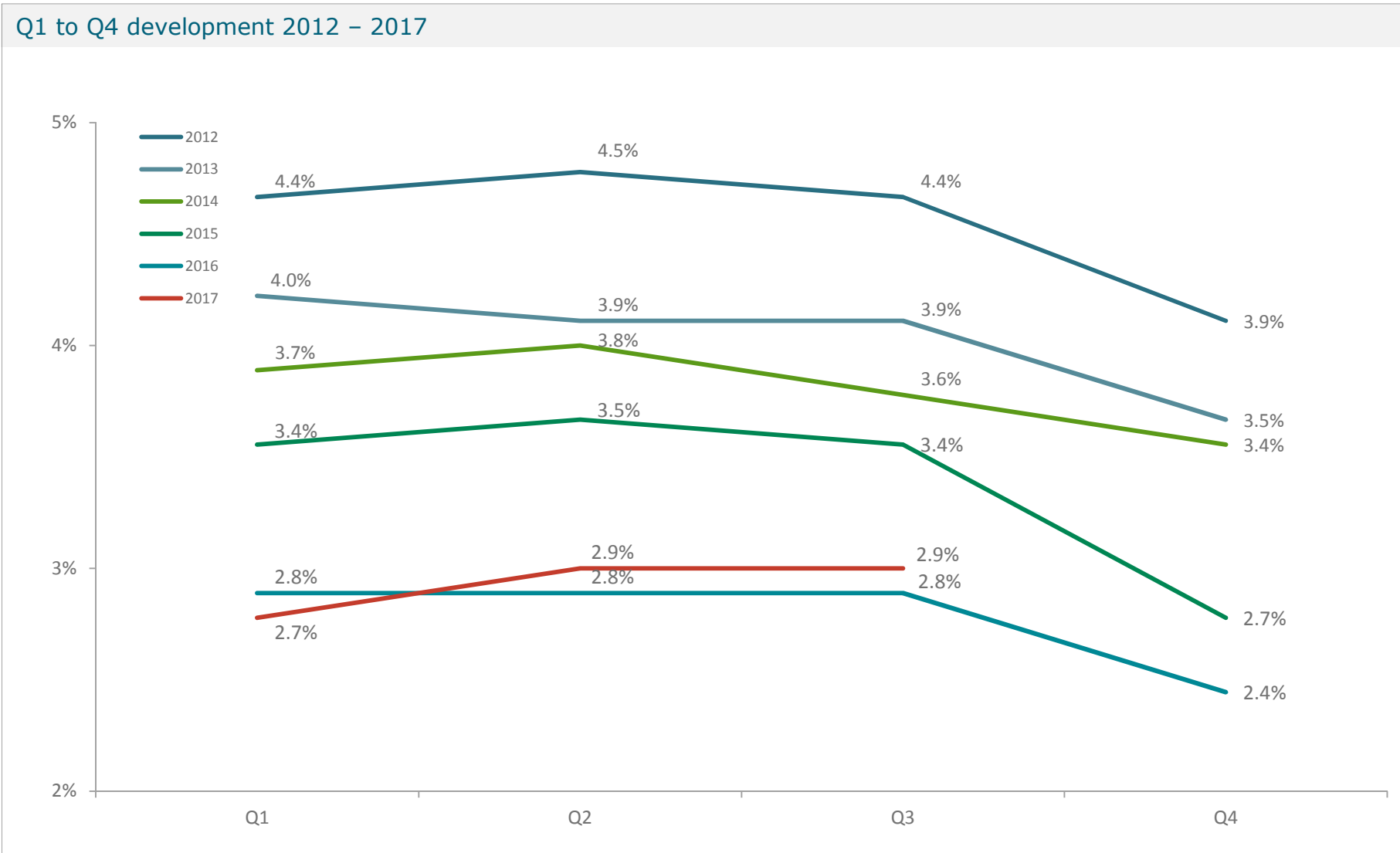
Historical Key Figures (2/2)

VONOVIA

Key Balance Sheet Figures (€m, unless stated otherwise)	Sep. 30, 2017	Dec. 31, 2016	Dec. 31, 2015	Dec 31, 2014	Dec 31, 2013
Fair value of real estate portfolio	30,948.1	27,115.6	24,157.7	12,759.1	10,326.7
Adjusted NAV	16,263.5	14,328.2	11,273.5	6,472.0	5,123.4
Adjusted NAV per share in €	33.53	30.75	24.19	22.67	21.74
LTV (%)	42.4	41.6	46.9	49.3	48.1
Non-Financial Key Figures	9M 2017	2016	2015	2014	2013
Number of units managed	413,703	392,350	397,799	232,246	201,737
thereof own apartments	350,134	333,381	357,117	203,028	175,258
thereof apartments owned by others	63,569	58,969	40,682	29,218	26,479
Number of units bought	24,847	2,815	168,632	31,858	0
Number of units sold	8,304	26,631	15,174	4,081	6,720
thereof Privatize	1,704	2,701	2,979	2,238	2,576
thereof Non-Core	6,600	23,930	12,195	1,843	4,144
Vacancy rate (in %)	2.9	2.4	2.7	3.4	3.5
Monthly in-place rent in €/sqm	6.19	6.02	5.75	5.58	5.40
Monthly in-place rent organic growth (%)	3.9	3.3	-	-	-
Number of employees	8,378	7,437	6,368	3,850	2,935
EPRA Key Figures	9M 2017	2016	2015	2014	2013
EPRA NAV	19,193.3	17,047.1	13,988.2	6,578.0	5,123.4
EPRA NAV per share in €**	39.57	36.58	30.02	23.04	21.74
EPRA NNAV	---	12,034.4	9,739.8	-	-
EPRA Earnings	---	448.5	329.2	-	-
EPRA Net Initial Yield in %	---	4.1	4.5	-	-
EPRA "topped-up" Net Initial Yield in %	---	4.1	4.5	-	-
EPRA Vacancy rate in %	---	2.2	2.5	3.0	3.1
EPRA Cost Ratio (incl. direct vacancy costs) in %	---	28.4	31.9	-	-
EPRA Cost Ratio (excl. direct vacancy costs) in %	---	27.0	30.2	-	-

The key figures of prior years have been adjusted to match the definitions of the 2016 fiscal year. The key figures per share are based on the shares carrying dividend rights on the corresponding reporting date. Values for 2013 and 2014 are TERP-adjusted.

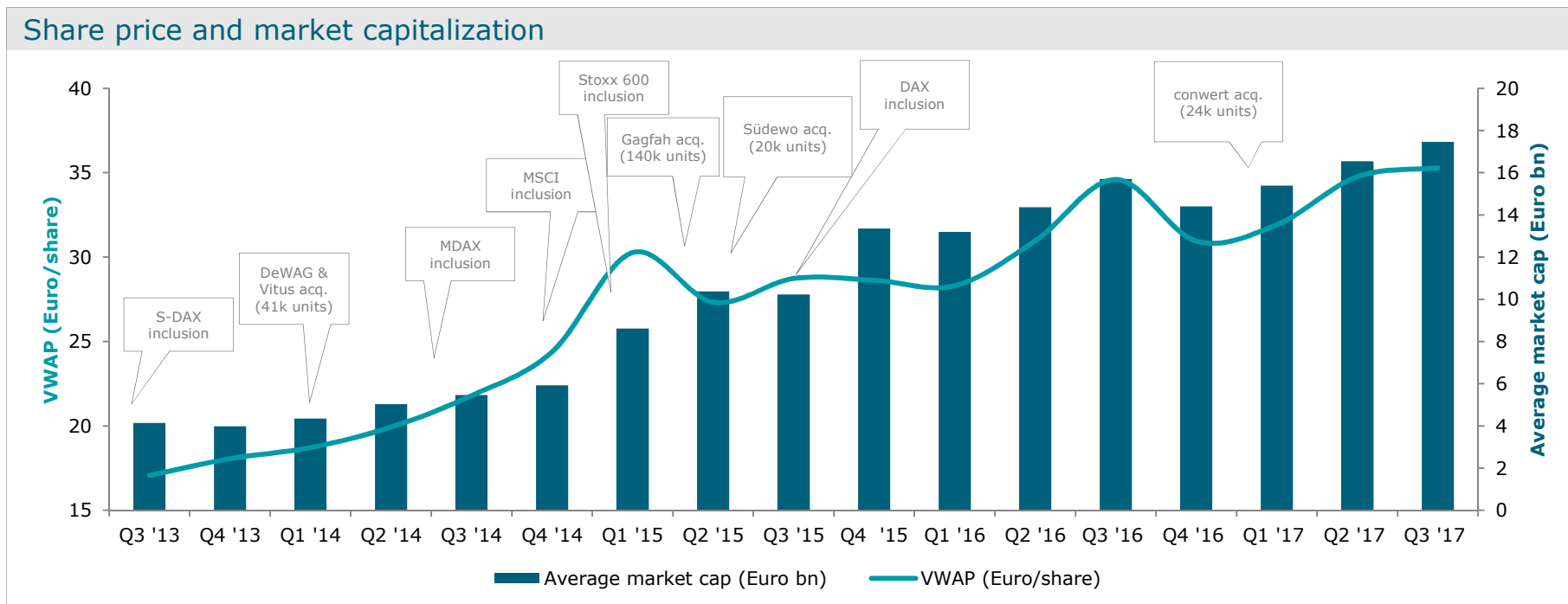
Vacancy Rates – Quarterly Comparison



Vonovia History



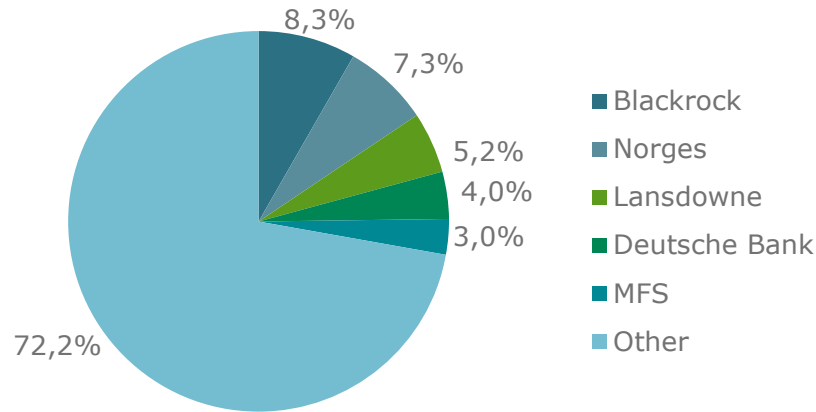
- Seed portfolios of today's Vonovia have origin in public housing provided by government, large employers and similar landlords with a view towards offering affordable housing.
- At beginning of last decade, private equity invested in German residential on a large scale including into what is Vonovia today (mainly Deutsche Annington and Gagfah then).
- IPO in 2013.
- Final exit of private equity in 2014.



Source: Factset, company data

Liquid Large-cap Stock

Shareholder Structure (September 30, 2017)

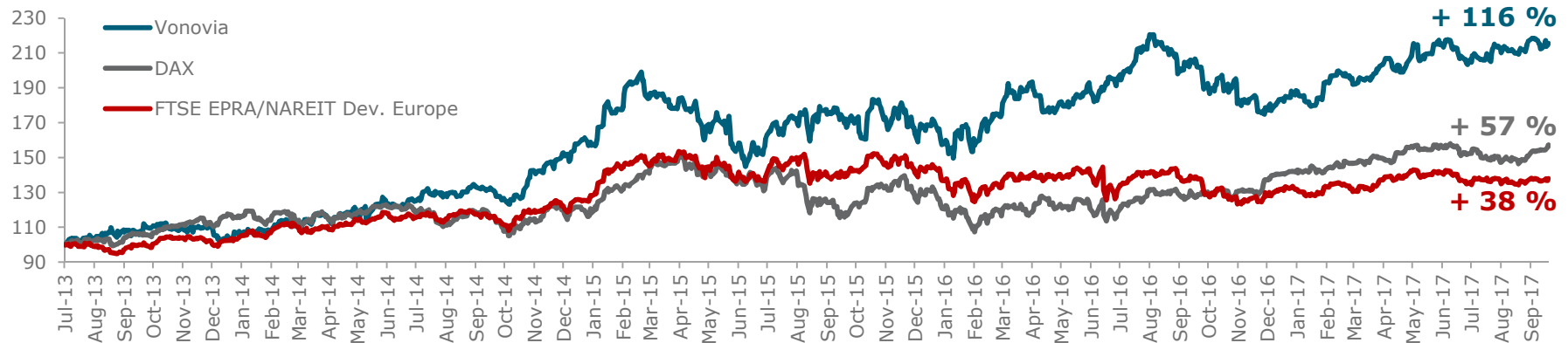


According to German law the lowest threshold for voting rights notifications is at 3%

Share Information

First day of trading	July 11, 2013
Number of shares outstanding	485.1 million
Free float based on Deutsche Börse definition	92.7%
ISIN	DE000A1ML7J1
Ticker symbol	VNA
Share class	Registered shares with no par value
Listing	Frankfurt Stock Exchange
Market segment	Regulated Market, Prime Standard
Major indices and weight (as of September 30, 2017)	
	DAX 1,6%
	Stoxx Europe 600 0,2%
	MSCI Germany 1,4%
	GPR 250 World 1,4%
	FTSE EPRA/NAREIT Europe 8,3%

VNA share price performance since IPO vs. DAX and EPRA Europe Index



Source: Factset

Reconciliation of Shares Outstanding

VONOVIA

Date	NOSH (million)	Comment
December 31, 2016	466.0	
March 31, 2017	468.8	conwert acquisition
June 30, 2017	476.5	Scrip dividend
September 30, 2017	485.1	Gagfah cross-border merger

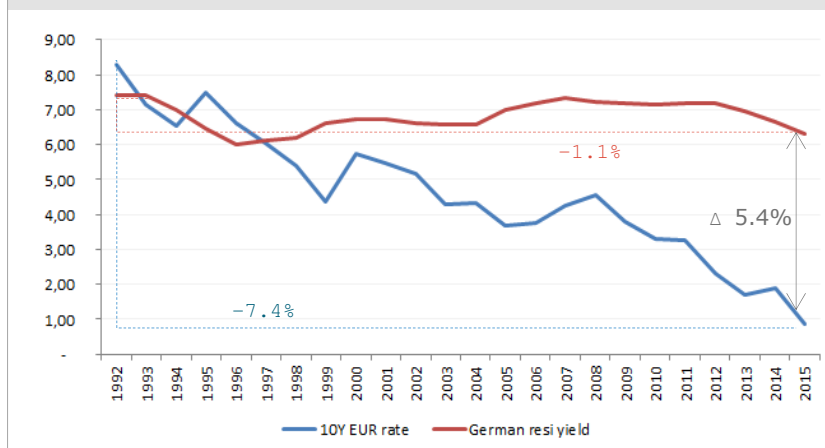
The number of outstanding shares is always available at
<http://investoren.vonovia.de/websites/vonovia/English/2010/key-share-information.html>

No Correlation between Interest Rates and Asset Yields

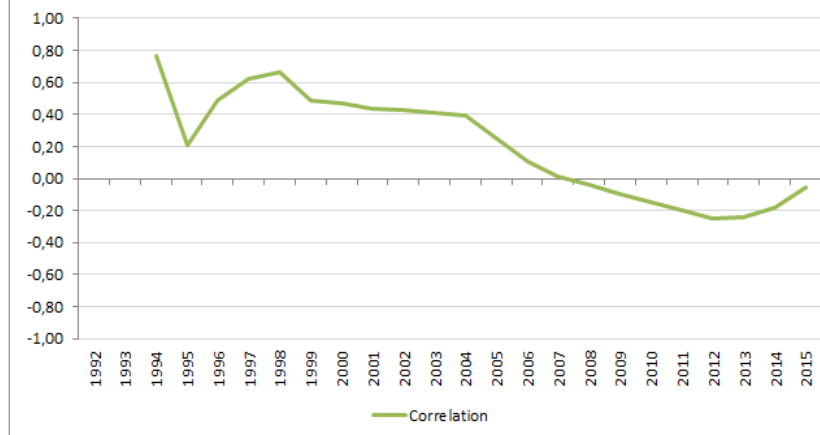
Valuation methodology for German residential properties is primarily based on market prices for assets – not on interest rates

- While market prices are affected by the general interest levels there is **no significant correlation**.
- **Other factors** such as supply/demand imbalance, rental regulation, market rent growth, location of assets etc. **outweigh the impact of interest rates** when it comes to pricing residential real estate.
- The **steep decline in interest rates** (down by 7.4% since 1992) is **not mirrored by asset yields** (down by 1.1% since 1992).
- Asset yields outperformed interest rates by 2.2% on average since 1992 and 5.4% in June 2015.

German residential yields vs. EUR interest rates¹



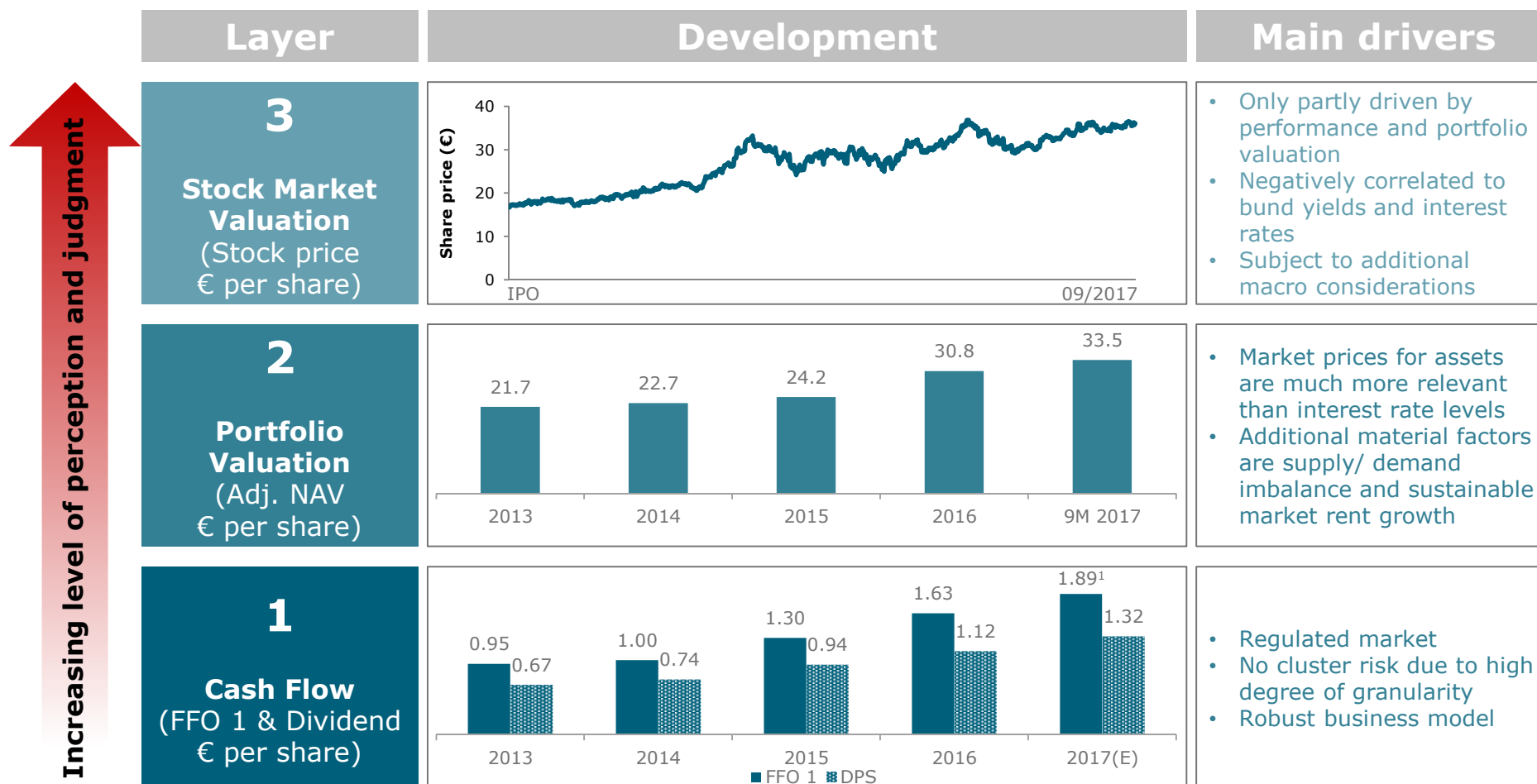
No correlation pattern between interest rates and property values¹



¹ Yearly asset yields vs. rolling 200d average of 10y interest rates
Sources: Thomson Reuters, bulwiengesa

Three Valuation Layers with Different Volatilities

- High degree of stability and predictability of underlying business (layer 1) and portfolio valuation (layer 2) is not reflected in share price development (layer 3), as equity markets appear to apply valuation parameters that are substantially less material for Vonovia's operating performance.



¹ Midpoint guidance.



2017 guidance confirmed towards upper end.



Built-in organic growth momentum continues in 9M 2017 and beyond.



First indication for full-year valuation shows positive fundamentals remain in place. €4.0bn - €4.5bn value uplift expected for the full year.



Investment Program on a broad footing supports organic growth potential.



Guidance for 2018 shows internal strength going forward.



Dresden



Leverkusen



Berlin



Nuremberg



Dortmund



Bremen



Frankfurt



Essen



Berlin



Berlin



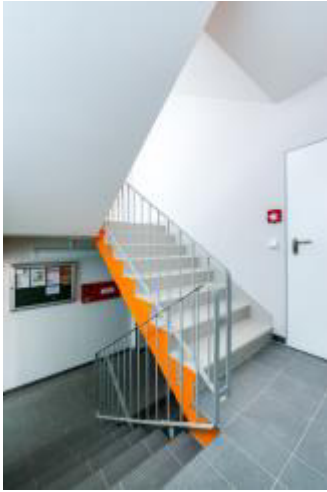


Upgrade Building



Upgrade Building





Floor Addition







Dortmund



Dortmund



Dortmund





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