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Company Presentation

12 September 2013

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Key facts & figures about Deutsche Annington

Key Facts H1 2013

- Top 5 European real estate company[1] and the largest German residential firm[2]
- 179k residential units across Germany, 97% by fair value in Western Germany and Berlin
- €10.4bn portfolio valuation
- €4.4bn EPRA NAV
- €364m rental income
- €5.35 residential in-place rent per square meter per month
- 2.1% rent per sqm growth p.a.
- 3.9% residential vacancy rate
- €222m Adjusted EBITDA Rental
- €242m Adjusted EBITDA
- €103m FFO 1 and €123m FFO 2
- Dedicated portfolio strategy and investment programme focused on value creation

Portfolio snapshot

Note: all data as of 30 June 2013, unless otherwise stated

[1] By market cap; [2] In listed German residential sector

Presenting today

Rolf Buch

CEO

Dr. Stefan Kirsten

CFO

Florian Goldgruber

Head of IR

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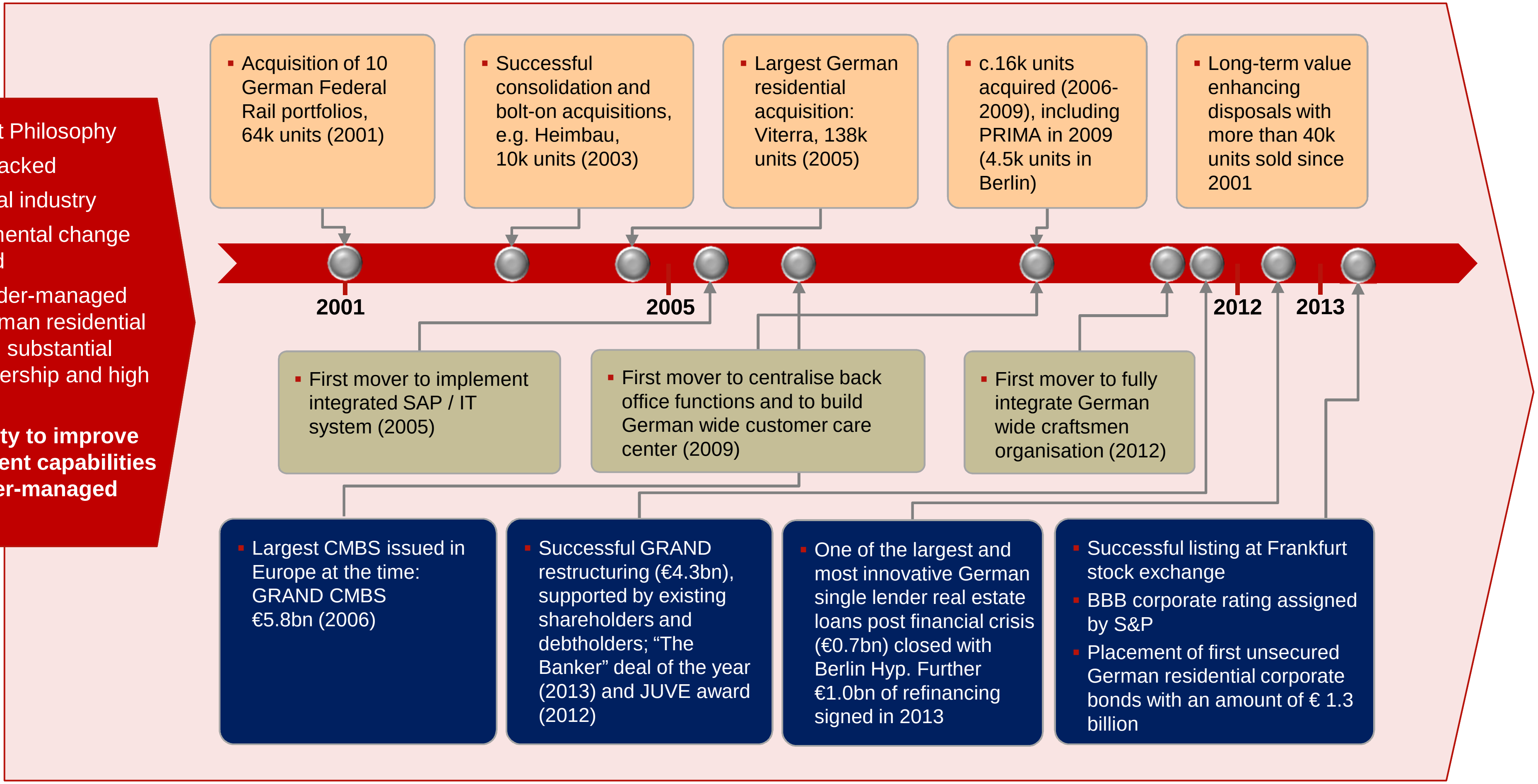
Deutsche Annington – Our story

Corporate history: From vision to innovation and market leadership

- Investment Philosophy
  - Asset backed
  - Essential industry
  - Fundamental change required
- Overall under-managed stable German residential sector with substantial public ownership and high leverage

→ Opportunity to improve management capabilities in an under-managed sector



- Acquisition of 10 German Federal Rail portfolios, 64k units (2001)
- Successful consolidation and bolt-on acquisitions, e.g. Heimbau, 10k units (2003)
- Largest German residential acquisition: Viterra, 138k units (2005)
- c.16k units acquired (2006-2009), including PRIMA in 2009 (4.5k units in Berlin)
- Long-term value enhancing disposals with more than 40k units sold since 2001

- First mover to implement integrated SAP / IT system (2005)
- First mover to centralise back office functions and to build German wide customer care center (2009)
- First mover to fully integrate German wide craftsmen organisation (2012)

- Largest CMBS issued in Europe at the time: GRAND CMBS €5.8bn (2006)
- Successful GRAND restructuring (€4.3bn), supported by existing shareholders and debtholders; “The Banker” deal of the year (2013) and JUVE award (2012)
- One of the largest and most innovative German single lender real estate loans post financial crisis (€0.7bn) closed with Berlin Hyp. Further €1.0bn of refinancing signed in 2013
- Successful listing at Frankfurt stock exchange
- BBB corporate rating assigned by S&P
- Placement of first unsecured German residential corporate bonds with an amount of € 1.3 billion

Portfolio **Business** **Financing**

Deutsche Annington: Innovation leader based on a long-term vision, operational excellence and unique financing structure

A top European real estate play

Largest player in a highly stable asset class – German residential

Industrial-like process approach to operations designed for growth

Financing strategy in line with leading European peers

Built-in growth and enhanced profitability expected to drive FFO per share and NAV per share accretion

Entrepreneurial approach to a stable and low-risk asset class

Platform for consolidation

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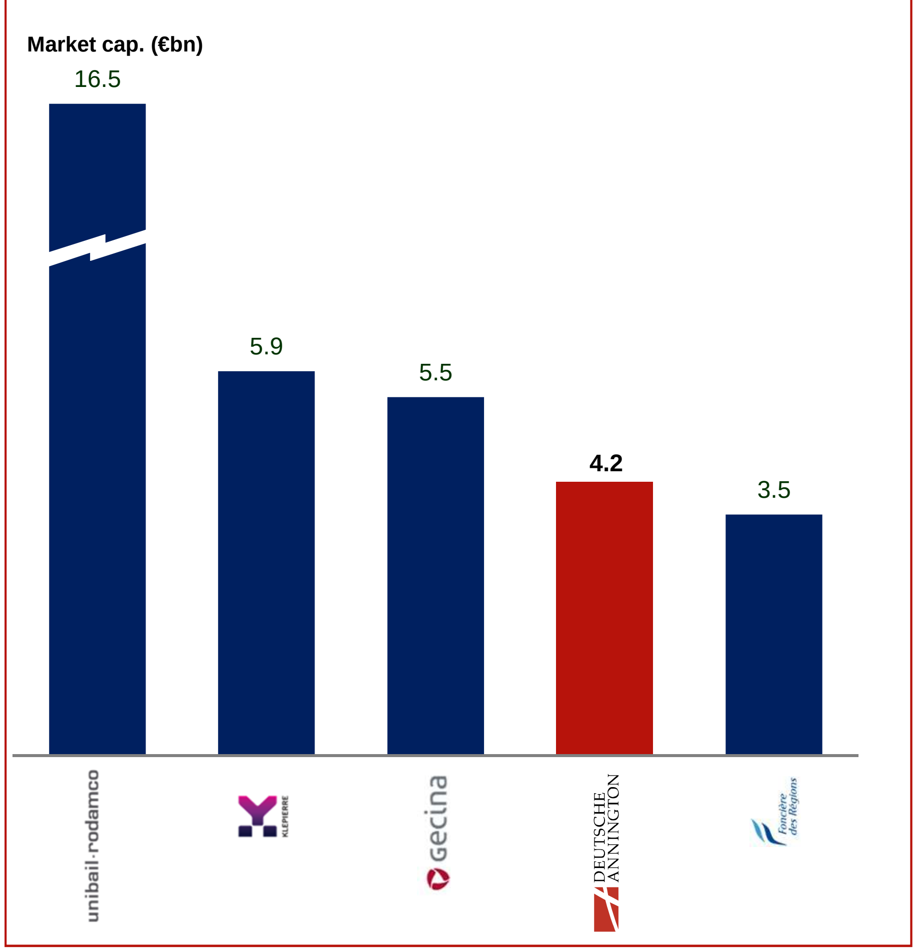
Largest player in an attractive market

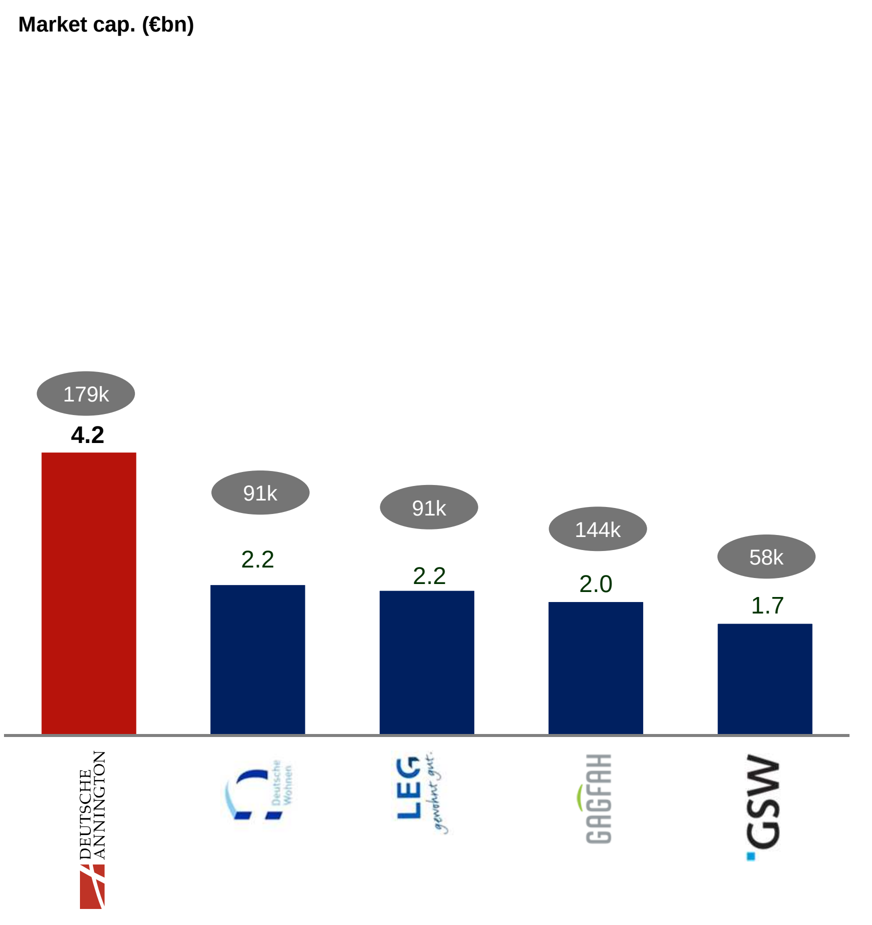
A top European property company and German leader

Top 5 largest listed continental European RE companies



Source: Company information, FactSet as of 30 August 2013

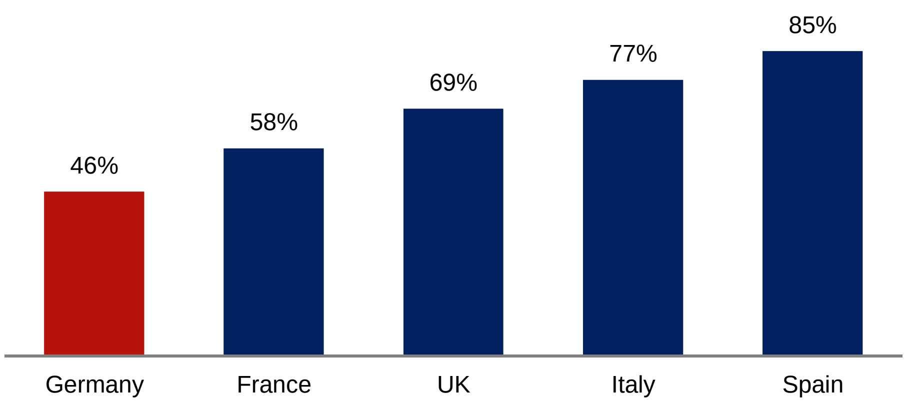
Top 5 largest listed German residential companies



● = approx. # of units

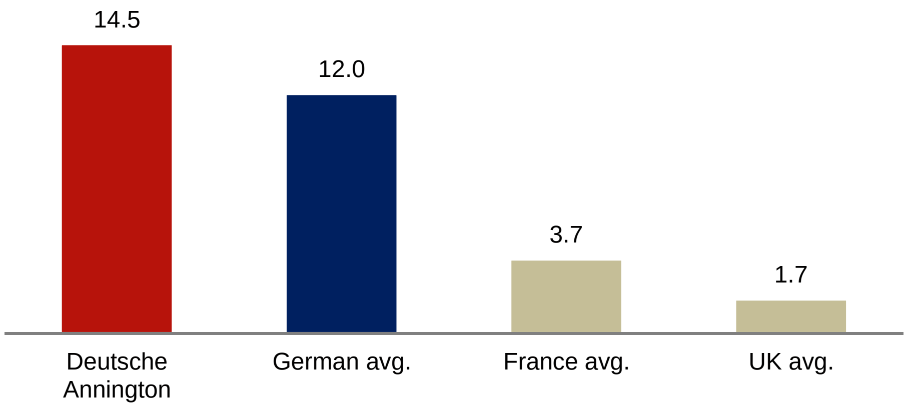
Attractive asset class supported by favourable environment

Low home ownership driving rental demand



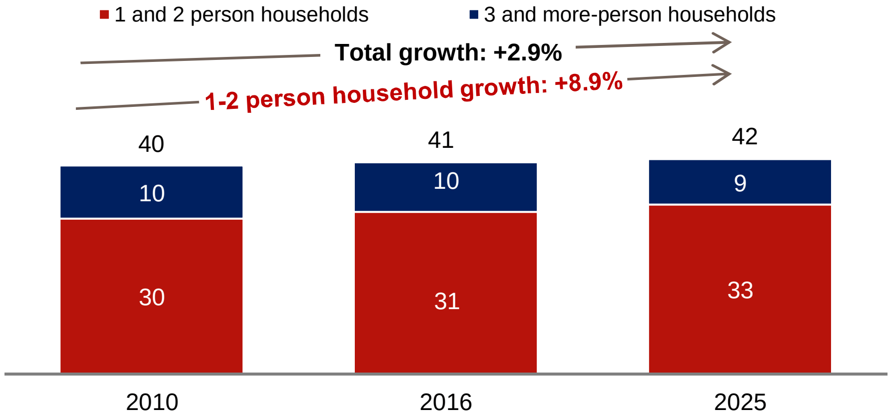
Source: Federal Statistical Office, Euroconstruct, ifo

High average tenancy length in years



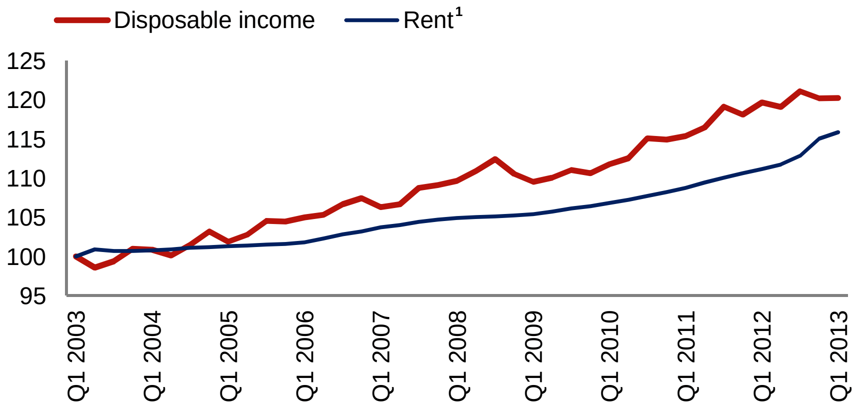
Source: Schader Stiftung (Germany), Clameur (France), Association of Residential Letting Agents (UK)

Favourable household development in Germany (m)



Source: BBSR Wohnungsmarktprognose 2009-2025. Projections based on 2009 numbers

Rent evolution below disposable income growth

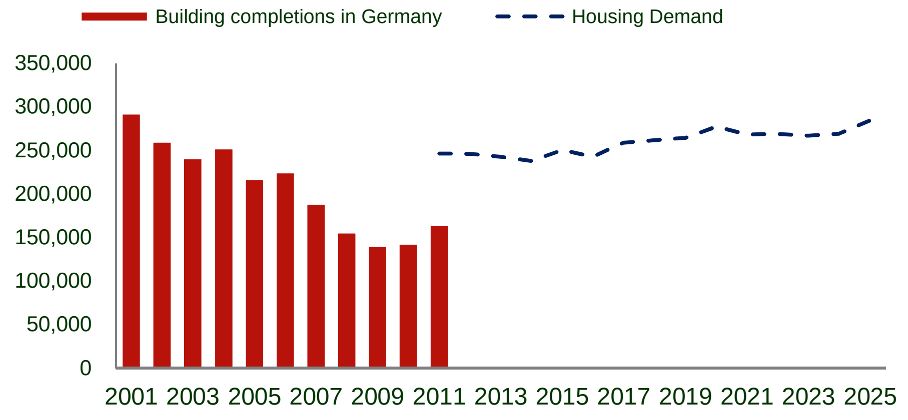


Source: Verband deutscher Pfandbriefbanken, Bundesbank

[1] Rent evolution for multifamily housing

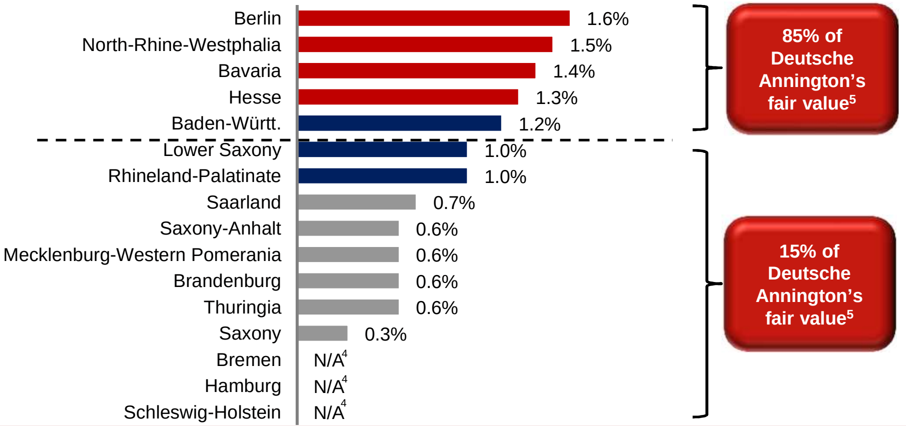
Deutsche Annington's portfolio footprint benefits from continuing supply / demand imbalance

Continuing supply / demand imbalance (units)



Source: JLL, BBSR

85% of DA's portfolio in states with strongest rental growth



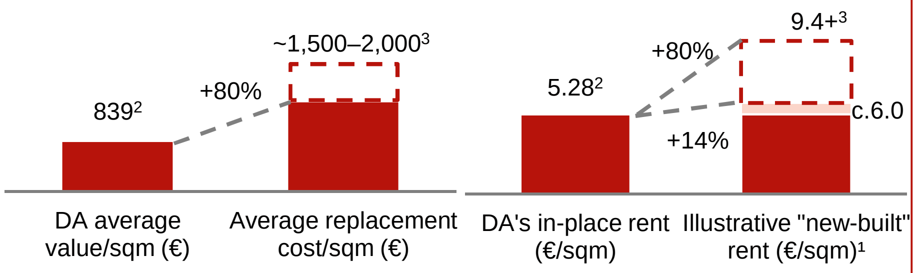
Source: Destatis, 2010-2012 rental growth p.a.

🟥 >5% ● >2.5% ● <2.5% of DA apartments

Low rent differential, favouring existing stock

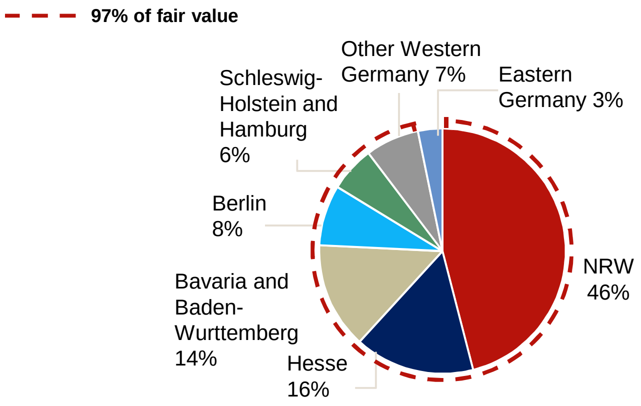
Replacement cost at least 80% higher than current valuation levels of existing stock

Average rent differential between "existing" and "new built" of only c.14%[1] witnessed in the market



Source: Capital Immobilienkompass

97% of DA's fair value[5] in Western Germany and Berlin



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[1] Based on average rent differential recorded between new and existing units in Germany's largest 15 cities in 2012; [2] As of 31 December 2012; [3] Based on Company estimates; [4] Rental growth data not available for respective states;
[5] As of 31 March 2013

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Industrial-like process approach

Our portfolio strategy: nationwide footprint, clearly structured, well-managed and balanced

Portfolio strategy

Core 95%

Rental Only (81%)

Operational value generation through
- Rental growth
- Vacancy reduction
- Effective and sustainable maintenance spent
- Cost efficiency through scale

I. Operate (44%)
- No need for larger action in the next few years

Additional value creation through investments
- €800m capex opportunities
- Returns above cost of capital
- Cost of capital lower than for acquisitive growth
- Track record of c. €100m of investments since 2010 at 7% unlevered yield on average

II. Upgrade Buildings (23%)
- Invest in energy efficiency upgrades
- €500m of opportunities identified

III. Optimise Apartments (14%)
- Invest in apartments for senior living and high stan-dard flats in strong markets

Additional value creation through retail sales
- Total of 22k apartments prepared
- Track record of selling >20% above fair value

IV. Privatise (14%)
- Sell opportunistically if sufficient premium value is offered

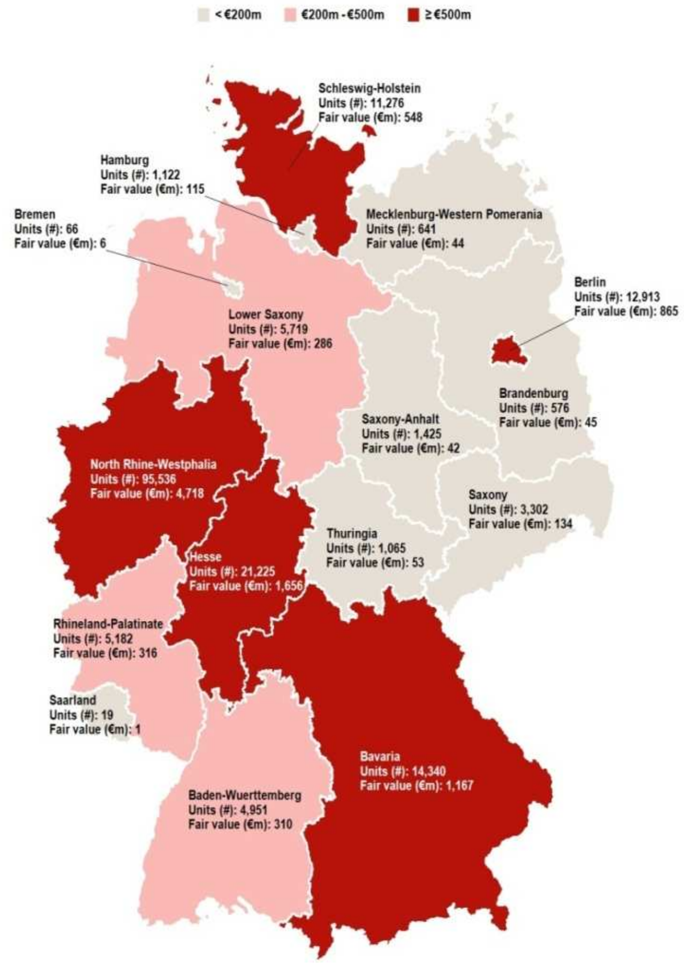
Non-core 5%

- Insufficient medium- to long-term growth prospects

V. Non-core (5%)
- Sell mid-term around fair value

Portfolio split based on fair market values

Portfolio distribution



Dedicated strategy applied throughout portfolio, driving growth

DAIG Residential Portfolio

30.06.2013

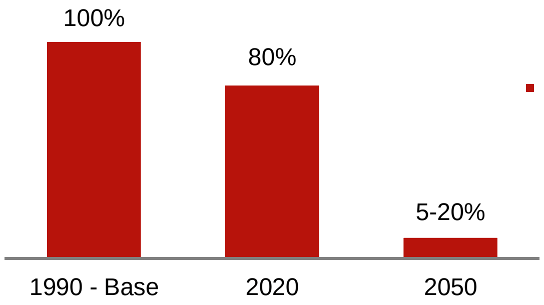
	Units		**Area**	**Vacancy**	**In-Place Rent**[1]		**Rent l-f-l**	**Vacancy**
Portfolio Segment	*#*	*%*	*(´000 sqm)*	*%*	*MEUR*	*€/sqm*	*Y-o-Y in %*	*Y-o-Y in %*
Operate	78,762	44	4,999	3.1	314	5.40	1.9	-0.6
Upgrade	43,533	24	2,746	3.0	169	5.29	1.8	-0.1
Optimise	21,367	12	1,335	2.1	95	6.03	3.6	-0.1
RENTAL ONLY	**143,662**	**80**	**9,079**	**2.9**	**577**	**5.46**	**2.3**	**-0.4**
Privatise	21,753	12	1,490	5.2	90	5.28	1.8	-0.4
Non-Core	13,943	8	878	11.4	40	4.27	0.9	-2.0
TOTAL	**179,358**	**100**	**11,447**	**3.9**	**707**	**5.35**	**2.1**	**-0.6**

1) Excluding commercial in-place-rent of €13.6m and parking & other in-place-rent of €12.6m

Investment programme proactively capitalising on mega-trends supported by German regulation

Upgrade Buildings
Targeting energy efficiency

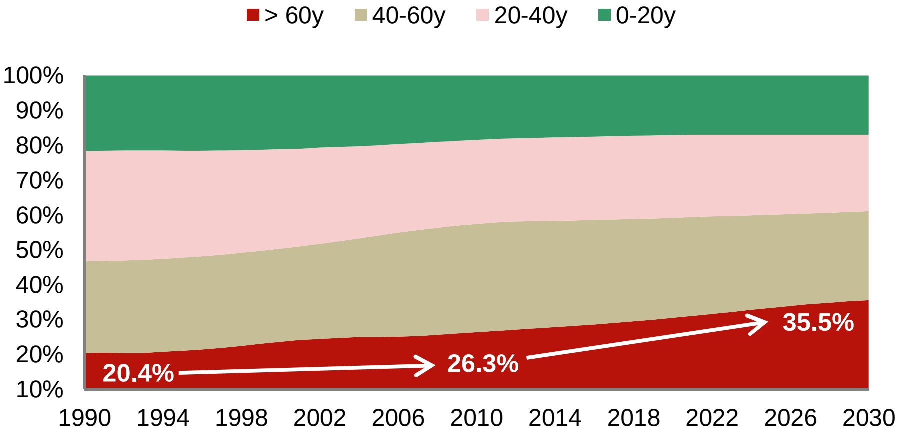
European CO_2 emission targets (vs. 1990 levels)



- Further targets by 2020:
  - 20% increase in energy efficiency
  - 20% share of renewable energy

- Strong regulatory push at the EU level towards energy efficiency
- Supportive German regulatory framework allowing for rent increases following modernisation (up to 11% of energy modernisation cost)
- Public subsidised funding available to support energy efficiency investments

Optimise Apartments
Capitalising e.g. on development of senior population



- Significant increase in share of elderly population expected
- Public subsidised funding available to support investments into apartments for elderly people

€500m investment opportunities identified

€300m investment opportunities identified[1]

Attractive growth potential at ~7% unlevered yield, proven by our track-record

Source: European Commission, BBSR-Bevölkerungsprognose 2030

[1] Including investments for senior living as well as investments in high demand markets

Case study: "Upgrade Buildings"

Energy efficiency upgrades increase asset quality

Description

- Main measures:
  - Insulation (facade)
  - Window replacement
  - Entrance and staircase renovation
  - Balconies
- Assets have been locally selected by business managers and selection is validated centrally
- Performance of all individual projects are measured ex-post for each business manager

Key metrics of case study – Duisburg

Investment: €640k	**Before Modernisation (2008)**	**After Modernisation (2009)**	**Difference**
Gross rent (€/sqm/m)	5.06	5.87	+0.81
Gross rent (€k)	220	261	+41
Yield from rent	= 41/640 = 6.4%		
Vacancy loss + PTU loss + bad debt (€k)	18	13	-5
Yield from vacancy	= 5/640 = 0.8%		
Total Yield	**= 46/640 = 7.2%**		

Example

Duisburg

Before

After

Efficient and fully integrated operating management platform

Senior management team consisting of c.30 managers

Asset management | **Property management[1]**

Local

179k apartments[2]

37 business units

12 business units	11 business units	7 business units	7 business units

Caretakers and craftsmen organisations

South / Southwest	**Ruhr / Rhineland**	**Westphalia**	**North / East**
Regional Head: Gerhard Faltermeier, 23 years of real estate experience	*Regional Head: Hans-Joachim Härtling, 18 years of real estate experience*	*Regional Head: Kristina Jahn, 13 years of real estate experience*	*Regional Head: Matthias Stock , 36 years of real estate experience*

4 Regions

Central

Portfolio management | Modernisation | Acquisitions & Sales

Customer services: Central customer service

Technical services: Central repair center

Asset Management	**Acquisitions**	**Property Management**	**Services**
Dr. Wolfgang Beck, 6 years of RE experience	*Mark Ennis, 15 years of RE experience*	*Dr. Karsten Rech, 13 years of RE experience*	*Arnd Fittkau, 12 years of RE experience*

Corporate Functions

Financing / Treasury	**Property valuation**	**Legal**	**Controlling**	**Other functions[3]**
Lars Schnidrig, 13 years of RE experience	*Walter Sprenger, 13 years of RE experience*	*Michael Bütter, 12 years of RE experience*	*Torsten Akelbein, 3 years of RE experience*	*Accounting: Christoph Schauerte, 16 years with public companies*

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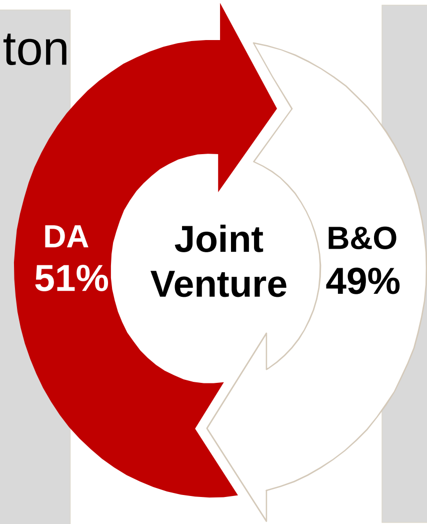
[1] Includes also external management of condominiumised apartments, environment, health & safety; [2] Number of units as of 30 June 2013, in addition, approx. 24k units administered on behalf of 3rd parties; [3] Other corporate functions include accounting, capital markets, communications, IT, insurance, procurement, PR, tax, internal audit, HR

Insourcing initiatives provide unique operating platform and economies of scale

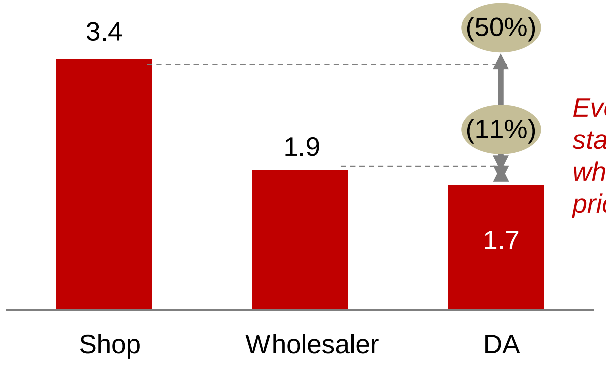
Deutsche Annington
– the biggest housing company in Germany



B&O – one of Germany's biggest craftsmen companies

Example A: Central-heating boiler

Total costs in €m p.a.



Even 11% below standard wholesaler prices

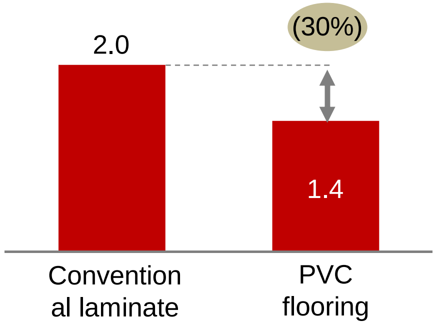
→ Best price through bundling and industry knowledge

- Set-up of service company TGS well on track
  - Since the beginning of 2013, massive expansion of regional presence of TGS
  - All DA customers directly reachable via TGS craftsmen
  - Around 960 FTE nationwide; further expansion planned

Example B: New product for floor covering

(part of €7m for floor)

Total costs in €m p.a.



New material and technique applicable in 60% of Deutsche Annington's PVC floors

→ Good price, easy installation & low maintenance cost

Scale and professional portfolio management allowing for cross-selling opportunities

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Deutsche Telekom partnership

- In 2011, Deutsche Annington signed a contract with Deutsche Telekom whereby Deutsche Telekom will equip 145,000 residential units throughout Germany with modern fibre-optic technology
- Both parties enter into a marketing cooperation for Deutsche Telekom's telephone, internet and television products
- In 2012, Deutsche Annington restructured existing agreements with fragmented supply base of cable networks in order to enable implementation of Deutsche Telekom partnership
- By the end of the second quarter of 2013, 22,000 residential units were connected and additional 21,000 units will follow until the end of Q3 2013.

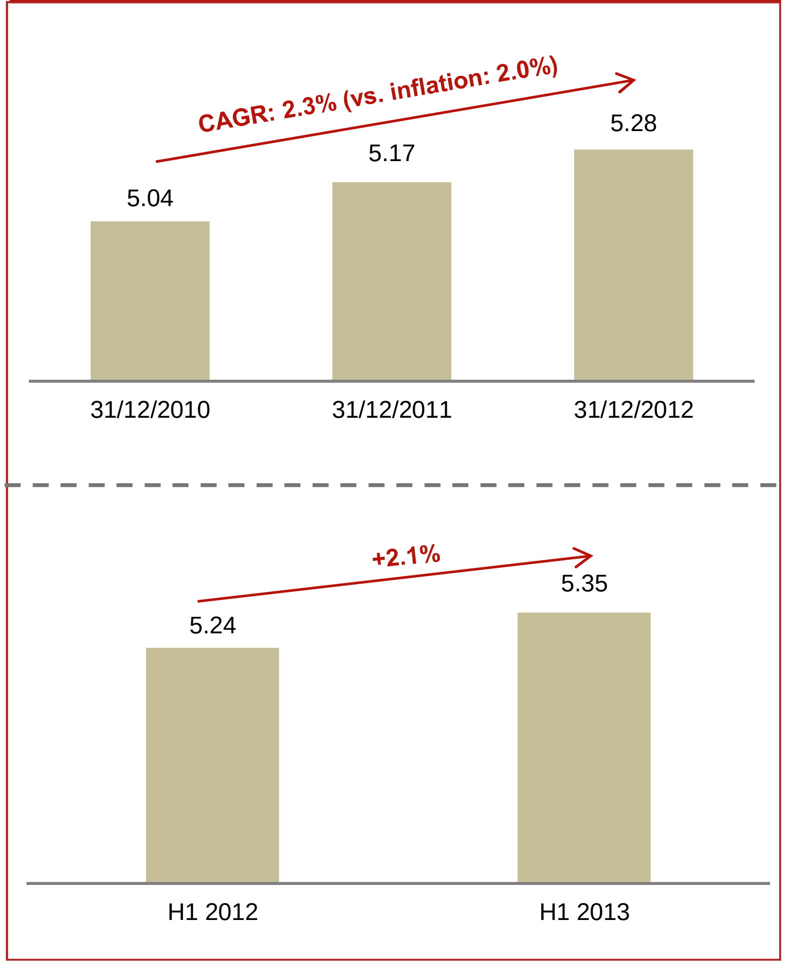
[1] Fibre to the home (FTTH)

Strong and proven historical performance as a demonstration of Deutsche Annington's operational strength

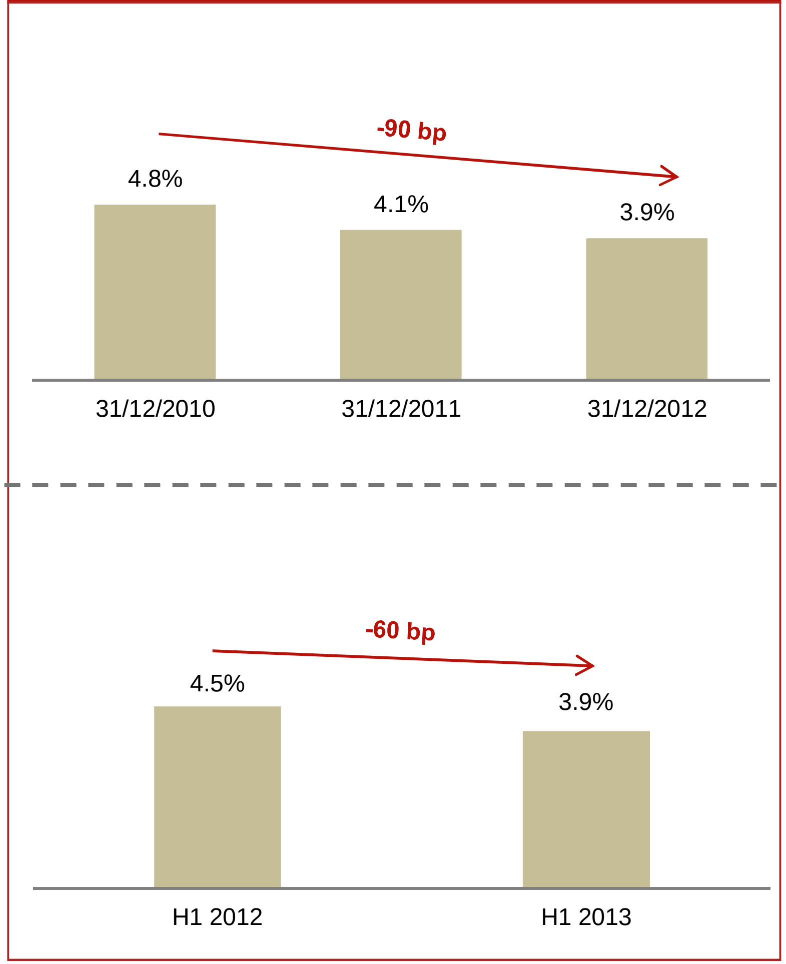
Annual

Semi-annually

In-place residential rent/sqm/month[1] (€)



Vacancy rate (%)



[1] Like-for-like

Optimally positioned to capture external growth opportunities on a German-wide basis

Deutsche Annington is built to be the national consolidator beyond its internal growth
Disciplined acquisition strategy focused on FFO per share and NAV per share accretion

Our competitive advantages

- Deutsche Annington's DNA is based on acquisitions in this highly fragmented market
- All of Germany is our home turf
- Deep, granular market knowledge
- Scale and operating leverage to incorporate portfolios at low marginal cost
- In-place M&A with industrial-like approach
- Optimal access to diversified, efficient funding

2006-2013 – Our involvement

- 2.4m units screened
- 730k units analysed
- Indicative bids on 390k units and binding bids on 125k units
- Purchase and integration of about 16k units

Market sizing and fragmentation

Portfolios of less than 5,000 units

- Highly segmented market with steady flow of investment opportunities

Over 2,500 portfolios of 5,000 units or less, totalling more than 2.6m apartments[1]

Portfolios of more than 5,000 units

- Selective opportunities such as private sales and strategic divestments for 5k-20k units portfolios thanks to DA's network
- Potential opportunities to consolidate market leading position through acquisition of portfolios of more than 20k units

Almost 200 portfolios of more than 5,000 units, totalling more than 2.5m apartments[1]

[1] Based on GDW Jahresstatistik 2011

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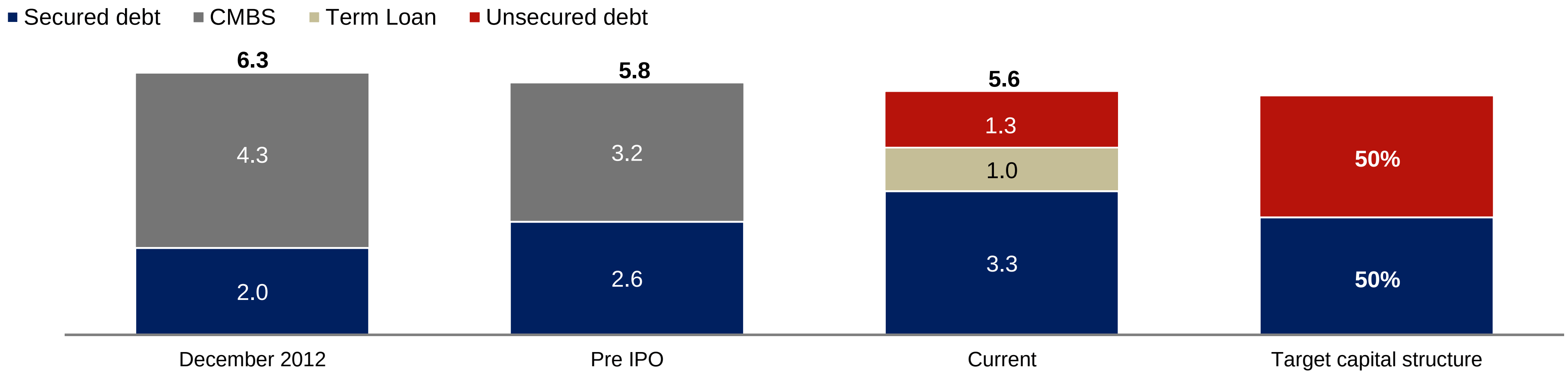
Financing strategy in line with leading European peers

Clear path to targeted capital structure established

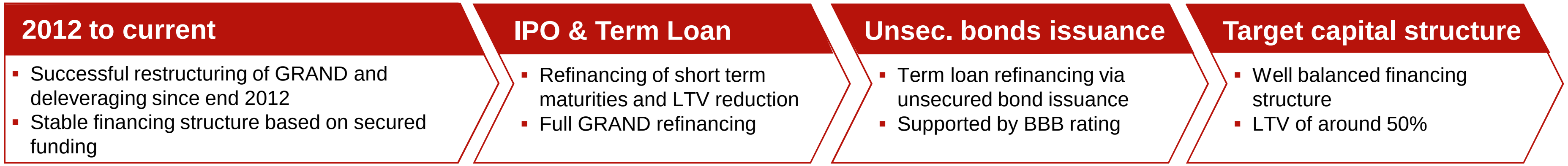
1. Lower LTV into target zone
2. Obtain Investment Grade rating
3. Establish unsecured financing instruments
4. Extend and balance maturities
5. Increase unencumbered assets
6. Tackle maturities between 6 and 15 months ahead of time
7. Keep disciplined approach throughout the whole process, by actively managing the balance sheet
8. Acquisition strategy strictly adhering to credit framework

Transformation towards best-in-class financing structure well progressed

Illustrative targeted evolution of Deutsche Annington financial liability structure (€bn, nominal)



	December 2012	Pre IPO	Current	Target capital structure
LTV (nominal)	59%	54%	c. 50%	c. 50%
% of unencumb. assets	0%	0%	c. 32%	≥50%
Average maturity[1]	< 3 years	c. 3-4 years	c. 4.5 years	5-7 years
Financing cost	4.4%	3.7%	3.0%[2]	Ongoing optimisation based on most economical funding



2012 to current
- Successful restructuring of GRAND and deleveraging since end 2012
- Stable financing structure based on secured funding

IPO & Term Loan
- Refinancing of short term maturities and LTV reduction
- Full GRAND refinancing

Unsec. bonds issuance
- Term loan refinancing via unsecured bond issuance
- Supported by BBB rating

Target capital structure
- Well balanced financing structure
- LTV of around 50%

The only Investment Grade rated German real estate player
Establishment of unique financing structure in the German real estate sector

[1] Excluding Senior mortgages

[2] Refinancing of the term loan might likely be on higher rates than the 1,92% as of 31 August 2013. An increase of the term loan rate or the rate of a respective refinancing instrument by 100bps would increase the total average rate by 18 bps.

Targeted financing structure tailored to optimally support growth strategy

- ✓ Flexibility to tap alternative sources of cost efficient financing providing stability
- ✓ Dynamic balance sheet management
- ✓ For unsecured instruments, no cash trapped from disposals or material restrictions to strategy
- ✓ Further potential refinancings in the unsecured market may result in improved maturity profile and cost of debt
- ✓ Further flexibility to finance potential acquisitions

Combination of German assets and best-in-class operations with European financing structure

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Key financials

Historical Adjusted EBITDA development

Bridge to Adjusted EBITDA

(€m)	2010A	2011A	2012A
Profit for the period	**191**	**424**	**172**
Interest expense/(income)	346	350	434
Income taxes	(32)	154	44
Depreciation	5	6	6
Net income from fair value adj. of investment properties	(26)	(247)	(206)
Changes in value of trading properties	(0)	(205)[1]	0
EBITDA IFRS	**485**	**483**	**450**
Non-recurring items	3[2]	18	21
Adjustments[3]	(21)	(24)	3
Adjusted EBITDA[3]	**466**	**477**	**474**
Adjusted EBITDA Rental	**429**	**449**	**437**
Adjusted EBITDA Sales[3]	**37**	**29**	**37**

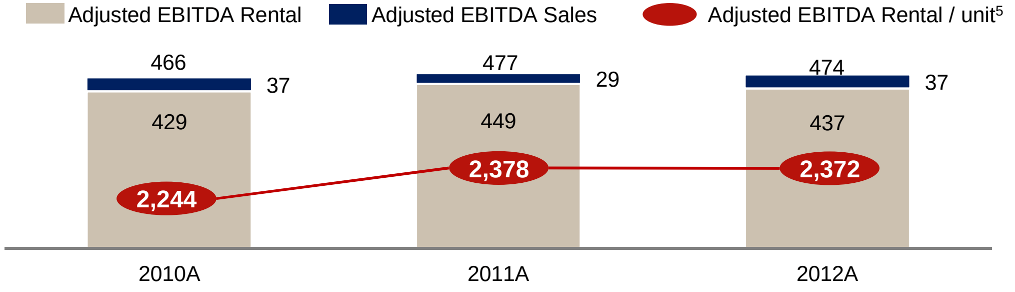
Rental segment

(€m)	2010A	2011A	2012A
Rental income	**724**	**731**	**729**
Other income from property management	20	20	18
Ancillary cost balance[4]	(26)	(23)	(21)
Other property management costs	(288)	(279)	(289)
Adjusted EBITDA Rental	**429**	**449**	**437**

Sales segment

(€m)	2010A	2011A	2012A
Income from disposal of properties	**225**	**253**	**305**
Carrying amount of properties sold	(154)	(188)	(270)
Revaluation of assets held for sale	0	3	17
Profit on disposal of properties	**71**	**68**	**52**
Operating expenses	(13)	(15)	(18)
Adjustments[3]	(21)	(24)	3
Adjusted EBITDA Sales	**37**	**29**	**37**

Evolution of Adjusted EBITDA (€m)



- Resilient rental income despite property sales
- Increased cost base in 2012 reflecting investments into future organisation (insourcing of craftsmen)
- Higher sales volume in 2012, however lower gross margin

Note: 2010 data restated to reflect accounting principles in effect in 2012. [1] Revaluation preceding transfer to investment properties; [2] Unaudited; [3] Adjustment to eliminate the effect of certain reporting principles resulting in the recognition of profit on disposal of properties in periods prior to the recognition of income from the sale of such properties and the effect of the reclassification of trading properties into investment properties at the end of 2011. Reported Adjusted EBITDA was €488m in 2010, €501m in 2011 and €471m in 2012 and Reported EBITDA Sales was €58m in 2010, €52m in 2011 and €34m in 2012; [4] Inclusive of certain personnel expenses as per insourcing activities; [5] Based on average number of units over the year

H1 2013 – Increased Adjusted EBITDA Rental and stable Adjusted EBITDA Sales

Bridge to Adjusted EBITDA

(€m)	H1 2013	H1 2012
Profit for the period	**440**	**112**
Interest expenses/(income)	122	161
Income taxes	185	45
Depreciation	3	3
Net income from fair value adjustments of investment properties	-524	-81
EBITDA IFRS	**226**	**239**
Non-recurring items	14	3
Period adjustments	2	-5
Adjusted EBITDA	**242**	**238**
Adjusted EBITDA Rental	**222**	**218**
Adjusted EBITDA Sales	**20**	**19**

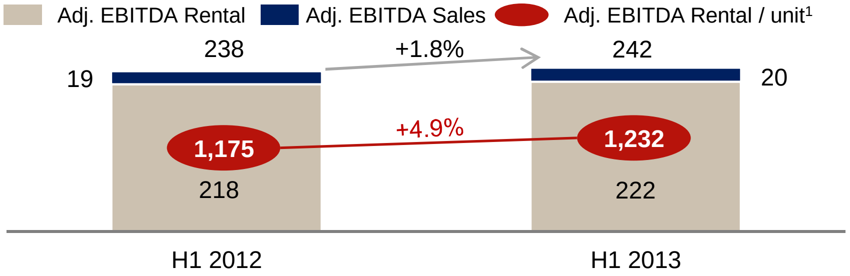
Rental segment

(€m)	H1 2013	H1 2012
Average number of units over the period (k)	*179*	*186*
Rental income	**364**	**365**
Other income from property management	9	9
Ancillary cost balance	(9)	(9)
Other property management costs	(142)	(147)
Adjusted EBITDA Rental	**222**	**218**

Sales segment

(€m)	H1 2013	H1 2012
Number of units sold	*2,587*	*1,886*
Income from disposal of properties	**167**	**140**
Carrying amount of properties sold	(154)	(122)
Revaluation of assets held for sale	11	13
Profit on disposal of properties	**24**	**31**
Operating expenses	(6)	(7)
Period adjustments	2	(5)
Adjusted EBITDA Sales	**20**	**19**

Evolution of Adjusted EBITDA (€m)



- Adjusted EBITDA Rental growing with reduced portfolio
- Adjusted EBITDA Rental per unit increased by 4.9% to €1,232 per unit
- Adjusted EBITDA Sales slightly above level of previous year
- Adjusted EBITDA also growing

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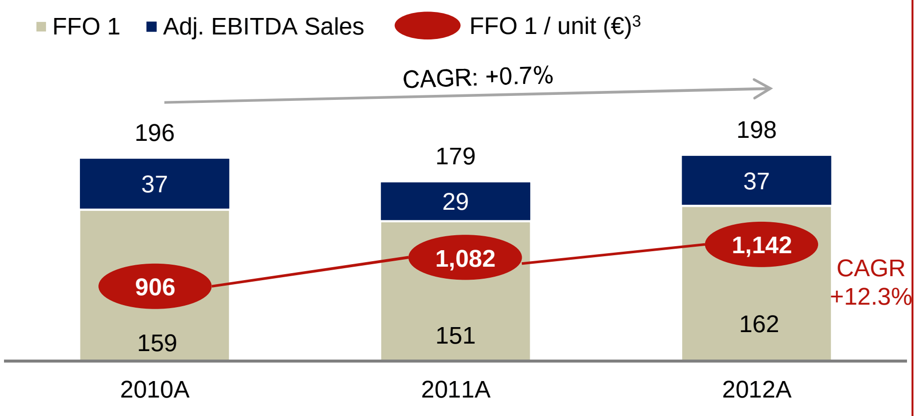
[1] Based on average number of units over the year

Historical FFO development

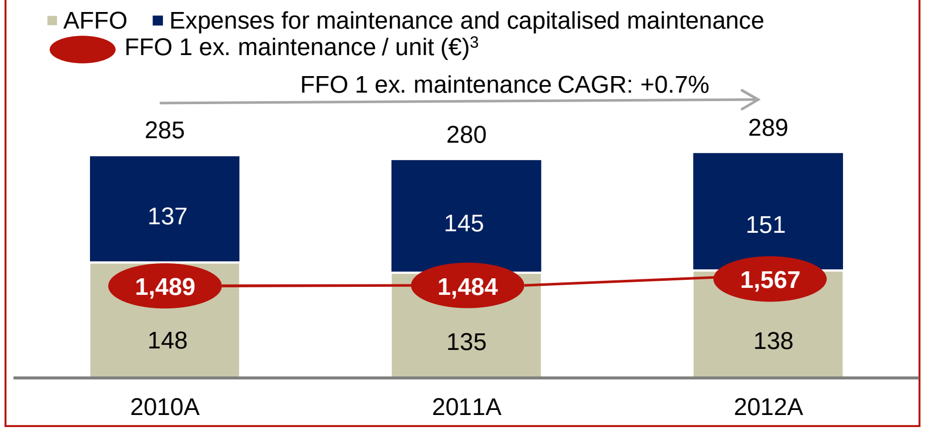
FFO evolution

(€m)	2010A	2011A	2012A
Adjusted EBITDA[1]	**466**	**477**	**474**
(-) Net cash interest	(265)	(293)	(274)
(-) Current income taxes	(5)	(5)	(2)
(=) FFO 2	**196**	**179**	**198**
(-) Adjusted EBITDA Sales	(37)	(29)	(37)
(=) FFO 1	**159**	**151**	**162**
(-) Capitalised maintenance[2]	(11)	(16)	(24)
(=) AFFO	**148**	**135**	**138**
(+) Capitalised maintenance[2]	11	16	24
(+) Expenses for maintenance	126	129	115
(+) Craftsmen's personnel expenses	0	1	12
(=) FFO 1 (excl. maintenance)	**285**	**280**	**289**

FFO 1 and FFO 2



FFO 1 ex. maintenance (€m)



Note: 2010 data restated to reflect accounting principles in effect in 2012

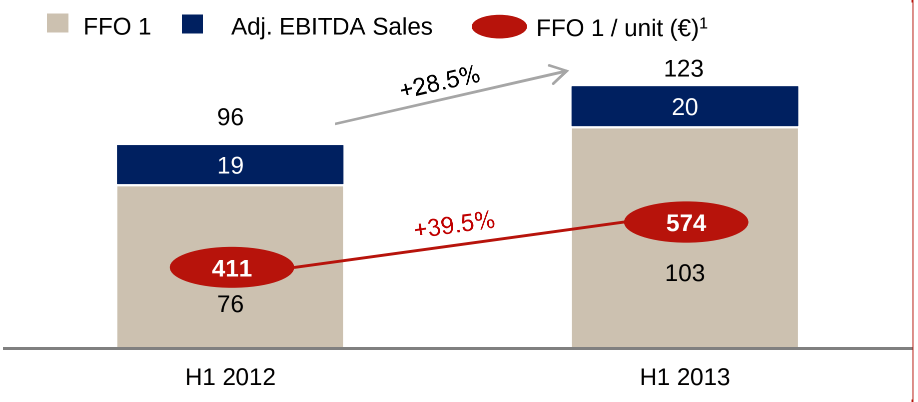
[1] Adjusted to eliminate the effect of certain reporting principles resulting in the recognition of profit on disposal of properties in periods prior to the recognition of income from the sale of such properties and the effect of the reclassification of trading properties into investment properties at the end of 2011. Reported Adjusted EBITDA was €488m in 2010, €501m in 2011 and €471m in 2012; [2] Capitalised maintenance excluding discretionary, value-enhancing modernisation capex; [3] Based on average number of units over the period

H1 2013 – All FFO definitions significantly higher than previous year

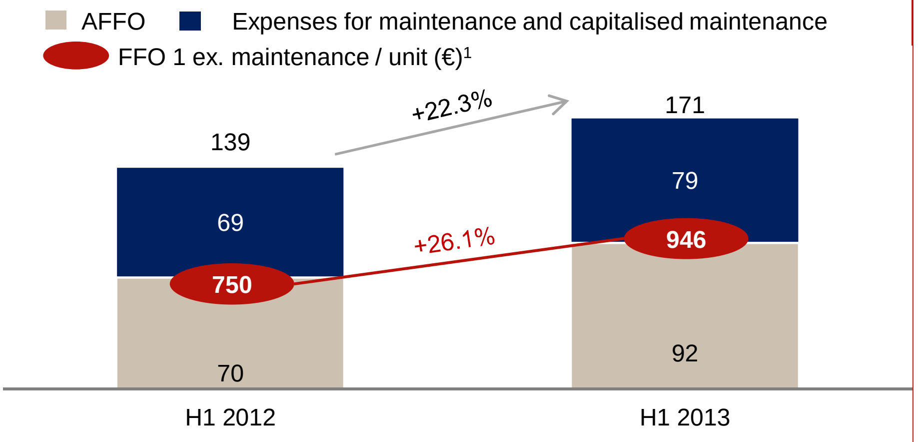
FFO evolution

(€m)	H1 2013	H1 2012
Adjusted EBITDA	**242**	**238**
(-) Net cash interest	(115)	(138)
(-) Current income taxes	(4)	(4)
(=) FFO 2	**123**	**96**
(-) Adjusted EBITDA Sales	20	19
(=) FFO 1	**103**	**76**
(-) Capitalised maintenance	12	6
(=) AFFO	**92**	**70**
(+) Capitalised maintenance	12	6
(+) Expenses for maintenance	67	63
(=) FFO 1 (excl. maintenance)	**171**	**139**

FFO 1 and FFO 2



FFO 1 ex. maintenance (€m)



[1] Based on average number of units over the year

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Outlook

Strong operational and financial momentum expected to continue

Outlook

	Deutsche Annington‘s focus	Financial impact	
		Revenues	FFO/share
Organic	Clear and coherent portfolio strategy and rental growth management	↑	↑
	Capitalisation on mega-trends supported by German regulation	↑	↑
	Innovative insourcing strategy	–	↑
	Future cross-selling opportunities	↑	↑
	Tactical acquisitions	↑	↑
	Financing strategy in line with leading European peers	–	↑
External	Strategic acquisitions	↑	↑

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Guidance until financial year end

KPI	Range
Rental growth	1.8 – 2.0 %
Modernisation volume from 2014 p.a.	€ 150 m
Planned disposals (privatisation)	2.3 k units
FFO 1 target	€ 210 – 220 m
Dividend policy	~70% of FFO 1

Deutsche Annington: Innovation leader based on a long-term vision, operational excellence and unique financing structure

A top European real estate play

Largest player in a highly stable asset class – German residential

Industrial-like process approach to operations designed for growth

Financing strategy in line with leading European peers

Built-in growth and enhanced profitability expected to drive FFO per share and NAV per share accretion

Entrepreneurial approach to a stable and low-risk asset class

Platform for consolidation

Contact

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http://www.deutsche-annington.com
Registered office: Düsseldorf , HRB 68115, court of registration: Düsseldorf
Executives: Rolf Buch, Klaus Freiberg, Dr. A. Stefan Kirsten
Head of Supervisory Board: Dr. Wulf H. Bernotat

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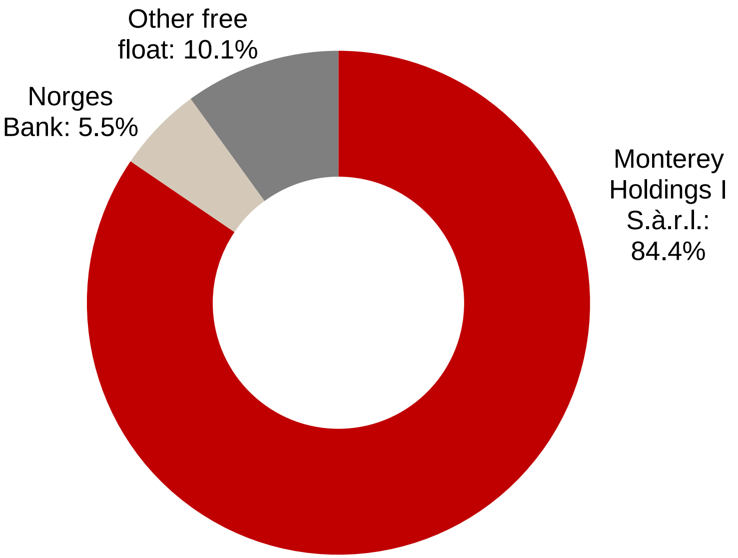
Appendix

Key share information

Key share information

First day of trading:	July 11, 2013
Issue price:	EUR 16.50
Total number of shares outstanding:	224,242,425
Issued share capital:	EUR 224,242,425
ISIN:	DE000A1ML7J1
WKN:	A1ML7J
Ticker symbol:	ANN
Common code:	94567408
Index Membership	SDAX[1], EPRA Indicies
Type of shares:	Registered no-par value shares
Free float:	15.6% (incl. Norges Bank)
Stock exchange:	Frankfurt Stock Exchange

Current shareholder structure



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[1] From 23 September 2013

Key rating & bond information

- **Corporate investment grade rating**

Rating agency	Rating	Outlook	Last Update
Standard & Poor's	BBB	Stable	23 July 2013

- **Bond ratings**

	Amount	Issue Price	Coupon	Maturity Date	Rating
2013/16 Euro Bond	€ 700m	99.793%	2.125%	25 July 2016	BBB

	Amount	Issue Price	Coupon	Maturity Date	Rating
2013/19 Euro Bond	€ 600m	99.935%	3.125%	25 July 2019	BBB

Operations - 37 business units managed as profit centres by local business managers

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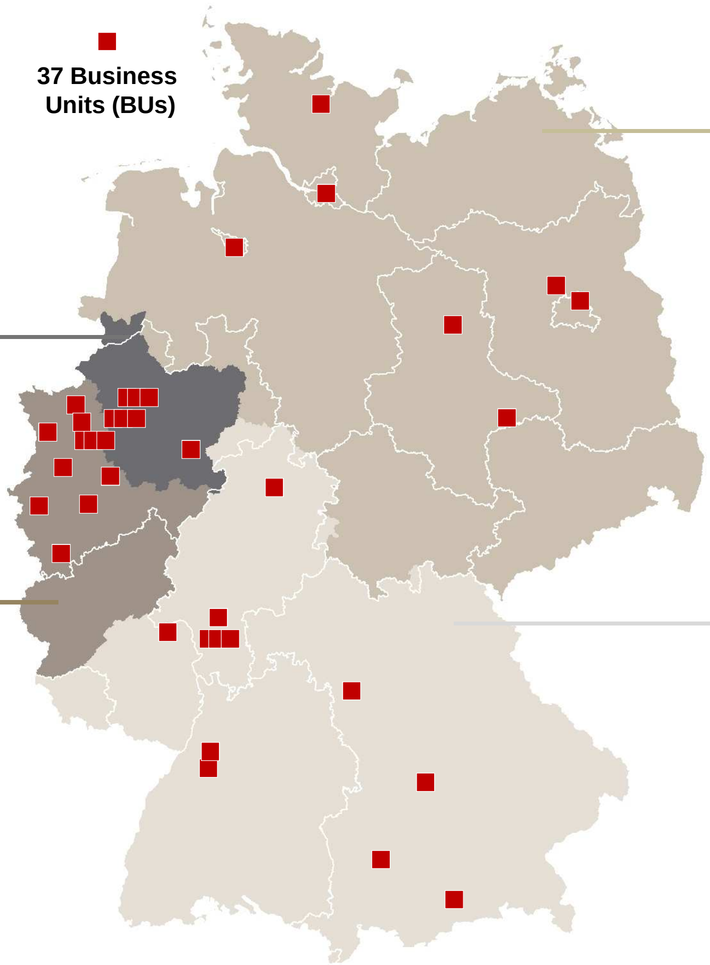


🟥 37 Business Units (BUs)

Region Westphalia (7 BUs)

- Bochum (3x)
- Dortmund (3x)
- Ostwestfalen

Region Ruhr / Rhineland (11 BUs)

- Bonn
- Bottrop / Gladbeck
- Duisburg
- Dusseldorf
- Essen (3x)
- Gelsenkirchen
- Cologne
- Marl
- Rheinland West

Region North / East (7 BUs)

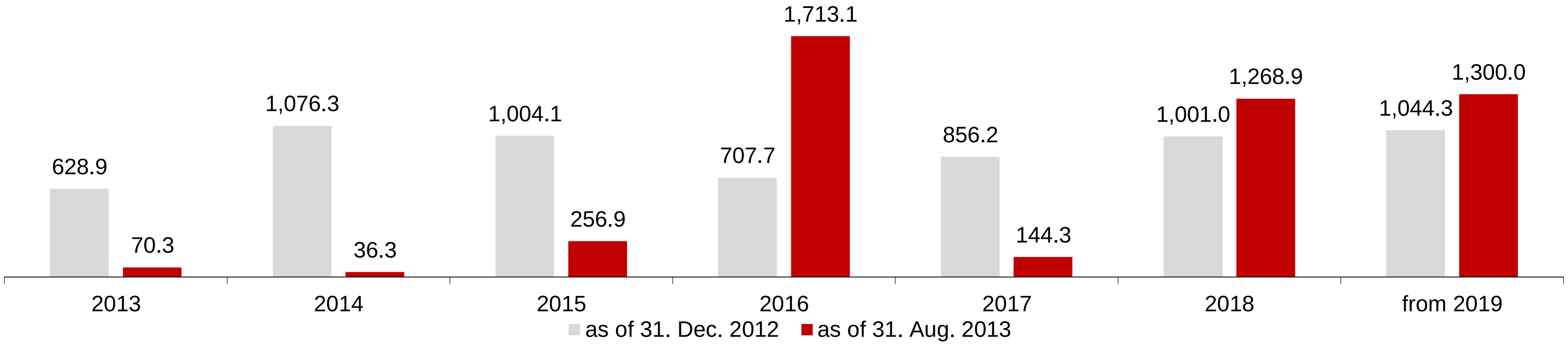
- Berlin
- Hamburg
- Mitteldeutschland - Nord
- Mitteldeutschland - Sud
- Niedersachen / Bremen
- Prima
- Schleswig-Holstein

Region South / Southwest (12 BUs)

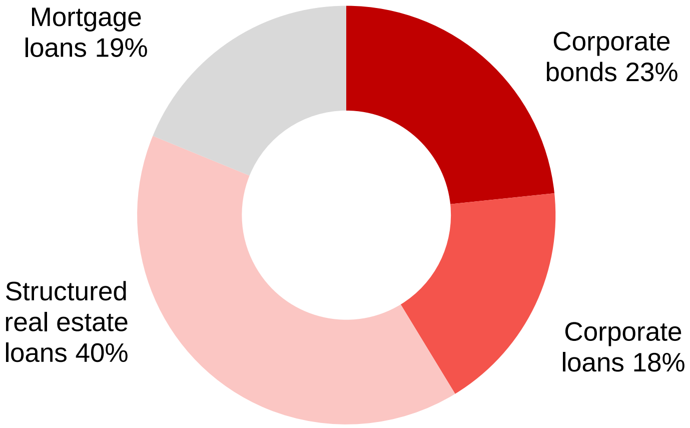
- Bayern Sud-West
- Franken / Oberpfalz
- Frankfurt (4x)
- Karlsruhe Nord
- Karlsruhe Sud
- Kassel
- Munich
- Oberbayern - Ost
- Wiesbaden / Mainz

Financing - Simplification and increased stability through enhanced maturity profile and financing product mix

Comparison of maturity profiles End 2012 vs. 31 August 2013



Debt structure as of 31 August 2013



→ **Higher flexibility and cost efficiency through tailored mix of financing instruments**

Financing - Diversified financing mix provides additional security

Debt	**Average Interest (incl. Margin)**	**Debt as of Aug 13 in € m**	**Debt Maturity Profile**											**Total**
			2013	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	
Corealcredit	4.3%	164						156						156
Woge 5	5.5%	249			244									244
PRIMA	3.7%	146						128						128
LBB 1.0	3.1%	654						608						608
Harrison	3.5%	39										35		35
Adams	3.6%	72						67						67
Hoover	3.6%	104						97						97
McKinley 1	3.8%	130								44			76	120
LBB 2.0	3.5%	470								426				426
Roosevelt	3.3%	103						95						95
Wilson	3.2%	91						84						84
Term Loan	1.9%	1,000				1000								1,000
Bonds	2.6%	1,300				700			600					1,300
Other Loans	3.0%	1,049	70	36	13	13	144	34	36	42	19	2	4	414
Total	**3.0%**	**5,571**	**70**	**36**	**257**	**1,713**	**144**	**1,269**	**636**	**512**	**19**	**36**	**80**	**4,772**

Refinancing of the term loan might likely be on higher rates than the 1,92% as of 31 August 2013. An increase of the term loan rate or the rate of a respective refinancing instrument by 100bps would increase the total average rate by 18 bps.

Financials - H1 2013 – P&L development

P&L

			Change	
(€m)	H1 2013	H1 2012	(€m)	%
Revenues from property letting	**523.2**	**532.0**	**-8.8**	**-1.7**
Rental income	**364.0**	**365.4**	**-1.4**	**-0.4**
Ancillary costs	159.2	166.6	-7.4	-4.4
Other income from property management	9.0	9.1	-0.1	-1.1
Income from property management	**532.2**	**541.1**	**-8.9**	**-1.6**
Income from sale of properties	**166.9**	**140.3**	**26.6**	**19.0**
Carrying amount of properties sold	-154.0	-121.9	-32.1	26.3
Revaluation of assets held for sale	11.1	12.8	-1.7	-13.3
Profit on disposal of properties	**24.0**	**31.2**	**-7.2**	**-23.1**
Net income from fair value adjustments of investment properties	523.9	80.7	443.2	
Expenses for ancillary costs	-159.4	-174.8	15.4	-8.8
Expenses for maintenance	-50.2	-58.9	8.7	-14.8
Other cost of purchased goods and services	-27.8	-32.3	4.5	-13.9
Personnel expenses	-70.4	-48.7	-21.7	44.6
Depreciation and amortisation	-2.8	-2.9	0.1	-3.4
Other operating income	19.2	14.2	5.0	35.2
Other operating expenses	-41.9	-32.7	-9.2	28.1
Financial income	7.1	2.3	4.8	
Financial expenses	-128.4	-163.0	34.6	-21.2
Profit before tax	**625.5**	**156.2**	**469.3**	
Income tax	-185.3	-44.7	-140.6	
Current income tax	-4.0	-3.6	-0.4	11.1
Others (incl. deferred tax)	-181.3	-41.1	-140.2	
Profit for the period	**440.2**	**111.5**	**328.7**	

Comments

- Stable rental income
- Average size of the residential portfolio over the period down from 185k to 179k as a result of sales
- Offset by higher average residential in-place rent per square metre per month (€ 5.35 vs. € 5.24) and lower vacancy rate (3.9% vs. 4.5%)

- IFRS Profit on disposal lower due to higher carrying amount of properties sold

- Net income from fair value adjustments increased driven by valuation

- Ancillary costs develop in line with decreasing number of units; analogously, expenses for ancillary costs reflect units development and insourcing effect

- Increased personnel expenses primarily due to the insourcing initiative of caretakers (€ 4.6m) and craftsmen (€ 12.5m) and LTIP (€ 4.1m, of which € 3.4m were IPO-related)

- Increase driven by insourcing higher provisions and increased audit, consultancy fees and legal costs

- Financial expenses decreased substantially by the deleveraging effect of the GRAND CMBS restructuring as well as lower interest rates

- Profit for the period mainly driven by valuation effects

Financials - H1 2013 – Balance sheet evolution

Overview

(€m)	H1 2013	YE 2012
Investment properties	10,279	9,844
Other non-current assets	342	103
Total non-current assets	**10,621**	**9,947**
Cash and cash equivalents	222	470
Other current assets	191	192
Total current assets	**413**	**662**
Total assets	**11,034**	**10,608**
Total equity attributable to DA shareholders	3,396	2,666
Non-controlling interests	14	11
Total equity	**3,410**	**2,677**
Other financial liabilities	5,549	5,767
Deferred tax liabilities	920	724
Provisions for pensions and similar obligations	292	319
Other non-current liabilities	132	131
Total non-current liabilities	**6,893**	**6,941**
Other financial liabilities	481	684
Other current liabilities	251	306
Total current liabilities	**732**	**990**
Total liabilities	**7,624**	**7,931**
Total equity and liabilities	**11,034**	**10,608**

Comments

- Increase driven by valuation while number of units decreased from 185k to 179k
- Contribution of the so called S-Loans (a receivable that after the repayment of GRAND will be netted against the outstanding GRAND liabilities) of €239m resulted in increase of non-current assets and equity
- €240m of cash was applied to the repayment of GRAND liabilities in January 2013
- Increase driven capital contributions and by profit of the period, mainly resulting from valuation of properties
- Financial liabilities decreased due to the repayment of GRAND after the successful restructuring in 2012 out of cash on the balance sheet

Financials - Overview of DA’s maintenance and capex split

Maintenance and modernisation

	H1 2013	H1 2012
Sales of own craftmen‘s organisation	56.7	18.5
Bought-in services	32.7	76.7
Total cost of modernisation and maintenance work	**89.4**	**95.2**
Intercompany profits of own craftmen‘s organisation eliminated in the consolidated financial statements	-4.4	-1.2
Modernisation and maintenance work recognised in the consolidated financial statements	**85.0**	**94.0**
…thereof maintenance[1]	67.1	63.0
…thereof capitalised maintenance	11.6	6.3
…thereof modernisation	6.3	24.7

Comments

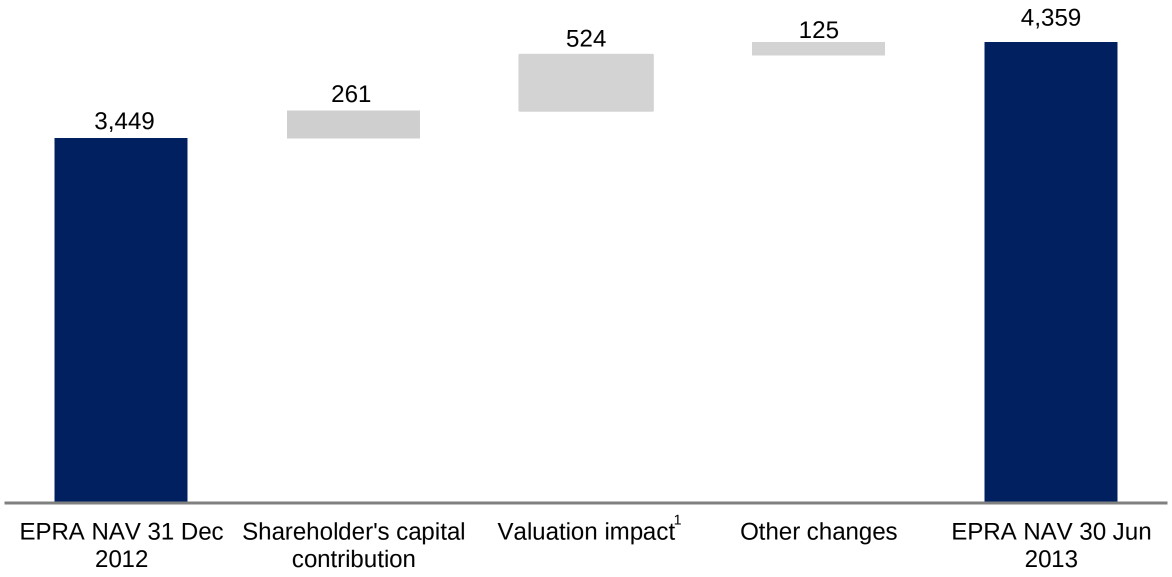
- Modernisation and maintenance are always subject to seasonality effects and impacted by cut-off dates which makes the analysis of fractions of a year less meaningful
- Revenues of the own craftmen organisation increased significantly
- Total modernisation and maintenance work slightly below previous year
- Craftmen organisation generated profit /savings of € 4.4m
- Modernisation program with a slow start, but annual spend expected on previous year level
- Driven by weather conditions and delays due to capital structure reorganisation
- Quarterly numbers are always subject to higher volatility due to completion cut-offs

Note: Rounding errors may occur

1) including cost of materials of € 50.2 million as well as personnel expenses of € 16.9 million and other costs.

Financials - H1 2013 – EPRA NAV rising due to external valuation and shareholder contribution

EPRA NAV – H1 2013 (€m)



Comments

- Main impact from valuation of property portfolio
- Further effects from shareholders capital contributions
  - Thereof € 239m from contribution of the so called S-Loans receivable and €22m from the increase in number of shares in preparation of the IPO

[1] Excluding deferred tax impact of external valuation

Note: Rounding errors may occur

Governance - Strong corporate governance set-up through new supervisory board structure

De-staggered Supervisory Board consisting of 9 members – 5 representatives of MHI and 4 independent members

The number of independent members is expected to increase to 5 as soon as Terra Firma's stake in DA falls below 50%

All subcommittees will be chaired by independent members

Independent members

Dr. Wulf Bernotat, 65

Chairman of Board
- Since Jun-13
- Managing Director of Bernotat & Cie.

Former experience
- CEO of E.ON

Dr. Edgar Ernst, 61

Chairman of Audit Committee
- Since Jun-13
- President of German FREP (Financial Reporting Enforcement Panel)

Former experience
- CFO of Deutsche Post DHL

Hildegard Müller, 45

Member
- Since Jun-13
- Chairwoman of German Association of Energy and Water Industries

Former experience
- Minister of State in the Federal Chancellery

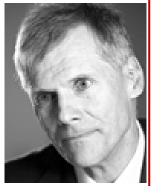
Clara-Christina Streit, 44

Chairwoman of Finance Committee
- Since Jun-13
- Senior advisor to McKinsey & Co

Former experience
- Partner at McKinsey & Company

MHI representatives

Robert Nicolas Barr, 55



Deputy Chairman of Board
- Since Nov-09
- Operational managing officer of Terra Firma

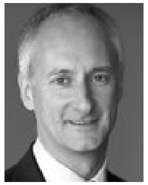
Former experience
- Regional CFO Vodafone

Arjan Breure, 39

Member
- Since Dec-10
- Financial managing director of Terra Firma

Former experience
- Head of Asset Management at Citi Property Investors

Fraser Duncan, 53



Member
- Since Feb-01
- Business consultant

Former experience
- CFO Initial Shorrock

Dr. Klaus Rauscher, 64

Member
- Since Aug-08
- Business consultant

Former experience
- Member of Supervisory Board of ThyssenKrupp Technologies

Tim Pryce, 47

Member
- Since Jun-13

CEO of Terra Firma

Former experience
- GE Capital

Governance - Management compensation aligned with shareholder objectives

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The management team has invest c.1.5 times its gross base salary in shares of the company at offer price, with a holding period until the end of their respective terms in office at a minimum

Short-term incentive plan (STIP)

- Bonus levels dependent on certain pre-agreed KPIs
- Targets annually set by Supervisory Board and capped
- Current targets based:
  - **40%** on achievement of **AFFO** targets
  - **15%** on **Adjusted EBITDA Sales** targets
  - **15%** to **CSI** (customer satisfaction index) targets
  - **30%** on **individual** targets

Long-term incentive plan (LTIP)

- 5-year plan with cliff vesting of 20% per calendar year
- Amount of shares received every year depends on pre-defined KPI targets:
  - **33% on AFFO development** (vs. internal business plan)
  - **33% on Total Shareholder's Return** (vs. average TSR of listed German peers – Deutsche Wohnen, GSW, LEG, GAGFAH and TAG)
  - **33% on EPRA NAV per share growth** (vs. average NAV growth of listed German peers)

Illustrative split of management remuneration