Investor Presentation

October 2019

Agenda

Equity Story

Business Update

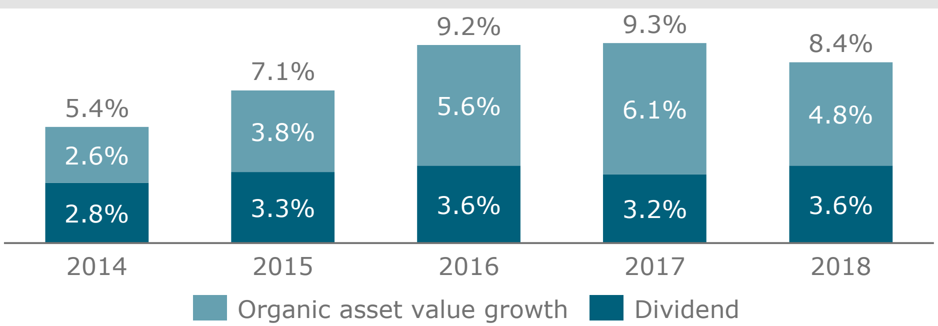
Additional Information

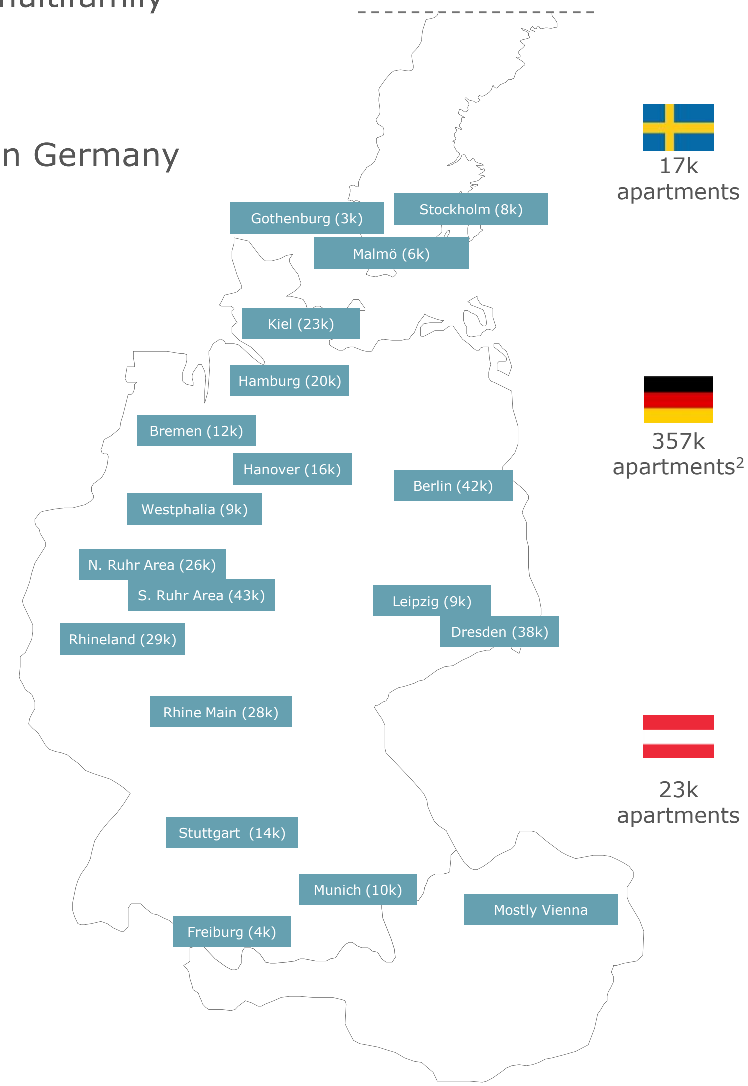
Europe's Leading Residential Landlord

VONOVIA

- Owner and full-scale operator of almost 400k apartments in multifamily homes for medium and smaller income households
- 90% of the portfolio located across 15 urban growth regions in Germany
- 10% primarily in Stockholm, Gothenburg, Malmö and Vienna
- ~€47bn fair market value; ~€25bn market capitalization
- Two forms of shareholder returns:
  - **cash via dividends** and
  - **organic value growth of underlying assets**

Sustainable total shareholder value creation[1]





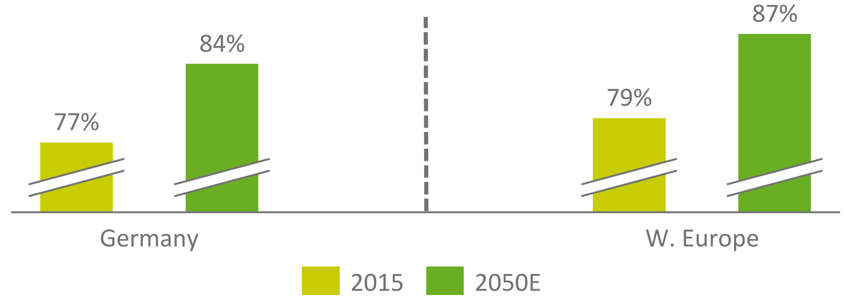
[1] Dividend yield plus l-f-l organic asset value growth from operating performance and investments (excluding yield compression). [2] Incl. 27k apartments in other strategic locations plus 7k in non-strategic locations that are not shown on the map.

A Long-term Business Built around Megatrends

Urbanization

Increasing urbanization in Germany and Europe meets a structural supply/demand imbalance in most European cities. Owning apartments in the right locations is key to sustainable long-term organic growth.

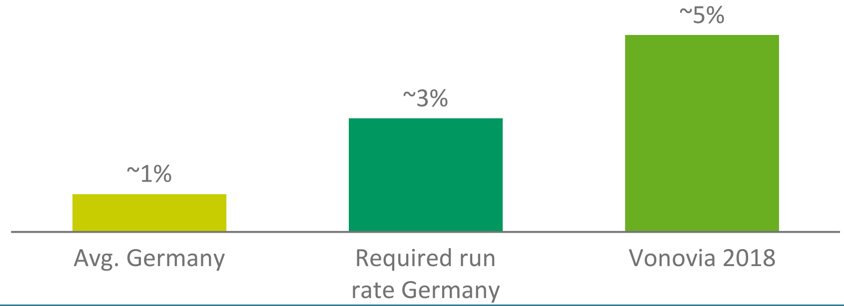
% of population living in cities



Energy efficiency

Ca. 35% of greenhouse gas emissions in Germany originate in real estate. Energy efficient modernization of the housing stock with a view towards reducing CO2 emissions is paramount for Germany to achieve its climate protection targets.

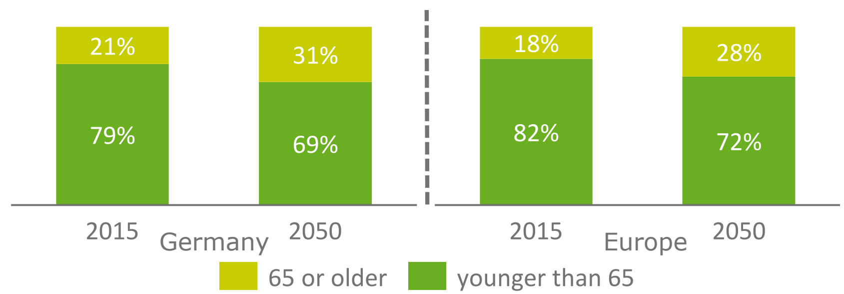
% of modernized housing units



Demographic change

Demographic changes demand the refurbishment of apartments to enable an ageing population to stay in their homes with little or no assistance for longer. Ca. 3 million additional apartments for elderly people will be needed by 2030.

% of population above/below 65 years



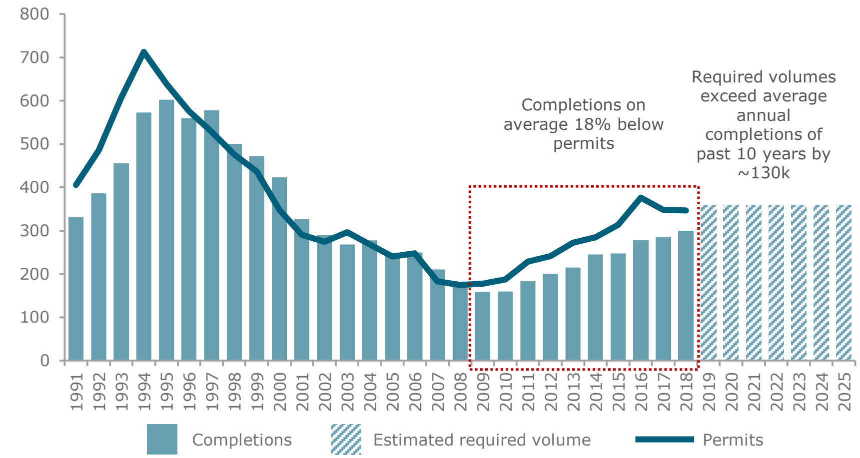
Sources: United Nations, Prognos AG

Attractive Market Fundamentals

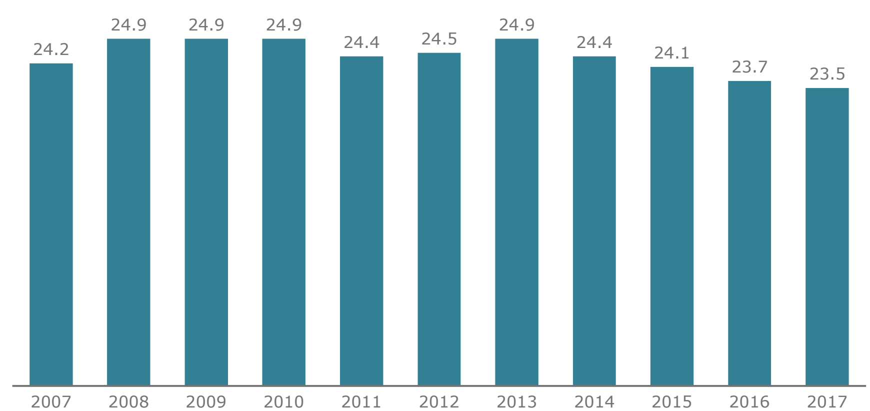
Equity Story | Business Update | Additional Information

Regulated market ensures sustainable rent growth

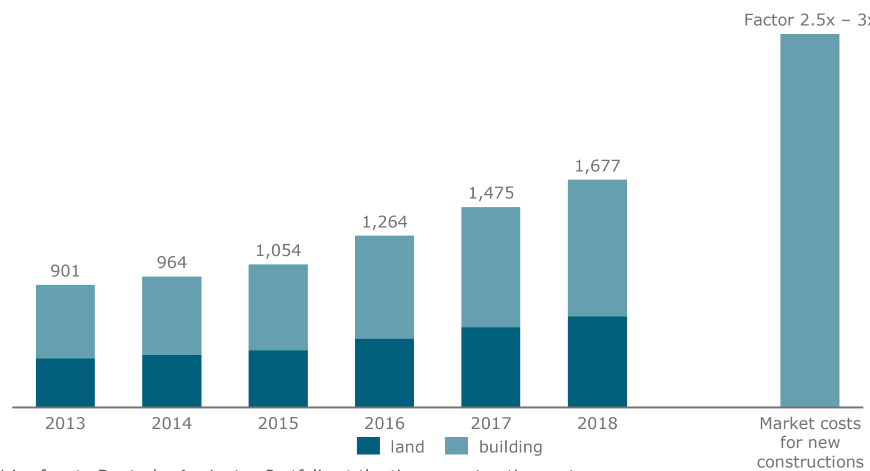
Structural supply/demand imbalance ('000 units; Germany)



% of disposable household income spent on housing (Germany)



Vonovia Germany – fair value €/sqm evolution vs. conventional construction costs²



[1] Share of disposable household income spent on housing, water, electricity, gas and other fuels. [2] VNA 2010 – 2014 refers to Deutsche Annington Portfolio at the time; construction costs excluding land. The land value refers to the share of total fair value allocated to land.
Sources: Federal Statistics Office, OECD, Eurostat, GdW (German Association of Professional Homeowners)

Business Drivers

Subscription-based B-to-C business on the back of multifamily housing for medium and smaller incomes with ca. 13 years average tenant tenure

Robust business model with downside protection plus additional upside potential from acquisition opportunities

Resilient and predictable top and bottom line growth in a regulated market

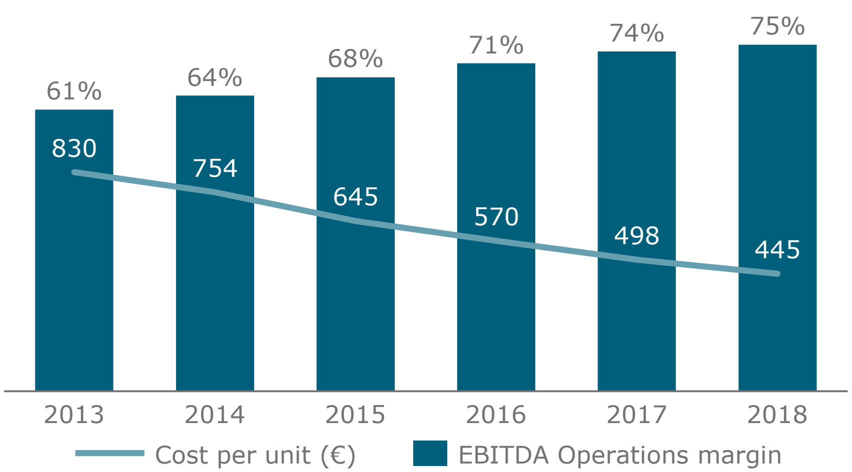
Sustainably growing cash generation plus value creation across the entire real estate life cycle

Unparalleled track record of optimization, standardization and industrialization of a highly homogeneous and scalable asset class

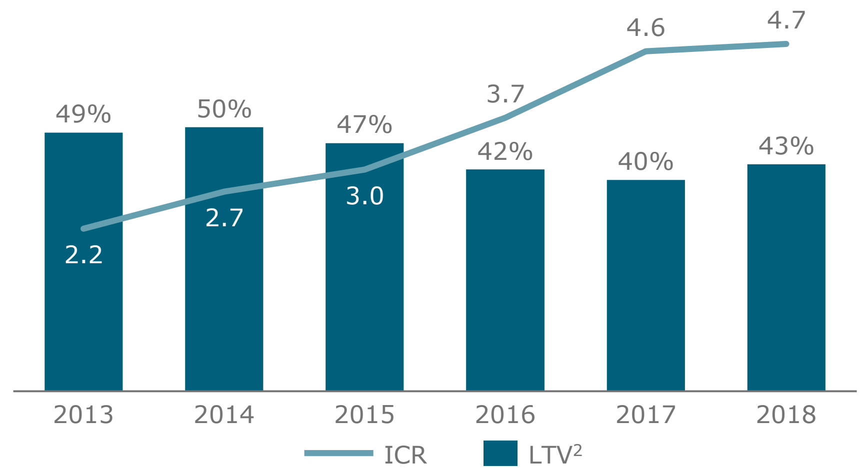
Full service provider with insourcing strategy for best-in-class service levels and maximum control and efficiency

Impeccable Trajectory

Efficient operations[1]

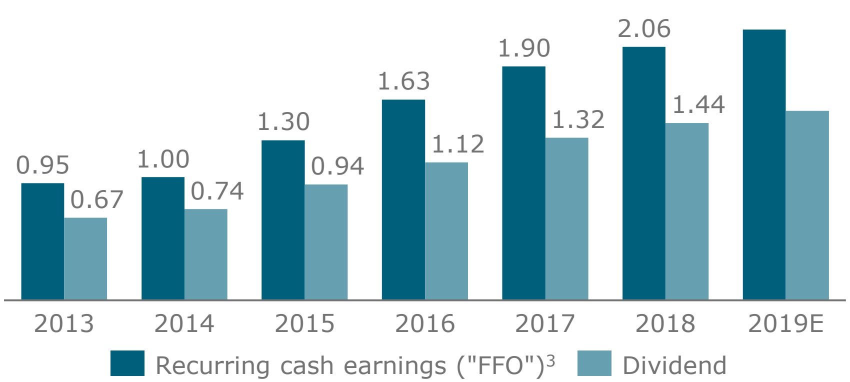


Robust capital structure

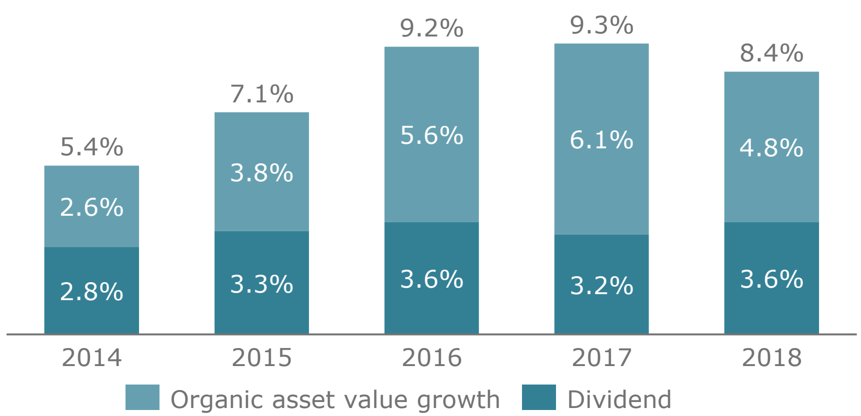


Growing recurring cash earnings per share and DPS

Dividend policy: ~70% of recurring cash earnings are distributed as dividends



Sustainable total shareholder value creation[4]



[1] German poertfolio. [2] LTV = Net debt over fair market value of real estate portfolio. [3] 2013-2018 FFO is "FFO1" and 2019 FFO is "Group FFO." [4] Dividend yield plus l-f-l organic asset value growth from operating performance and investments (excluding yield compression).

History of Vonovia

Pre 19th century until 1980s

Social housing in not-for-profit regime

The commercialization of Germany's housing market came in the wake of the "Neue Heimat" scandal in the 1980s (bankruptcy of more than 250k union-owned apartments).

~2000 until 2013

Private equity domination

Predominantly Anglo-Saxon private equity funds bought hundreds of thousands of apartments from public and corporate owners.

Push towards more professionalization but also short-term orientation.

IPO in 2013

Professionalization of the business

Proactive Portfolio management: €3bn invested in portfolio modernization; disposal of 77k non-core apartments

Scalability & industrialization: EBITDA Operations margin of 76% (+16 percentage points since IPO).

2013 until 2018

Beginning of consolidation in the German residential market

Acquisition and integration of more than 290k apartments.

2018 onwards

Opportunistic expansion into selected European metropolitan areas

While Germany is expected to remain the dominant market in our portfolio also for the foreseeable future we want to build on our knowledge and track record by bringing our strategy and expertise to comparable residential markets outside of Germany.

We built the German leader with the potential and ambition to become a unique European champion

4+2 Strategy

VONOVIA

Reputation & Customer Satisfaction

Traditional

1 Property Management

Efficient operations of scalable business via industrialization, standardization and digitization.

2 Financing

Solid and diversified capital structure that allows access to capital at any point in time.

3 Portfolio Management

The right product in the right location. Investments to support organic growth.

4 Value-add Business

Leveraging B-to-C nature of the business by internalizing service margins and creating additional income streams.

Innovative

Core Strategies

5 Mergers & Acquisitions

Seize and identify accretive acquisition opportunities within clearly defined acquisition criteria.

6 European Activities

Measured roll out of Vonovia's unique business model to selected European metropolitan areas.

Opportunistic Strategies

Vonovia Operates and Manages Four Segments

Rental

Efficient management of own portfolio

- Average duration of a rental contract is 13 years
- No cluster risk because of B-to-C business granularity
- High degree of insourcing and standardization along our value chain

Value-add

Ancillary service business for internal savings and external income

- Leveraging long-term customer relations to generate additional cash flows from internal savings and external income
- Customer benefit through better service and/or lower cost

Development

Construction of apartments for (i) own portfolio and (ii) disposal to third parties

- Vonovia is one of the largest builders of new homes in Germany
- Size, efficiencies and innovation lead to building costs below fair market values

Recurring Sales

Disposal of individual apartments to retail buyers

- Steady sales volume of ca. 2k apartments p.a.
- Sales prices of 20-30% above fair market value capture the spread between book value and retail value

Full-scale Owner and Operator

Property Management

- Ca. 1,500 letting agents and caretakers across our local markets
- Face to the customer and ears and eyes on the ground

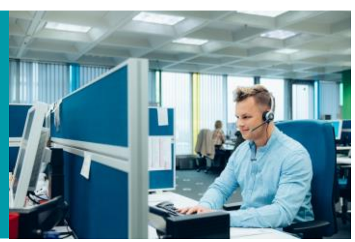
Technical Service

- Ca. 5,000 employees in wholly owned craftsmen subsidiary ("VTS")
- Pooling of entire purchasing power within VTS
- Large share of maintenance and modernization done by own staff

Residential Environment

- More than 700 employees primarily for maintenance of gray and green areas and snow/ice removal in the winter

Service Center



- Almost 1,000 employees responsible for centralized property management services such as inbound calls and e-mails, ancillary cost billing, contract management, maintenance dispatch and rent growth management

---

- Best-in-class service levels
- Fully SAP based
- High degree of standardization
- Efficient process management
- Optimal cost control

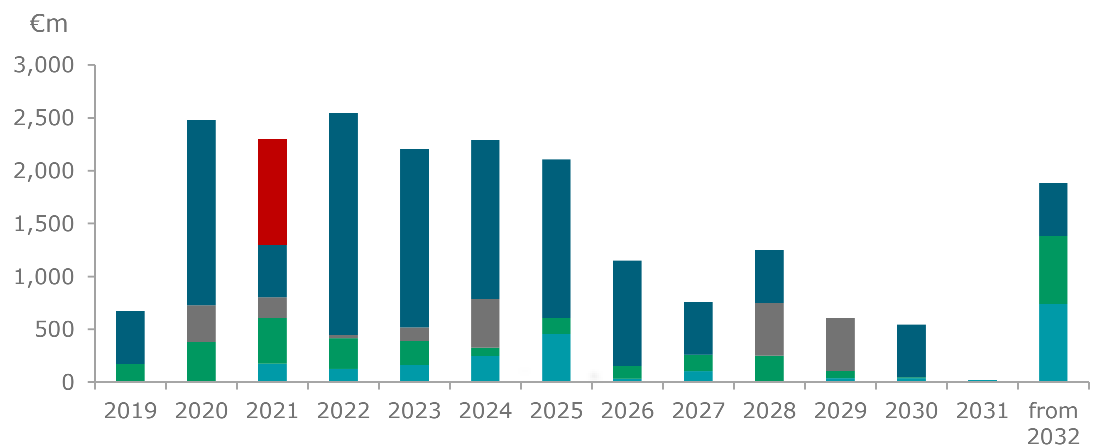
Residential real estate is a granular operating business. Vonovia has built a scalable platform to efficiently manage large portfolios and to provide the full range of services largely in-house.

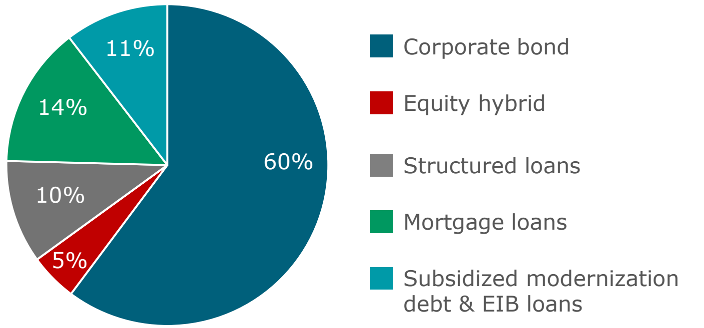
Solid Capital Structure with Smooth go Profile and Diverse Funding Mix

- Unwavering commitment to BBB+ rating
- Maintain diverse funding mix to preserve best possible optionality
- LTV target range of 40%-45%

KPI / criteria	**Jun. 30, 2019**	Dec. 31, 2018
Corporate rating (S&P)	**BBB+**	BBB+
LTV	**40.4%**	42.8%
Net debt/EBITDA multiple[1]	**11.2x**	11.4x
ICR	**4.7x**	4.7x
Fixed/hedged debt ratio[2]	**97%**	96%
Average cost of debt[2]	**1.7%**	1.8%
Weighted average maturity (years)[2]	**8.1**	7.8
Unencumbered assets	**54%**	56%

Diverse funding mix with no more than 12% of debt maturing annually (as of end of July 2019)





[1] Adj. net debt quarterly average over Total EBITDA (LTM); adj. for IFRS 16 effect. [2] Excl. equity hybrid.

Shareholders Benefit from Sustainable Cash Flow Generation & Value Growth of Underlying Real Estate

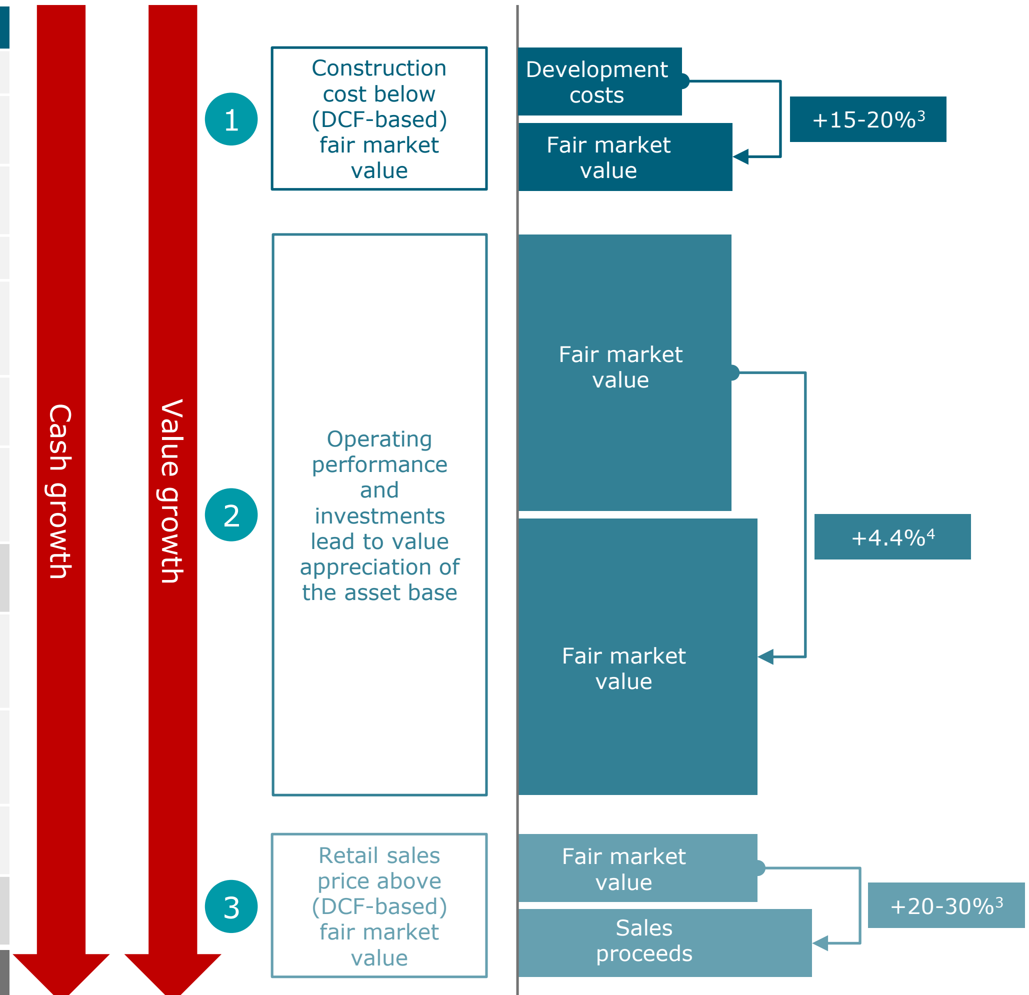
VONOVIA

Sustainable cash flow growth

		Trajectory
	Rental income	**Growing.**
-	Maintenance expenses	**Broadly stable.** Scalable relative to portfolio size and broadly stable
-	Operating expenses	**Broadly stable.** Overhead scalable, local cost variable with portfolio size
=	EBITDA Rental	**Growing.**
+	EBITDA Value-add	**Growing.** Further roll out of proven businesses and implementation of new initiatives.
+	EBITDA Development	**Stable/slightly growing.** Increasing completion volume.
+	EBITDA Recurring Sales	**Broadly stable.** Stable volume of ca. 2,000 apartments p.a.; EBITDA depends on sales mix and locations.
=	Total EBITDA	**Growing.** Yardstick for cash generation and value creation performance.
-	Interest expenses	Robust top-line growth combined with staggered and smooth maturity profile largely buffers potentially rising interest cost.
-	Current income taxes	Comparatively low cash taxes as deferred tax loss carryforwards can be used to mitigate tax burden.
-	Consolidation effects	Elimination of intragroup profits and non-cash effects.
=	Adj. EPS ("Group FFO")	**Growing.**

70% Dividend[1] | **30% Other[2]**

3 sources of sustainable value growth



[1] Historic acceptance level of scrip dividend has been between ca. 40% and 50%, so the actual cash out for dividends is usually substantially less than 70% of Group FFO. [2] Mainly for one-offs, capitalized maintenance and equity portion of investment program. [3] Historic range. [4] CAGR since 2013 fair value uplift through performance and investments (excluding yield compression).

Sustainability

Environment

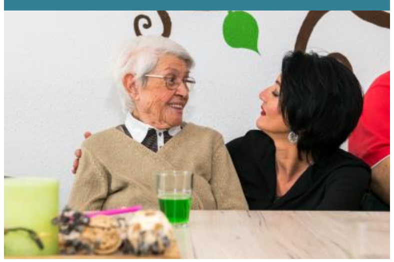
~5% building modernization rate p.a.

EPRA Gold Award For Vonovia's Sustainability Report 2017

We significantly reduce CO2 emissions through energy efficient building modernizations and by expanding decentralized as well as alternative energy sources.

We are mindful of the scarcity of natural resources and strive to minimize consumption in all steps along our value chain.

Social



Customers

Suppliers

Society

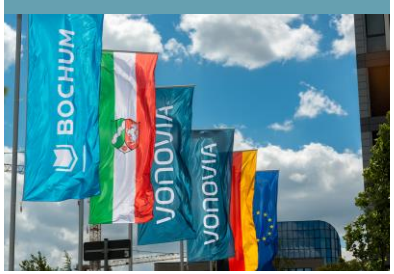
Employees

Shareholders

Our product and services are very close to the heart of our customers but also highly relevant in a general public and political context.

In our business activities we are careful to adequately reconcile the different stakeholders' interests.

Governance



Annual General Meeting

Supervisory Board

Management Board

Two-tier Board System with the management and monitoring of the business strictly separated.

100% independent Supervisory Board; diverse and equipped with well-balanced skillset.

Providing a place where people feel at home while honoring our commitments in terms of environmental, social and governance-related standards and expectations vis-à-vis all stakeholders is our key responsibility.

Why Vonovia?

Attractive market fundamentals supported by long-term megatrends

Clearly defined strategy successfully and consistently executed since IPO

Resilient business model with shareholder returns in the form of sustainable cash flow growth and organic asset value appreciation

Strong track record of acquisitions, integrations and efficiency

Uniquely positioned in Germany with ability and ambition to expand into selected European metropolitan areas

We are Vonovia

Business update

Additional information

Agenda

Highlights H1 2019

Performance	Y-o-y increase across all four segments Adj. EBITDA Total **€872.8m** (+22.2%) Group FFO **€609.1m** (+12.9%) and **€1.12** per share (+7.7%; eop shares)
NAV & Valuation	Adj. NAV per share **€48.51** (+8.0% since YE2018) H1 2019 valuation of ca. 2/3 of portfolio resulted in 7.9% total value growth of the revalued portfolio
Capital Structure	LTV **40.4%** (-240bps since YE2018) Net debt/EBITDA multiple **11.2x**
Regulation	The rent freeze draft legislation in Berlin is scheduled for later this year with the final law expected to go into effect in January 2020 in spite of fundamental constitutional concerns We expect the Federal Constitutional Court to rule the Berlin legislation as unconstitutional but a decision will take time We continue to see the spillover risk for our business outside of Berlin as extremely limited

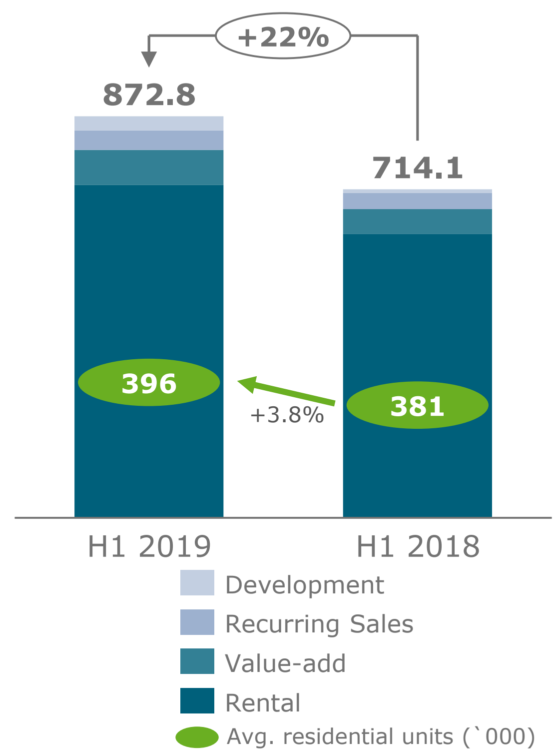
We are continuing our solid performance and remain confident in our upward trajectory and ability to deliver sustainable growth for the remainder of the year and beyond.

Substantial Growth in All Four Segments from Larger Portfolio Volume and Performance Improvements

- 22.2% Adj. EBITDA Total growth and 12.9% Group FFO growth on the back of a 3.8% larger portfolio and performance improvements.
- While the operating business with the rental and value-add segments remains the primary performance driver, recurring sales and development made an increasing contribution in H1 2019.

€m (unless indicated otherwise)	H1 2019	H1 2018	
Adj. EBITDA Rental	724.0	616.9	
Adj. EBITDA Value-add	75.7	54.4	
Adj. EBITDA Recurring Sales	42.4	34.9	
Adj. EBITDA Development	30.7	7.9	
Adj. EBITDA Total	872.8	714.1	22.2%
FFO interest expenses	-177.8	-140.1	
Current income taxes FFO	-30.6	-15.8	
Consolidation[1]	-55.3	-18.8	
Group FFO	609.1	539.4	12.9%
of which Vonovia shareholders	582.6	513.8	
of which hybrid investors	20.0	20.0	
of which non-controlling interests	6.5	5.6	
Number of shares (eop)	542.3	518.1	
Group FFO per share (eop NOSH)	1.12	1.04	7.7%
Group FFO per share (avg. NOSH)	1.16	1.09	

Adj. EBITDA Total (€m)



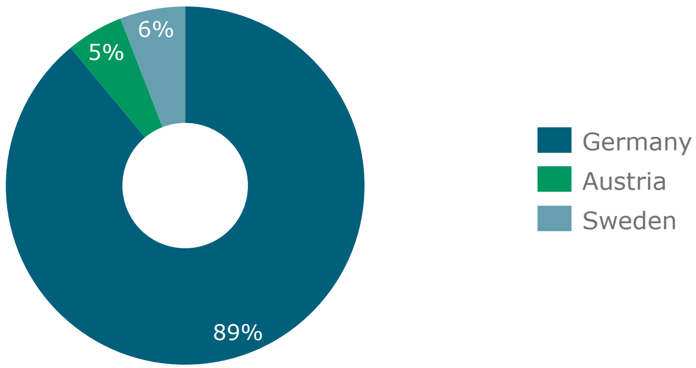
[1] Consolidation in H1 2019 (H1 2018) comprised intragroup profits of €23.9m (€16.1m), valuation result of development to hold of €17.7m (€2.7m), and IFRS 16 effects of €13.8m (€0.0m).

Adj. EBITDA Rental Up from Acquisitions and Organic Growth

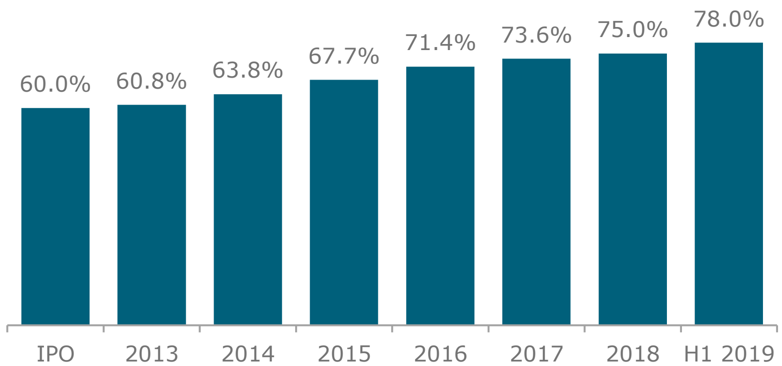
Rental Segment (€m)	H1 2019	H1 2018	Delta
Rental income	1,014.8	890.7	+13.9%
Maintenance expenses	-147.0	-140.0	+5.0%
Operating expenses[1]	-143.8	-133.8	+7.5%
Adj. EBITDA Rental	**724.0**	**616.9**	**+17.4%**

- Rental income growth in H1 2019 was driven by the acquisition of Buwog and Victoria Park plus organic rental growth, both of which more than outweighed the rental income dilution from disposals.
- The increase in maintenance expenses is volume driven; per-square-meter levels are in line with last year.
- The increase in operating expenses is mainly attributable to the inclusion of ~€20m (pass-through) ancillary expenses for Victoria Park due to the all-inclusive rent levels in Sweden.

Rental income by geography



EBITDA Operations margin Germany[2]

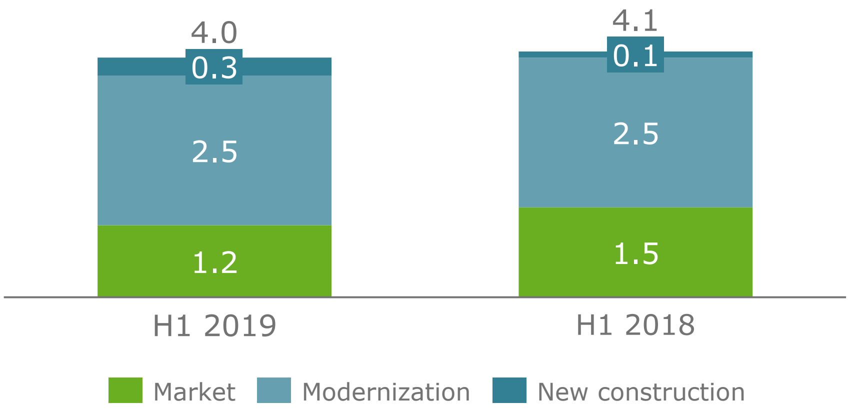


[1] Prior-year adjusted to include transaction corporate costs.
[2] EBITDA Operations margin (Adj. EBITDA Rental + Adj. EBITDA Value-add – intragroup profits). 2019 margin includes positive impact from IFRS 16.

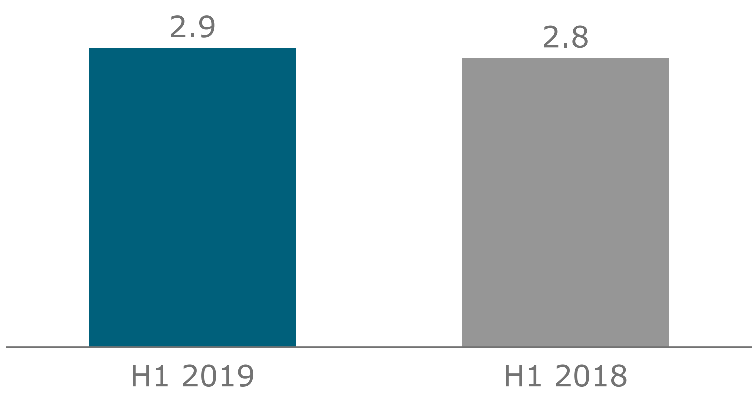
Operating KPIs Rental Segment

- Organic rent growth of 4.0% in line with expectations and on track to achieve guidance of ca. ~4.4% for year end.
- Average in-place rent of €6.64 per sqm (+4.4% not like-for-like and including impacts from acquisitions and disposals).
- Vacancy rate of 2.9%, largely investment related.
- Maintenance expenses and capitalized maintenance stable on a per-square-meter basis.

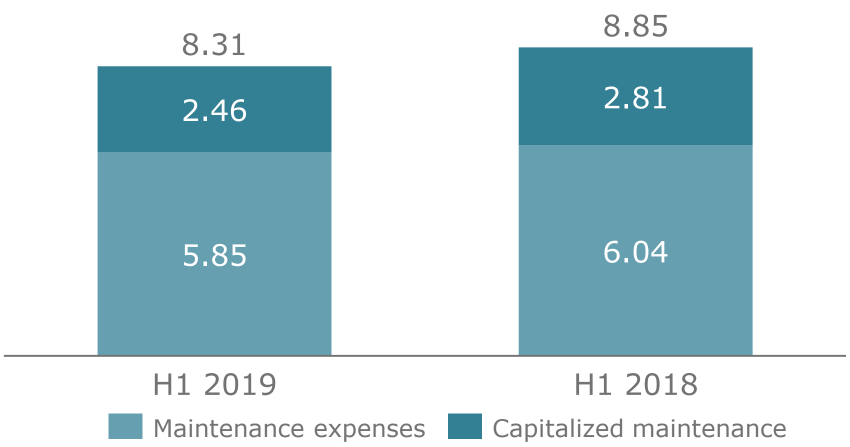
Organic rent growth (y-o-y; %)



Vacancy rate (%)

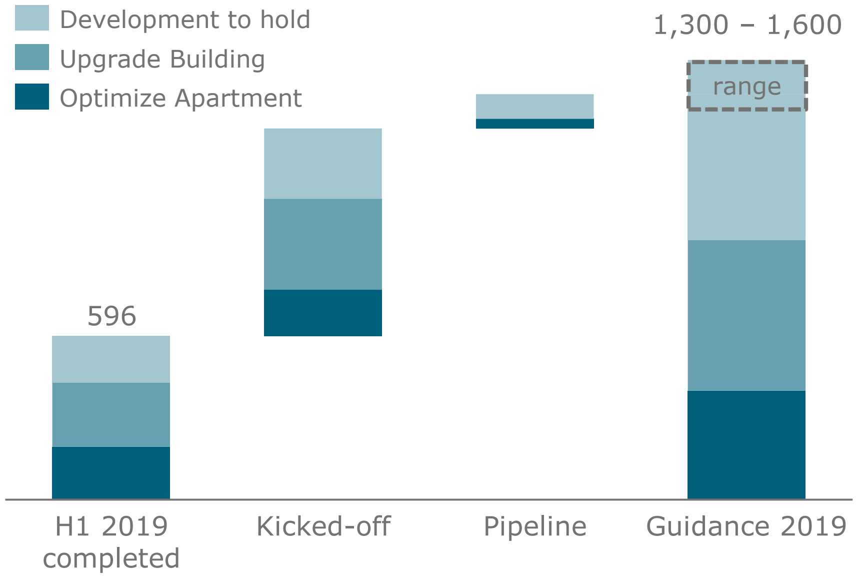


Expensed and capitalized maintenance (€/sqm)



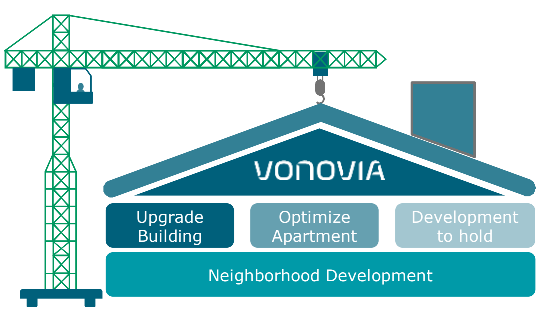
Comprehensive Investment Program Well on Track

Investment Program 2019 (€m)



- The investment program includes
  - **Development to hold**: New construction of apartments to hold through entirely new buildings or floor additions to existing buildings applying modular and conventional construction methods. (The investment program volume does not include development to sell projects).
  - **Upgrade Building (UB)**: energy efficient building modernization usually including new facades, roofs, windows and heating systems.
  - **Optimize Apartment (OA)**: primarily senior-friendly apartment renovation usually including new bathrooms, modern electrical installations and new floors.

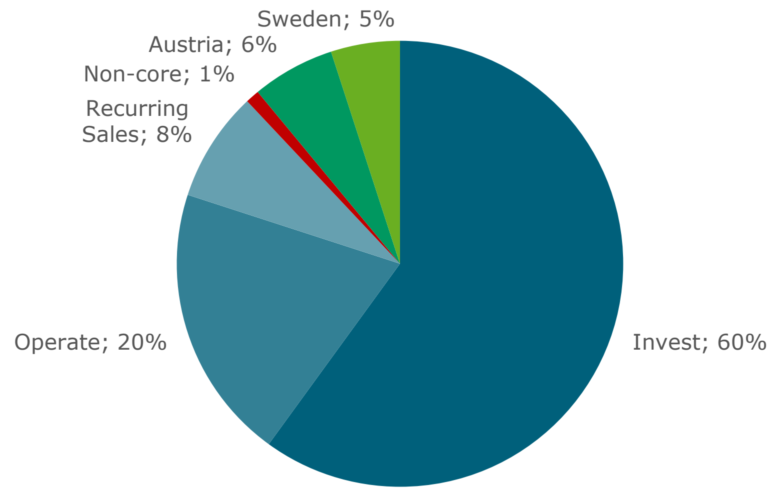
9-10% IRR target for investment program



~7% yield on cost + 1-1.5% rent growth + 1-1.5% FV step-up = **9-10% IRR**

Portfolio Cluster

- Ca. 60% of German portfolio earmarked for investment strategy, safeguarding long-term sustainability of optimize apartment and upgrade building investment strategy.
- Non-core: 754 units sold in H1 2019 with a fair value step-up of 20.4%.



June 30, 2019	Fair value[1] (€bn)	% of total	(€/sqm)	Residential units	In-place rent (€/sqm/month)
Operate	9.2	20%	1,784	75,046	6.92
Invest	27.5	60%	1,791	248,445	6.56
Strategic	36.8	80%	1,789	323,491	6.65
Recurring Sales	3.8	8%	1,920	28,686	6.79
Non-core	0.6	1%	1,231	5,263	6.11
Vonovia Germany	**41.1**	**89%**	**1,789**	**357,440**	**6.65**
Vonovia Austria	2.6	6%	1,394	22,661	4.59
Vonovia Sweden	2.3	5%	1,738	16,638	9.20
Vonovia Total	**45.9**	**100%**	**1,759**	**396,739**	**6.64**

Note: In-place rents in Austria and Sweden are not fully comparable to Germany, as Sweden includes ancillary costs and Austria includes maintenance and property improvement contributions from tenants. The table above shows the rental level unadjusted to the German definition.

[1] Fair value of the developed land excluding €1,817.1m, of which €405.6m for undeveloped land and inheritable building rights granted, €414.0m for assets under construction, €495.5m for development, €272.1m IFRS 16 effect, and €230.5m for other.

Regional Cluster

Regional Market	Fair value[1] (€m)	Fair value[1] (€/sqm)	Residential units	Vacancy (%)	In-place rent Total (p.a., €m)	In-place rent Residential (p.a., €m)	In-place rent Residential (€/sqm/ month)	In-place rent Organic rent growth (LTM, %)	In-place rent Multiple (in-place rent)	Purchase power index (market data)[2]	Market rent increase forecast Valuation (% p.a.)	Average rent growth (LTM, %) from Optimize Apartment
Berlin	7,171	2,594	42,042	1.6	224	212	6.73	4.1	32.1	80.4	1.8	49.6
Rhine Main Area (Frankfurt, Darmstadt, Wiesbaden)	4,191	2,346	27,530	1.6	175	169	8.17	4.5	24.0	105.0	1.8	38.5
Rhineland (Cologne, Düsseldorf, Bonn)	3,610	1,839	28,803	2.6	167	159	7.11	3.6	21.7	102.0	1.7	29.9
Southern Ruhr Area (Dortmund, Essen, Bochum)	3,579	1,326	43,382	3.5	191	185	6.04	5.1	18.8	88.5	1.5	31.8
Dresden	3,432	1,499	38,485	3.8	163	154	6.09	3.5	21.1	81.8	1.7	30.1
Hamburg	2,567	2,003	19,829	2.0	108	104	7.03	3.6	23.7	98.4	1.6	39.9
Munich	2,170	3,322	9,661	1.2	65	61	8.12	3.2	33.4	121.8	1.8	51.3
Kiel	2,051	1,473	23,373	2.3	104	99	6.25	4.3	19.8	74.8	1.7	38.2
Stuttgart	2,008	2,254	13,797	1.9	84	80	7.89	3.1	24.0	104.5	1.8	37.8
Hanover	1,773	1,694	16,310	3.3	82	79	6.59	4.7	21.7	90.1	1.7	36.9
Northern Ruhr Area (Duisburg, Gelsenkirchen)	1,580	974	26,009	3.6	109	106	5.70	3.9	14.5	81.7	1.2	25.1
Bremen	1,134	1,533	11,862	3.9	50	47	5.74	3.8	22.7	84.2	1.8	28.0
Leipzig	910	1,465	9,188	4.3	43	41	6.00	2.6	21.1	74.5	1.7	22.9
Westphalia (Münster, Osnabrück)	861	1,381	9,494	3.6	44	43	6.04	5.1	19.5	92.4	1.5	38.9
Freiburg	630	2,263	4,033	2.0	25	24	7.37	3.5	25.7	85.4	1.7	45.9
Other Strategic Locations	2,673	1,536	26,808	3.2	136	131	6.64	4.1	19.6	-	1.5	37.3
Total Strategic Locations Germany	40,342	1,802	350,606	2.8	1,769	1,694	6.66	4.0	22.8	-	1.7	35.6
Non-Strategic Locations	739	1,295	6,834	6.5	39	34	6.22	1.0	18.8	-	1.6	22.3
Germany total	**41,080**	**1,789**	**357,440**	**2.9**	**1,808**	**1,727**	**6.65**	**4.0**	**22.7**	**100.0**	**1.7**	**35.5**
Austria	2,563	1,394	22,661	4.8	106	89	4.59	1.8	24.1	-	1.2	-
Sweden	2,260	1,738	16,638	1.6	141	130	9.20	5.4	16.0	-	2.0	-
Total Vonovia	**45,903**	**1,759**	**396,739**	**2.9**	**2,056**	**1,946**	**6.64**	**4.0**	**22.3**	**-**	**1.7**	**n/a**

Note: In-place rents in Austria and Sweden are not fully comparable to Germany, as Sweden includes ancillary costs and Austria includes maintenance and property improvement contributions from tenants. The table above shows the rental level unadjusted to the German definition.

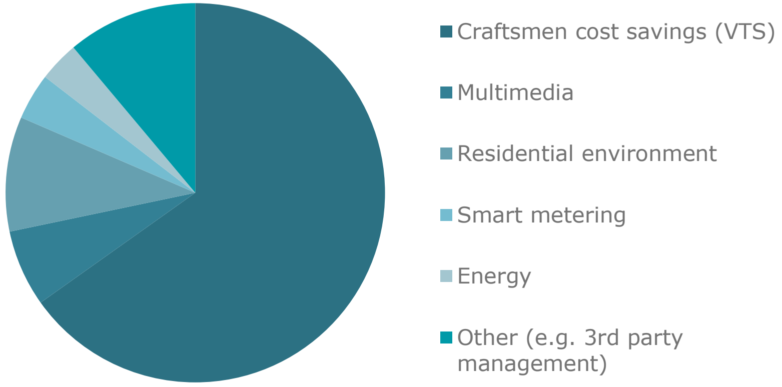
[1] Fair value of the developed land excluding €1,817.1m, of which €405.6m for undeveloped land and inheritable building rights granted, €414.0m for assets under construction, €495.5m for development, €272.1m IFRS 16 effect, and €230.5m for other. [2] Source: GfK (2018). Data refers to the specific cities indicated in the tables, weighted by the number of households where applicable.

Continued Dynamic Growth in Adj. EBITDA Value-add

- Two types of value-add business: (i) **internal savings** mainly via craftsmen organization and (ii) **additional revenue** through external income by offering services at **market prices but on a lower cost basis due to efficiencies and size**.
- Insourcing of services to ensure **maximum process management** and **cost control**.
- Expansion of core business to generate additional revenues by walking back the value chain and offering services that were previously provided by third parties (**internalization of margin**).
- **Cash flows from Adj. EBITDA Value-add are not included in the portfolio valuation, and as a consequence largely ignored in NAV.**
- Applying the impairment test discount rate[1] to the 2019E Adj. EBITDA Value-add suggests an **additional value of ~€4.50 per share** (~9% of top of H1 2019 Adj. NAV).

Value-add Segment (€m)	**H1 2019**	**H1 2018**	Delta
Income	760.9	614.5	+23.8%
of which external	134.9	92.4	+46.0%
of which internal	626.0	522.1	+19.9%
Operating expenses Value-add	-685.2	-560.1	+22.3%
Adj. EBITDA Value-add	**75.7**	54.4	+39.2%

Value-add EBITDA mostly from internal savings[2]



[1] Pre-tax WACC in impairment test of 5.1%. [2] Distribution based on FY2019 expectations

Strong Adj. EBITDA Contribution from Recurring Sales

- Stable sales volume but higher proceeds and fair value step-up y-o-y.
- Ca. three quarters of the gross proceeds are attributable to Germany and the remaining one quarter to Austria.
- FV step-up improvement driven by disposals in Austria.
- Avg. sales prices up 9% y-o-y.

Recurring Sales Segment (€m)	**H1 2019**	**H1 2018**	Delta
Units sold	1,234	1,200	+2.8%
Gross proceeds	174.9	156.3	+11.9%
Fair value	-124.5	-114.5	+8.7%
Adjusted earnings	50.4	41.8	+20.6%
Fair-value step-up	40.5%	36.5%	+400bps
Selling costs[1]	-8.0	-6.9	+15.9%
Adj. EBITDA Recurring Sales	**42.4**	**34.9**	**+21.5%**

[1] Prior-year adjusted to exclude transaction corporate costs.

Ramp-up of Development Business Continues

- This segment includes the contribution of to-sell and to-hold constructions of new buildings. Not included is the construction of new apartments by adding floors on top of existing buildings because this happens in the context of and is accounted for under modernization.
- Ca. three quarters of development-to-hold volume in H1 2019 was in Germany and the rest in Austria.
- Slightly more than half of H1 2019 development-to-sell volume in Austria and the rest in Germany.

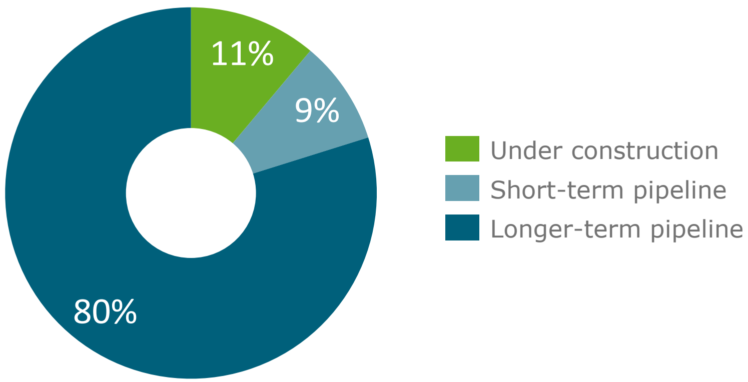
Development Segment (€m)	**H1 2019**	**H1 2018**	Delta
Income from disposal of "to sell" properties	124.9	73.5	+69.9%
Cost of Development to sell	-95.2	-60.6	+57.1%
Gross profit Development to sell	29.7	12.9	>100%
Fair value Development to hold	103.8	25.5	>100%
Cost of Development to hold	-86.1	-22.8	>100%
Gross profit Development to hold	17.7	2.7	>100%
Operating expenses Development segment	-16.7	-7.7	>100%
Adj. EBITDA Development	**30.7**	**7.9**	**>100%**

Vonovia's Contribution towards Reducing the Housing Shortage

New rental apartments for our own portfolio ("to hold")

- 433 units completed in H1 2019 (including new units through floor additions that are built in the context of and are accounted for under modernization investments and that are not included in the Development Segment).
- Total pipeline of ca. 29,000 units, of which more than 80% in Germany and the remainder in Austria and Sweden.
- Average apartment size between 60-70 sqm and broadly in line with overall portfolio average.
- The development to-hold investment volume is part of the overall investment program.

Pipeline with ca. 29,000 apartments

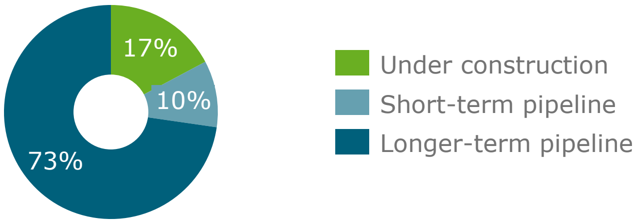


2019 target: 1,500 – 2,000 completions

New apartments for retail disposal ("to sell")

- 379 units completed in H1 2019.
- Total Pipeline volume of ca. €2.2bn (ca. 6,700 apartments), of which ca. 55% in Germany and ca. 45% in Austria.
- Investment capital for Development to sell is not part of investment program.
- Average apartment size between 70-80 sqm.
- Average investment volume of €4-4.5k per sqm.
- Expected gross margin between 20-25% on average.

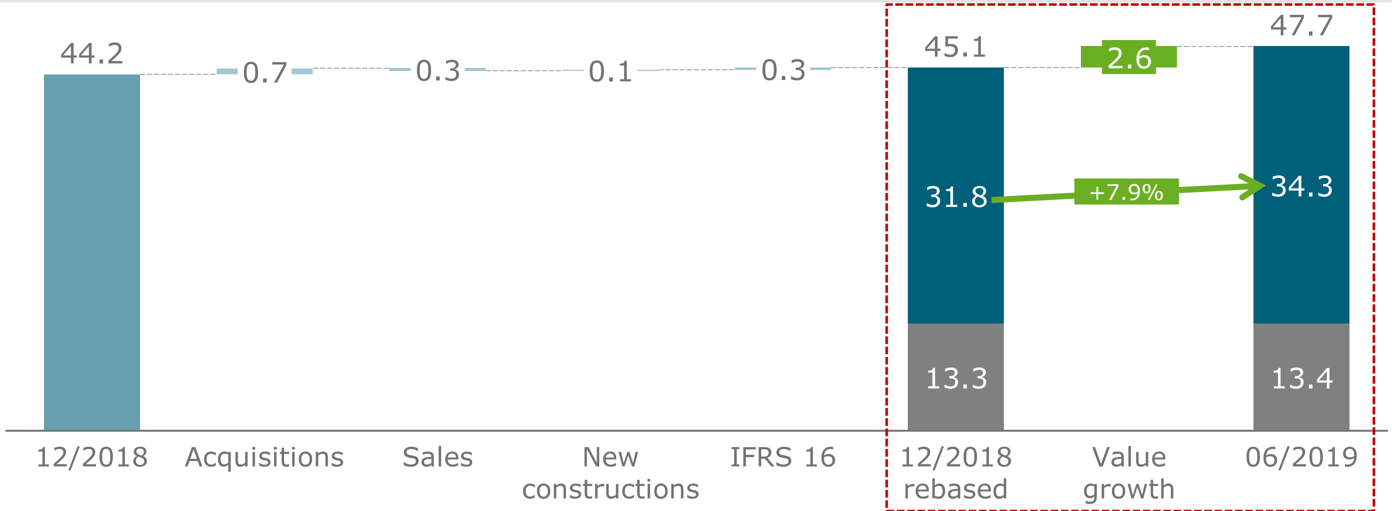
Pipeline with ca. 6,700 apartments



2019 target: 800 – 1,000 completions

H1 2019 with Strong Value Growth

H1 2019 fair value evolution (€bn)



Ca. 2/3 of portfolio revalued in H1 2019
(26 German cities plus Vienna plus Sweden)

Rest of portfolio not revalued in H1 2019
(only capitalization of €136m investments)

Valuation KPIs June 30, 2019	Vonovia Total	Germany	Sweden	Austria
In-place rent multiple	**22.3x**	22.7x	16.0x[1]	24.1x[1]
Fair value €/sqm	**1,759**	1,789	1,738	1,394
Fair value €bn	**47.7**[2]	41.1	2.3	2.6

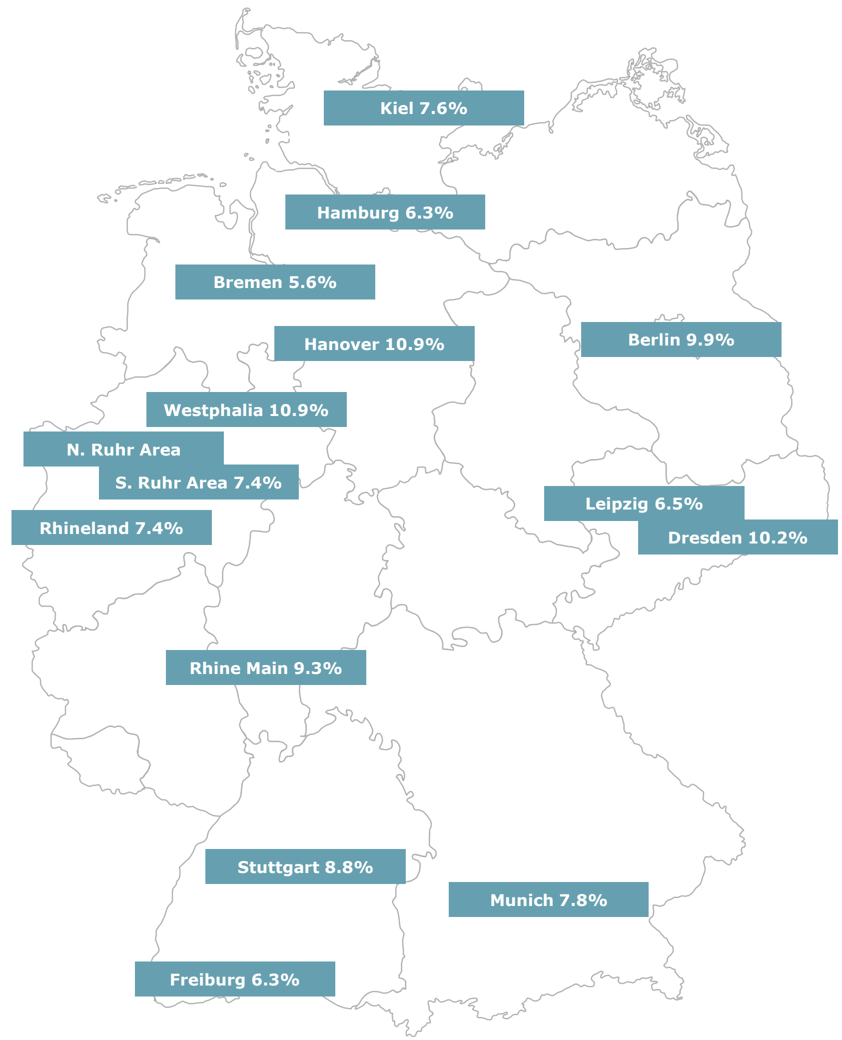
Value growth drivers	H1 2019	
	€m	%
Performance[3]	754	2.4%
Investments	279	0.9%
Yield compression	1,480	4.7%
Total[4]	**2,513**	**7.9%**

[1] In-place rents in Austria and Sweden are not fully comparable to Germany, as Sweden includes ancillary costs and Austria includes maintenance and property improvement contributions from tenants. The data above shows the rental level unadjusted to the German definition. [2] Including €1.8bn for undeveloped land, inheritable building rights granted, assets under construction, development, IFRS16 and other. [3] Includes currency impact from value changes in Swedish Krona (-€56m) and IFRS16 (+€4m) impacts. [4] excl. €136m capitalized investments outside of revalued portfolio.

Broad-based Value Growth across All German Regional Markets

Regional Market	Cities included in H1 2019 valuation	% share of Regional Market	YC & Perfor-mance	Invest
Dresden	Dresden		8.5%	1.6%
Hanover	Hanover, Braunschweig		8.5%	2.4%
Stuttgart	Stuttgart		8.5%	0.4%
Berlin	Berlin		8.4%	1.4%
Rhine Main Area	Frankfurt, Wiesbaden, Mannheim		8.4%	0.9%
Munich	Munich, Augsburg		6.9%	0.9%
Westphalia	Osnabrück, Bielefeld		6.4%	4.4%
Rhineland	Cologne, Bonn, Düsseldorf, Wuppertal		6.2%	1.2%
Leipzig	Leipzig		6.0%	0.5%
Kiel	Kiel, Lübeck		5.9%	1.7%
Freiburg	Freiburg		5.6%	0.7%
Hamburg	Hamburg		4.8%	1.5%
Southern Ruhr Area	Dortmund, Essen, Bochum		4.6%	2.8%
Bremen	Bremen		3.7%	1.9%
Northern Ruhr Area	*no revaluation*			

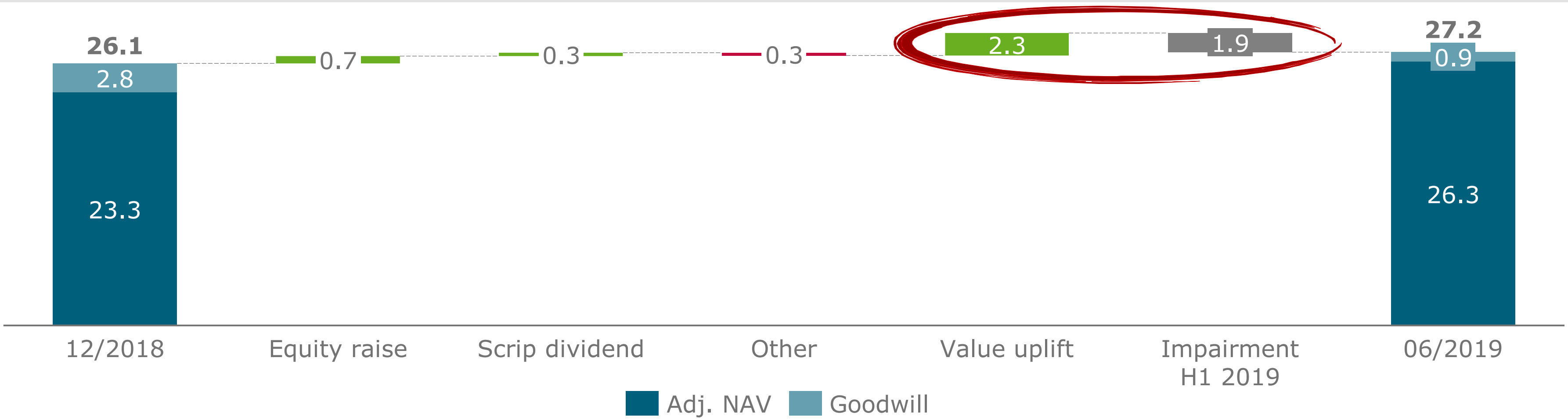
Value uplift from performance, investments and YC



Goodwill Impairment as a Result of Ongoing Value Growth

- The H1 2019 valuation led to a **substantial increase of the investment properties**.
- The **valuation** was classified as a **triggering event** and resulted in an **impairment of €1.901m** because the IAS 40 value growth increased the book value of the cash generating units (CGUs), thus **decreasing the headroom** to the earnings value of these cash generating units.
- The organizational restructuring of the rental segment from six to four regions as of July 1, 2019, brings with it an adjustment of the goodwill allocation, which in turn leads to an **additional impairment of ca. €200m**. This will be **accounted for in the 9M financial accounts**. Including this impact the remaining goodwill in the Rental Germany CGUs will be ca. €160m with the remaining goodwill of ca. €575m in the CGUs Sweden, Value-add and Development.

Evolution of adj. NAV and goodwill 12/2018 to 06/2019 (€bn)



No impact on Adj. NAV, as the impairment only affects the goodwill and hence the EPRA NAV.

Adj. NAV Growth of +8.0% per share

- Adj. NAV increased by 13.1% to €26.3bn
- Adj. NAV per share increased by 8.0% on a 4.7% higher number of shares
- June 30, 2019, pro forma[2] EPRA NAV of ca. €49.9

€m (unless indicated otherwise)	Jun 30, 2019	Dec 31, 2018	
Equity attributable to Vonovia's shareholders	18,264.2	17,880.2	
Deferred taxes on investment properties	8,900.5	8,161.1	
Fair value of derivative financial instruments[1]	103.2	87.2	
Deferred taxes on derivative financial instruments	-27.3	-23.5	
EPRA NAV	27,240.6	26,105.0	
Goodwill	-935.6	-2,842.4	
Adj. NAV	26,305.0	23,262.6	+13.1%
EPRA NAV €/share	**50.23**	50.39	
Adj. NAV €/share	**48.51**	44.90	+8.0%
Number of shares (eop)	542.3	518.1	

[1] Adjusted for effects from cross currency swaps. [2] Adjusted for expected impairment due to organizational restructuring.
Note: Per-share numbers are based on outstanding shares as of the reporting dates Jun. 30, 2019 (542.3m) and Dec. 31, 2018 (518.1m).

LTV at Lower End of Target Range

- LTV as of June 30, 2019, was 40.4%; Net debt/EBITDA multiple[1] was 11.2x.
- Against the background of the stable cash flows and the strong long-term fundamentals in our portfolio locations we see continued upside potential for our property values and do not see material long-term downside risks for our portfolio.

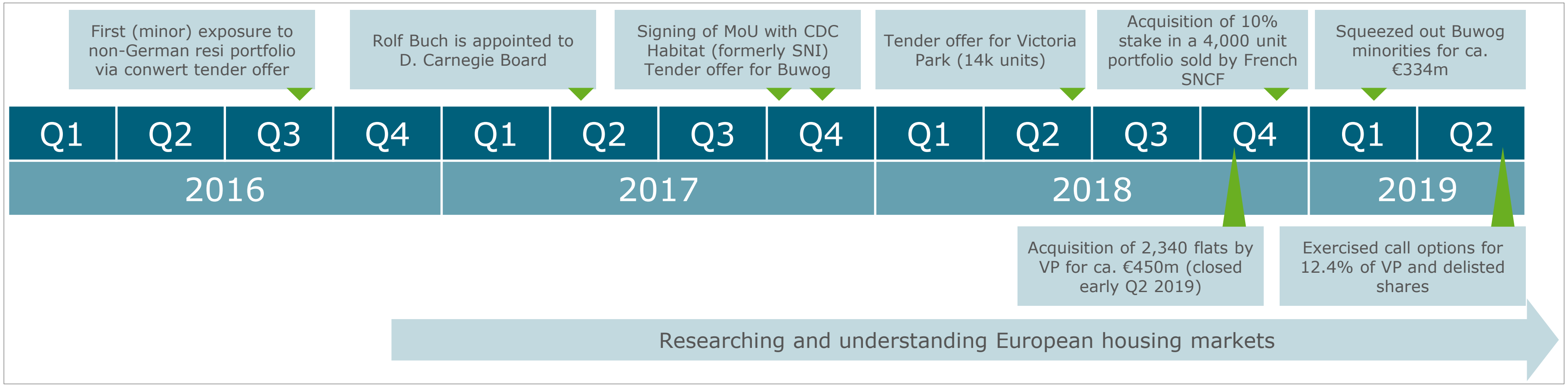
€m (unless indicated otherwise)	Jun 30, 2019	Dec 31, 2018
Non-derivative financial liabilities	20,526.4	20,136.0
Foreign exchange rate effects	-34.9	-33.5
Cash and cash equivalents	-1,280.6	-547.7
Net debt	19,210.9	19,554.8
Sales receivables	15.0	-256.7
Adj. net debt	**19,225.9**	19,298.1
Fair value of real estate portfolio	47,449.0	44,239.9
Shares in other real estate companies	127.4	800.3
Adj. fair value of real estate portfolio	**47,576.4**	**45,040.2**
LTV	**40.4%**	**42.8%**
LTV (incl. perpetual hybrid)	42.5%	45.1%
Net debt/EBITDA multiple[1]	**11.2x**	**11.4x**

[1] Adj. net debt quarterly average over Total EBITDA (LTM); adj. for IFRS 16 effect.

European Activities

VONOVIA

- Cautious step-by-step approach to minimize risk. Currently ca. 10% of the portfolio are located outside Germany. We will continue to monitor the German market and our defined European target markets in accordance with our acquisition criteria.
- Germany is expected to remain the dominant market also in the foreseeable future. No specific target rate or ratios in terms of German vs. non-German exposure but highly opportunistic approach as is the case for our German M&A activities.



	Austria **(run a scalable business)**	Sweden **(main focus)**	France **(biggest long-term potential)**	The Netherlands **(open for opportunities)**
% of total portfolio	~6%	~5%	Not meaningful	0%
Next steps	• Gradual asset rotation via recurring sales of mature assets and development of new assets in a similar magnitude • Run scalable operating business • Follow accretive acquisition opportunities on an opportunistic basis	• Pursue accretive acquisition opportunities on an opportunistic basis • Add Vonovia experience and skill set and use Victoria Park as a platform to further grow in the Swedish residential market • Demonstrate success and sustainability of Vonovia business model to show it also works outside of Germany	• Utilize 10% stake in SNCF portfolio to gain more profound understanding of the market • Safeguard pole position and first-mover advantage for potential opening of social housing to commercial ownership • Continue to actively engage with relevant French players to seek opportunities for taking the next steps	• Continue market research • Be prepared for accretive acquisition opportunities on an opportunistic basis

2019 Guidance Confirmed

	2019 Guidance
Organic rent growth (eop)	~4.4%
Rental Income (€m)	2,020 – 2,070
Recurring Sales (# of units)	~2,500
FV step-up Recurring Sales	~30%
Adj. EBITDA Total (€m)	1,700 – 1,750
Group FFO (€m)	1,165 – 1,215
Group FFO (€/share)	2.15 – 2.24
Dividend	~70% of Group FFO
Modernization & New Construction (€m)	1,300 - 1,600
Underlying number of shares (million)	542.3

IR Contact & Financial Calendar

Contact

Rene Hoffmann
Head of Investor Relations
Vonovia SE
Universitätsstraße 133
44803 Bochum
Germany

+49 234 314 1629
rene.hoffmann@vonovia.de
investorrelations@vonovia.de

App & Website

Available on the App Store

GET IT ON Google Play

https://investors.vonovia.de

Financial Calendar 2019

Oct 15 – 18	Roadshow Asia in Tokyo, Seoul, Hongkong, Singapore (BAML)
Nov 5	**Interim results 9M 2019**
Nov 6	Roadshow Paris
Nov 7	Roadshow Amsterdam
Nov 8	Roadshow Frankfurt
Nov 11 & 12	Roadshow London
Nov 13	Conference in London (UBS)
Nov 21	Roadshow in Zurich
Dec 3	Conference in London (UBS)
Dec 5	Conference Pennyhill (Berenberg)
Dec 12 & 13	HSBC Real Estate Conference 2019 Cape Town

The most up-to-date financial calendar is always available online.

[1] IR only

Agenda

We are Vonovia

Business update

Additional information

Appendix

4+1 Strategy Has Evolved into 4+2 Strategy

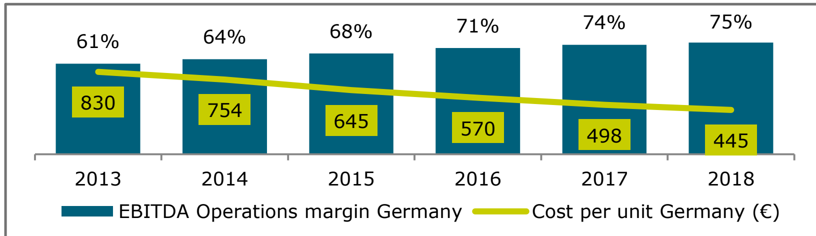
Reputation & Customer Satisfaction

Traditional

Innovative

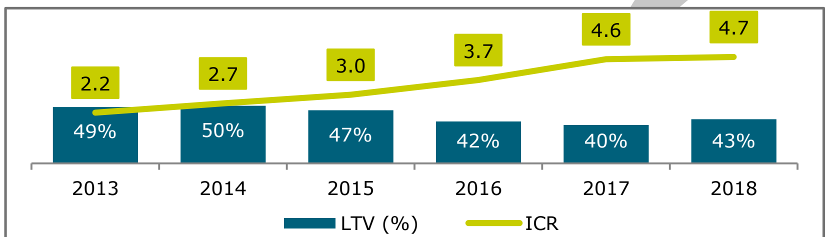
Property Management

1 Efficient operations of scalable business



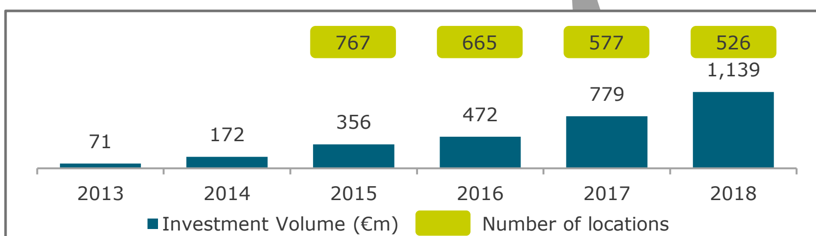
Financing

2 Solid capital structure



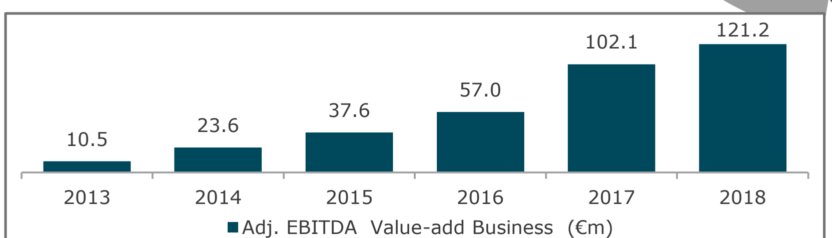
Portfolio Management

3 Value-investments supplement internal growth



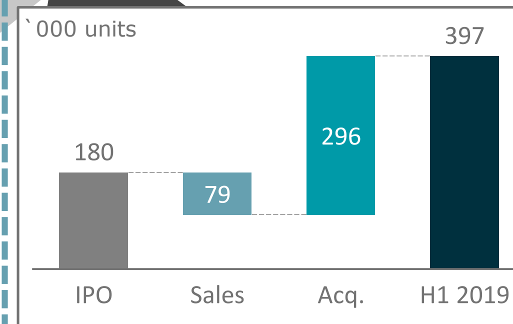
Value-add

4 Leveraging B-to-C nature of the business



Core Strategies

5 Mergers & Acquisitions



6 European Activities

- European activities enhance accretive acquisition opportunities
- Similar to Germany, we closely monitor clearly defined geographies for opportunities, applying the same acquisition criteria

Opportunistic Strategies

Across the Full Life Cycle

Vonovia's business model has evolved to encompass value creation across the full residential real estate life cycle of our assets

BUILD

Construction of new apartments

~2,000 units to hold p.a.

Fair market value

./. Development costs

= **EBITDA Development**

MANAGE

Rental Portfolio

Efficient management of portfolio incl. Value-add

Rents
./. Costs
+ Value add

= EBITDA Operations

SELL

Recurring Sales

~2,000 units to retail customers to capture the spread between rental value and B-to-C retail price

Sales proceeds
./. Fair value
./. Costs

= **EBITDA Rec. Sales**

Total EBITDA

Development costs → +15-20%[1] → Fair market value

Fair market value → +4.4%[2] → Fair market value

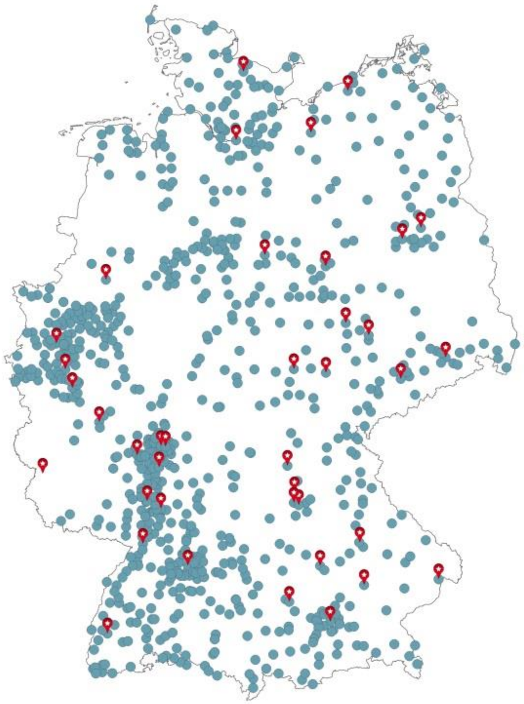
Fair market value → +20-30%[1] → Sales proceeds

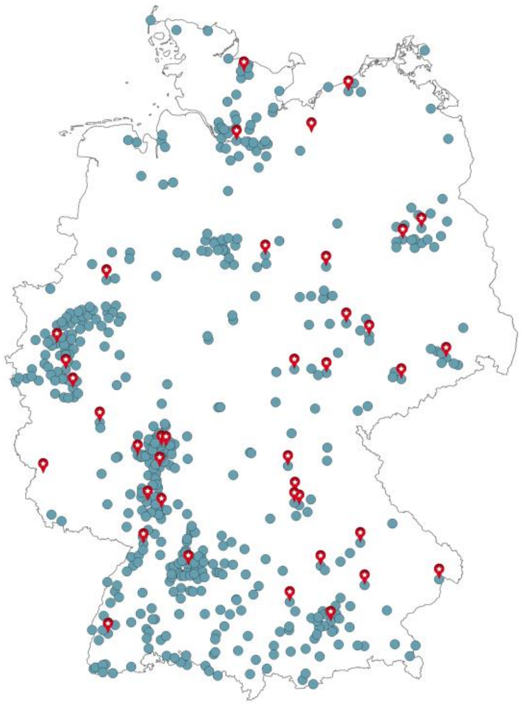
NAV impact

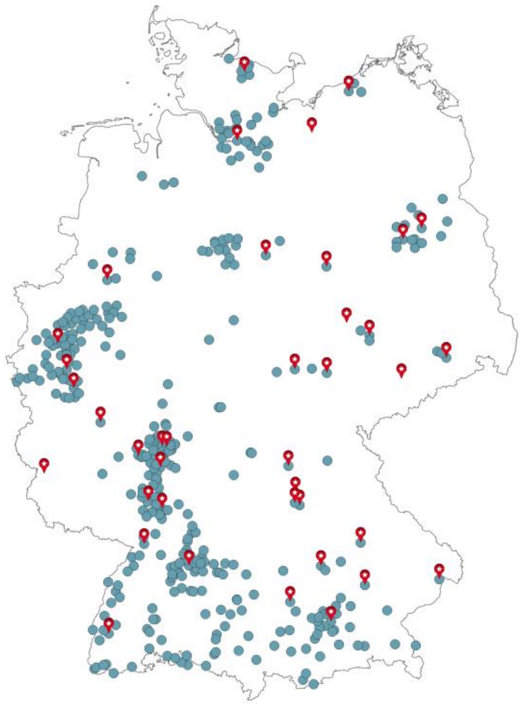
[1] Historic range. [2] CAGR since 2013 fair value uplift through performance and investments (excluding yield compression).

Substantial Reduction of Portfolio Locations

03/2015 (incl. Südewo)	06/2019	Strategic Portfolio
818 locations	509 locations	~400 locations



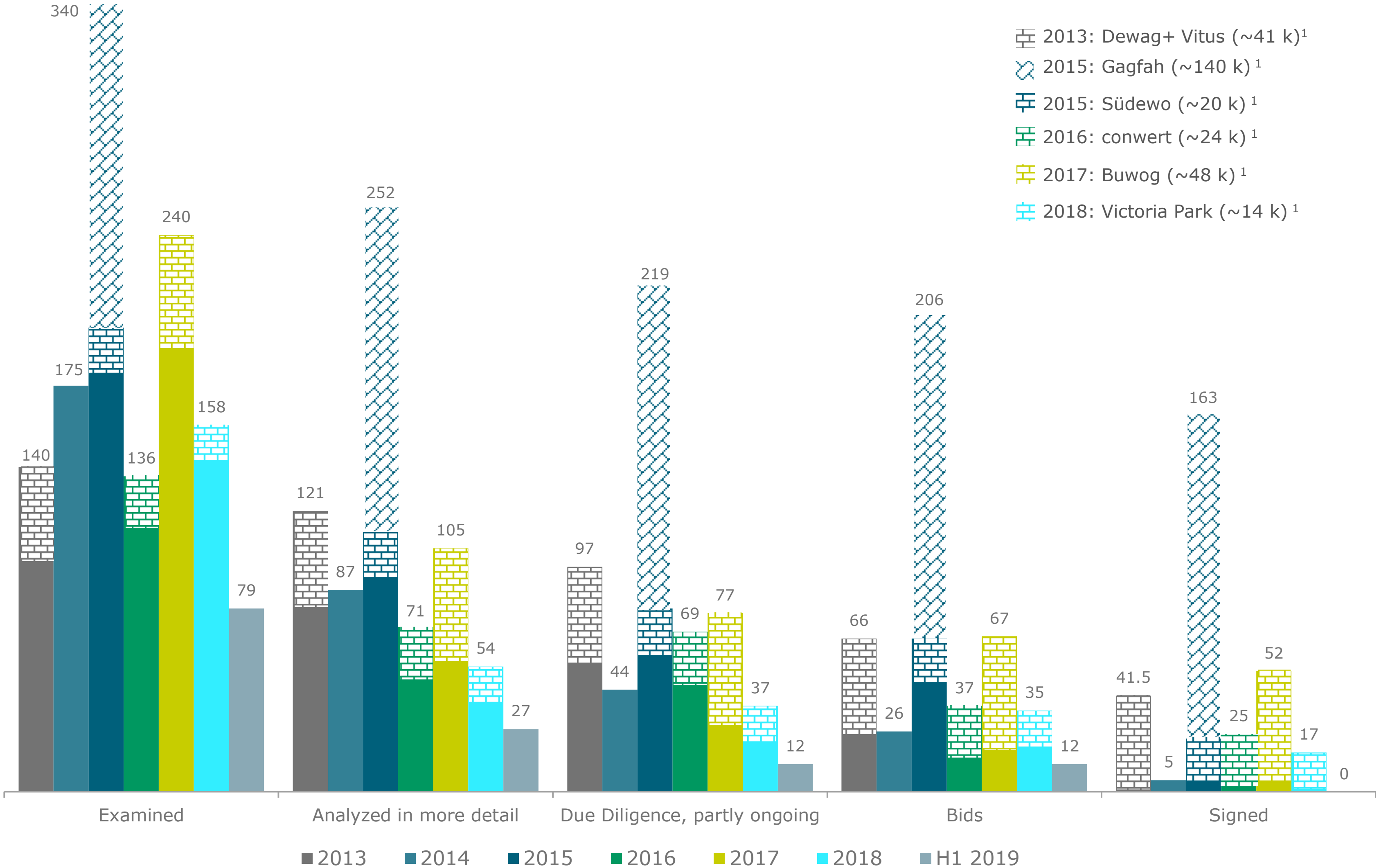




- Vonovia location
- High-influx cities (“Schwarmstädte”). For more information: http://investoren.vonovia.de/websites/vonovia/English/4050/financial-reports-_-presentations.html

Acquisitions – Opportunistic but Disciplined

Acquisition pipeline ('000 units)



[1]Acquisitions are shown for all categories in the year the acquisition process started.

Acquisition Track Record

VONOVIA

Year	Deal	Residential units #	TOP Locations	Fair Value (€/sqm) @ Acquisition	Fair Value (€/sqm) Jun 30, 2019	Fair Value (€/sqm) Δ	In-place rent (€/sqm) @ Acquisition	In-place rent (€/sqm) Jun 30, 2019	In-place rent (€/sqm) Δ
2014	DEWAG	11,300	Berlin, Hamburg, Cologne, Frankfurt/Main	1,344	2,341	74%	6.76	8.00	18%
	VITUS	20,500	Bremen, Kiel	807	1,470	82%	5.06	5.91	17%
2015	GAGFAH	144,600	Dresden, Berlin, Hamburg	889	1,729	95%	5.40	6.43	19%
	FRANCONIA	4,100	Berlin, Dresden	1,044	2,009	92%	5.82	6.78	17%
	SÜDEWO	19,400	Stuttgart, Karlsruhe, Mannheim, Ulm	1,380	2,062	49%	6.83	7.55	11%
2016	GRAINGER	2,400	Munich, Mannheim	1,501	2,309	54%	7.09	8.01	13%
2017	CONWERT (Germany & Austria)	23,400	Berlin, Leipzig, Potsdam, Vienna	1,353	1,926	42%	5.88	6.43	9%
	thereof Germany	21,200	Berlin, Leipzig, Potsdam	1,218	1,820	49%	5.86	6.38	9%
	thereof Austria	2,200	Vienna	1,986	2,484	25%	6.11	6.84	12%
	PROIMMO	1,000	Hanover	1,617	1,791	11%	6.63	6.88	4%
2018	BUWOG (Germany & Austria)	48,300	Berlin, Lübeck, Vienna, Villach	1,244	1,434	15%	5.10	5.33	4%
	thereof Germany	27,000	Berlin, Lübeck, Kiel	1,330	1,645	24%	5.96	6.32	6%
	thereof Austria	21,300	Vienna, Villach, Graz	1,157	1,234	7%	4.21	4.38	4%
	VICTORIA PARK (Sweden)	14,000	Stockholm, Malmö, Gothenburg	1,462	1,738	19%	8.83	9.20	4%
Total		**289,000**							

Note: Excluding smaller tactical acquisitions.

Covenants and KPIs (June 30, 2019)

Bond KPIs

Covenant	Level	June 30, 2019
LTV Total Debt / Total Assets	<60%	**40%**
Secured LTV Secured Debt / Total Assets	<45%	**13%**
ICR Last 12M EBITDA / Last 12M Interest Expense	>1.80x	**4.7x**
Unencumbered Assets Unencumbered Assets / Unsecured Debt	>125%	**205%**

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

Corporate investment grade rating

Rating agency	Rating	Outlook	Last Update
Standard & Poor's	BBB+	Stable	08 May 2019

Bond ratings

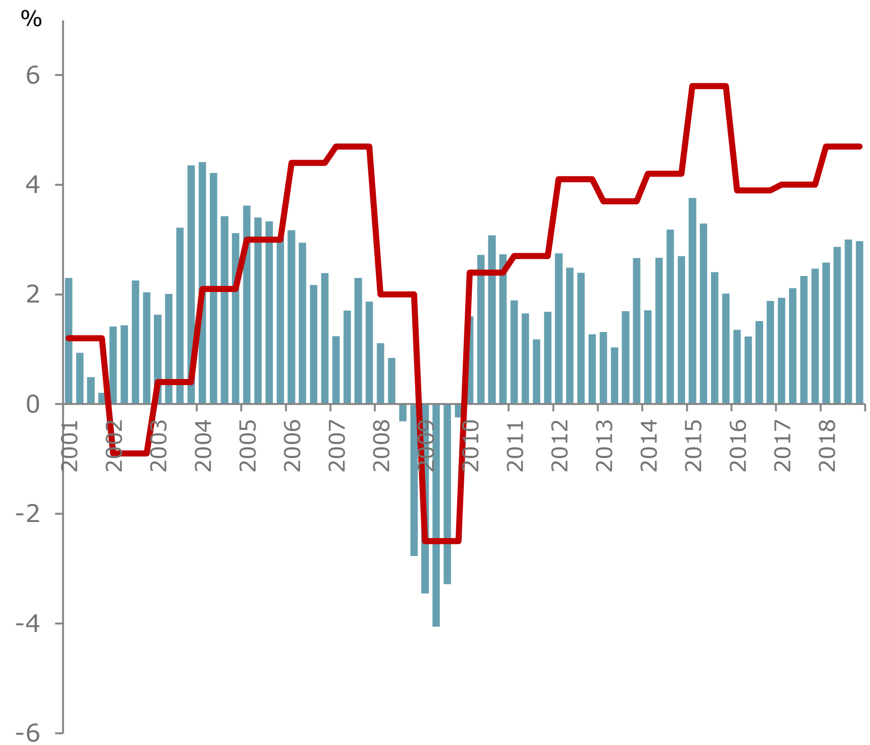
Name	Tenor & Coupon	ISIN	Amount	Issue price	Coupon	Final Maturity Date	Rating
Bond 002 (EUR-Bond)	6 years 3.125%	DE000A1HNW52	€ 600m	99.935%	3.125%	repaid on 25 July 2019	BBB+
Bond 004 (USD-Bond)	10 years 5.000%	US25155FAB22	USD 250m	98.993%	4.580%[1]	02 Oct 2023	BBB+
Bond 005 (EMTN)	8 years 3.625%	DE000A1HRVD5	€ 500m	99.843%	3.625%	08 Oct 2021	BBB+
Bond 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 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 013 (EMTN)	8 years 1.250%	DE000A189ZX0	€ 1,000m	99.037%	1.250%	06 Dec 2024	BBB+
Bond 014A (EMTN)	5 years 0.750%	DE000A19B8D4	€ 500m	99.863%	0.750%	25 Jan 2022	BBB+
Bond 014B (EMTN)	10 years 1.750%	DE000A19B8E2	€ 500m	99.266%	1.750%	25 Jan 2027	BBB+
Bond 015 (EMTN)	8 years 1.125%	DE000A19NS93	€ 500m	99.386%	1.125%	08 Sep 2025	BBB+
Bond 016 (EMTN)	2 years 3M EURIBOR+0.350%	DE000A19SE11	€ 500m	100.448%	3M EURIBOR+0.350%	20 Nov 2019	BBB+
Bond 017A (EMTN)	6 years 0.750%	DE000A19UR61	€ 500m	99.330%	0.750%	15 Jan 2024	BBB+
Bond 017B (EMTN)	10 years 1.500%	DE000A19UR79	€ 500m	99.439%	1.500%	14 Jan 2028	BBB+
Bond 018A (EMTN)	4.75 years 3M EURIBOR+0.450%	DE000A19X793	€ 600m	100.000%	0.793% hedged	22 Dec 2022	BBB+
Bond 018B (EMTN)	8 years 1.500%	DE000A19X8A4	€ 500m	99.188%	1.500%	22 Mar 2026	BBB+
Bond 018C (EMTN)	12 years 2.125%	DE000A19X8B2	€ 500m	98.967%	2.125%	22 Mar 2030	BBB+
Bond 018D (EMTN)	20 years 2.750%	DE000A19X8C0	€ 500m	97.896%	2.750%	22 Mar 2038	BBB+
Bond 019 (EMTN)	5 years 0.875%	DE000A192ZH7	€ 500m	99.437%	0.875%	03 Jul 2023	BBB+
Bond 020 (EMTN)	6.5 years 1.800%	DE000A2RWZZ6	€ 500m	99.836%	1.800%	29 Jun 2025	BBB+

[1] EUR-equivalent Coupon

- In **regulated markets like Germany**, rent growth is on a sustainable upward trajectory and largely independent from GDP developments
- In **unregulated markets like the USA**, rents go up and down broadly in line with the GDP development

Germany: regulated market ensures sustainable rent growth

USA: lack of regulation results in highly volatile rent growth



GDP, quarterly development y-o-y   Rent growth; quarterly development y-o-y

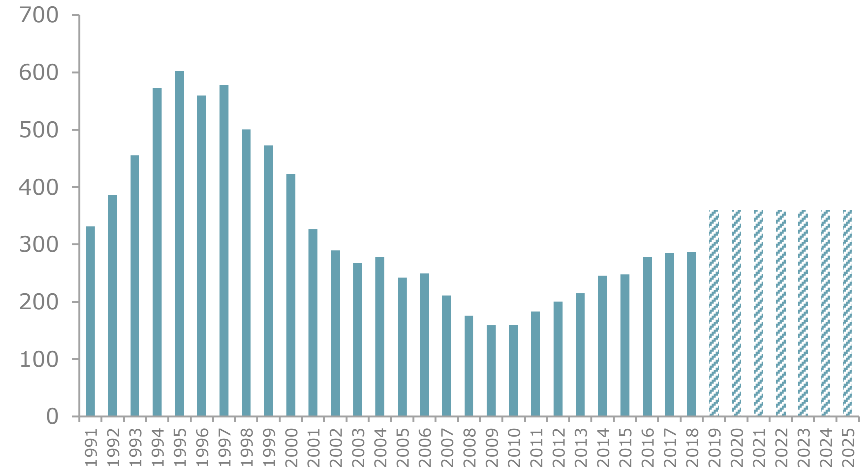
Sources: Federal Statistics Office, GdW (German Association of Professional Homeowners), REIS, BofA Merrill Lynch Global Research, OECD.
Note: Due to lack of q-o-q US rent growth data, the annual rent growth for a year is assumed to also be the q-o-q rent growth of that year.

Residential Market Fundamentals
Completions Substantially below Required Volumes

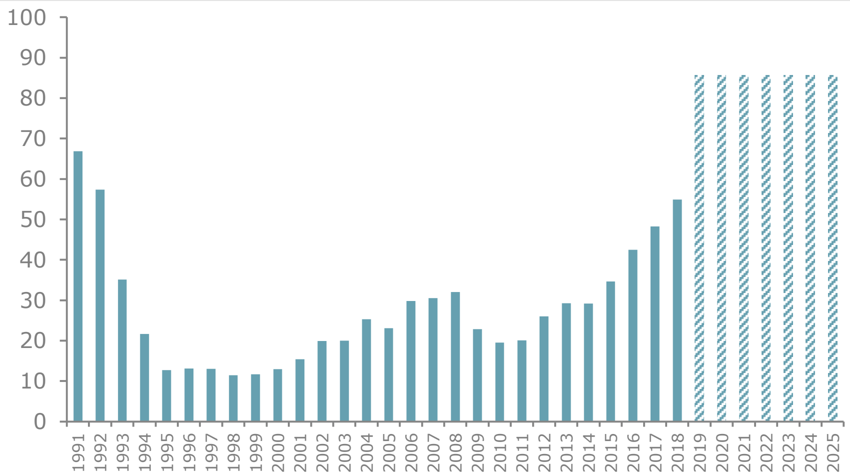
Average annual residential completions of the last five years fall short of estimated required volumes:

- Germany: only 75% of required volumes completed
- Sweden: only 49% of required volumes completed
- France: only 77% of required volumes completed

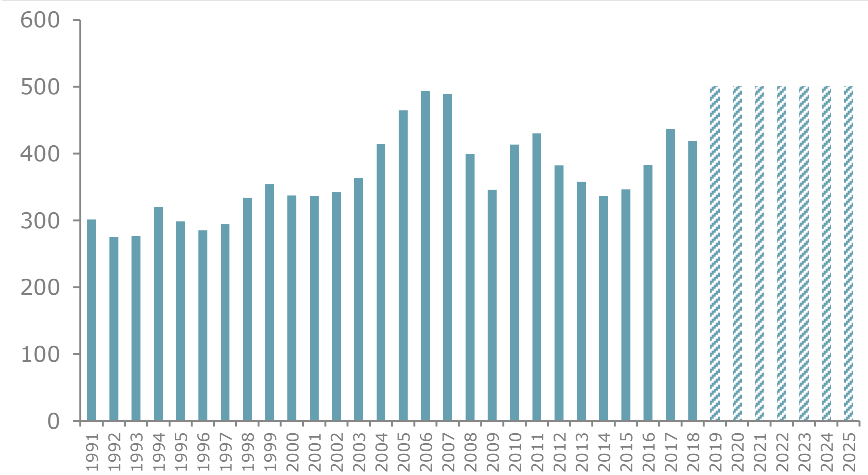
Germany ('000 units)



Sweden ('000 units)



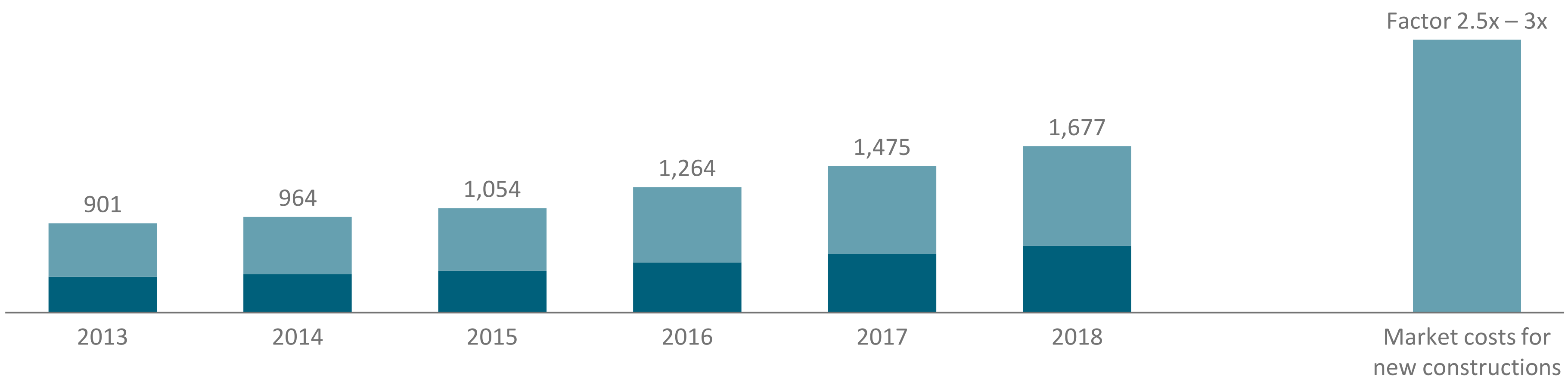
France ('000 units)



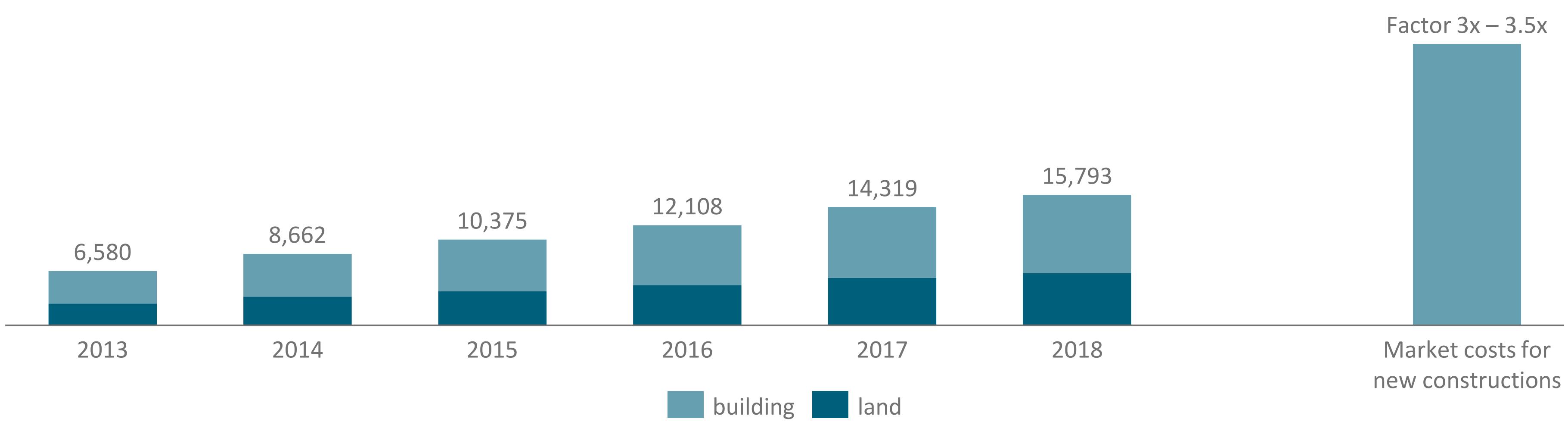
Completions (`000) Est. required volume (`000)

Sources: German Federal Statistics Office, GdW (German Association of Professional Homeowners). Swedish National Board of Housing, Building and Planning, Statistics Sweden, Le service de la donnée et des études statistiques (SDES), Abbé Pierre Foundation

Vonovia (German portfolio) – fair value per sqm (€; total lettable area) vs. construction costs

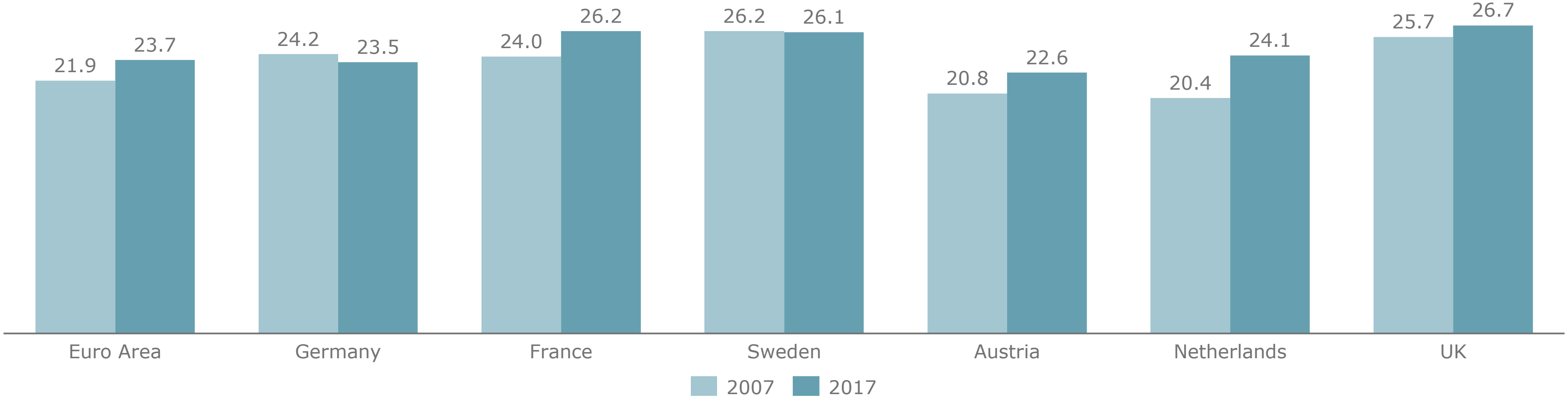


Victoria Park – fair value per sqm (SEK; total lettable area) vs. construction costs

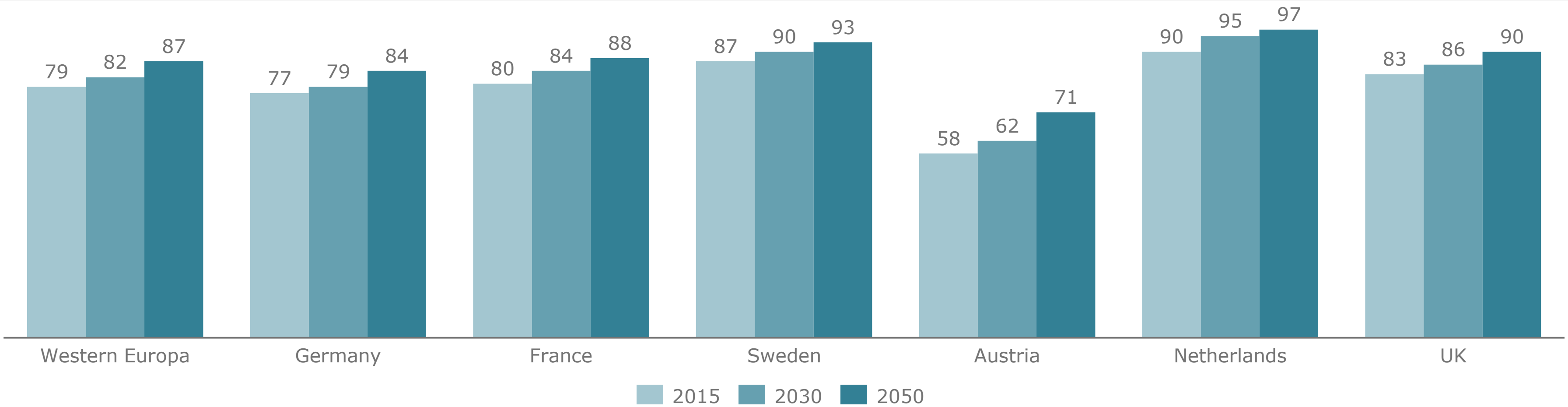


Note: VNA 2010 – 2014 refers to Deutsche Annington Portfolio at the time; construction costs excluding land. The land value refers to the share of total fair value allocated to land. Allocation between building and land in Sweden assumed to be similar to Germany.

Housing affordability[1] (%)



Population living in urban areas (%)



[1] Share of disposable household income spent on housing, water, electricity, gas and other fuels
Sources: Eurostat, United Nations

Residential Market Fundamentals (Germany)
Household Sizes and Ownership Structure

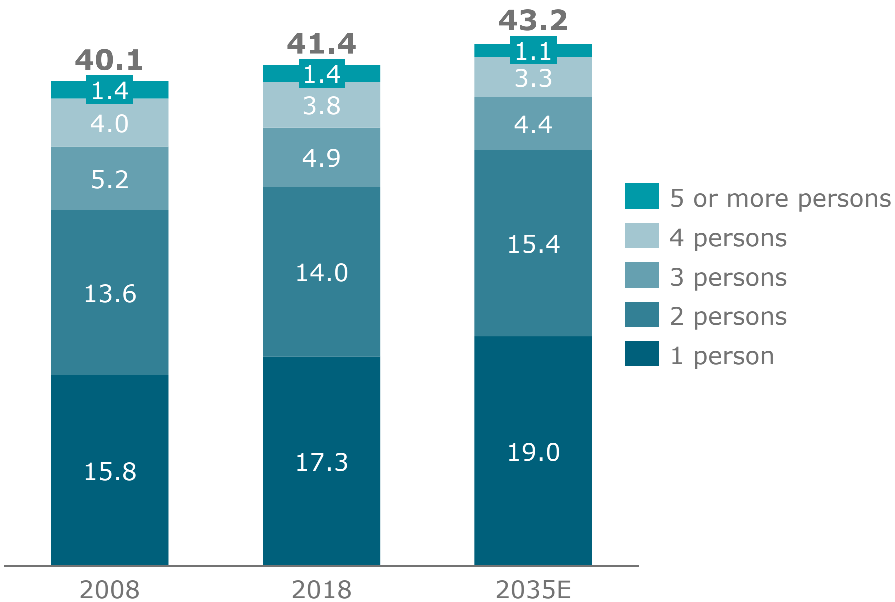
Growing number of smaller households

- While the overall population in Germany is expected to slightly decline, the number of households is forecast to grow until at least 2035 with a clear trend towards smaller households.
- The household growth is driven by various demographic and social trends including divorce rates, employment mobility etc.

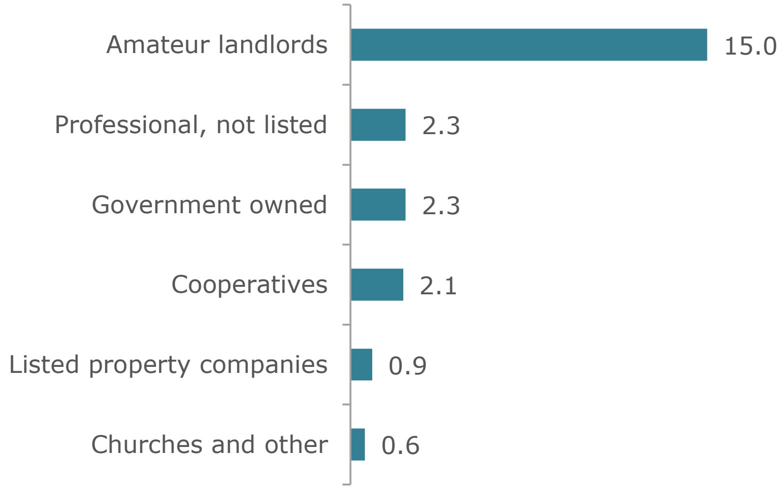
Fragmented ownership structure

- 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.

Distribution of household sizes (million)



Ownership structure (million units)

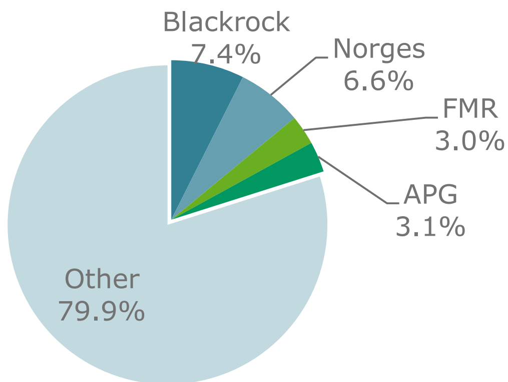


Sources: German Federal Statistics Office, GdW (German Association of Professional Homeowners). 2035(E) household numbers are based on trend scenario of the German Federal Statistics Office.

Shareholder Structure and Share Price Performance

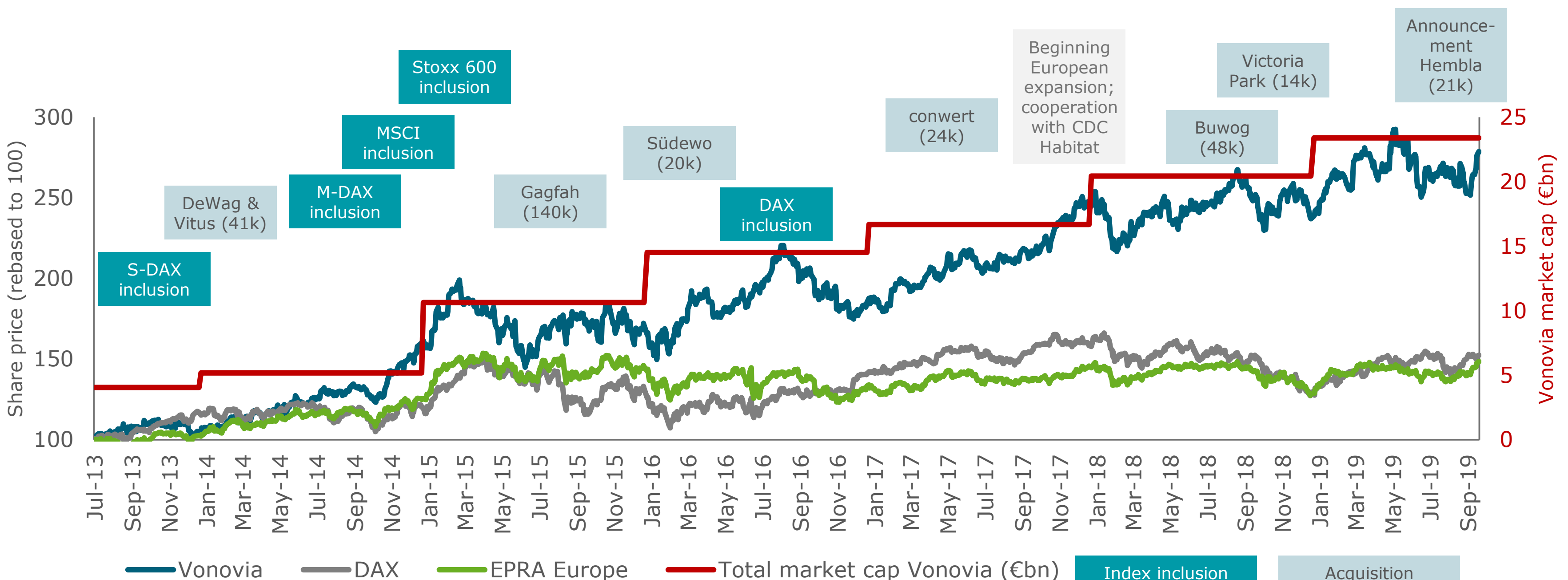
VONOVIA

Equity Story | Business Update | **Additional Information**



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

Share Information	
First day of trading	July 11, 2013
Nr of shares outstanding	542.3 million
Free float	93.4%
ISIN	DE000A1ML7J1
Ticker symbol	VNA
Share class	Registered shares with no par value
Main listing	Frankfurt Stock Exchange
Market segment	Regulated Market, Prime Standard
Major indices	DAX, Stoxx Europe 600, MSCI, GPR 250 World, FTSE EPRA/NAREIT Europe



Source: Factset, company data

Reconciliation of Shares Outstanding

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
December 31, 2017	485.1	
March 31, 2018	485.1	
June 30, 2018	518.1	€1bn ABB in 05/2018; scrip dividend
September 30, 2018	518.1	
December 31, 2018	518.1	
March 31, 2019	518.1	
June 30, 2019	542.3	€744m ABB in 05/2019; scrip dividend
September 30, 2019	542.3	

The number of outstanding shares is always available at
https://investoren.vonovia.de/websites/vonovia/English/2010/basic-information.html

Management Board Remuneration - Overview

Fixed Remuneration (incl. Pension)

- Monthly fixed compensation paid in 12 equal installments
- Annual pension contribution (alternative: cash payout)

Bonus / STIP

- Criteria/Targets: Group FFO, adj. NAV/share, adj. EBITDA Total, personal targets agreed with SVB
- Bonus Cap at predetermined amount
- Payout: Cash

LTIP

- Annually granted remuneration component in the form of virtual shares
- Criteria/Targets: relative TSR, adj. NAV/share, Group FFO/share, Customer Satisfaction Index (CSI)
- Performance Period: 4 years
- Payout: Cash
- Cap: 250% of grant value

Management Board remuneration is based on three pillars

Total remuneration cap

Share Holding Provision

- Mandatory share ownership
- 100% of annual fixed remuneration (excl. pension) (accumulation on a pro rata basis during first 4 years)

Management Board Remuneration – Bonus / STIP

Bonus / STIP

Targets set by Supervisory Board

Group FFO target 40%	Adj. NAV/share target 15%	Adj. EBITDA Total target 15%	Personal targets agreed with SVB 30%

- Bonus cap at predetermined amount
- Cash payout

Rationale

- **Group FFO** is the key figure for managing the sustained operational earnings power of our business.
- **Adj. NAV/share** as standard figure for the value of our property assets (calculation according to EPRA best practice standards, after corrections for goodwill).
- **Adj. EBITDA Total**: aggregate EBITDA across the four segments, reflecting the sustainable earnings strength of the business before interest, taxes, depreciation and amortization.
- **Personal targets** related to individual department responsibilities or overlapping targets (e.g. integration projects).

LTIP

Annually granted long-term remuneration component in the form of virtual shares ("performance shares")

Contractually defined target amount granted for each year ("grant value")

Initial number of perf. shares = grant value / initial share price

4 years performance period targets set by SVB
(equally weighted)

- Relative TSR
- Adj. NAV/share
- Group FFO/share
- Customer Satisfaction Index

Target achievement level between 50% (min) and 200% (max)

Final number of perf. shares = initial number of perf. shares * overall target achievement level

Cash payout = final number of perf. shares * final share price + dividends (Cap: 250% of grant value)

Rationale

- **LTIP** aims to ensure that remuneration structure focuses on sustainable corporate development.
- **Relative TSR** is from an investor perspective a well-established and accepted performance measure, focusing on share return, relative to a selected peer group. Hence, it is adequate for comparison with relevant competitors.
- **Customer Satisfaction Index (CSI):** Based on customer surveys and reflects how our services are perceived and accepted by our customers.
- **Shareholder alignment** safeguarded by (i) relative performance targets (Group FFO/share and Adj. NAV/share) as well as (ii) calculation method which takes actual share price performance into account.

Disclaimer

This presentation has been specifically prepared by Vonovia SE and/or its affiliates (together, "Vonovia") for internal use. Consequently, it may not be sufficient or appropriate for the purpose for which a third party might use it.

This presentation has been provided for information purposes only and is being circulated on a confidential basis. This presentation shall be used only in accordance with applicable law, e.g. regarding national and international insider dealing rules, and must not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by the recipient to any other person. Receipt of this presentation constitutes an express agreement to be bound by such confidentiality and the other terms set out herein.

This presentation includes statements, estimates, opinions and projections with respect to anticipated future performance of Vonovia ("forward-looking statements") which reflect various assumptions concerning anticipated results taken from Vonovia's current business plan or from public sources which have not been independently verified or assessed by Vonovia and which may or may not prove to be correct. Any forward-looking statements reflect current expectations based on the current business plan and various other assumptions and involve significant risks and uncertainties and should not be read as guarantees of future performance or results and will not necessarily be accurate indications of whether or not such results will be achieved. Any forward-looking statements only speak as at the date the presentation is provided to the recipient. It is up to the recipient of this presentation to make its own assessment of the validity of any forward-looking statements and assumptions and no liability is accepted by Vonovia in respect of the achievement of such forward-looking statements and assumptions.

Vonovia accepts no liability whatsoever to the extent permitted by applicable law for any direct, indirect or consequential loss or penalty arising from any use of this presentation, its contents or preparation or otherwise in connection with it.

No representation or warranty (whether express or implied) is given in respect of any information in this presentation or that this presentation is suitable for the recipient's purposes. The delivery of this presentation does not imply that the information herein is correct as at any time subsequent to the date hereof.

Vonovia has no obligation whatsoever to update or revise any of the information, forward-looking statements or the conclusions contained herein or to reflect new events or circumstances or to correct any inaccuracies which may become apparent subsequent to the date hereof.

This presentation does not, and is not intended to, constitute or form part of, and should not be construed as, an offer to sell, or a solicitation of an offer to purchase, subscribe for or otherwise acquire, any securities of the Company nor shall it or any part of it form the basis of or be relied upon in connection with or act as any inducement to enter into any contract or commitment or investment decision whatsoever.

This presentation is neither an advertisement nor a prospectus and is made available on the express understanding that it does not contain all information that may be required to evaluate, and will not be used by the attendees/recipients in connection with, the purchase of or investment in any securities of the Company. This presentation is selective in nature and does not purport to contain all information that may be required to evaluate the Company and/or its securities. No reliance may or should be placed for any purpose whatsoever on the information contained in this presentation, or on its completeness, accuracy or fairness.

This presentation is not directed to or intended for distribution to or use by, any person or entity that is a citizen or resident or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or which would require any registration or licensing within such jurisdiction.

Neither this presentation nor the information contained in it may be taken, transmitted or distributed directly or indirectly into or within the United States, its territories or possessions. This presentation is not an offer of securities for sale in the United States. The securities of the Company have not been and will not be registered under the US Securities Act of 1933, as amended (the "Securities Act") or with any securities regulatory authority of any state or other jurisdiction of the United States. Consequently, the securities of the Company may not be offered, sold, resold, transferred, delivered or distributed, directly or indirectly, into or within in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States unless registered under the Securities Act.

Tables and diagrams may include rounding effects.

For Your Notes