

» ANNUAL GENERAL MEETING 2018

Deutsche Wohnen SE
Berlin

ISIN DE000A0HN5C6
WKN A0HN5C

**Annual General Meeting of Deutsche Wohnen SE,
on Friday, 15 June 2018, at 10:00 a.m. (CEST)**

at Kap Europa, Osloer Straße 5, 60327 Frankfurt/Main

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Document containing information pursuant to Sections 4 (1) No.4 and 4 (2) No.5 German Securities Prospectus Act, dated 8. May 2018

for the new shares to be issued under the rights issue capital increase (as defined below) against contribution of dividend entitlements, in accordance with the resolution regarding the appropriation of net income to be approved by the Deutsche Wohnen SE shareholders' meeting on 15 June 2018 (scrip dividend).

I. Purpose

The ordinary shareholders' meeting of Deutsche Wohnen SE ("**Deutsche Wohnen**" or "**Company**") (more information about Deutsche Wohnen can be found at <https://www.ir.deutsche-wohnen.com>) on 15 June 2018 will be proposed under agenda item 2 (resolution on the utilization of the net profits for financial year 2017 by Deutsche Wohnen SE) to resolve to pay out a dividend totaling EUR 0.80 per no-par value share carrying dividend rights ("**Resolution on Appropriation of Net Income**"). Subject to the approval of the shareholders' meeting, shareholders will be able to choose whether to have the dividend (i) paid out in cash or (ii) in form of shares in Deutsche Wohnen ("**Scrip Dividend**").

The Management Board and the Supervisory Board intend to issue the necessary shares through partial use of the authorized capital pursuant to Section 5 of the Articles of Association of Deutsche Wohnen ("**Authorized Capital 2017/I**") against contributions in-kind. The dividend entitlements arising as a result of the Resolution on Appropriation of Net Income will be transferred as contribution in-kind by those shareholders who opt for the Scrip Dividend.

This document has been created to fulfill the requirements of Sections 4 (1) No.4 and 4 (2) No.5 German Securities Prospectus Act ("WpPG") which state that there is no obligation to publish a prospectus for the public offering, Section 4 (1) No. 4 WpPG, and admission for trading, Section 4 (2) No.5 WpPG of dividends paid out to shareholders in the form of shares provided that a document is made available which contains information on the quantity and type of shares and which describes the reasons for and details of the offer.

Neither the subscription rights, nor the new shares are, or will be, registered in accordance with the U.S. Securities Act of 1933 as amended, or with the securities regulators of individual states or other territories of the United States of America. At no time may the subscription rights and new shares be offered, sold, exercised, pledged, transferred or delivered, either directly or indirectly, to the or within the United States of America, except to Qualified Institutional Buyers ("**QIBs**") as defined in Rule 144A of the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), pursuant to Section 4 (a)(2) of the Securities Act or due to the existence of an exemption from the registration requirements of the Securities Act or in such a transaction that is not covered by them if it does not constitute a breach of applicable securities legislation in the individual states of the United States of America.

II. Reasons

Giving shareholders the choice between a cash dividend and a Scrip Dividend is common practice at an international level and is chosen by more and more listed companies in Germany. Granting such an option gives the shareholder the opportunity for easy re-investment of his dividends into shares of the Company. If the shareholder opts to receive the Scrip Dividend, he can prevent his shareholding in Deutsche Wohnen being reduced on a percentage basis as a result of the rights issue capital increase. For Deutsche Wohnen, the Scrip Dividend reduces cash outflow to the extent that dividend entitlements are reinvested in the Company and new shares are delivered instead of a dividend payment in cash; in addition, the equity base will be increased to the same extent.

III. Shareholders' right of choice

The subject matter of this document are the new shares, which will be issued in consideration for the contribution of dividend entitlements by way of a rights issue capital increase against contribution in-kind ("**Rights Issue Capital Increase**"). With this step, Deutsche Wohnen is giving shareholders who own no-par value bearer shares of Deutsche Wohnen at 11:59 p.m. CEST on the evening of 15 June 2018, and have not already sold them by this time, the choice of receiving the dividend on these shares in cash or as Scrip Dividend.

Shareholders have the following options:

1. Exclusive cash dividend

The shareholder opts to receive the dividend in cash and notifies his depository bank of this choice, or simply does nothing up to the end of the Subscription Period for the new shares (as defined below).

In this case, he receives the dividend of EUR 0.80 per no-par value share held in cash once the subscription period and the handling period required for the technical transaction have ended, presumably on 17 July 2018.

2. Exclusive Scrip Dividend

The shareholder opts to receive the Scrip Dividend. In this case, he must notify his depository bank in good time using the form ("**Declaration of Subscription and Cession**") that the bank provides for this purpose and cede his dividend entitlements per no-par value share held by him to COMMERZBANK Aktiengesellschaft, Kaiserstraße 16, 60311 Frankfurt am Main ("**COMMERZBANK**").

The final number of dividend entitlements that need to be ceded in order to subscribe for one new share is expected to be published on 6 July 2018. Once the Subscription Period (as defined below) and the handling period required for the technical transaction have ended, presumably on 19 July 2018, the shareholder will according to the subscription ratio receive new shares, the number of which will depend on the extent to which the dividend entitlements ceded by him (in total) cover the fixed subscription price per share (in total based on the number of whole shares to be granted). If ceded dividend entitlements or portions thereof exceed the subscription price (in total) for the shares purchased, the shareholder will receive this balance in cash, rounded down to the nearest whole cent, presumably on 17 July 2018. For further details please see sections IV. 2. d) and IV. 4. f) cc).

3. Mixed Cash and Scrip Dividend

The shareholder opts to receive the dividend in cash for part of his shares and the Scrip Dividend for the remaining part. In this case, the two processes described above apply, with each being applied to the specific shares for which the shareholder has made the relevant decision.

IV. Details

1. Present capital stock and shares of Deutsche Wohnen

The registered share capital of Deutsche Wohnen as per today totals EUR 354,668,378.00, divided into 354,668,378 no-par value bearer shares (shares without nominal value) with an arithmetical proportionate amount of the share capital of EUR 1.00 attributable to one no-par value share. Each share entitles the holder to one vote at the Company's shareholders' meeting.

The existing shares of Deutsche Wohnen are admitted for trading to the regulated market on the Frankfurt Stock Exchange as well as to the regulated market sub-segment with additional post-admission obligations (Prime Standard) on the Frankfurt Stock Exchange.

The existing shares of Deutsche Wohnen are evidenced in several global certificates deposited with Clearstream Banking AG, Mergenthalerallee 61, 65760 Eschborn

("Clearstream"). Pursuant to Section 4 (4) of the Company's Articles of Association, the right of shareholders to certification of their shares is precluded.

All shares issued by Deutsche Wohnen are assigned the same rights.

The Company's shares are freely transferable. Announcements of the Company are published in the German Federal Gazette in accordance with the Articles of Association of the Company. Notifications made by the Company relating to its shares are also published in the German Federal Gazette or, as the case may be, in media suitable for distribution across the European Economic Area.

The paying agent within the meaning of Section 48 (1) No. 4 German Securities Trading Act ("WpHG") is currently Deutsche Bank Aktiengesellschaft. COMMERZBANK will, however, assume the function of paying agent for the dividend for the 2017 financial year.

2. Details of the Rights Issue Capital Increase

a) Rights Issue Capital Increase against contribution in-kind out of Authorized Capital

The Management Board and the Supervisory Board intend to create the new shares which are the subject matter of this document and which shall be issued in the course of the Rights Issue Capital Increase by making partial use of Authorized Capital 2017/I.

b) Maximum/minimum number of shares offered

The maximum number of new shares to be created is not yet set. It depends especially on the extent to which shareholders exercise their right to opt to receive the Scrip Dividend, as well as on the subscription ratio and subscription price of the new shares, both of which are not yet fixed.

Example based on an assumed fictitious subscription price of EUR 36.40 and subscription ratio of 45.5 : 1:

- If all shareholders of Deutsche Wohnen opted to receive the Scrip Dividend for their entire share portfolio, then, with the number of shares existing today standing at 354,668,378 shares carrying dividend rights and at a subscription price of EUR 36.40, and subscription ratio of 45.5 : 1 (and assuming all shareholders hold an integer multiple of 45.5 shares) 7,794,909 new shares would be issued (maximum number).
- On the other hand, if no shareholder opted to receive the Scrip Dividend, no shares would be issued, with the result that the minimum number of new shares would be 0 shares.

c) Features of the new shares

The new shares, which are the subject matter of this document, will be created in accordance with German law after the shareholders' meeting on 15 June 2018. They will feature the same rights as the existing shares of the Company and will not confer any additional rights or benefits. Each of the new shares of the Company entitles the holder to one vote at the Company's shareholders' meeting. There are no restrictions on voting rights, except in specific cases prescribed by law. Nor are there different voting rights for certain shareholders of the Company. The new shares will carry full dividend rights from 1 January 2018.

The new shares participate in any liquidation proceeds according to their mathematical share of the share capital.

The new shares will be evidenced in a global certificate, without a profit share certificate, and deposited with Clearstream. The new shares will be delivered via collective safe custody credit. The new shares will be freely transferable.

d) Rights Issue Capital Increase

The capital increase to create the new shares will be a capital increase with rights issue. To simplify the transaction, each shareholder will only be able to exercise his subscription right by commissioning and authorizing COMMERZBANK within the Subscription Period (as defined below) as third-party trustee – as further specified in the subscription offer and upon the shareholder ceding his dividend entitlements – to subscribe to the new shares in accordance with the shareholder's Scrip Dividend choice, at the yet to be determined subscription ratio and at the yet to be determined subscription price, in its own name but on the shareholder's account and, following subscription and entry of execution of the Rights Issue Capital Increase in the commercial register, to transfer the new shares acquired in this process to the shareholder. COMMERZBANK will also be obliged towards Deutsche Wohnen to contribute the dividend entitlements ceded to the trusteeship of COMMERZBANK as contribution in-kind and to transfer the shares subscribed to under its trusteeship to the shareholders, according to the choice they have made and on the basis of the yet to be determined subscription ratio and the yet to be determined subscription price as well as to cede back to the shareholders any dividend entitlements or portions thereof that are not required to subscribe to new shares, with the assistance of the depository banks.

The subscription price is expected to be determined on Friday, 6 July 2018, and will be published in the German Federal Gazette and on the website of Deutsche Wohnen (<https://www.ir.deutsche-wohnen.com>). It is the result in Euro of dividing the reference price by EUR 0.80, less a discount to be set by the Company in the subscription offer of probably 3.0 % of this result, then rounded down to one decimal place after the decimal point and multiplied by EUR 0.80 (the "**Subscription Price**"). The reference price is the volume-weighted average price of the shares of Deutsche Wohnen in Euro in the Xetra trading system on the Frankfurt Stock Exchange on the last trading day before the date on which the Subscription Price is set ("**Reference Price**"). The day for fixing the Reference Price is expected to be 5 July 2018. The number of dividend entitlements to be contributed in order to purchase one new share equals the thus determined Subscription Price divided by EUR 0.80. The subscription ratio is the relationship between the result of dividing the Reference Price by EUR 0.80, less a discount to be set by the Company in the subscription offer of probably 3.0 % of this result and rounded down to one decimal place after the decimal point, and one new share (the "**Subscription Ratio**"). The Subscription Ratio is also expected to be published on 6 July 2018 in the German Federal Gazette and on the website of Deutsche Wohnen (<https://www.ir.deutsche-wohnen.com>). To the extent the number of dividend entitlements or portions thereof, for which a shareholder has opted to receive the Scrip Dividend, is not sufficient to cover the subscription of one (additional) whole new share, such shareholder will receive the dividend for such portion in cash (the "**Residual Balance**"). The amount of the Residual Balance is calculated by multiplying the number of dividend entitlements, or portions thereof, that are not sufficient to cover the subscription of one (additional) whole new share by EUR 0.80; if this calculation leads to an amount in Euro with more than two decimals after the decimal point, the result shall be rounded down to the nearest whole cent. The amount resulting from this rounding, that therefore is not paid out, will always be lower than EUR 0.01 per share portfolio. Any commercial rounding, which Clearstream and/or the depository banks may apply due to technical reasons, remains unaffected and shall not be done on account of the Company nor on account of COMMERZBANK.

Example calculation:

- **Reference price:** EUR 37.6000.
- **Subscription Price:** Calculation: Result of dividing EUR 37.6000 by 0.80: 47, less a discount of 3.0 %, equals 45.59, rounded down to one decimal place: 45.5, multiplied by EUR 0.80. This leads to: subscription price: EUR 36.40.
- **Subscription Ratio:** 45.5: 1, i.e., one new share can be purchased for 45.5 old shares (and dividend entitlements as contribution in-kind).
- **Residual Balance:** If a shareholder cedes dividend entitlements from 46 shares, he cedes 0.5 dividend entitlements too many in this example calculation. 0.5 dividend entitlements are equal to EUR 0.40 (0.5 x EUR 0.80 = EUR 0.40). This amount (rounded down to whole cents if necessary) shall be paid out to the shareholder in cash. In this example, the shareholder receives one new share for 46 dividend entitlements and EUR 0.40 in cash.

Although the subscription rights will be transferable, they can only be transferred together with the dividend entitlements, because the subscription right can only be exercised if the corresponding dividend entitlement is ceded.

There are no plans for allowing the subscription rights to be traded on the stock exchange.

The dividend entitlements and the inseparably linked subscription rights from the Company's shares, all of which are held in collective safe custody, are expected to be booked automatically to the depository banks on 20 June 2018, with effect on the evening of 19 June 2018 (Record Date) by Clearstream. The dividend entitlement posting (ISIN DE000A2LQ7R9 / WKN A2L Q7R) automatically includes the associated subscription rights. The existing shares of the Company will be listed "ex dividend" and hence also "ex subscription right" on the regulated market of the Frankfurt Stock Exchange, probably from 18 June 2018 onwards.

The subscription period is expected to last from 18 June 2018 to 9 July 2018 (inclusively in either case) ("**Subscription Period**"). Subscription rights that are not exercised within the prescribed period will expire without compensation – in this case shareholders will receive the dividend in cash only. The subscription agent is COMMERZBANK.

3. Costs and benefits of the offer for Deutsche Wohnen

Deutsche Wohnen will not receive any cash as a result of the Rights Issue Capital Increase; but will receive the dividend entitlements as contribution in-kind. To the extent to which shareholders opt to receive the Scrip Dividend, they contribute their dividend entitlements (after ceding their dividend entitlements to COMMERZBANK through it), which will reduce the dividend amount to be paid out in cash by Deutsche Wohnen for the 2017 financial year. How high the contributed dividend amount will be depends on the extent to which shareholders exercise their right to opt for the Scrip Dividend, as well as on the Subscription Ratio and Subscription Price for the new shares, both of which are not yet fixed.

The costs of the offer for Deutsche Wohnen including the remuneration to be paid to COMMERZBANK, who are processing the transaction, will amount to around EUR 1 million (net).

4. Information about exercising the right of choice

a) Entitled shareholders

aa) Shareholders

The right to opt to have the dividend paid out in cash or in new shares exists for all holders of no-par value bearer shares in Deutsche Wohnen.

bb) Relevant date

Shareholders who own no-par value bearer shares of Deutsche Wohnen at 11:59 p.m. CEST on the evening of 15 June 2018 and have not sold them by this time, receive a dividend entitlement of EUR 0.80 per no-par value share, to which a subscription right is inseparably attached.

Expected Schedule

- 15 June 2018 Shareholders' meeting of Deutsche Wohnen.
- As of 18 June 2018 Commencement of the Deutsche Wohnen share trade ex dividend.
- 18 June 2018 The subscription offer and the dividend announcement are published on the website of Deutsche Wohnen and in the German Federal Gazette.
- 18 June 2018 Commencement of the Subscription Period.
- 20 June 2018 Dividend entitlements are posted to securities deposit account customers with their inseparably linked subscription rights according to the depository account balance on the evening of 19 June 2018 (Record Date).
- 5 July 2018 Day on which the reference price for the subscription ratio is fixed (volume weighted average price in Xetra trade/VWAP).
- 6 July 2018 The Subscription Price and Subscription Ratio are fixed and announced in the German Federal Gazette.
- 9 July 2018 End of the Subscription Period, end of the period during which shareholders have the right to exercise a choice.
- 13. July 2018 Determination of the total number of new shares to be issued.
- 17 July 2018 Entry of execution of the Rights Issue Capital Increase in the commercial register at the local court (*Amtsgericht*) Berlin (Charlottenburg).
- 17 July 2018 Admission for trading of the new shares to the regulated market on the Frankfurt Stock Exchange (Prime Standard).
- 17 July 2018 Payout of (i) the cash dividend and (ii) the Residual Balance.
- 19 July 2018 Book transfer of the newly purchased shares.
- 19 July 2018 First day of trading, incorporation of the new shares in the existing listing.

b) Partial exercise of the right of choice

Shareholders do not need to make the choice for all their shares uniformly (even if they are held in a single securities deposit account) but are free to choose to receive the dividend in cash or as Scrip Dividend for each share separately.

c) Irrevocability of choice

Shareholders who have exercised their right of choice cannot revoke their choice once it has been made.

d) Information on choosing the dividend in cash

aa) Information about the dividend in cash

The shareholders' meeting of Deutsche Wohnen on 15 June 2018 will be proposed that a dividend of EUR 0.80 be paid out on each Deutsche Wohnen share. The cash dividend is expected to be paid out on 17 July 2018 through the depository banks.

bb) Exercising the right of choice to receive the dividend in cash

Shareholders who opt to receive their dividend in cash need not take any special steps to do so.

e) Information on choosing the Scrip Dividend

aa) Information about the new shares

For information about the new shares, see IV. 2 c) (above).

bb) Calculating the Subscription Price for the new shares

The Subscription Price will be published in a timely manner prior to the expiry of the Subscription Period, probably on Friday, 6 July 2018 in the German Federal Gazette and on the website of Deutsche Wohnen (<https://www.ir.deutsche-wohnen.com>). It is the result in Euro of dividing the Reference Price by EUR 0.80, less a discount to be set by the Company in the subscription offer of probably 3.0 % of this result, then rounded down to one decimal place after the decimal point and multiplied by EUR 0.80.

cc) Calculating the dividend entitlements required for subscription and the Subscription Ratio

The number of dividend entitlements to be contributed in order to purchase one new share equals the Subscription Price divided by EUR 0.80. The Subscription Ratio is the relationship between the result of dividing the Reference Price by EUR 0.80, less a discount to be set by the Company in the subscription offer of probably 3.0 % of this result and rounded down to one decimal place after the decimal point, and one new share.

Residual Balances of a shareholder, which are not sufficient to cover the subscription of one whole new share will be paid out in cash; if the calculation leads to an amount in Euro with more than two decimals after the decimal point, the result shall be rounded down to the nearest whole cent. This means that shareholders whose dividend entitlements, for which a shareholder has opted to receive the Scrip Dividend, are not sufficient to cover the subscription of one whole new share will receive their dividend in cash, rounded down to the nearest whole cent, *i.e.*, if the subscription ratio is 45.5 : 1, for instance, one new share will be granted for 46 shares for which the Scrip Dividend was chosen plus a dividend payment on a percentage basis totaling $0.5 \times \text{EUR } 0.80 = \text{EUR } 0.40$ (rounded down to whole cents if

necessary). Any commercial rounding, which Clearstream and/or the depository banks may apply due to technical reasons, remains unaffected and shall not be done on account of the Company nor on account of COMMERZBANK.

dd) Fees and costs of share subscription

Deutsche Wohnen reimburses the depository banks for their services with a payment of EUR 0.60 per depository client and additional EUR 3.00 per depository client who opted for the Scrip Dividend. Nevertheless, shareholders who opt to receive the Scrip Dividend may incur depository bank fees. Please consult your depository bank about the details. Fees and costs which you are charged as securities deposit account customers by depository banks cannot be refunded by Deutsche Wohnen or by COMMERZBANK. For the settlement of subscription rights COMMERZBANK, in its function as settlement agent, does not charge an additional commission to the shareholders who elect the Scrip Dividend.

ee) Exercising the right of choice to receive the Scrip Dividend

Shareholders who opt to receive the Scrip Dividend must during normal business hours by 9 July 2018 notify their depository bank using the Declaration of Subscription and Cession provided by their depository bank of the fact that they want to exercise their subscription right and that they are ceding the dividend entitlements on shares for which they want to exercise the subscription rights to COMMERZBANK. The dividend entitlements are ceded to COMMERZBANK as third-party trustee on condition that COMMERZBANK contributes the ceded dividend entitlements as contribution in-kind to Deutsche Wohnen in consideration for the subscription to new shares at the yet to be determined subscription ratio and yet to be determined subscription price, in its own name but on the shareholder's account, with the obligation, following subscription and entry of execution of the Rights Issue Capital Increase in the commercial register, to transfer the shares to the individual shareholders.

ff) Posting the new shares

It is expected that the new shares will be delivered to the depository banks on 19 July 2018.

5. Admission to trading on the stock exchange

Admission of the new shares for trading to the regulated market on the Frankfurt Stock Exchange as well as to the regulated market sub-segment with additional post-admission obligations (Prime Standard) on the Frankfurt Stock Exchange is expected to take place on 17 July 2018.

Listing for the new shares on the regulated market of the above stock exchange is expected to start on 19 July 2018 when the new shares are incorporated in the listing for existing shares.

6. Tax treatment

This section does not constitute a comprehensive or complete description of taxation aspects that may be relevant to shareholders. This concise summary is therefore no substitute for consultation with a tax advisor.

a) Tax treatment of the dividend paid out in cash

Since the Dividend for the 2017 financial year will be paid in full from the tax contribution account in accordance with Section 27 Corporation Tax Act (*Körperschaftsteuergesetz - KStG*) (contributions other than into nominal capital), no capital gains tax, solidarity surcharge or possible church tax will be deducted. Dividends paid out in cash to shareholders in Germany are not subject to taxation. Dividends do not entitle recipients to tax

refunds or tax credits. In the German tax authorities' view the dividend payment reduces the acquisition costs of the shares for tax purposes.

b) Tax treatment of the Scrip Dividend

Since the dividend for the 2017 financial year will be paid in full from the tax contribution account in accordance with Section 27 KStG (contributions other than into nominal capital), no capital gains tax, solidarity surcharge or possible church tax will be deducted. Scrip Dividends to shareholders in Germany are not subject to taxation. Dividends do not entitle recipients to tax refunds or tax credits.

7. Later submission of further information

The details left open in this information document pursuant to Sections 4(1) No. 4 and 4(2) No.5 WpPG, such as the subscription price and the number of subscription rights necessary to purchase one new share, are published in the German Federal Gazette and on the website of Deutsche Wohnen at <http://www.ir.deutsche-wohnen.com>.

Berlin, 8 May 2018

Deutsche Wohnen SE

sgd. Michael Zahn
Chief Executive Officer

sgd. Philip Grosse
Chief Financial Officer

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