DEUTSCHE WOHNEN

People. Approach. Values.

Group interim report
as of 30 June 2019

Contents

GROUP KEY FIGURES

Income statement		H1 2019	H1 2018	Change
Contracted rental income	EUR m	411.1	387.3	6.1%
Earnings from Residential Property Management	EUR m	365.1	331.3	10.2%
Earnings from Disposals	EUR m	23.6	9.0	162.2%
Earnings from Nursing and Assisted Living	EUR m	43.9	23.8	84.5%
Corporate expenses	EUR m	–47.4	–41.1	15.3%
EBITDA	EUR m	381.9	322.5	18.4%
EBT (adjusted)	EUR m	302.8	270.9	11.8%
EBT (as reported)	EUR m	791.6	880.4	–10.1%
Earnings after taxes	EUR m	603.1	652.7	–7.6%
Earnings after taxes[1]	EUR per share	1.65	1.78	–7.3%
FFO I	EUR m	283.4	249.8[3]	13.5%
FFO I (undiluted)[1]	EUR per share	0.79	0.70	12.9%
FFO I (diluted)[2]	EUR per share	0.79	0.70	12.9%
FFO II	EUR m	305.4	257.5	18.6%
FFO II (undiluted)[1]	EUR per share	0.86	0.73	17.8%
FFO II (diluted)[2]	EUR per share	0.86	0.73	17.8%

Balance sheet		30/06/2019	31/12/2018	Change
Investment properties	EUR m	24,523.0	23,781.7	741.3
Current assets	EUR m	1,644.1	984.0	660.1
Equity	EUR m	12,129.2	11,908.1	221.1
Net financial liabilities	EUR m	9,364.1	8,749.4	614.7
Loan-to-Value ratio (LTV)	in %	36.9	36.0	0.9
Total assets	EUR m	26,615.0	25,057.9	1,557.1

Share		30/06/2019	31/12/2018	Change
Share price (closing price)	EUR per share	32.27	40.00	–19.3%
Number of shares	m	357.03	357.01	0.01
Market capitalisation	EUR bn	11.5	14.3	–19.6%

Net asset value (NAV)		30/06/2019	31/12/2018	Change
EPRA NAV (undiluted)	EUR m	15,504.6	15,087.8	416.8
EPRA NAV (undiluted)	EUR per share	43.43	42.26	2.8%
EPRA NAV (diluted)	EUR per share	43.41	42.26	2.7%

Fair values		30/06/2019	31/12/2018	Change
Fair value properties[4]	EUR m	23,040	22,190	850
Fair value per sqm living and usable space[4]	EUR per sqm	2,222	2,157	3.0%

1 Based on an average of approximately 357.02 million issued shares in 2019 and approximately 354.67 million in 2018
2 Based on an average of approximately 357.02 million issued shares in 2019 and approximately 354.67 million in 2018, assuming conversion of 'in-the-money' convertible bonds in each case
3 Calculation method changed: staff, general and administration expenses are no longer included in FFO I, the previous year's figures have been amended accordingly
4 Only includes residential and commercial buildings, without Nursing and Assisted Living and without rights of use valued according to IFRS 16

GROUP INTERIM MANAGEMENT REPORT

Deutsche Wohnen SE, including its subsidiaries (hereinafter referred to as ‘Deutsche Wohnen’ or ‘Group’) is currently the third-largest publicly listed property company in Europe by market capitalisation. The company is listed in the MDAX of the German stock exchange.

Its property portfolio comprises approximately 168,000 residential and commercial units and has a fair value of some EUR 23 billion[1]. Our holdings also include nursing properties with a fair value of around EUR 1.3 billion comprising approximately 12,100 beds and apartments for assisted living. The focus of our investment is on residential properties in metropolitan areas and conurbations in Germany. Economic growth, positive net immigration and insufficient new building activity in these regions form the basis for the further development of our portfolio value. We see the addition of nursing properties as another growth area, particularly in view of the demographic trends.

Deutsche Wohnen looks back on a successful first half of 2019

Deutsche Wohnen has completed the first half-year of 2019 successfully with a consolidated profit of EUR 603.1 million. The decline of 8% compared to the period of the previous year is mainly due to the lower valuation increase of our property portfolio of around EUR 450 million (H1 2018: EUR 678 million). FFO I per share (Funds from Operations: operating result after interest and taxes) increased in comparison to the equivalent period of the previous year by almost 13% to EUR 0.79 (H1 2018: EUR 0.70). Investments in the existing portfolio increased further to EUR 174.3 million during the reporting period. With the focus on energy-saving measures, we make an active contribution to climate protection and, at the same time, preserve the value of our properties.

In June 2019, Deutsche Wohnen made a specific, tenant-oriented contribution to the discussion about affordable housing and fair rents. Under the heading “Our promise to our tenants”, on July 1, 2019, we issued a comprehensive self-commitment, with which we take even more account of the income and living conditions of our tenants. In addition, we entered into further cooperation agreements with Berlin districts to tackle the challenges on the housing market.

Deutsche Wohnen on the capital market

Moderate growth in the German economy

DIW Berlin (German Institute for Economic Research) estimates that the German economy will grow by 0.9% this year. With this forecast, DIW Berlin has more or less confirmed the outlook it issued in the spring, correcting it downwards by a mere 0.1 percentage points.

The domestic economy is expected to be the primary driver of this growth. In the first half-year, strong growth in the construction industry, fiscal-policy stimulus and corporate investments triggered an upturn. Meanwhile, trade conflicts between the USA and other economic areas along with persistently high levels of uncertainty surrounding Brexit gave cause for concern.

1 Excluding deposits received, units under construction and undeveloped land

Should this situation worsen, it would have a more pronounced negative impact on the general mood among businesses, foreign trade, investments in Europe and, in particular, the German economy which is specialised in exporting capital goods.

The moderate growth rate primarily reflects uncertainty regarding the economic policy framework.

Despite the slightly weaker economy in Germany, capacity utilisation remained good. Private households' disposable income is forecast to increase by 3.1%, a similar rate to last year. Unemployment is expected to fall to 4.9% this year and 4.6% in the following year. Inflation is anticipated to remain moderate, as in recent years, at 1.5% in 2019.[2]

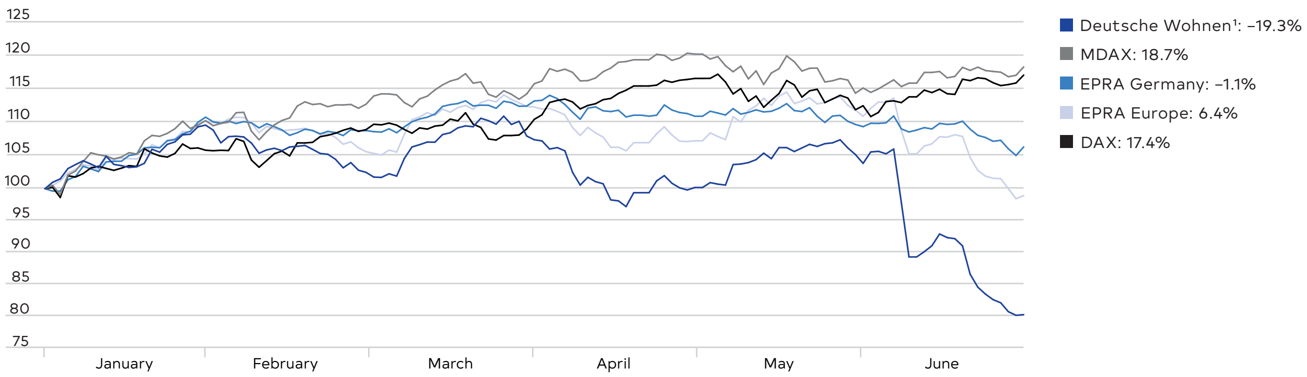
Stock markets hold their own in uncertain times

The USA and the eurozone were particularly successful at countering the global uncertainties with their strong domestic economies. Robust growth in the US economy, low inflation around the world, global expansive monetary policy and brisk investment activities were feeding through into positive trends on the stock markets. Accordingly, the DAX and MDAX indices put in a positive performance in the first six months of 2019, recording growth of 17.4% and 18.7% respectively.

Deutsche Wohnen share suffering from regulatory uncertainty

The Deutsche Wohnen share finished the first half of 2019 at a closing price of EUR 32.27. Particularly towards the end of the first half-year, the negative share price performance of approximately 19%[3] clearly reflects the uncertainty stemming from the rental cap which has been announced for Berlin. Based on a white paper produced by the local government in Berlin, this could lead to a de facto freezing of rents at their current level for the next five years. The Deutsche Wohnen share thus underperformed both the German DAX and MDAX indices and the real estate indices EPRA Germany (–1.1%) and EPRA Europe (+6.4%). As of the end of June 2019, the market capitalisation of Deutsche Wohnen SE stood at EUR 11.5 billion. Average daily turnover in Xetra trading increased by roughly 17% from EUR 30.6 million in the first half-year 2018 to EUR 36.0 million in the first half-year of 2019. The average Xetra trading volume for the Deutsche Wohnen share in the first half of 2019 was approximately 873,540 per day. On average, over 1 million shares a day were also traded on alternative platforms.

Share price performance, H1 2019 (indexed)



1 Share price, adjusted for dividend

2 DIW: baseline of economic development in summer 2019
3 Adjusted for dividend

Key figures for the share	H1 2019	H1 2018
Number of shares in m[1]	approx. 357.03	approx. 354.67
Price at end of H1[2] in EUR	32.27	41.40
Market capitalisation in EUR bn[1]	approx. 11.5	approx. 14.7
Six-month high[2] in EUR	44.45	41.50
Six-month low[2] in EUR	32.23	32.72
Average daily Xetra trading volume[3]	873,540	819,827

1 As of 30/06
2 Xetra closing price
3 Shares traded
Source: Bloomberg, as of 28/06/2019

Broad analyst coverage

A total of 29 analysts are currently[4] tracking the performance of Deutsche Wohnen SE. At present[4], price targets range from EUR 30.00 to EUR 59.40 per share. The consensus price target is EUR 42.07[4] per share, or some 30% above the closing price at the end of the first six months of 2019.

Rating	Number
Buy/Outperform/Overweight	10
Equal Weight/Hold/Neutral	17
Sell	1
No rating	1

Outcome of the Annual General Meeting and dividend

The Annual General Meeting 2019 of Deutsche Wohnen SE was held in Frankfurt/Main on 18 June 2019. 77.6% of the company's registered capital was represented. The shareholders approved all of the proposed resolutions on the agenda with the necessary majorities. These included the distribution of a EUR 0.87 dividend per bearer share for the 2018 financial year. This corresponds to a total of approximately EUR 310.6 million and a proportion of roughly 65% of FFO I for the 2018 financial year. Considered alongside the volume-weighted average share price of EUR 39.46 for 2018, this is a dividend yield of 2.2%.

Deutsche Wohnen shareholders could choose between a cash dividend and a scrip dividend again this year. 28.3% of shareholders opted for the scrip dividend. As a result, 2,617,281 new shares with an equivalent value of some EUR 84.9 million were issued.

Furthermore, the Annual General Meeting elected Arwed Fischer to the Supervisory Board of Deutsche Wohnen SE. Claus Wisser's term as a member of the Supervisory Board ended at the close of the Annual General Meeting 2019.

Intensive dialogue with analysts and investors

Deutsche Wohnen maintains intensive dialogue with its shareholders and investors. It makes particular use of investor conferences and roadshows both in Germany and abroad to do this. In the first half-year 2019, the company presented its business model in cities including New York, London, Milan, Miami, Paris, Frankfurt/Main, Amsterdam and Brussels. Further conferences and roadshows are planned for the second half of the year.

4 As of 04/07/2019

For more details, please refer to the financial calendar on page 46. This is regularly updated on our Investor Relations website.

Property portfolio

Deutsche Wohnen manages one of the largest property portfolios in Germany, comprising approximately 165,500 residential and 2,800 commercial units (approximately 3.9% of its overall floor space). Our focus is on fast-growing metropolitan regions and conurbations, which are known as Core+ markets, and make up nearly 90% of the portfolio.

At the end of the first half-year of 2019, the average in-place rent for the properties in Deutsche Wohnen's portfolio amounted to EUR 6.75 per sqm (previous year: EUR 6.51 per sqm), with a consistently low vacancy rate of 2.2% (previous year: 2.1%).

30/06/2019					Residential		Commercial
	Residential units	Area	Share of total portfolio	In-place rent[1]	Vacancy rate	Commercial units	Area
	number	in sqm k	in %	EUR/sqm	in %	number	in sqm k
Strategic core and growth regions	**165,313**	**9,964**	**99.9**	**6.75**	**2.2**	**2,760**	**407**
Core+	**146,215**	**8,783**	**88.4**	**6.85**	**2.1**	**2,564**	**375**
Greater Berlin	115,815	6,898	70.0	6.80	1.9	1,861	249
Rhine-Main	10,045	600	6.1	8.29	1.9	136	29
Dresden/Leipzig	8,915	577	5.4	6.00	4.8	452	67
Rhineland	5,766	359	3.5	6.67	2.2	58	16
Mannheim/ Ludwigshafen	4,731	295	2.9	6.17	2.5	43	12
Other Core+	943	54	0.6	10.56	0.5	14	1
Core	**19,098**	**1,181**	**11.5**	**5.97**	**2.9**	**196**	**31**
Hanover/Brunswick	9,117	588	5.5	6.06	2.7	85	14
Kiel/Lübeck	4,947	293	3.0	6.06	2.6	12	2
Other Core	5,034	300	3.0	5.69	3.5	99	16
Non-Core	**144**	**9**	**0.1**	**5.13**	**4.3**	**0**	**0**
Total	**165,457**	**9,973**	**100.0**	**6.75**	**2.2**	**2,760**	**407**

1 Contractually owed rent for let apartments divided by let surface area

Portfolio development

Acquisitions

In the first half-year of 2019, we signed contracts for some 3,600 residential and commercial units for a total purchase price of approximately EUR 840 million. The majority of these are in Core+ markets such as Frankfurt/Main, Cologne and Düsseldorf. The acquisitions were primarily late nineteenth-century 'Altbau' and post-war buildings in central locations, which make a further contribution to improving the quality of our portfolio.

Disposals

In terms of disposals, we were able to exploit the ongoing high demand with sales of 620 residential units with a transfer of risks and rewards in the first half of 2019. Of these, 184 apartments were sold in connection with privatisation while institutional sales accounted for 436.

For further details of the segment earnings from Disposals, please refer to page 12.

Operating performance

The following overview shows the changes in in-place rents and vacancy rates in a like-for-like comparison, i.e. only for residential properties which were managed by our company on a consistent basis over the past twelve months.

Like-for-like		30/06/2019	30/06/2018		30/06/2019	30/06/2018
	Residential units	In-place rent[1]	In-place rent[1]	Development	Vacancy rate	Vacancy rate
	number	EUR/sqm	EUR/sqm	in %	in %	in %
Total	**159,198**	**6.73**	**6.52**	**3.3**	**2.0**	**2.0**
Letting portfolio[2]	**147,533**	**6.77**	**6.55**	**3.4**	**1.8**	**1.9**
Core+	**135,037**	**6.85**	**6.63**	**3.4**	**1.7**	**1.8**
Greater Berlin	109,721	6.82	6.59	3.6	1.7	1.8
Rhine-Main	9,239	8.15	7.85	3.8	1.2	1.4
Dresden/Leipzig	5,775	5.95	5.82	2.2	3.6	2.9
Rhineland	4,854	6.25	6.15	1.6	1.1	0.9
Mannheim/ Ludwigshafen	4,556	6.17	6.02	2.4	1.7	2.0
Other Core+	892	10.61	10.42	1.8	0.5	0.9
Core	**12,496**	**5.96**	**5.80**	**2.7**	**2.9**	**2.5**
Hanover/Brunswick	8,922	6.06	5.89	3.0	2.7	2.0
Other Core	3,574	5.65	5.56	1.7	3.7	3.9

1 Contractually owed rent for let apartments divided by let surface area
2 Without disposal and Non-Core properties

Like-for-like rental growth was 3.3% in the reporting period. Rent increases for existing tenants were moderate at 1.4%.

The vacancy rate for our like-for-like letting portfolio remained very low at 1.8% (previous year: 1.9%), with 0.6% of this total standing vacant due to refurbishment in connection with our investment programme.

Portfolio investments

In the first half of 2019, we spent some EUR 174.3 million or around EUR 33.70 per sqm on maintenance and refurbishment. Of the total refurbishment costs of EUR 131.9 million, around EUR 63.1 million were for work completed between a change of tenants and EUR 68.8 million were for complex refurbishment projects. Around 70% of the total was capitalised as maintenance costs and some 30% will be charged to tenants as modernisation expenses.

The following table illustrates the maintenance expenses as well as the refurbishment measures for the past reporting period in comparison with the previous year.

EUR m	H1 2019	H1 2018
Maintenance	**42.4**	**44.0**
in EUR per sqm p.a.	8.20[1]	8.76[1]
Refurbishment	**131.9**	**99.9**
in EUR per sqm p.a.	25.50[1]	19.90[1]
Maintenance and refurbishment	**174.3**	**143.9**
in EUR per sqm p.a.	33.70[1]	28.66[1]

1 Based on the average surface area on a quarterly basis in each period

Portfolio valuation

Demand from domestic and foreign real estate investors for packages of residential portfolios remained high in the first half-year 2019 in the face of a still limited supply of such properties. This surplus demand and the rising rents are reflected in an increase of some EUR 450 million in the value of our property portfolio as of 30 June 2019.

The overview below shows key valuation figures for our property portfolio as of 30 June 2019.

Macro cluster	Region	Residential units	Fair value	Share of fair value	Fair value	Multiple in-place rent	Multiple re-letting rent
		number	EUR m	in %	EUR/sqm		
Core^{+}		**146,215**	**21,523**	**93.4**	**2,353**	**28.7**	**21.6**
	Greater Berlin	115,815	17,545	76.2	2,458	30.2	22.3
	Rhine-Main	10,045	1,520	6.6	2,422	24.3	19.3
	Dresden/ Leipzig	8,915	1,304	5.7	2,027	28.4	22.2
	Rhineland	5,766	618	2.7	1,647	20.5	17.3
	Mannheim/ Ludwigshafen	4,731	360	1.6	1,175	16.0	13.0
	Other Core^{+}	943	175	0.8	3,160	24.5	20.1
Core		**19,098**	**1,511**	**6.6**	**1,246**	**17.6**	**14.7**
	Hanover/ Brunswick	9,117	772	3.4	1,281	17.8	14.4
	Kiel/Lübeck	4,947	347	1.5	1,179	16.2	13.8
	Other Core	5,034	392	1.7	1,242	18.5	16.2
Non-Core		**144**	**5**	**0.0**	**589**	**9.9**	**8.4**
Total		**165,457**	**23,040**	**100.0**	**2,222**	**27.5**	**21.0**

The most significant valuation increase of approximately EUR 418 million relates to the Core^{+} segment, while a valuation increase of some EUR 32 million relates to the Core segment.

Fair value	30/06/2019		31/12/2018	
	Fair value	Multiple in-place rent	Fair value	Multiple in-place rent
	EUR m		EUR m	
Strategic core and growth regions	**23,034**	**27.5**	**22,185**	**27.2**
Core+	21,523	28.7	20,711	28.4
Core	1,511	17.6	1,474	17.4
Non-Core	5	9.9	5	9.7
Total	**23,040**	**27.5**	**22,190**	**27.2**

Nursing properties

The Nursing and Assisted Living segment comprises 89 nursing properties with a total of approximately 12,200 beds. Of these nursing properties, 88 are owned by Deutsche Wohnen. This makes us one of the largest owners of nursing properties in Germany.

We have two different business models for our nursing properties: 37 nursing facilities (with approximately 5,300 beds) are operated by KATHARINENHOF Seniorenwohn- und Pflegeanlage Betriebs-GmbH and its subsidiaries, in which we hold a 49% stake, and PFLEGEN & WOHNEN HAMBURG GmbH, which became a wholly owned subsidiary of Deutsche Wohnen SE on 2 January 2019. The other 52 facilities (approximately 6,900 beds) are managed by various external operators on long-term contracts.

As in the residential segment, we focus our nursing care activities on cities and regions with positive development forecasts, since the need for nursing care and assisted living is particularly high there. In this context, we are careful to ensure that we secure prime properties and provide high-quality nursing and residential care.

Nursing business: properties and operations

Nursing properties operated by KATHARINENHOF and PFLEGEN & WOHNEN HAMBURG

				Beds	
Region	Facilities	Nursing	Assisted living	Total	Occupancy 30/06/2019
	number	number	number	number	in %
Hamburg region	17	3,140	157	3,297	93.1
Berlin region	12	1,071	371	1,442	98.9
Saxony region	8	523	57	580	99.3
Total – operated through participations	**37**	**4,734**	**585**	**5,319**	**96.4**

Nursing properties with other operators

Federal state	Facilities	Nursing	Assisted living	Beds Total	WALT[1]
	number	number	number	number	
Bavaria	14	1,704	46	1,750	10.1
North Rhine-Westphalia	10	1,185	242	1,427	13.0
Rhineland-Palatinate	6	669	208	877	12.0
Lower Saxony	5	771	0	771	9.0
Baden-Württemberg	6	662	16	678	10.5
Hesse	4	528	0	528	10.2
Other	7	788	48	836	8.9
Total – operated by other operators	**52**	**6,307**	**560**	**6,867**	**10.7**
Total nursing	**89**	**11,041**	**1,145**	**12,186**	

1 Weighted average lease term

Notes on the financial performance and financial position

Financial performance

The following overview shows the course of business at the individual segments, as well as other items of the consolidated income statement for the first six months of the financial year 2019 compared with the same period the previous year:

EUR m	H1 2019	H1 2018
Earnings from Residential Property Management	365.1	331.3
Earnings from Disposals	23.6	9.0
Earnings from Nursing and Assisted Living	43.9	23.8
Corporate expenses	–47.4	–41.1
Other expenses/income	–3.3	–0.5
Operating result (EBITDA)	**381.9**	**322.5**
Depreciation and amortization	–19.7	–4.0
Adjustment to the fair value of investment properties	451.3	677.5
Gains/losses from companies valued at equity	1.9	1.1
Financial result	–23.8	–116.7
Earnings before taxes (EBT)	**791.6**	**880.4**
Current taxes	–20.3	–19.7
Deferred taxes	–168.2	–208.0
Profit/loss for the period	**603.1**	**652.7**

The profit for the period fell year on year by EUR 49.6 million to EUR 603.1 million, largely because of the lower contribution from fair value adjustments to investment properties.

Earnings before taxes adjusted for non-recurring and valuation effects shows the normalised earnings increase of EUR 31.9 million or 11.8%.

EUR m	H1 2019	H1 2018
Earnings before taxes	**791.6**	**880.4**
Gains/losses from the valuation of properties	−450.7	−677.5
Gains/losses from fair value adjustments to derivative financial instruments and convertible bonds	−58.6	63.8
Non-recurring expenses and revenues	20.5	4.2
Adjusted earnings before taxes	**302.8**	**270.9**

As in the previous year, non-recurring expenses and revenues in the first six months of 2019 mainly consist of project and transaction-related expenses in connection with the repayment of loans (EUR 8.9 million; previous year: EUR 1.1 million) and in the second quarter 2019 the partial redemption of a corporate bond (EUR 4.5 million interest expenses).

Earnings from Residential Property Management

Earnings from Residential Property Management rose year on year by EUR 33.8 million or 10.2% to EUR 365.1 million.

EUR m	H1 2019	H1 2018
Contracted rental income	411.1	387.3
Income from operating costs	204.9	162.3
Rental income	**616.0**	**549.6**
Operating costs	−201.3[2]	−167.4
Rental loss	−4.5	−3.4
Maintenance	−42.4	−44.0
Other	−2.7[2]	−3.5
Earnings from Residential Property Management	**365.1**	**331.3**
Staff, general and administration expenses	−26.2[2]	−23.6
Operating result (NOI)	**338.9**	**307.7**
NOI margin in %	82.4	79.4
NOI in EUR per sqm and month[1]	5.46	5.11
Change in NOI in EUR per sqm and month in %	6.8	

1 Based on average surface area on a quarterly basis in each period (annualized)
2 Comparison with the same period last year is limited by the absence of lease expenses due to first-time application of IFRS 16 as of 1 January 2019

Acquisitions and rent increases in the portfolio resulted in an increase in in-place rental income of roughly 6% compared with the first six months of the previous year.

Income from operating costs was higher than expenses for operating costs, because the change in accounting rules for leases meant that various expenses are no longer included in operating costs. For the first six months of financial year 2019 these consisted of lease expenses of EUR 9.5 million for metering and heat contracting. This also contributed to the increase of around 3 percentage points in the NOI margin to 82.4%.

Earnings from Disposals

A total of 887 units were sold up to 30 June 2019. The transfer of risks and rewards is expected to take place in 2019. Of the total, 204 units were sold on the basis of contracts signed in 2018.

	Units	Transaction volume	IFRS carrying amount of assets sold	Gross margin	
	number	EUR m	EUR m	EUR m	in %
Privatisation	276	79.5	48.3	31.2	65
Institutional sale	611	60.3	51.7	8.6	17
	887	**139.8**	**100.0**	**39.8**	**40**

The gross margins in the disposal segment remain high, despite the valuation uplifts in recent years.

Of the 887 units sold, the transfer of risks and rewards for 620 took place in the first six months of the 2019 financial year (previous year period: 501) and so are recognised in earnings from Disposals.

EUR m	H1 2019	H1 2018
Sales proceeds	104.3	60.6
Cost of sales	–6.3	–3.6
Net sales proceeds	**98.0**	**57.0**
Carrying amount of assets sold	–74.4	–48.0
Earnings from Disposals	**23.6**	**9.0**

Sales prices for privatised apartments came to an average of EUR 3,605 per sqm in the first six months of 2019 (previous year period: EUR 2,411 per sqm). The higher average sales price per sqm was due to a privatisation in a central location of Berlin. For the full year we expect both the average sales price for privatisations and the gross margin to be lower.

Earnings from Nursing and Assisted Living

The following overview shows income and costs for the Nursing and Assisted Living segment.

EUR m	H1 2019	H1 2018
Income		
Nursing care	73.5	26.6
Rental income	29.4	15.1
Lease income	23.0	14.4
Internal lease income	13.0	7.5
Other	9.1	6.2
	148.0	**69.8**
Costs		
Nursing and corporate expenses	–20.8[1]	– 11.4
Staff expenses	–68.9	–26.7
Leased assets	–1.4	–0.4
Internal lease expenses	–13.0	–7.5
	–104.1	**–46.0**
Earnings from Nursing and Assisted Living	**43.9**	**23.8**

1 Comparison with the same period last year is limited by the absence of lease expenses due to first-time application of IFRS 16 as of 1 January 2019

37 nursing facilities are managed by the KATHARINENHOF Group, in which we hold a 49% equity interest, and the PFLEGEN & WOHNEN HAMBURG Group, which has been a wholly owned subsidiary of Deutsche Wohnen since 2 January 2019. Earnings in the Nursing and Assisted Living segment from the properties managed by the two operating groups came to EUR 22.6 million before rental expenses (EBITDAR) for the first six months of financial year 2019 (previous year period: EUR 10.7 million). This represents an EBITDAR margin of 20.2%. Operating EBITDA after lease expenses stood at EUR 9.1 million (previous year period: EUR 3.0 million).

A further 52 nursing facilities were owned by Deutsche Wohnen (previous year: 28 nursing facilities) and are let to well-known operators on long leases. EBITDA from properties totalled EUR 34.8 million (previous year: EUR 20.8 million).

Corporate expenses

Corporate expenses include staff, general and administration expenses, without the Nursing and Assisted Living segment.

EUR m	H1 2019	H1 2018
Staff expenses	–29.1	–27.4
General and administration expenses	–18.3	–13.7
Total corporate expenses	**–47.4**	**–41.1**

Corporate expenses, not including the staff, general and administration expenses of disposals, accounted for about 11.1% of rental income (previous year period: 10.3%).

Depreciation and amortization

Depreciation and amortization rose from EUR 4.0 million in the first half-year 2018 to EUR 19.7 million in the first half-year 2019. The increase is due to the change in lease accounting and the right-of-use assets recognised in connection with leases, which are depreciated. Other additional depreciation and amortization mainly related to acquisitions, specifically the purchase of last-mile broadband cable and customer contracts acquired as part of the business combination with the PFLEGEN & WOHNEN HAMBURG Group.

Financial result

The financial result is made up as follows.

EUR m	H1 2019	H1 2018
Current interest expenses	–62.9	–47.8
Accrued interest on liabilities and pensions	–6.7	–6.6
Transaction-related interest expenses	–13.9	–1.2
Fair value adjustment of derivative financial instruments	–27.3	–4.0
Fair value adjustment of convertible bonds	85.9	–59.8
	–24.9	**–119.4**
Interest income	1.1	2.7
Financial result	**–23.8**	**–116.7**

Current interest expenses were higher, mainly due to higher financing volumes for financial liabilities and corporate bonds (30 June 2019: EUR 8.2 billion; 30 June 2018: EUR 5.9 billion).

Transaction-related interest expense consists of early repayment penalties for loans refinanced ahead of schedule and the partial redemption in the second quarter 2019 of corporate bonds maturing in July 2020.

Since long-term interest rates have fallen, the negative market value of derivative financial instruments (interest rate hedges) has risen. To the extent that these financial instruments do not form part of an effective hedging relationship, the fair value adjustment is recognised as an expense in the financial result.

The year-on-year changes in the financial result are principally due to the decline in expenses from the fair value adjustment of convertible bonds. The price of the convertible bonds tracks the share price of Deutsche Wohnen SE. The convertible bonds are held at fair value in the consolidated balance sheet. The decline in the Deutsche Wohnen share price therefore resulted in a valuation gain on the convertible bonds.

The ratio of current interest expenses less interest income to EBITDA (adjusted) before disposals is as follows.

EUR m	H1 2019	H1 2018
EBITDA (adjusted) before disposals	367.1[1]	319.0[1]
Current interest expenses and interest income	62.5[2]	45.1
Interest cover ratio (ICR)	**5.9**	**7.1**

1 Calculation method changed: staff, general and administration expenses are no longer included in EBITDA (adjusted) before disposals. The previous year's figures have been amended accordingly
2 Current interest expenses and interest income do not include interest income from finance leases for broadband cable networks

Income taxes

Income taxes of EUR 188.5 million (previous year period: EUR 227.7 million) comprise EUR 168.2 million (previous year period: EUR 208.0 million) in deferred taxes along with current income taxes of EUR 20.3 million (previous year period: EUR 19.7 million). The amount of deferred taxes is particularly due to the adjustment to the fair value of investment properties.

Assets and financial position

Here are some selected figures from the consolidated balance sheet.

	30/06/2019		31/12/2018	
	EUR m	in %	EUR m	in %
Investment properties	24,523.0	92	23,781.7	95
Other non-current assets	447.9	2	292.2	1
Total non-current assets	**24,970.9**	**94**	**24,073.9**	**96**
Current assets	1,148.4	4	651.2	3
Cash and cash equivalents	495.7	2	332.8	1
Total current assets	**1,644.1**	**6**	**984.0**	**4**
Total assets	**26,615.0**	**100**	**25,057.9**	**100**
Equity	**12,129.2**	**46**	**11,908.1**	**48**
Financial liabilities	6,401.0	24	6,184.6	25
Convertible bonds	1,650.8	6	1,697.2	7
Corporate bonds	1,808.0	7	1,200.4	5
Tax liabilities	51.3	0	36.0	0
Employee benefit liabilities	102.0	0	63.4	0
Deferred tax liabilities	3,397.3	13	3,244.7	12
Other liabilities	1,075.4	4	723.5	3
Total liabilities	**14,485.8**	**54**	**13,149.8**	**52**
Total equity and liabilities	**26,615.0**	**100**	**25,057.9**	**100**

Investment properties remain the largest balance sheet item. Compared with 31 December 2018, the figure was up as of 30 June 2019. This was due above all to acquisitions and capitalised refurbishment work.

The application of IFRS 16 as of 1 January 2019 resulted in additional other non-current assets from the recognition of right-of-use assets.

The increase in current assets stems from a change in the presentation of non-current assets held for sale due to a planned portfolio transaction, with assets mainly in Erfurt and Kiel, for which the transfer of risks and rewards is due to take place in late December 2019.

Group equity went up by EUR 221.1 million in absolute terms in the first six months of 2019. The balance sheet extension of EUR 1.6 billion caused the equity ratio to fall to approximately 46%. In the reporting period some 10,900 bearer shares in Deutsche Wohnen SE were issued in exchange for some 4,600 bearer shares in GSW Immobilien AG. This share swap took place in accordance with the provisions of the control agreement between the two companies on the put options held by outside shareholders. Furthermore, total comprehensive income of EUR 553.1 million in the first six months of 2019 increased the capital of Deutsche Wohnen, while the recognition of the dividend liability for the 2018 financial year reduced it by EUR 310.6 million. Shareholders had a choice between receiving the dividend in cash or shares. The cash dividend was paid and the new shares issued after the reporting date in July 2019.

Liabilities from convertible bonds decreased due to fluctuations in market value, offset by an increase resulting from accrued interest. The nominal amount of outstanding convertible bonds was EUR 1,600 million as of the reporting date.

Liabilities under corporate bonds increased following the issue of registered and bearer bonds with long maturities, offset by the voluntary partial redemption of the corporate bond maturing in July 2020.

Pension obligations went up due to the takeover of the PFLEGEN & WOHNEN HAMBURG Group.

Deferred tax liabilities rose year on year due largely to the revaluation of investment properties.

Other liabilities include the dividend liability of EUR 310.6 million for the 2018 financial year. Furthermore, application of IFRS 16 as of 1 January 2019 resulted in additional other liabilities under finance leases.

EPRA NAV

EPRA NAV changed as follows:

EUR m	30/06/2019	31/12/2018
Equity (before non-controlling interests)	11,770.3	11,559.1
Market value of derivative financial instruments	59.2	14.6
Deferred taxes	3,675.1	3,514.1
EPRA NAV (undiluted)	**15,504.6**	**15,087.8**
Number of shares (undiluted) in m	357.0	357.0
EPRA NAV (undiluted) in EUR per share	**43.43**	**42.26**
Effects from the conversion of convertible bonds	0.0	0.0
EPRA NAV (diluted)	**15,504.6**	**15,087.8**
Number of shares (diluted) in m	357.1	357.0
EPRA NAV (diluted) in EUR per share	**43.41**	**42.26**

EPRA NAV (undiluted) rose by EUR 416.8 million in absolute terms and by EUR 1.17 per share. This is mainly due to the valuation gains from the fair value adjustment as of 30 June 2019 as well as due to the comprehensive income for the first six months of the financial year 2019 of EUR 538.0 million attributable to the shareholders of the parent company. It was offset by the dividend of EUR 310.6 million for the financial year 2018.

Neither of the convertible bonds outstanding as of the reporting date is 'in the money', so EPRA NAV is not diluted. The slight dilution as of the reporting date stems from the outstanding share options for Management Board members.

Goodwill of EUR 150.1 million was carried as of the reporting date (31 December 2018: EUR 22.2 million). This goodwill did not result from business combinations with property holding companies, but from business combinations with service companies, mainly in the nursing care sector (EUR 140.0 million). Only goodwill relating to properties was deducted to calculate EPRA NAV adjusted for goodwill. The EPRA NAV adjusted for goodwill (Adjusted EPRA NAV) of Deutsche Wohnen as of the reporting date was therefore the same as EPRA NAV.

Loan-to-Value ratio

The Loan-to-Value ratio changed as follows compared with 31 December 2018:

EUR m	30/06/2019	31/12/2018
Financial liabilities	6,401.0	6,184.6
Convertible bonds	1,650.8	1,697.2
Corporate bonds	1,808.0	1,200.4
	9,859.8	**9,082.2**
Cash and cash equivalents	–495.7	–332.8
Net financial liabilities	**9,364.1**	**8,749.4**
Investment properties	24,523.0	23,781.7
Less right-of-use assets held as investment properties from leases[1]	–66.0	0.0
Non-current assets held for sale	465.2	33.0
Land and buildings held for sale	471.1	477.1
	25,393.3	**24,291.8**
Loan-to-Value ratio in %	**36.9**	**36.0**

1 Right-of-use assets in connection with leases accounted for – according to IAS 40 – are eliminated in the course of first-time application of IFRS 16.

The Loan-to-Value ratio was approximately 36.9% as of the reporting date. The average interest rate on the credit portfolio, including the convertible loans and corporate bonds, was approximately 1.3% as of 30 June 2019, with a hedging ratio[5] of around 88%.

Cash flow

The Group's cash flow was as follows:

EUR m	H1 2019	H1 2018
Cash flow from operating activities	139.9	288.1
Cash flow from investing activities	–780.3	–447.2
Cash flow from financing activities	803.3	284.7
Net change in cash and cash equivalents	**162.9**	**125.6**
Opening balance cash and cash equivalents	332.8	363.7
Closing balance cash and cash equivalents	**495.7**	**489.3**

Net cash flow from investing activities in the first six months of the 2019 financial year included payments for business combinations of EUR 83.2 million and for investments of EUR 799.6 million, of which outflows of EUR 641.0 million related to payments for acquisitions and EUR 132.3 million to refurbishment work. This was offset by sales proceeds for investment properties of EUR 101.6 million.

5 The ratio of financial liabilities, convertible bonds and corporate bonds at fixed interest rates or with interest rate hedges to the total nominal value of financial liabilities, convertible bonds and corporate bonds

In the reporting period, the net cash flow from financing activities included new loans of EUR 321.1 million and loan repayments of EUR 105.7 million. The figure also comprised proceeds of EUR 959.5 million from the issue of registered and bearer bonds and redemptions of corporate bonds of EUR 341.2 million. Of the dividend of EUR 310.6 million for financial year 2018 voted at the Annual General Meeting, EUR 225.7 million was paid in cash after the reporting date. The difference was paid in shares, since shareholders had a choice between a cash and share dividend. The deadlines for making the choice expired in July 2019.

FFO

The Funds from Operations (FFO I) indicator, which is relevant for us, rose by approximately 13.5% in absolute terms and by approximately 12.9% on a per share basis.

EUR m	H1 2019	H1 2018
EBITDA before gains/losses from fair value adjustments of investment properties	**381.9**	**322.5**
Valuation of current assets (properties)	0.6	0.0
Other one-off expenses and income	3.7	4.0
Restructuring and reorganisation costs	2.9	0.2
EBITDA (adjusted)	**389.1**	**326.7**
Earnings from Disposals	–23.6	–9.0
Staff, general and administration expenses of disposals	1.6	1.3[3]
EBITDA (adjusted) before disposals	**367.1**	**319.0[3]**
Finance leasing broadband cable networks	1.4	0.9
At-equity valuation	1.9	1.1
Interest expense/income	–63.2	–46.3
Income taxes	–20.3	–21.7
Non-controlling interests	–3.5	–3.2
FFO I	**283.4**	**249.8[3]**
Earnings from Disposals	23.6	9.0
Staff, general and administration expenses of disposals	–1.6	–1.3
FFO II	**305.4**	**257.5**
FFO I per share in EUR (undiluted)[1]	0.79	0.70
FFO I per share in EUR (diluted)[2]	0.79	0.70
FFO II per share in EUR (undiluted)[1]	0.86	0.73
FFO II per share in EUR (diluted)[2]	0.86	0.73

1 Based on a weighted average of approximately 357.02 million shares outstanding in 2019 and approximately 354.67 million in 2018
2 Based on a weighted average of approximately 357.02 million shares outstanding in 2019 and approximately 354.67 million in 2018, assuming conversion of 'in-the-money' convertible bonds in each case
3 Calculation method changed: staff, general and administration expenses are no longer included in FFO I – the previous year's figures have been amended accordingly

All rental income from broadband cable networks is included in the calculation of FFO, regardless of whether the corresponding contracts are classified in the IFRS consolidated financial statements as finance leases or operating leases with Deutsche Wohnen as lessor. To this extent, the rental payments agreed under civil law and which impact cash flow are shown as rental income, although they are classified as interest and debt repayments in the consolidated financial statements.

Events after the reporting date

For events after the reporting date we refer to the Notes.

Risk report

For details of the risks to future performance and a description of the risk management system (RMS), please refer to the information provided in the risk report accompanying the consolidated financial statements for the period ended 31 December 2018. There have been no material changes in the overall risk assessment compared with the previous year. There are no concrete risks to the company's continued existence. The effects of any rent controls in Berlin will be assessed in due course on the basis of concrete legislation.

Forecast

The first half-year 2019 went according to plan for Deutsche Wohnen. We therefore stand by the forecast we made in March 2019 when the figures for 2018 were published and expect an FFO I of around EUR 535 million.

Berlin, 7 August 2019

Deutsche Wohnen SE
Management Board

Michael Zahn
Chairman of the Management Board

Lars Wittan
Deputy Chairman of the Management Board

Philip Grosse
Member of the Management Board

Lars Urbansky
Member of the Management Board

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET

as of 30 June 2019

EUR m	30/06/2019	31/12/2018
Assets		
Investment properties	24,523.0	23,781.7
Property, plant and equipment	188.0	146.5
Intangible assets	194.6	31.4
Derivative financial instruments	1.6	0.9
Other non-current financial assets	63.6	113.3
Deferred tax assets	0.1	0.1
Non-current assets	**24,970.9**	**24,073.9**
Land and buildings held for sale	471.1	477.1
Other inventories	4.2	4.2
Trade receivables	38.7	22.4
Income tax receivables	127.4	83.1
Derivative financial instruments	0.2	0.1
Other financial assets	32.5	22.3
Other non-financial assets	9.1	9.0
Cash and cash equivalents	495.7	332.8
Subtotal of current assets	**1,178.9**	**951.0**
Non-current assets held for sale	465.2	33.0
Current assets	**1,644.1**	**984.0**
Total assets	**26,615.0**	**25,057.9**

EUR m	30/06/2019	31/12/2018
Equity and liabilities		
Equity attributable to shareholders of the parent company		
Issued share capital	357.0	357.0
Capital reserve	2,918.6	2,918.1
Other reserves	–42.7	7.1
Retained earnings	8,537.4	8,276.9
Total equity attributable to the shareholders of the parent company	**11,770.3**	**11,559.1**
Non-controlling interests	358.9	349.0
Total equity	**12,129.2**	**11,908.1**
Non-current financial liabilities	6,339.0	6,112.3
Convertible bonds	1,646.1	1,691.3
Corporate bonds	1,795.9	1,130.3
Employee benefit liabilities	102.0	63.4
Derivative financial instruments	51.7	7.3
Other provisions	15.7	15.2
Other financial liabilities	337.6	296.7
Deferred tax liabilities	3,397.3	3,244.7
Total non-current liabilities	**13,685.3**	**12,561.2**
Current financial liabilities	62.0	72.3
Convertible bonds	4.7	5.9
Corporate bonds	12.1	70.1
Trade payables	254.8	302.4
Other provisions	9.7	9.4
Derivative financial instruments	9.3	8.3
Tax liabilities	51.3	36.0
Other financial liabilities	365.9	54.9
Other non-financial liabilities	30.7	29.3
Total current liabilities	**800.5**	**588.6**
Total equity and liabilities	**26,615.0**	**25,057.9**

CONSOLIDATED PROFIT AND LOSS STATEMENT

for the period from 1 January to 30 June 2019

EUR m	H1 2019	H1 2018	Q2 2019	Q2 2018
Contracted rental income	411.1	387.3	206.4	194.4
Income from operating costs	204.9	162.3	100.3	60.5
Expenses from Residential Property Management	–250.9	–218.3	–125.3	–87.3
Earnings from Residential Property Management	**365.1**	**331.3**	**181.4**	**167.6**
Sales proceeds	104.3	60.6	53.7	29.7
Of which revenues from property holdings	9.0	17.9	3.1	15.3
Cost of sales	–6.3	–3.6	–3.0	–1.9
Carrying amount of assets sold	–74.4	–48.0	–47.0	–23.6
Of which for revenues from property holdings	–6.2	–14.4	–2.1	–12.2
Earnings from Disposals	**23.6**	**9.0**	**3.7**	**4.2**
Income from nursing	82.6	32.8	41.6	16.7
Rental and lease income	52.4	29.5	26.7	15.2
Expenses for Nursing and Assisted Living	–91.1	–38.5	–45.7	–19.7
Earnings from Nursing and Assisted Living	**43.9**	**23.8**	**22.6**	**12.2**
Corporate expenses	–47.4	–41.1	–24.2	–21.1
Other expenses	–15.7	–6.5	–9.5	–4.3
Other income	12.4	6.0	6.4	3.3
Subtotal (EBITDA before result of fair value adjustment) of investment properties	**381.9**	**322.5**	**180.4**	**161.9**
Gains/losses from the fair value adjustment of investment properties	451.3	677.5	451.3	677.5
Depreciation and amortization	–19.7	–4.0	–7.3	–2.1
Earnings before interest and taxes (EBIT)	**813.5**	**996.0**	**624.4**	**837.3**
Financial income	1.1	2.7	0.5	1.9
Gains/losses from fair value adjustments to derivative financial instruments and convertible bonds	58.6	–63.8	80.7	–60.0
Gains/losses from companies valued at equity	1.9	1.1	0.2	0.4
Financial expenses	–83.5	–55.6	–48.5	–27.4
Earnings before taxes (EBT)	**791.6**	**880.4**	**657.3**	**752.2**
Income taxes	–188.5	–227.7	–165.2	–202.9
Profit/loss for the period	**603.1**	**652.7**	**492.1**	**549.3**
Of which attributable to:				
Shareholders of the parent company	587.8	629.8	480.4	528.5
Non-controlling interests	15.3	22.9	11.7	20.8
	603.1	**652.7**	**492.1**	**549.3**
Earnings per share				
Undiluted in EUR	1.65	1.78	1.35	1.49
Diluted in EUR	1.36	1.74	1.07	1.48

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the period from 1 January to 30 June 2019

EUR m	H1 2019	H1 2018	Q2 2019	Q2 2018
Profit/loss for the period	**603.1**	**652.7**	**492.1**	**549.3**
Other comprehensive income				
Items subsequently reclassified to profit or loss				
Net gain/loss from derivative financial instruments	–17.5	0.8	–7.7	0.2
Income tax effects	4.4	–0.2	1.9	0.0
	–13.1	**0.6**	**–5.8**	**0.2**
Items not subsequently reclassified to profit or loss				
Actuarial gains/losses on pensions and impact of caps for assets in pension plans	–11.0	0.0	–5.6	0.0
Income tax effects	2.6	0.5	1.3	0.0
Net gains/losses from convertible bonds	–40.6	14.8	–2.7	13.1
Income tax effects	12.1	–4.5	0.7	–4.0
	–36.9	**10.8**	**–6.3**	**9.1**
Other comprehensive income after taxes	**–50.0**	**11.4**	**–12.1**	**9.3**
Total comprehensive income after taxes	**553.1**	**664.1**	**480.0**	**558.6**
Of which attributable to:				
Shareholders of the parent company	538.0	641.2	468.3	537.8
Non-controlling interests	15.1	22.9	11.7	20.8

CONSOLIDATED STATEMENT OF CASH FLOWS

for the period from 1 January to 30 June 2019

EUR m	H1 2019	H1 2018
Operating activities		
Profit/loss for the period	603.1	652.7
Financial income	–1.1	–2.7
Adjustment to derivative financial instruments and convertible bonds	–58.6	63.8
Financial expenses	83.5	55.6
Gains/losses from companies valued at equity	–1.9	–1.1
Income taxes	188.5	227.7
Profit/loss for the period before interest and taxes	**813.5**	**996.0**
Non-cash expenses/income		
Fair value adjustment of investment properties	–451.3	–677.5
Depreciation and amortization	19.7	4.0
Other non-cash expenses/income	–20.3	–5.3
Changes in net current assets		
Changes in receivables, inventories and other current assets	–71.7	–46.0
Changes in operating liabilities	–51.8	92.4
Net operating cash flow	**238.1**	**363.6**
Proceeds from the disposal of properties held for sale	9.0	17.9
Investment in properties held for sale	–0.7	–13.2
Interest paid	–78.9	–46.0
Interest received	1.0	2.7
Taxes paid	–30.4	–45.9
Taxes received	1.8	9.0
Net cash flow from operating activities	**139.9**	**288.1**
Investing activities		
Sales proceeds	101.6	43.8
Purchases of property, plant and equipment	–799.6	–489.2
Proceeds from dividends from shareholdings and joint ventures	0.1	0.1
Payments for business combinations less cash and cash equivalents acquired	–83.2	–3.3
Other proceeds of investing activities	1.2	1.4
Payments to limited partners in funds	–0.4	0.0
Net cash flow from investing activities	**–780.3**	**–447.2**
Financing activities		
Proceeds of new borrowing	321.1	286.4
Loan repayments	–105.7	–41.6
Proceeds from the issue of corporate bonds	959.5	140.0
Repayment of corporate bonds	–341.2	–90.0
One-off financing payments	–14.4	–1.2
Repayment of lease liabilities	–10.3	0.0
Other payments from financing activities	–0.9	–1.4
Dividends paid to shareholders of non-controlling interests	–4.8	–7.5
Net cash flow from investing activities	**803.3**	**284.7**
Net change in cash and cash equivalents	**162.9**	**125.6**
Opening balance of cash and cash equivalents	**332.8**	**363.7**
Closing balance of cash and cash equivalents	**495.7**	**489.3**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

as of 30 June 2019

EUR m	Issued capital	Capital reserve	Pensions and convertible bonds	Cash flow hedge reserve	Total other comprehensive income	Retained earnings	Equity attributable to shareholders of the parent company	Non-controlling interests	Total equity
Equity as of 1 January 2018	**354.7**	**3,078.6**	**–17.7**	**–2.0**	**–19.7**	**6,474.6**	**9,888.2**	**322.8**	**10,211.0**
Profit/loss for the period						652.7	652.7		652.7
Of which non-controlling interests						–22.9	–22.9	22.9	0.0
Other comprehensive income			10.8	0.6	11.4		11.4		11.4
Of which non-controlling interests			0.0	0.0	0.0		0.0	0.0	0.0
Total comprehensive income			**10.8**	**0.6**	**11.4**	**629.8**	**641.2**	**22.9**	**664.1**
Capital increase	0.0	0.1					0.1		0.1
Change in non-controlling interests						0.0	0.0	–7.7	–7.7
Dividend						–283.7	–283.7		–283.7
Other						–1.5	–1.5		–1.5
Equity as of 30 June 2018	**354.7**	**3,078.7**	**–6.9**	**–1.4**	**–8.3**	**6,819.2**	**10,244.3**	**338.0**	**10,582.3**
Equity as of 1 January 2019	**357.0**	**2,918.1**	**10.5**	**–3.4**	**7.1**	**8,276.9**	**11,559.1**	**349.0**	**11,908.1**
Profit/loss for the period						603.1	603.1		603.1
Of which non-controlling interests						–15.3	–15.3	15.3	0.0
Other comprehensive income			–36.9	–13.1	–50.0		–50.0		–50.0
Of which non-controlling interests			0.0	0.2	0.2		0.2	–0.2	0.0
Total comprehensive income			**–36.9**	**–12.9**	**–49.8**	**587.8**	**538.0**	**15.1**	**553.1**
Capital increase	0.0	0.5					0.5		0.5
Change in non-controlling interests						–0.1	–0.1	–5.2	–5.3
Dividend						–310.6	–310.6		–310.6
Other						–16.6	–16.6		–16.6
Equity as of 30 June 2019	**357.0**	**2,918.6**	**–26.4**	**–16.3**	**–42.7**	**8,537.4**	**11,770.3**	**358.9**	**12,129.2**

NOTES

General information

Deutsche Wohnen SE is a publicly listed property company which is based in Germany and operates nationally. Its headquarters are located at Mecklenburgische Straße 57, Berlin, and it is entered in the Commercial Register held at Berlin-Charlottenburg Local Court, HRB 190322 B. The business activities of Deutsche Wohnen SE are limited to its role as the holding company for the companies in the Group. This particularly consists of the functions Project & Process Management, Corporate Development and Strategy, Asset Management, Corporate Finance, IT, Human Resources, Investor Relations, Corporate Communication and Legal/Compliance. The operating subsidiaries focus on Property Management, Disposals/Acquisitions and property-related services.

The consolidated interim financial statements are prepared in euros (EUR). Unless stated otherwise, all figures are rounded to the nearest thousand euros (EUR k) or million euros (EUR m). For arithmetical reasons, there may be rounding differences between the tables and references and the exact mathematical figures.

Basic principles and methods used in the consolidated financial statements

The condensed consolidated financial statements for the period from 1 January to 30 June 2019 were prepared in accordance with IAS 34 Interim Financial Reporting as applicable in the EU. The condensed consolidated financial statements have not been audited or submitted to a review.

These interim financial statements do not contain all the information and details required for consolidated financial statements and should therefore be read in conjunction with the consolidated financial statements for the period ended 31 December 2018.

Amortized cost is generally used when preparing the consolidated financial statements. The main exceptions to this are investment properties, convertible bonds and derivative financial instruments, which are measured at fair value.

The consolidated financial statements comprise the financial statements of Deutsche Wohnen and its subsidiaries as of 30 June 2019. The subsidiaries' financial statements are prepared using uniform accounting policies and valuation methods with the same reporting date as the parent company's financial statements.

When the consolidated financial statements are prepared, the management team makes discretionary decisions, estimates and assumptions which affect the amount posted for revenues, expenses, assets, liabilities and contingent liabilities as of the reporting date. However, the uncertainty entailed in these assumptions and estimates could result in outcomes which require considerable adjustments to be made to the carrying amount of the respective assets or liabilities in the future.

Deutsche Wohnen's business activities are largely unaffected by seasonal or economic factors.

Business combinations

In the course of a successive acquisition the Group acquired the remaining 55% interest in PuW OpCo GmbH ('PFLEGEN & WOHNEN HAMBURG Group') based in Hamburg. The acquisition date on which Deutsche Wohnen SE gained control over the PFLEGEN & WOHNEN HAMBURG Group is 2 January 2019. As of this date Deutsche Wohnen SE holds 100% of the shares in the group. The PFLEGEN & WOHNEN HAMBURG Group is a Hamburg-based operator of nursing homes and offers a broad range of regional nursing care solutions to elderly people and others requiring nursing care.

The preliminary consideration transferred for the purchase of the PFLEGEN & WOHNEN HAMBURG Group is made up as follows:

EUR m	
Fair value of equity instruments already held (45%)	54.0
Net cash price component for the remaining shares (55%)	66.9
Total consideration transferred	**120.9**

The valuation of the equity instruments already held had no material effect on earnings. The purchase price allocation (PPA) to the acquired assets and liabilities of the PFLEGEN & WOHNEN HAMBURG Group as of the first consolidation date is based on a provisional external valuation obtained for the purpose of measuring the fair values of these assets and liabilities.

The assets and liabilities acquired in the course of the business acquisition have the following provisional fair values as of the initial consolidation date:

EUR m	
Intangible assets	38.7
Property, plant and equipment	13.2
Trade receivables	3.2
Cash and cash equivalents	7.7
Other assets at fair value	1.3
Total assets	**64.1**
Employee benefit liabilities	–27.8
Financial liabilities	–24.0
Trade payables	–2.2
Deferred tax liabilities	–4.4
Other liabilities at fair value	–13.4
Total liabilities	**–71.8**
Net assets at fair value	**–7.7**
Total compensation transferred	120.9
Goodwill	**128.6**

The goodwill largely represents the expected earnings potential of the business with its wide range of regional nursing homes, an improved general market position and other advantages and assets that cannot be recognised separately (e.g. workforce).

The gross amount of the purchased trade receivables corresponds to their fair value.

Since its initial consolidation, the PFLEGEN & WOHNEN HAMBURG Group has contributed revenues of approximately EUR 59.9 million and earnings (EBT) of around EUR 5.4 million to the consolidated financial statements of Deutsche Wohnen.

One Group subsidiary was merged with its direct parent and renamed. In addition, the Group invested in a newly established joint venture. This did not have any material effect on the company's assets, financial performance or position.

There were no other changes to the Group of consolidated companies.

Changes to accounting policies and valuation methods

The accounting policies and valuation methods used in the condensed interim financial statements are the same as those used in the consolidated financial statements for the financial year 2018. One exception is the first-time application of IFRS 16 'Leases'.

Effects of first-time application of IFRS 16 'Leases'

The switch to IFRS 16 as of 1 January 2019 entailed the first-time recognition of operating leases in which the Group is lessee. First-time application resulted in the recognition of right-of-use assets of EUR 47.8 million and lease liabilities of 48.4 million. IFRS 16 was applied using the modified retrospective approach. Comparative figures for prior year periods were not adjusted. The operating lease liabilities as of 31 December 2018 are reconciled with the opening balances of lease liabilities as of 1 January 2019 as follows:

EUR m	01/01/2019
Operating lease liabilities as of 31 December 2018	37.4
Discounting	–2.1
Lease liabilities as of 1 January 2019	35.3
Revaluation of existing finance leases as of 1 January 2019	13.1
Additional lease liabilities from first-time application of IFRS 16 as of 1 January 2019	**48.4**

Lease liabilities were discounted to 1 January 2019 using the marginal borrowing rate. The weighted average discount rate was 1.2%.

Effects on the opening balances as of the transition date are shown below:

EUR m	01/01/2019
Assets	
Non-current assets	
Right-of-use assets – Land and buildings	4.9
Right-of-use assets – Investment properties	3.7
Right-of-use assets – Heat contracting	13.6
Right-of-use assets – Metering technology	25.1
Right-of-use assets – Vehicle fleet	0.5
Deferred taxes	0.1
Total	**47.9**
Equity and liabilities	
Equity	
Retained earnings	–0.5
Non-current other financial liabilities	
Lease liabilities	39.8
Current other financial liabilities	
Lease liabilities	8.6
Total	**47.9**

With the exception of the investment properties, right-of-use assets are presented in plant, property and equipment. First-time application of IFRS 16 resulted in the recognition of interest expenses of some EUR 0.3 million and depreciation and amortization of some EUR 3.5 million in the reporting period in connection with the first-time recognition of leases.

The distinction between finance and operating leases is maintained for leases where the Group is lessor. Because the underlying performance for land tax and property insurance is not transferred to the lessee, income from these operating costs is considered to be another component of the contract (neither lease nor service component) and is therefore recognised separately according to the relevant provisions of IFRS 15. Changing the classification of these components in accordance with IFRS 16 had no effect.

Selected notes on the consolidated balance sheet

Investment properties make up more than 90% of the assets held by the Deutsche Wohnen Group. Effective 30 June 2019, the residential and commercial buildings recognised in the balance sheet as investment properties underwent a detailed internal valuation and were entered in the balance sheet at their fair value. For details of the valuation methods and parameters used, please refer to the consolidated financial statements for the period ended 31 December 2018.

Based on the data provided, Jones Lang LaSalle SE (JLL), Frankfurt am Main completed a rough plausibility check of the valuation performed by Deutsche Wohnen SE as of 30 June 2019. To do so, JLL concentrated on the earnings for each reporting cluster. No detailed plausibility check was carried out at the level of the individual properties/micro assets. The focus was on analysing the following aspects: change in value, in-place rent, value (EUR/sqm), multiple 'in-place' and multiple 're-letting', compared with the valuation carried out as of 31 December 2018.

Overall, JLL considers the portfolio value as of 30 June 2019 to be plausible and in line with the market.

On 17 June 2019 the Berlin senate decided to draft legislation prohibiting rent increases in the city for five years. Whether this is consistent with existing federal law is currently the subject of debate. Whatever the answer, an impact of the ensuing uncertainty and risks on investor sentiment – both in terms of direct and indirect investments in any assets that may be affected – cannot be ruled out at present. However, in the first half-year 2019 there were no signs that the ongoing debate was having a direct impact on pricing in the investment market for residential property in Berlin.

The principles used for the valuation dated 30 June 2019 were the same as those applied on 31 December 2018 (Level 3 of the fair value hierarchy – measurement on the basis of valuation models).

The table below shows the average of all unobservable inputs incorporated into the internal valuation (Level 3) of the developed plots:

30/06/2019			Core+	Core	Non-Core	Total
	Berlin	Other	Total	Total	Total	Total
In-place rent (EUR/sqm)	6.82	6.88	6.83	5.97	5.13	**6.73**
Market rental growth p.a. in %	1.9	1.8	1.9	1.5	0.7	**1.9**
Vacancy rate in %	2.9	3.6	3.1	3.3	4.3	**3.1**
Multiple	30.3	23.4	28.6	17.6	9.9	**27.4**
Discount rate in %	4.6	5.3	4.7	5.8	7.7	**4.8**
Capitalisation rate in %	3.4	4.2	3.5	4.9	7.1	**3.6**

An adjustment to the key valuation parameters (market rental growth during the detailed planning phase 20% lower than anticipated; 0.1% rise in the discount rate; and 0.1% increase in the capitalisation rate) would result in the following non-cumulative value adjustments to the carrying amount of the residential and commercial buildings:

30/06/2019			Core+	Core	Total
in %	Berlin	Other	Total	Total	Total
Market rental growth	–7.58	–5.22	–7.10	–5.26	**–6.98**
Discount rate	–0.83	–0.71	–0.81	–0.93	**–0.81**
Capitalisation rate	–2.16	–1.27	–1.98	–1.20	**–1.93**

Consequently, a positive change in the various valuation parameters would have positive effects to more or less the same degree.

The following inputs were utilised as of 31 December 2018:

31/12/2018			Core+	Core	Non-Core	Total
	Berlin	Other	Total	Total	Total	Total
In-place rent (EUR/sqm)	6.71	6.69	6.70	5.87	5.10	**6.60**
Market rent increases p.a. in %	3.38	2.65	3.20	1.61	0.36	**3.1**
Vacancy rate in %	2.1	3.2	2.4	2.9	4.3	**2.4**
Multiple	30.1	22.4	28.3	17.4	9.7	**27.1**
Discount rate in %	4.4	5.5	4.6	5.7	7.8	**4.7**
Capitalisation rate in %	4.0	4.7	4.2	5.3	7.5	**4.2**
Maintenance costs (EUR/sqm/p.a.)	11.30	11.70	11.40	12.0	12.80	**11.40**

An adjustment to the key valuation parameters (market rental growth during the detailed planning phase 20% lower than anticipated; 0.1% rise in the discount rate and 0.1% increase in the capitalisation rate) resulted in the following non-cumulative value adjustments to the carrying amount of the residential and commercial buildings as of 31 December 2018:

31/12/2018			Core+	Core	Total
in %	Berlin	Other	Total	Total	Total
Market rental growth	–6.20	–4.06	–5.79	–3.21	**–5.62**
Discount rate	–0.82	–0.68	–0.80	–0.75	**–0.79**
Capitalisation rate	–1.77	–1.23	–1.67	–1.23	**–1.64**

Property, plant and equipment is made up largely of owner-occupied properties (IAS 16), technical equipment, furniture and fixtures and right-of-use assets (IFRS 16). First-time application of IFRS 16 'Leases' as of 1 January 2019 therefore caused property, plant and equipment to go up accordingly.

Intangible assets include goodwill of EUR 150.1 million, of which the acquisition of the PFLEGEN & WOHNEN HAMBURG Group in the reporting period accounts for EUR 128.6 million. Contracts with customers and brand rights were recognised as other intangible assets following the acquisition of the PFLEGEN & WOHNEN HAMBURG Group. Customer contracts are amortized over their useful lives. There were no indications of impairment as of the reporting date.

The derivative financial instruments are interest rate hedges held at fair value. These are not used for speculative purposes but are taken out solely to minimise interest rate risks – and therefore cash flow risks – posed by floating-rate loans.

The decline in other non-current financial assets mainly relates to the PFLEGEN & WOHNEN HAMBURG Group, which was accounted for using the equity method at EUR 53.3 million as of 31 December 2018 and was fully consolidated in the reporting period following the acquisition of all the shares. Its derecognition as an associate had no material effect on earnings.

The increase in investment properties held for sale relates to the investment properties for which sales contracts had been signed as of the reporting date but to which title had not yet been conveyed, or for which a disposal within twelve months is considered to be most probable.

All other financial assets (trade receivables, other assets, and cash and cash equivalents) and other financial liabilities (non-current and current financial liabilities, long and short-term corporate bonds, trade payables and other liabilities) are valued at amortized cost. The amortized cost of these assets and liabilities corresponds approximately to their fair value.

The consolidated statement of changes in equity on page 28 shows how equity developed. The Annual General Meeting voted on 18 June 2019 to distribute a dividend of EUR 310.6 million (EUR 0.87 per share) from distributable profit for the financial year 2018. The liability for the distribution, which shareholders could elect to receive in cash or shares, was shown in current other liabilities as of the reporting date.

Financial liabilities increased compared with 31 December 2018, mainly due to raising the amounts of existing loans in the context of property acquisitions and to new borrowing.

The convertible bonds are held at fair value based on their price on the reporting date. Changes in the carrying amounts compared with 31 December 2018 reflect the change in the fair value of the convertible bonds. Insofar as the change in fair value is due to a change in counterparty risk, it is recognised in other comprehensive income. The adjusted conversion prices of the convertible bonds issued by Deutsche Wohnen SE in 2017 are EUR 47.9555 (maturity date: 2024) and EUR 50.5052 (maturity date: 2026); the nominal outstanding amount in each case is EUR 800.0 million.

A nominal amount of EUR 221.2 million of the fixed-interest corporate bond issued in 2015 (total nominal amount: EUR 500 million) was redeemed in the reporting period. The remaining nominal amount as of the reporting date was therefore EUR 278.8 million. The earnings effect of the disposal of EUR 4.5 million was recognised in interest expenses. In addition, a further approximately EUR 900 million in unsecured financing (bearer and registered bonds) was raised in the reporting period.

Employee benefit liabilities were valued using a weighted discount factor of 0.8% p.a. on the reporting date (reporting date 31 December 2018: 1.60% p.a.). This is derived from the yield on fixed-interest industrial loans as of the reporting date.

Selected notes on the consolidated income statement

The income from Residential Property Management is made up as follows:

EUR m	H1 2019	H1 2018
Potential rent	422.7	398.0
Subsidies	0.4	0.5
	423.1	**398.5**
Vacancy losses	–12.0	–11.2
	411.1	**387.3**
Income from operating costs	204.9	162.3
	616.0	**549.6**

Disclosures on revenue recognition pursuant to IFRS 15

The following table shows the main income streams by type and timing of revenue recognition; allocated to the segments in which it is presented.

EUR m				H1 2019
Segments	Residential Property Management	Disposals	Nursing and Assisted Living	Total
Goods/services				
Operating costs	204.9	–	–	204.9
Privatisation	–	60.0	–	60.0
Institutional sale	–	44.3	–	44.3
Nursing	–	–	82.6	82.6
	204.9	**104.3**	**82.6**	**391.8**
Time of revenue recognition				
Goods or services transferred at a point in time	–	104.3	–	104.3
Goods or services transferred over time	204.9	–	82.6	287.5
	204.9	**104.3**	**82.6**	**391.8**

EUR m				H1 2018
Segments	Residential Property Management	Disposals	Nursing and Assisted Living	Total
Goods/services				
Operating costs	162.3	–	–	162.3
Privatisation	–	34.4	–	34.4
Institutional sale	–	26.2	–	26.2
Nursing	–	-	32.8	32.8
	162.3	**60.6**	**32.8**	**255.7**
Time of revenue recognition				
Goods or services transferred at a point in time	–	60.6	–	60.6
Goods or services transferred over time	162.3	–	32.8	195.1
	162.3	**60.6**	**32.8**	**255.7**

The expenses from Residential Property Management are made up as follows:

EUR m	H1 2019	H1 2018
Maintenance costs	–42.4	–44.0
Operating costs	–201.3	–167.4
Rental loss	–4.5	–3.4
Other costs	–2.7	–3.5
	–250.9	**–218.3**

Earnings from Disposals comprise the sales proceeds, cost of sales and carrying amounts of investment properties sold and land and buildings held for sale.

Earnings in the Nursing and Assisted Living segment can be broken down as follows:

EUR m	H1 2019	H1 2018
Income from Nursing and Assisted Living	82.6	32.8
Rental and lease income	52.4	29.5
Nursing and corporate expenses	–20.8	–11.4
Staff expenses	–68.9	–26.7
Expenses for leased properties	–1.4	–0.4
	43.9	**23.8**

Finance expenses are made up as follows:

EUR m	H1 2019	H1 2018
Current interest expenses	–62.9	–47.8
Accrued interest on liabilities and pensions	–6.7	–6.6
Non-recurring expenses in connection with financing	–13.9	–1.2
	–83.5	**–55.6**

Notes on the cash flow statement

Other non-cash operating expenses/income primarily consist of the carrying amount profit from disposals.

Cash and cash equivalents are made up of cash in hand and bank balances.

Notes on segment reporting

The table below shows the segment income and segment earnings for the Deutsche Wohnen Group:

	External revenue		Internal revenue		Total revenue		Segment earnings	
EUR m	H1 2019	H1 2018	H1 2019	H1 2018	H1 2019	H1 2018	H1 2019	H1 2018
Segments								
Residential Property Management	616.0	549.6	15.5	9.6	631.5	559.2	365.1	331.3
Disposals	104.3	60.6	4.6	3.9	108.9	64.5	23.6	9.0
Nursing and Assisted Living	135.0	62.3	0.0	0.0	135.0	62.3	43.9	23.8
Reconciliation with the consolidated financial statements								
Central function and other operating activities	0.0	0.1	59.1	54.4	59.1	54.5	–50.7	–41.6
Consolidations and other reconciliation	0.0	–0.1	–79.2	–67.9	–79.2	–68.0	0.0	0.0
	855.3	**672.5**	**0.0**	**0.0**	**855.3**	**672.5**	**381.9**	**322.5**

The following table shows how segment earnings were reconciled with the consolidated profit and loss statement:

EUR m	H1 2019	H1 2018
Total segment earnings	432.6	364.1
Corporate expenses	–47.4	–41.1
Other expenses	–15.7	–6.5
Other income	12.4	6.0
Gains/losses from the fair value adjustment of investment properties	451.3	677.5
Depreciation and amortization	–19.7	–4.0
Earnings before interest and taxes (EBIT)	**813.5**	**996.0**
Financial income	1.1	2.7
Gains/losses from fair value adjustments to derivative financial instruments and convertible bonds	58.6	–63.8
Gains/losses from companies valued at equity	1.9	1.1
Financial expenses	–83.5	–55.6
Earnings before taxes	**791.6**	**880.4**
Income taxes	–188.5	–227.7
Profit/loss for the period	**603.1**	**652.7**

Other notes

Related parties

The composition of the Deutsche Wohnen SE Supervisory Board has changed. Claus Wisser's mandate expired at the close of the Annual General Meeting 2019. Arwed Fischer was elected as a new member of the Supervisory Board at the Annual General Meeting.

The composition of the Deutsche Wohnen SE Management Board has changed. The Supervisory Board of Deutsche Wohnen SE appointed Lars Urbansky to the Management Board with effect from 1 April 2019 and Henrik Thomsen with effect from 1 January 2020 at the latest.

There were no other material changes to the details of related parties provided as of 31 December 2018.

Other financial obligations

In the reporting period Deutsche Wohnen signed contracts to purchase a property portfolio consisting of some 2,850 apartments and 100 commercial units at a purchase price of around EUR 685 million. This gave rise to a purchase price obligation of EUR 235.6 million as of the reporting date. Payment of the purchase price and transfer of risks and rewards are expected to take place in 2019.

Financial instruments

The table below shows the categorisation of financial instruments into the corresponding classes as per IFRS 7.6 and the allocation to measurement categories as defined in IAS 9:

30/06/2019

EUR m	Valuation category in accordance with IFRS 9	Measured at amortized cost		Measured at fair value	Value recognised in the balance sheet in accordance with IFRS 16/ IAS 28	Total balance sheet items
		Carrying amount	Fair value	Carrying amount	Carrying amount	Carrying amount
Trade receivables	AC	38.7	38.7	–	–	38.7
Other assets						
Equity instruments	FVOCI	–	–	3.8	–	3.8
Interests in associates and joint ventures	n/a	–	–	–	21.7	21.7
Loans receivable	AC	4.6	4.6	–	–	4.6
Leasing receivables	n/a	–	–	–	29.4	29.4
Other financial assets	AC	36.6	36.6	–	–	36.6
Derivative financial instruments						
Interest rate hedges (no hedge accounting)	FVtPL	–	–	1.8	–	1.8
Cash flow hedges (interest rate swaps)	n/a	–	–	0.0	–	0.0
Cash and cash equivalents	AC	495.7	495.7	–	–	495.7
Total financial assets		**575.6**	**575.6**	**5.6**	**51.1**	**632.3**
Financial liabilities	AC	6,401.0	6,735.2	–	–	6,401.0
Convertible bonds	FVtPL	–	–	1,650.8	–	1,650.8
Corporate bonds	AC	1,808.0	1,913.1	–	–	1,808.0
Trade payables	AC	254.8	254.8	–	–	254.8
Other liabilities						
Liabilities from finance leases	n/a	–	–	–	178.6	178.6
Other financial liabilities	AC	524.9	524.9	–	–	524.9
Derivative financial instruments						
Interest rate hedges (no hedge accounting)	FVtPL	–	–	37.0	–	37.0
Cash flow hedges (interest rate swaps)	n/a	–	–	24.0	–	24.0
Total financial liabilities		**8,988.7**	**9,428.0**	**1,711.8**	**178.6**	**10,879.1**

AC – Financial assets and financial liabilities measured at amortized cost (Amortized Cost)
FVtPL – Fair Value through Profit and Loss
FVOCI – Fair Value through Other Comprehensive Income

31/12/2018

EUR m	Valuation category in accordance with IFRS 9	Measured at amortized cost		Measured at fair value	Value recognised in the balance sheet in accordance with IAS 17/ IAS 28	Total balance sheet items
		Carrying amount	Fair value	Carrying amount	Carrying amount	Carrying amount
Trade receivables	AC	22.4	22.4	–	–	22.4
Other assets						
Equity instruments	FVOCI	1.8	n/a	–	–	1.8
Interests in associates and joint ventures	n/a	–	n/a	–	72.8	72.8
Loans receivable	AC	4.2	4.2	–	-	4.2
Leasing receivables	n/a	–	0.0	–	32.9	32.9
Other financial assets	AC	26.2	0.0	–	0.0	26.2
Derivative financial instruments						
Interest rate hedges (no hedge accounting)	FVtPL	–	0.0	1.0	–	1.0
Cash flow hedges (interest rate swaps)	n/a	–	0.0	0.0	–	0.0
Cash and cash equivalents	AC	332.8	332.8	–	–	332.8
Total financial assets		**387.5**	**359.4**	**1.0**	**105.7**	**494.2**
Financial liabilities	AC	6,184.6	6,359.8	–	–	6,184.6
Convertible bonds	FVtPL	–	–	1,697.2	–	1,697.2
Corporate bond	AC	1,200.4	1,164.4	–	–	1,200.4
Trade payables	AC	302.4	302.4	–	–	302.4
Other liabilities						
Liabilities from finance leases	n/a	–	–	–	146.3	146.3
Other financial liabilities	AC	205.3	205.3	–	–	205.3
Derivative financial instruments						
Interest rate hedges (no hedge accounting)	FVtPL	–	–	9.6	–	9.6
Cash flow hedges (interest rate swaps)	n/a	–	–	6.0	–	6.0
Total financial liabilities		**7,892.6**	**8,031.8**	**1,712.8**	**146.3**	**9,751.8**

AC – Financial assets and financial liabilities measured at amortized cost (Amortized Cost)
FVtPL – Fair Value through Profit and Loss
FVOCI – Fair Value through Other Comprehensive Income

Please also refer to the disclosures as per IFRS 7 and IFRS 9 in the consolidated financial statements for the period ended 31 December 2018.

Events after the balance sheet date

Deutsche Wohnen SE offered its shareholders the choice of having their dividend paid in cash or in the form of new shares in Deutsche Wohnen SE. During the subscription period, shareholders accounting for around 28.3% of the dividend-bearing shares opted for the stock dividend. Consequently, 2,617,281 new shares with an equivalent value of some EUR 84.9 million were issued for approximately 101 million dividend entitlements when the capital increase was entered in the Commercial Register.

We are not aware of any material events after the reporting date.

Berlin, 7 August 2019

Deutsche Wohnen SE
Management Board

Michael Zahn
Chairman of the
Management Board

Lars Wittan
Deputy Chairman of the
Management Board

Philip Grosse
Member of the
Management Board

Lars Urbansky
Member of the
Management Board

STATEMENT BY THE STATUTORY REPRESENTATIVES

“To the best of our knowledge, and in accordance with the applicable accounting standards for interim reporting, the interim consolidated financial statements give a true and fair view of the net assets, financial and earnings position of the Group, and the Group’s interim management report gives a true and fair view of the development of the business including the earnings and the position of the company and describes the main opportunities and risks associated with the company’s expected future development in the remainder of the financial year.”

Berlin, 7 August 2019
Deutsche Wohnen SE

Michael Zahn
Chairman of the
Management Board

Lars Wittan
Deputy Chairman of the
Management Board

Philip Grosse
Member of the
Management Board

Lars Urbansky
Member of the
Management Board

CONTACT

Sebastian Jacob
Head of Investor Relations

Phone +49 (0) 30 897 86 5412
Fax +49 (0) 30 897 86 5419

Deutsche Wohnen SE
Mecklenburgische Straße 57
14197 Berlin, Germany

Phone +49 (0) 30 897 86 0
Fax +49 (0) 30 897 86 1000

info@deutsche-wohnen.com
www.deutsche-wohnen.com

IMPRINT

Published by
Deutsche Wohnen SE, Berlin

Concept, design and realisation
Silvester Group, Hamburg

This interim report is available in German and English. Both versions can be downloaded from www.deutsche-wohnen.com.

FINANCIAL CALENDAR 2019

14–15/08/2019	Roadshow, London
29/08/2019	Berenberg Copenhagen Top Picks Large Cap Seminar, Copenhagen
10–11/09/2019	Bank of America Merrill Lynch Global Real Estate Conference, New York
23/09/2019	Berenberg and Goldman Sachs 8th German Corporate Conference, Munich
24/09/2019	Baader Investment Conference, Munich
07–09/10/2019	Expo Real, Munich
13/11/2019	Publication of the interim statement as at 30 September 2019/1st–3rd quarter
14–15/11/2019	Roadshow, Edinburgh and London
03–04/12/2019	UBS Global Real Estate Conference, London
05/12/2019	Berenberg European Corporate Conference, Pennyhill