

Group Interim Report
as of 30 June 2021

For people. For tomorrow.

DEUTSCHE
WOHNEN



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GROUP KEY FIGURES

Income statement		H1 2021	H1 2020	Change
Contracted rental income	EUR m	425.8	421.8	0.9%
Earnings from Residential Property Management	EUR m	373.3	370.7	0.7%
Earnings from disposals before valuation gains due to disposals	EUR m	25.2	5.9	327.1%
Earnings from Nursing and Assisted Living	EUR m	39.7	42.5	-6.6%
Corporate expenses	EUR m	-55.4	-53.6	3.4%
EBITDA (adjusted)	EUR m	387.4	373.2 ⁴	3.8%
EBT (adjusted)	EUR m	295.0	266.3 ^{4, 6}	10.8%
EBT (as reported)	EUR m	456.2	312.5	46.0%
Earnings after taxes	EUR m	256.4	216.7	18.3%
Earnings after taxes ¹	EUR per share	0.70	0.60	16.5%
FFO I	EUR m	291.4	285.7 ⁴	2.0%
FFO I (undiluted) ¹	EUR per share	0.85	0.81 ⁴	4.9%
FFO I (diluted) ²	EUR per share	0.77	0.81 ⁴	-4.9%
FFO II	EUR m	300.1	286.0 ⁴	4.9%
FFO II (undiluted) ¹	EUR per share	0.87	0.81 ⁴	7.4%
FFO II (diluted) ²	EUR per share	0.80	0.81 ⁴	-1.2%
Balance sheet		30/06/2021	31/12/2020	Change
Investment properties	EUR m	28,551.4	28,069.5	481.9
Current assets	EUR m	2,295.3	1,745.9	549.4
Equity	EUR m	13,743.4	13,841.3 ⁵	-97.9
Net financial liabilities	EUR m	12,279.8	10,840.1	1,439.7
Loan-to-Value ratio (LTV)	in %	40.2	37.0	3.2
Total assets	EUR m	31,828.6	30,805.9 ⁵	1,022.7
Share		30/06/2021	31/12/2020	Change
Share price (closing price)	EUR per share	51.58	43.69	18.1%
Number of shares (without own shares)	m	343.82	343.77	0.0%
Market capitalisation (without own shares)	EUR bn	17.7	15.0	18.0%
EPRA Net Tangible Assets (NTA)		30/06/2021	31/12/2020	Change
EPRA NTA	EUR m	19,873.9	17,852.9 ⁵	11.3%
EPRA NTA	EUR per share	52.67	51.93 ⁵	1.4%
Fair values		30/06/2021	31/12/2020	Change
Fair value properties ³	EUR m	26,557	26,168	389
Fair value per sqm living and usable space ³	EUR per sqm	2,734	2,683	1.9%

1 Based on the weighted average of some 343.78 million shares in circulation in 2021 (without own shares) or some 351.50 million in 2020

2 Based on the weighted average of some 377.28 million shares in circulation in 2021 (without own shares) or some 351.50 million in 2020

3 Only includes residential and commercial buildings, without Nursing and Assisted Living and without right-of-use assets under leases measured according to IFRS 16

4 Previous year's figure changed due to exercise of IAS 23 option

5 Previous year's figure changed due to finalisation of the purchase price allocation for the QUARTERBACK transaction

6 Calculation method changed for valuation gains in FFO – disclosures for prior years have been changed accordingly

GROUP INTERIM MANAGEMENT REPORT

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

Its property portfolio comprises approximately 157,600 residential and commercial units and has a fair value of some EUR 26.6 billion¹. Our property portfolio also includes nursing properties with a fair value of around EUR 1.2 billion comprising approximately 10,300 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 construction activity in these areas form the basis for the further development of our portfolio value. We see the addition of the Nursing Assets segment as another growth area, particularly in view of the demographic trends.

Deutsche Wohnen on the capital market

German economy slowly coming back to life

The effects of the coronavirus pandemic and the associated global economic crisis are still having a major impact on the Germany economy. However, the progress of the vaccination programme, the easing of coronavirus restrictions and lifting of the hard lockdown in Germany are currently helping the German economy to recover. On the other hand, the spread of the new coronavirus variant and existing measures to tackle the pandemic are hampering economic growth.

Despite these somewhat subduing effects, the DIW Berlin (German Institute for Economic Research) still anticipates that the outlook for the German economy is a little more positive than expected in spring. The DIW now predicts growth of 3.2% year-on-year for 2021; this is up 0.2% on the spring forecast. The DIW has also adjusted the inflation rate estimate it made in spring, with the predicted rate of inflation rising to 2.7% for the current year. This is primarily due to price increases and supply shortages resulting from the pandemic.²

For 2021, the unemployment rate is still forecast to remain at almost the same level, at an average of 5.8%. In 2022, however, this should fall to around 5.0%. The DIW is therefore adhering to its previous prediction. Yet it is already quite clear that the impact will not fall evenly upon different sectors and forms of employment. The number of self-employed people has fallen considerably and the number of people in temporary work is not set to reach pre-crisis levels again in 2021.²

However, the DIW has increased its forecast income for private households significantly. Overall, available income for private households is set to achieve marked growth levels of around 4.0% each year in 2021 and 2022. This is primarily due to rising wages and lower income tax increases.²

¹ Excluding advance payments, units under construction and undeveloped land

² DIW weekly report 11/2021: Basic economic trends in summer 2021

Stock markets back on the road to recovery

The DAX hit a new all-time high in June thanks to the rising IFO index, strong German exports, and continued high levels of bond buying by the ECB and US Federal Reserve, in spite of predictions of rising inflation. By contrast, the slight rise in the ISM index, the spread of the Delta variant of coronavirus, the global rise in inflation and weakening economic figures coming out of China only had a slightly subduing effect on the stock markets.

Deutsche Wohnen share price enjoys major boosts

The Deutsche Wohnen share ended the first half of 2021 with a closing price of EUR 51.58, recording an increase of approximately 20.4% on the closing price for 2020 and approximately 29.7% on the closing price for Q1 2021. When the Federal Constitutional Court announced its rent freeze ruling on 15 April 2021, the share price rose dramatically in comparison to the closing price in the first quarter of 2021. It also received a significant boost thanks to the voluntary public takeover offer by Vonovia SE and the agreement to combine Deutsche Wohnen SE and Vonovia SE, which was previously announced on 24 May 2021. As a result, the share is outperforming the German share indices DAX (+13.2%) and MDAX (+10.6%) and the real estate indices EPRA Europe (+7.3%) and EPRA Germany (-0.1%).

The market capitalisation of Deutsche Wohnen SE saw an increase on the previous year period of approximately 23%, taking it to EUR 17.7 billion.³ Average daily turnover in Xetra trading increased in the first half of 2021 by roughly 26% from EUR 45.74 million to EUR 57.7 million. The average Xetra trading volume of the Deutsche Wohnen share in the first six months of 2021 was around 1.3 million shares per day.

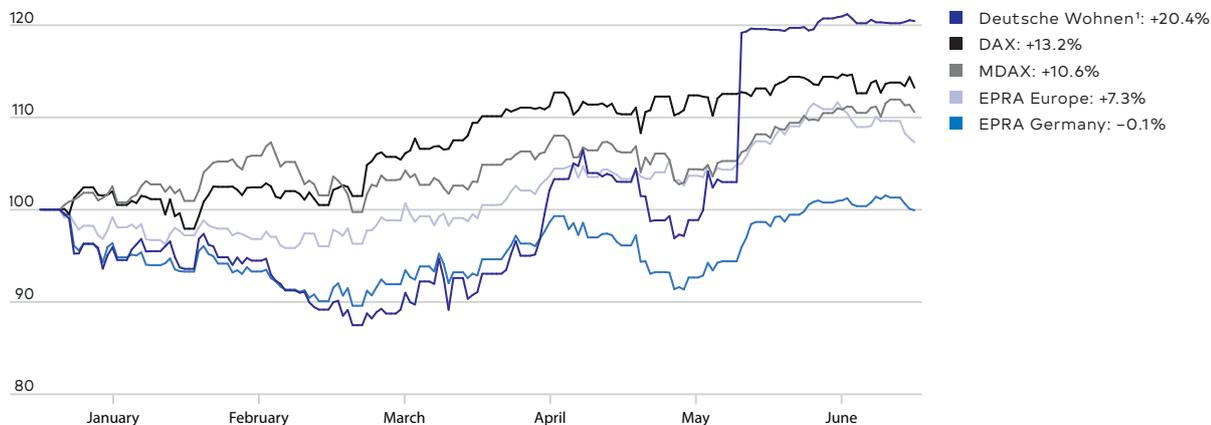
Vonovia SE takeover offer

On 23 June 2021, Vonovia SE published a voluntary public takeover offer for all outstanding Deutsche Wohnen SE shares. The shareholders of Deutsche Wohnen SE received an offer per share amounting to EUR 52.00 in cash. Taking into account dividends for the financial year 2020, this is the equivalent of a premium of 17.9% on the closing price of the Deutsche Wohnen share from 21 May 2021 and a premium of 25% based on the weighted average price of the Deutsche Wohnen share over the three months up to 21 May 2021. The Deutsche Wohnen Management Board and Supervisory Board had support the Vonovia SE takeover offer and have recommended that the shareholders accept it. The end of the first offer phase also saw the acceptance period for the Vonovia SE voluntary public takeover offer come to an end on 21 July 2021. Vonovia SE directly held a total of 171,394,162 shares in Deutsche Wohnen as of the reporting cut-off date. This represents some 47.62% of the registered capital and voting rights of Deutsche Wohnen. Accordingly, by undercut the minimum acceptance of 50% threshold, the Vonovia SE takeover offer was not successful.

Deutsche Wohnen and Vonovia SE continue to pursue a business combination of both companies in partnership. Deutsche Wohnen remains convinced of the strategic advantages of a merger between the two companies. On 1 August 2021, Deutsche Wohnen and Vonovia signed a new agreement on merger of both companies. In this context, Vonovia plans, to make another voluntary public takeover offer for all outstanding shares of Deutsche Wohnen at a price of EUR 53.00 per share in cash. The parties have retained the core content of the agreement on the combined company. The publication of offer document and start of the initial acceptance period will be late August 2021. With the new offer, Deutsche Wohnen and Vonovia also respond to the wish of numerous investors to participate in the transaction after all.

³ Taking into account 359.8 million outstanding shares minus 16.07 million own shares

Share price performance, H1 2021 (indexed)



¹ Share price, adjusted for dividend payment

Key figures for the share	H1 2021	H1 2020
Number of shares in m	approx. 359.89	approx. 359.79
Of which own shares in m	approx. 16.07	approx. 13.60
Price at end of H1 ¹ in EUR	51.58	39.95
Market capitalisation in EUR bn	approx. 17.7 ³	approx. 14.4 ³
Six-month high ¹ in EUR	51.90	41.53
Six-month low ¹ in EUR	37.46	27.62
Average daily Xetra trading volume ²	1,314,012	1,231,481

¹ Closing price in Xetra trading

² Shares traded

³ Taking into account 359.9 million (H1 2020: 359.8 million) outstanding shares minus 16.07 million (H1 2020: 13.6 million) own shares

Source: Bloomberg, as of 30 June 2021

Broad analyst coverage continues

A total of 27 equity analysts are currently⁴ monitoring the performance of Deutsche Wohnen SE. Current⁴ price targets range from EUR 38.00 to EUR 60.00 per share. Nineteen analysts have set a target price equal to or above EUR 52.00 per share. The median of all analyst estimates is EUR 52.00⁴ per share, which is significantly higher than the closing price at the end of the first quarter of 2021. The publication of the Federal Constitutional Court's decision declaring the Berlin rent freeze for residential properties [Gesetz zur Mietenbegrenzung im Wohnungswesen in Berlin – MietenWoG Bln] null and void on 15 April 2021 was welcomed on the capital market and by analysts. Many analysts also adjusted their price targets upwards once the Vonovia SE takeover offer was announced.

Rating	Quantity
Buy/Outperform/Overweight	10
Equal Weight/Hold/Neutral	14
Sell	3

⁴ As of 13 July 2021

Results of the Annual General Meeting and dividend

On 1 June 2021, the 2021 Annual General Meeting of Deutsche Wohnen SE took place online for the second time due to coronavirus restrictions. The Annual General Meeting was live-streamed for registered shareholders and voting rights were exercised electronically. 75.86% of the company's registered capital was represented. The required majority of shareholders agreed to all proposals for resolution tabled on the agenda. These also included the distribution of a EUR 1.03 dividend per bearer share for the 2020 financial year.

Furthermore, the Annual General Meeting re-elected Dr Florian Stetter to the Supervisory Board of Deutsche Wohnen SE.

Intensive dialogue with the capital market

Deutsche Wohnen maintains a transparent, wide-ranging dialogue with its shareholders, analysts and investors. We take particular use of investor conferences and roadshows on the national and international stage. The ongoing pandemic and the ensuing precautions and travel restrictions meant that virtual meetings and conference calls were the rule in the first half-year.

An overview of these dates can be found in the financial calendar on page 52. It is updated regularly on our Investor Relations home page.

Property portfolio

Portfolio overview

Deutsche Wohnen manages one of the largest property portfolios in Germany, comprising approximately 154,800 residential and 2,900 commercial units (approximately 4% of its overall floor space). We focus on fast-growing metropolitan areas and conurbations, which are known as Core⁺ markets, and make up around 93% of the portfolio.

As of 30 June 2021, the average in-place rent for the properties in Deutsche Wohnen's portfolio amounted to EUR 7.15 per sqm (previous year: EUR 6.93 per sqm), with a consistently low vacancy rate of 1.6% (previous year: 1.8%).

30/06/2021 Macroclusters and regions	Residential		Share of residential units	In-place rent ¹	Commercial		
	Residential units	Area			Commercial units	Area	
	number	in thousand sqm	in %	EUR/sqm	in %	number	in thousand sqm
Core⁺	144,175	8,632	93.2	7.22	1.6	2,695	399
Greater Berlin	113,620	6,746	73.4	7.11	1.1	1,831	246
Dresden/Leipzig	10,784	700	7.0	6.44	3.2	551	81
Frankfurt	9,449	567	6.1	8.99	3.2	149	28
Hanover/Brunswick	5,910	367	3.8	6.51	2.4	70	31
Cologne/Düsseldorf	2,795	158	1.8	9.32	3.2	71	8
Other Core ⁺	1,617	95	1.0	9.18	1.3	23	5
Core (other)	10,400	662	6.7	6.23	2.1	174	22
Non-Core	177	11	0.1	6.07	2.8	0	0
Total	154,752	9,305	100.0	7.15	1.6	2,869	421

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

Portfolio development

Acquisitions

In the first half-year of 2021, we signed contracts for some 280 residential and commercial units for a total purchase price of approximately EUR 32 million. They are largely in Core⁺ markets. The acquisitions were mostly late 19th century *Gründerzeit* houses and *Altbau* buildings in central locations, which make a further contribution to improving the quality of our portfolio.

Disposals

In the first half-year of 2021, we sold and transferred the risks and rewards for a total of 1,154 residential and commercial units for EUR 172.7 million. Of these, 110 units were sold as part of the privatisation programme while institutional sales accounted for 1,044.

In the process of portfolio streamlining, we also sold a residential property portfolio in Rhineland-Palatinate with 2,215 residential and commercial units to the LEG Immobilien AG group for a total of EUR 293 million. Transfer of risks and rewards for the properties is expected to take place in the fourth quarter of 2021.

For further details of the segment earnings from Disposals, please refer to pages 18 and 19.

Operating performance

On 15 April 2021, the Federal Constitutional Court declared the Berlin rent freeze for residential properties [Gesetz zur Mietenbegrenzung im Wohnungswesen in Berlin – MietenWoG Bln] unconstitutional and therefore null and void. Deutsche Wohnen will approach potential back payments of rent reductions by our tenants with the utmost social responsibility. In any cases of hardship, we will work with the tenants to find individual solutions.

Deutsche Wohnen has also renewed its promise that no tenants will lose their home as a result of the decision by the Federal Constitutional Court.

Area-based like-for-like rent rose by 1.2% in the past twelve months to EUR 7.14 per sqm, whereby the effects of the rent freeze are already no longer included. During the ongoing pandemic, Deutsche Wohnen also did not raise rents.

As of the reporting date, the like-for-like vacancy rate for the overall portfolio was very low, at 1.6%. Of this, 0.5% was due to refurbishment as part of our investment programme.

Like-for-like		30/06/2021	30/06/2020		30/06/2021	30/06/2020
Macroclusters and regions	Residential units	In-place rent ¹	In-place rent ¹	Develop-ment	Vacancy rate	Vacancy rate
	number	EUR/sqm	EUR/sqm	in %	in %	in %
Total	152,679	7.14	7.05	1.2	1.6	1.6
Core⁺	142,136	7.21	7.13	1.2	1.5	1.6
Greater Berlin	113,014	7.10	7.02	1.1	1.1	1.2
Dresden/Leipzig	9,645	6.43	6.27	2.7	3.1	4.5
Frankfurt	9,443	8.98	8.88	1.2	3.2	2.2
Hanover/Brunswick	5,909	6.51	6.41	1.4	2.4	2.2
Cologne/Düsseldorf	2,509	9.31	9.25	0.7	3.3	3.9
Other Core ⁺	1,616	9.18	9.11	0.8	1.3	1.1
Core (other)	10,366	6.23	6.15	1.2	2.1	2.2
Non-Core	177	6.07	6.01	1.0	2.8	2.7

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

Portfolio investment

In the first half-year of 2021, we spent some EUR 140.1 million or around EUR 28.82 per sqm on maintenance and refurbishment. Of the total refurbishment costs of EUR 94.9 million, around EUR 54.6 million were for work completed between tenancies and approximately EUR 40.3 million were for complex refurbishment projects.

The following table shows maintenance and refurbishment expenses for the period under review and the same period in the previous year:

EUR m	H1 2021	H1 2020
Maintenance	45.2	45.9
in EUR per sqm	9.30 ¹	9.00 ¹
Refurbishment	94.9	117.3
in EUR per sqm	19.52 ¹	23.00 ¹
Maintenance and refurbishment	140.1	163.2
in EUR per sqm	28.82 ¹	32.00 ¹

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

Portfolio valuation

The property valuation as of 30 June 2021 essentially confirmed the fair values as of 31 December 2020. However, property disposal saw a valuation uplift in the relevant holdings (Core cluster). The portfolio also received a revaluation resulting in an uplift due to the update of the valuation model. For more information on property valuation, please see on page 11 and 12.

The overview below shows key valuation figures for our property portfolio as of 30 June 2021:

Macroclusters and regions	Residential units	Fair value	Share of fair value	Fair value	Multiple in-place rent ¹
	number	EUR m	in %	EUR/sqm	
Core⁺	144,175	25,426	96	2,820	32.4
Greater Berlin	113,620	20,263	76	2,903	33.7
Dresden/Leipzig	10,784	1,843	7	2,360	30.6
Frankfurt	9,449	1,793	7	3,025	28.6
Hanover/Brunswick	5,910	686	3	1,727	21.6
Cologne/Düsseldorf	2,795	569	2	3,436	31.6
Other Core ⁺	1,617	272	1	2,707	24.8
Core (other)	10,400	1,119	4	1,634	22.0
Non-Core	177	12	0	1,125	15.6
Total	154,752	26,557	100	2,734	31.8

¹ Rent freeze effects removed

Fair value	30/06/2021		31/12/2020	
	Fair value	Multiple in-place rent	Fair value	Multiple in-place rent
	EUR m		EUR m	
Core ⁺	25,426	32.4	25,114	34.0
Core	1,119	22.0	1,039	20.5
Non-Core	12	15.6	15	14.9
Total	26,557	31.8	26,168	33.1

Project development

As of 30 June 2021, Deutsche Wohnen has a project pipeline in its own portfolio with a total investment volume of around EUR 4.4 billion, with a total of around 9,500 residential units and 1,100 commercial units. In the first half-year, we invested around EUR 184 million in new construction for our own portfolio. This includes building services and purchase prices for building plots.

In July, we also signed a purchase for a portfolio with twelve development projects from QUARTERBACK Immobilien AG. The portfolio consists of around 1,400 residential units and 104 commercial units mostly situated in Dresden/Leipzig.

Deutsche Wohnen also has a 40% share in QUARTERBACK Immobilien AG. QUARTERBACK Immobilien AG's project developments are primarily sold to institutional investors prior to completion. Increased investment in new residential construction reflects the necessity of tapping into growth potential outside of the increasingly scarce supply of existing portfolios. Deutsche Wohnen is therefore making a growing contribution to tackling the housing shortage.

Nursing Assets

The Nursing and Assisted Living business field consists of 77 nursing properties with a total of some 10,300 beds, of which 76 are owned by Deutsche Wohnen. This makes us one of the largest owners of nursing assets in Germany.

We have two different business models for our nursing operations: 38 nursing facilities (approximately 5,160 beds) are operated by KATHARINENHOF Seniorenwohn- und Pflegeanlage Betriebs-GmbH and its subsidiaries, by Hamburger Senioren Domizile GmbH and by PFLEGEN & WOHNEN HAMBURG GmbH. The other 39 facilities (approximately 5,140 beds) are managed by various external operators on long-term contracts.

As in the residential segment, we focus our nursing activities on cities and regions with positive development forecasts, since the need for nursing care and assistance services (full in-patient care and assisted living combined with outpatient and part-time in-patient care) is particularly high there. In this context we always ensure that we secure prime properties and high-quality nursing and residential care.

Nursing business: assets and operations

Nursing properties operated by KATHARINENHOF, Hamburger Senioren Domizile GmbH and PFLEGEN & WOHNEN HAMBURG

Region	Facilities	Nursing	Assisted living	Beds ¹	
				Total	Occupancy 30/06/2021
	number	number	number	number	in %
Hamburg region ²	17	2,860	160	3,020	93.6
Berlin region	12	1,070	370	1,440	94.0
Saxony region	9	620	80	700	89.0
Total participation model	38	4,550	610	5,160	93.1

1 The figure for beds is rounded to the nearest ten, because assisted living units can be used as care beds and double rooms used as single rooms, depending on market demand

2 Two facilities in Hamburg are being completely refurbished and rebuilt. The occupancy rates were reduced successively as a result. As of 1 January 2021, capacity and supply contracts for these and five other facilities which are also undergoing construction changes were adjusted by a total of around 300 beds

Nursing assets with other external operators

Federal state	Facilities	Nursing	Assisted living	Beds ¹	
				Total	WALT ²
	number	number	number	number	
Bavaria	12	1,480	50	1,530	8.1
North Rhine-Westphalia	9	1,000	240	1,240	12.1
Rhineland-Palatinate	3	390	120	510	10.5
Baden-Württemberg	4	490	10	500	7.9
Lower Saxony	1	110	0	110	9.3
Hesse	4	530	0	530	8.2
Other	6	720	0	720	7.6
Total external operators	39	4,720	420	5,140	9.4
Total nursing	77	9,270	1,030	10,300	

1 The figure for beds is rounded to the nearest ten, because assisted living units can be used as care beds and double rooms used as single rooms, depending on market demand

2 Weighted Average Lease Term

Notes on the financial performance and financial position

Earnings

The following overview shows the consolidated profit and loss statement for the first six months of the financial year 2021 compared with the previous year:

EUR m	H1 2021	H1 2020
Income	950.5	1,000.8
Cost of materials and carrying amounts of properties sold	-463.9	-516.5
Staff expenses	-118.9	-113.1
Other operating expenses	-58.0	-59.5
Other operating income	44.3	24.8
Impairment losses on financial assets	-4.7	-3.5
EBITDA before gains/losses from fair value adjustments of investment properties	349.3	333.0
Depreciation, amortisation and impairment	-19.5	-19.0
Gains/losses from the fair value adjustment of investment properties	480.7	174.2 ¹
Earnings before interest and taxes (EBIT)	810.5	488.2
Earnings from investments accounted for using the equity method	-9.0	1.1
Financial result	-345.3	-176.8 ¹
Earnings before taxes (EBT)	456.2	312.5
Income taxes	-199.8	-95.8
Profit/loss for the period	256.4	216.7

¹ Previous year's figure changed due to exercise of IAS 23 option

The profit for the period rose year-on-year by EUR 39.7 million to EUR 256.4 million.

The coronavirus pandemic has not had a material impact on the group's financial performance and earnings to date.

Adjusted earnings before taxes show the standardised earnings performance:

EUR m	H1 2021	H1 2020
Earnings before taxes	456.2	312.5
Gains/losses from the valuation of properties ¹	-481.2	-174.2 ²
Valuation gains on disposal realised in the financial year	25.7	9.5 ³
Net income from fair value adjustment to financial instruments	282.7	88.1
Non-recurring expenses and income	11.6	30.4
Adjusted earnings before taxes	295.0	266.3^{2,3}

¹ Including IAS 2

² Previous year's figure changed due to exercise of IAS 23 option

³ Previous year's presentation has been changed

Gains from the valuation of properties to the amount of approximately EUR 481 million largely came from the revaluation of investment properties and at around EUR 100 million from disposal-related valuation gains arising from the valuation of non-current assets held for sale at agreed sales prices.

The disposal-related valuation gains for property sales with the transfer of risks and rewards in the reporting period have been recognised as disposal gains.

The net income from fair value adjustment to financial instruments (expenses EUR 282.7 million; previous year: expenses of EUR 88.1 million) include the valuation realised through profit or loss of convertible bonds, interest rate hedges and other derivatives. The main non-cash earnings contribution relates to the convertible bonds (expenses of EUR 289.9 million; previous year: expenses of EUR 76.3 million). This is due to the change in the Deutsche Wohnen share price and, to a lesser extent, the change in the interest rate. Income from the measurement of derivative financial instruments came to EUR 7.2 million (previous year: expenses EUR 10.4 million).

Non-recurring expenses and income from the first six months of the financial year 2021 mainly consisted of advisory expenses in connection with the takeover offer from Vonovia SE, Bochum, to the amount of EUR 14.1 million, and gains from the disposal of the company shares in Isaria München Projektentwicklungs GmbH, Munich, to the amount of EUR 10.2 million. In the previous year period, at EUR 19.9 million, they largely related to land transfer taxes, which arose as transaction costs in connection with a business combination accounted for in accordance with IFRS 3. This entailed the acquisition of the project business of Munich-based ISARIA Wohnbau AG.

The following table shows the year-on-year change in income:

EUR m	H1 2021	H1 2020
Income from Residential Property Management	625.9	636.8
Income from Nursing Operations	113.0	112.5
Rental income from Nursing Assets	16.9	21.6
Other income	11.1	10.0
Income from sold properties	172.7	219.9
Income from sold properties (development)	10.9	0.0
Income	950.5	1,000.8

Income from Residential Property Management fell by around 1.7% to EUR 625.9 million. They included, at around EUR 29.5 million, the back payment claims arising as of 31 May 2021 due to the invalidity of the Berlin rent freeze for residential properties [Gesetz zur Mietenbegrenzung im Wohnungswesen in Berlin – MietenWoG Bln], of which around EUR 11.0 million relates to rental periods prior to 1 January 2021. Rents permitted in accordance with the German Civil Code [Bürgerliches Gesetzbuch – BGB] have been collected from tenants again from 1 June 2021 onwards. Due to disposals, income fell slightly in comparison to the previous year period.

At EUR 113.0 million, Nursing Operations income were at the same level as the previous year. In the periods shown the Nursing Operations had a comparable number of facilities.

Rental income from the Nursing Assets fell due to disposals by around 21.8% from EUR 21.6 million to EUR 16.9 million.

Other income went up by 11.0% from EUR 10.0 million to EUR 11.1 million. They consisted mainly of revenue from multimedia and other services by the SYNZIA Group (EUR 7.3 million; previous year: EUR 5.9 million) and from the rental of broadband connections (EUR 2.5 million; previous year: EUR 2.7 million).

Income from sold properties fell by EUR 47.2 million from EUR 219.9 million to EUR 172.7 million. The lower sales volume year-on-year largely came from institutional sales, with EUR 146.8 million (previous year: EUR 187.3 million). The previous year period mainly included income from the disposal of twelve nursing assets, while sales proceeds in the financial year 2021 exclusively concerned land with residential and commercial buildings.

Income from sold properties (development) consisted solely of income for ongoing development projects that have already been sold to third parties.

The following table shows the year-on-year change in the cost of materials and carrying amounts of properties sold:

EUR m	H1 2021	H1 2020
Carrying amount of properties sold	-170.3	-216.8
Carrying amount of properties sold (development)	-10.1	0.0
Cost of materials	-283.5	-299.7
Cost of materials and carrying amounts of properties sold	-463.9	-516.5

The carrying amounts of properties sold fell by EUR 46.5 million from EUR 216.8 million to EUR 170.3 million. They stem from the sale of properties with the associated transfer of risks and rewards, accounted for and measured in accordance with IAS 40, IAS 2 or IFRS 5. The year-on-year decrease in the carrying amount of properties sold is due to the lower volume of disposals.

Carrying amounts of properties sold (development) relate to ongoing development projects at the ISARIA Group that have already been sold to third parties.

The cost of materials changed as follows:

EUR m	H1 2021	H1 2020
Operating costs	-201.3	-217.0
Maintenance	-61.8	-60.2
Other cost of materials	-20.4	-22.5
Cost of materials	-283.5	-299.7

Operating costs and maintenance related to the corresponding expenses in all segments.

Other cost of materials mainly consisted of deliveries of goods and services for nursing operations (EUR 15.4 million; previous year: EUR 13.0 million), sales costs (EUR 0.9 million; previous year: EUR 4.4 million) and input services at the SYNZIA Group (EUR 3.5 million; previous year: EUR 2.9 million).

Staff expenses incurred in all segments and Group functions were made up as follows:

EUR m	H1 2021	H1 2020
Wages and salaries	-99.0	-95.1
Social security contributions, retirement and other benefits	-19.9	-18.0
Staff expenses	-118.9	-113.1

Staff expenses rose by 5.1% from EUR 113.1 million to EUR 118.9 million, the majority of which was for nursing operations (EUR 71.4 million; previous year: EUR 68.3 million). Overall, changes in variable remuneration and the measurement of share-based remuneration led to an increase in staff expenses.

The following table shows the year-on-year change in other operating expenses:

EUR m	H1 2021	H1 2020
Operating and corporate expenses	-27.2	-32.2
Miscellaneous other operating expenses	-30.8	-27.3
Other operating expenses	-58.0	-59.5

Operating and corporate expenses in all segments and Group functions are made up as follows:

EUR m	H1 2021	H1 2020
IT costs	-8.2	-9.8
Communication costs	-4.4	-4.6
Legal, advisory and audit costs, insurance	-4.4	-7.7
Other staff costs	-2.3	-2.1
Cost of premises	-2.5	-2.0
Other operating and corporate expenses	-5.4	-6.0
Operating and corporate expenses	-27.2	-32.2

The other operating expenses are mainly one-off expenses that are eliminated in the adjusted earnings and explained there.

Other operating income rose by EUR 19.5 million from EUR 24.8 million to EUR 44.3 million. It mainly included insurance payments in property management and capitalised own work for the management of construction projects. Profits from the sale of the shares in Isaria München Projektentwicklungs GmbH to the amount of EUR 10.2 million and compensation of EUR 9.6 million from nursing care funds for loss of income and additional expenses as a result of the coronavirus pandemic were also included in the first six months of the financial year 2021.

Depreciation, amortisation and impairment was as follows:

EUR m	H1 2021	H1 2020
Depreciation and amortisation of property, plant and equipment	-6.1	-5.2
Depreciation and amortisation of intangible assets	-2.8	-3.5
Depreciation and amortisation of right-of-use assets	-10.6	-10.3
Depreciation, amortisation and impairment	-19.5	-19.0

Depreciation and amortisation mainly consisted of depreciation of right-of-use assets held as property, plant and equipment in the context of lease accounting, as well as depreciation of level 4 broadband cable networks and the amortisation of customer contracts acquired in the course of the business combination with the PFLEGEN&WOHNEN HAMBURG Group.

Impairment losses on financial assets rose by EUR 1.2 million from EUR 3.5 million to EUR 4.7 million and were mainly incurred in the Property Management segment for loss allowances and derecognition of rent receivables. The rise is due to the reporting of back payment claims in conjunction with the invalidity of the Berlin rent freeze for residential properties [Gesetz zur Mietenbegrenzung im Wohnungswesen in Berlin – MietenWoG Bln].

The financial result is made up as follows:

EUR m	H1 2021	H1 2020
Current interest expenses	-73.2	-69.0
Accrued interest on liabilities and pensions	-8.7	-24.7
Capitalised interest expenses	7.2	2.8 ¹
Non-recurring expenses in connection with financing	1.2	-0.9
Fair value adjustment to financial instruments	7.2	-11.8
Fair value adjustment to convertible bonds	-289.9	-76.3
	-356.2	-179.9¹
Interest income	10.9	1.9
Financial result	-345.3	-178.0¹

¹ Previous year's figure changed due to exercise of IAS 23 option

Current interest expenses were higher, principally due to the higher volume of financial liabilities and corporate bonds.

In the first half-year of 2020, accrued interest on liabilities and pensions consisted mainly of expenses for the early repayment of loans.

Deutsche Wohnen made use of the option according to IAS 23 of capitalising borrowing costs for qualifying assets accounted for at attributable fair value for the first time from the second half of 2020 for the investment properties. The context for this is the increasing significance of project development for the company's own portfolio. In line with IAS 8 the previous year's figures were changed accordingly for the effects of capitalising borrowing costs.

In the first half-year of 2021, the one-off expenses from financing included a positive contribution to the amount of EUR 2.0 million from the rollback of provisions for statutory default interest in the ongoing appraisal proceeding in conjunction with the control agreement signed in 2014 between Deutsche Wohnen SE and GSW Immobilien AG.

Changes in long-term interest rates caused the negative fair values of derivative financial instruments (interest rate hedges) to fall. To the extent that these financial instruments do not form part of an effective hedging relationship, the fair value adjustment is recognised as revenue in the financial result. In 2020 valuation changes for other derivatives were also included.

The year-on-year changes in the financial result are principally due to the increase in expenses from the fair value adjustment of convertible bonds with a total nominal value of EUR 1,600 million. The price of the convertible bonds follows the share price of Deutsche Wohnen SE. The convertible bonds are held at attributable fair value in the consolidated balance sheet. The rise in the Deutsche Wohnen share price therefore resulted in a valuation loss on the convertible bonds of EUR 289.9 million (previous year: valuation loss of EUR 76.3 million).

Current interest income rose year-on-year due to higher interest income from investee companies, particularly the QUARTERBACK Group.

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

EUR m	H1 2021	H1 2020
EBITDA (adjusted) before disposals	364.0	368.9
Current interest expenses and interest income ¹	63.0	67.8
Interest cover ratio (ICR)	5.8	5.4

¹ Current interest expenses and interest income do not include interest income from finance leases for broadband cable networks.

Earnings from investments accounted for using the equity method fell by EUR 10.1 million from EUR 1.1 million to EUR -9.0 million and included the contributions of joint ventures and associates attributable to Deutsche Wohnen.

The following table shows the year-on-year change in income taxes:

EUR m	H1 2021	H1 2020
Current income taxes	-13.5	-15.1
Income taxes due to disposals	-7.4	-4.0
Non-recurring income taxes	-1.8	0.0
Deferred taxes	-177.1	-76.7
Income taxes	-199.8	-95.8

Income taxes resulted in expenses of EUR 199.8 million in the first six months of 2021 (previous year period: expenses of EUR 95.8 million). This consists of EUR 177.1 million in expenses from deferred taxes (previous year period: expenses of EUR 76.7 million) and expenses for current and sales-related income taxes of EUR 20.9 million (previous year period: EUR 19.1 million). The amount of deferred taxes was particularly due to the adjustment to the fair values of investment properties and convertible bonds.

The following table shows the earnings contributions of the individual segments:

EUR m	H1 2021	H1 2020
Segment earnings		
Earnings from Residential Property Management	373.3	370.7
Earnings from Disposals	-0.5	-3.6
Earnings from Nursing Operations	24.1	22.4
Earnings from Nursing Assets	15.6	20.1
Earnings not attributable to a segment	-63.2	-76.6
Depreciation, amortisation and impairment	-19.5	-19.0
Gains/losses from the fair value adjustment of investment properties	480.7	174.2 ¹
Earnings before interest and taxes (EBIT)/ segment earnings	810.5	488.2

¹ Previous year's figure changed due to exercise of IAS 23 option

Earnings from Residential Property Management

Earnings from Residential Property Management rose year-on-year by EUR 2.6 million or 0.7% to EUR 373.3 million.

EUR m	H1 2021	H1 2020
Contracted rental income	425.8	421.8
Income from operating costs	202.2	217.7
Rental income	628.0	639.5
Operating costs	-199.0	-212.9
Rental loss	-6.8	-5.8
Maintenance	-45.2	-45.9
Other	-3.7	-4.2
Earnings from Residential Property Management	373.3	370.7
Staff, general and administration expenses	-27.2	-27.1
Operating results (NOI)	346.1	343.6
NOI margin in %	81.3	81.5
NOI in EUR per sqm and month ¹	5.93	5.61
Change in NOI in EUR per sqm and month in %	5.7	

¹ Based on average floor space in the relevant period on a quarterly basis (annualised)

Published on 15 April 2021, the decision of the Federal Constitutional Court dated 25 March 2021 declared the Berlin rent freeze for residential properties [Gesetz zur Mietenbegrenzung im Wohnungswesen in Berlin – MietenWoG Bln] unconstitutional and therefore null and void. Proceeds from contracted rental income included, at around EUR 29.5 million, the back payment claims arising as of 31 May 2021 due to the invalidity of the Berlin rent freeze, of which around EUR 11.0 million relates to rental periods prior to 1 January 2021. Rents permitted in accordance with the German Civil Code [Bürgerliches Gesetzbuch – BGB] have been collected from tenants again from 1 June 2021 onwards. Proceeds from contracted rental income and operating costs fell year-on-year due to disposals.

For changes in contracted rental income and capital expenditure, please see our property portfolio information from page 6 to 9.

Income from operating costs exceeded the expenses for operating costs, because accounting for leases meant that various expenses were not included in the operating costs. In the first half-year of 2021 these related to lease expenses for metering and heat contracting of EUR 9.2 million (previous year: EUR 9.6 million). As a proportion of contracted rental income this represents an NOI margin of around 2.2% (previous year: 2.3%).

Rental losses increased slightly due to higher expenses for write-downs. This is largely in conjunction with the increase in rent receivables due to the back payment claims reported on the closing date arising from the invalidity of the Berlin rent freeze, some of which were deferred to the longer term through payment in instalments.

Earnings from Disposals

A total of 3,493 units were sold up to 30 June 2021. The transfer of risks and rewards is expected to take place in 2021. Of the total, 1,119 units were sold on the basis of contracts signed by the financial year 2020.

	Units	Transaction volume	IFRS carrying amount of assets sold ¹	Gross margin	
	number	EUR m	EUR m	EUR m	in %
Privatisation	184	46.0	35.3	10.7	30
Institutional sales	3,309	447.7	332.7	115.0	35
	3,493	493.7	368.0	125.7	34

¹ IFRS carrying amounts of assets sold without valuation gains due to disposal

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

Of the 3,309 units in institutional sales, 2,198 are attributable to a portfolio transaction in Rhineland-Palatinate, which was registered in May 2021 and whose corresponding transfer of risks and rewards is scheduled for December 2021.

Of the 3,493 units sold, the transfer of risks and rewards for 1,154 took place in the first six months of the 2021 financial year (previous year period: 519) and so are recognised in earnings from Disposals.

EUR m	H1 2021	H1 2020
Sales proceeds	172.7	219.9
Cost of sales	-2.9	-6.7
Net sales proceeds	169.8	213.2
Carrying amount of assets sold	-170.3	-216.8
Earnings from Disposals	-0.5	-3.6
Valuation gains due to disposal	25.7	9.5
Earnings from disposals before valuation gains due to disposal	25.2	5.9

Sales proceeds consisted of proceeds from privatisation (EUR 25.9 million; previous year: EUR 32.6 million) and institutional sales (EUR 146.8 million; previous year: EUR 187.3 million). While two portfolio transactions for residential and commercial buildings were completed in institutional sales in the first half-year of 2021, the comparatively higher transaction volume in the first half-year of 2020 was attributable to the transfer of risks and rewards for twelve Nursing Assets segment properties.

Of the two portfolio transactions in the first half-year of 2021, one was a portfolio sale to the state-owned housing company degewo AG. This portfolio transaction concerned 2,143 residential and 32 commercial units in Berlin, for which the transfer of risks and rewards took place for 1,578 residential units in the second half of 2020 and for another 565 residential units in the first quarter of 2021. The second transaction was a portfolio sale of 6,379 residential units and 38 commercial units in Brunswick, Hanover, Cologne and the Rhine-Neckar region to the LEG Immobilien AG Group, of which the transfer of risks and rewards for 6,066 residential units took place in the fourth quarter of 2020 and for 164 residential units in the first quarter of 2021, and is expected for another 149 residential units in the second half-year of 2021.

Sales prices for privatisation came to an average of EUR 3,480 per sqm in the first six months of 2021 (previous year period: average EUR 2,848 per sqm).

The valuation gains due to disposal related to the measurement of non-current assets held for sale at the agreed sales price, to the extent that this effect was included in the carrying amounts of assets sold for the current period.

Earnings from Nursing Operations

EUR m	H1 2021	H1 2020
Income		
Nursing services	73.4	74.8
Rental income	29.5	29.6
Other	21.3	11.7
	124.2	116.1
Costs		
Nursing and corporate expenses	-25.0	-22.4
Staff expenses	-75.1	-71.3
Internal lease expenses	-14.4	-13.2
	-114.5	-106.9
Earnings from Nursing Operations	9.7	9.2
without internal rental expenses	24.1	22.4

Thirty-eight nursing facilities are managed by the KATHARINENHOF Group, the Hamburger Senioren Domizile GmbH and by PFLEGEN & WOHNEN HAMBURG Group. All are wholly owned subsidiaries of Deutsche Wohnen. Of the 38 facilities, 37 are owned by Deutsche Wohnen.

The decrease in income from nursing services and rental income was largely due to reduced occupancy rates resulting from the full renovation and reconstruction of two Hamburg facilities. The increase in other income includes compensation of EUR 9.6 million (previous year period: EUR 2.3 million) from nursing care funds for loss of income and additional expenses as a result of the pandemic.

The internal lease expenses resulted from the switch from triple-net to double-net contracts, in which the property owner has greater liability for maintenance.

For changes in the number of beds managed and occupancy rates within facilities, please see our portfolio information.

Earnings from Nursing Operations before internal lease expenses (EBITDAR¹) came to EUR 24.1 million for the first six months of 2021 (previous year period: EUR 22.4 million). This represents an EBITDAR margin of 19.4% (previous year: 19.3%).

Nursing Assets

EUR m	H1 2021	H1 2020
Income		
Rental income	17.3	21.6
Intragroup leasing income	14.4	13.2
	31.7	34.8
Costs	-1.7	-1.5
Earnings from Nursing Assets	30.0	33.3
without internal rental income	15.6	20.1

¹ EBITDAR is EBITDA from the operation of nursing facilities before internal rental and lease expenses. External rental and lease expenses are not included in the EBITDA calculation in accordance with IFRS 16 and are therefore not eliminated to obtain EBITDAR

The decrease in external rental income on the previous year period resulted from the sale of 13 nursing facilities. The transfer of risks and rewards took place for twelve of the facilities in May 2020 and for one of the facilities in June 2020.

The internal leasing income results from the switch from triple-net to double-net contracts, in which the property owner has greater liability for maintenance.

Earnings not attributable to a segment

Earnings not attributable to a segment totalled EUR -63.2 million (previous year: EUR -76.6 million). This consisted primarily of corporate expenses and other transaction-related operating expenses and revenues:

EUR m	H1 2021	H1 2020
Corporate expenses	-55.4	-53.6
Other income	11.0	10.0
Cost of materials	-4.0	-5.0
Miscellaneous staff costs	-1.7	-3.0
Miscellaneous other operating expenses	-28.0	-32.7
Miscellaneous other operating income	14.9	7.7
Earnings not attributable to a segment	-63.2	-76.6

Corporate expenses include staff and operating expenses, without the Nursing Operations segment:

EUR m	H1 2021	H1 2020
Staff expenses	-36.4	-34.3
Long-term remuneration component (share-based)	0.2	0.2
Operating costs	-19.2	-19.5
Total corporate expenses	-55.4	-53.6

The change in staff costs was due particularly to variable remuneration and the valuation of the long-term remuneration component (LTI) for the Management Board members and managers.

The long-term remuneration component (share-based) related solely to non-cash changes from the AOP 2014 share option programme.

Staff, general and administration expenses in connection with disposals amounted to EUR 1.8 million, on a par with last year (EUR 1.6 million).

Other income, the cost of materials and miscellaneous staff costs were mainly related to revenues from multimedia and similar services at the SYN VIA Group.

For the non-recurring and transaction-related miscellaneous other operating expenses and income we refer to the comments on adjusted earnings on page 11 and 12.

Assets and financial position

Here are some selected figures from the consolidated balance sheet.

	30/06/2021		31/12/2020	
	EUR m	in %	EUR m	in %
Investment properties	28,551.4	90	28,069.5	91
Other non-current assets	981.9	3	990.5 ¹	3
Total non-current assets	29,533.3	93	29,060.0¹	94
Current assets	2,042.9	6	1,162.6	4
Cash and cash equivalents	252.4	1	583.3	2
Total current assets	2,295.3	7	1,745.9	6
Total assets	31,828.6	100	30,805.9¹	100
Equity	13,743.4	43	13,841.3¹	45
Financial liabilities	6,419.2	20	6,525.1	21
Convertible bonds	2,064.4	7	1,768.7	6
Corporate bonds	4,048.6	13	3,129.6	10
Tax liabilities	58.1	0	60.5	0
Pension obligations	103.2	0	109.6	1
Deferred tax liabilities	4,590.0	14	4,412.0	14
Other liabilities	801.7	3	959.1	3
Total liabilities	18,085.2	57	16,964.6	55
Total assets	31,828.6	100	30,805.9¹	100

¹ Previous year's figure amended due to finalisation of purchase price allocation for the QUARTERBACK transaction

Investment properties remain the largest balance sheet item. They increased compared with 31 December 2020, mainly due to revaluation, acquisitions and capitalised refurbishment expenses, which were higher than disposals and reclassifications as current assets.

The current assets increased in comparison to 31 December 2020, mainly due to the payment of loans to QUARTERBACK Group for the acquisition of land for project developments.

For changes in cash and cash equivalents, please see the notes on cash flow on page 24.

Group equity reduced by EUR 97.9 million in the first six months of 2021, with a decrease in equity ratio of around 43%. In the reporting period, some 48,600 bearer shares in Deutsche Wohnen SE were issued through the exercise of share options and another approximately 3,300 bearer shares in Deutsche Wohnen SE were issued in exchange for some 1,400 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. In addition, Deutsche Wohnen's capital increased by the total comprehensive income for the first half-year of 2021, in the amount of EUR 261.0 million. Group equity fell by EUR 354.1 million as a result of the payment of Deutsche Wohnen SE.

Financial liabilities were reduced by the repayment of EUR 110.5 million in loans.

Liabilities from convertible bonds rose due to market fluctuations. The nominal amount of outstanding convertible bonds was unchanged at EUR 1,600.0 million as of the reporting date.

Liabilities under corporate bonds fell by EUR 250.0 million due to scheduled redemptions and increased by EUR 1,200.1 million due to the proceeds of new issues. Proceeds of new issues in the first six months of 2021 included the issue of two long-term green bonds (EUR 500.0 million each) and of short-term bearer bonds (EUR 100.0 million) and short-term commercial papers (EUR 100.1 million).

The average interest rate on the credit portfolio, including the convertible bonds and corporate bonds, was approximately 1.22% p.a. as of 30 June 2021, with a hedging ratio² of around 91%. The average term to maturity of the Group's loans, convertible bonds and bonds is 7.1 years.

Deutsche Wohnen SE received a long-term issuer rating from the two international rating agencies Standard & Poor's and Moody's. The rating from Standard & Poor's was unchanged at A- (as of 14 December 2020) and that from Moody's was unchanged at A3 (as of 22 December 2020), both currently with a negative outlook.

Loan-to-Value ratio

The debt ratio (Loan-to-Value ratio) changed as follows compared with 31 December 2020:

EUR m	30/06/2021	31/12/2020
Financial liabilities	6,419.2	6,525.1
Convertible bonds	2,064.4	1,768.7
Corporate bonds	4,048.6	3,129.6
	12,532.2	11,423.4
Cash and cash equivalents	-252.4	-583.3
Net financial liabilities	12,279.8	10,840.1
Investment properties	28,551.4	28,069.5
Less right-of-use assets held as investment properties from leases	-51.5	-51.6
Non-current assets held for sale	353.2	163.6
Land and buildings held for sale	465.7	472.2
Investments in property and land companies	373.3	370.4 ¹
Loans to property and land companies	869.9	252.3
	30,562.0	29,276.4¹
Loan-to-Value ratio in %	40.2	37.0

¹ Previous year's figure amended due to finalisation of purchase price allocation for the QUARTERBACK transaction

The Loan-to-Value ratio was approximately 40.2% as of the reporting date.

² 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

The other liabilities presented in the financial position are made up as follows:

EUR m	30/06/2021	31/12/2020
Derivative financial instruments	36.4	57.3
Trade payables	294.6	429.9
Other	470.7	471.9
Total other liabilities	801.7	959.1

Cashflow

The Group's cash flow was as follows:

EUR m	H1 2021	H1 2020
Net cash flow from operating activities	104.8	124.2 ¹
Net cash flow from investing activities	-899.8	-418.8 ¹
Net cash flow from financing activities	464.1	928.7
Net change in cash and cash equivalents	-330.9	634.1
Opening balance cash and cash equivalents	583.3	685.6
Closing balance cash and cash equivalents	252.4	1,319.7

¹ Previous year's figure changed due to exercise of IAS 23 option

In the reporting period, net cash flow from investing activities in the first six months of financial year 2021 included payments for investments in property to the amount of EUR 357.8 million (previous year: EUR 558.1 million) and in other assets to the amount of EUR 668.2 million (previous year: EUR 52.9 million). EUR 159.2 million of the property investments were for acquisitions (previous year: EUR 408.9 million), EUR 96.4 million for refurbishment (previous year: EUR 119.3 million) and EUR 102.2 million for new building (previous year: EUR 30.0 million, including change in IAS 23 option). This was offset by proceeds from the disposal of investment of EUR 82.9 million (previous year: EUR 181.6 million). Other proceeds of investing activities consisted mainly of loan repayments.

Cash flow from financing activities essentially comprises all payments in connection with refinancing (loan repayments and new borrowing, convertible bonds and corporate bonds together with the related one-off payments), cash inflows from equity activities, outflows for the purchase of treasury shares and dividend payments.

Cash flow from financing activities in the reporting period comprises issue proceeds from corporate bonds to the amount of EUR 1,200.1 million (previous year: 1,773.1 million). Capital repayments related to loans (EUR 110.5 million; previous year: EUR 88.1 million), bearer bonds to the amount of EUR 200.0 million; (previous year: EUR 200.0 million) and commercial papers to the amount of EUR 50.0 million (previous year: none). EUR 386.4 million was paid in the previous year period to purchase own shares. Deutsche Wohnen SE also paid a dividend of EUR 354.1 million (previous year: EUR 312.6 million) for 2020 in the first half-year 2021.

FFO

Funds from operations without disposals (FFO I) is the key figure for us. As described in the financial performance section above, Deutsche Wohnen made use of the option according to IAS 23 of capitalising borrowing costs for qualifying assets kept as investments and accounted for at attributable fair value since the second half of 2020. In line with IAS 8 the figures in the previous year's consolidated financial statements were changed accordingly for the effects of capitalising borrowing costs. This led to an absolute increase of EUR 2.8 million in FFO I for the first half-year of 2020 on the originally reported amount of EUR 282.9 million. We decided to change the calculation method for FFO I again due to the increase in the volume of property disposals and the associated valuation gains due to disposal.

FFO I went up year-on-year by around 2.0% in absolute terms and by around 4.9% per share (undiluted).

EUR m	H1 2021	H1 2020
EBITDA before gains/losses from fair value adjustments of investment properties	349.3	334.2
Measurement of current assets (properties)	-0.5	0.0
Valuation gains due to disposal	25.7	9.5 ⁴
Other non-recurring expenses and income	11.8	28.1
Restructuring and reorganisation expenses	1.1	1.4
EBITDA (adjusted)	387.4	373.2⁴
Earnings from Disposals	0.5	3.6
Valuation gains due to disposal	-25.7	-9.5 ⁴
Staff, general and administration expenses of disposals	1.8	1.6
EBITDA (adjusted) before disposals	364.0	368.9
Long-term remuneration component (share-based)	-0.2	-0.2
Finance leasing broadband cable networks	1.6	1.5
At-equity valuation	0.5	1.1
Interest income/expenses	-56.3	-65.7 ³
Income taxes	-13.5	-15.1
Minority interests	-4.7	-4.8
FFO I	291.4	285.7³
Earnings from Disposals	-0.5	-3.6
Staff, general and administration expenses of disposals	-1.8	-1.6
At-equity valuation	-7.3	0.0
Valuation gains due to disposals	25.7	9.5
Income taxes due to disposals	-7.4	-4.0
FFO II	300.1	286.0³
FFO I per share in EUR (undiluted) ¹	0.85	0.81 ³
FFO I per share in EUR (diluted) ²	0.77	0.81 ³
FFO II per share in EUR (undiluted) ¹	0.87	0.81 ³
FFO II per share in EUR (diluted) ²	0.80	0.81 ³

1 Based on the weighted average of some 343.78 million shares in circulation in 2021 (without own shares) or some 351.50 million in 2020

2 Based on the weighted average of some 377.28 million shares in circulation in 2021 (without own shares) or some 351.50 million in 2020

3 Previous year's figure changed due to exercise of IAS 23 option

4 Calculation method changed in light of valuation gains due to disposal in FFO – disclosures for prior years have been changed 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 liquidity rental payments agreed under civil law are presented as rental income, whereas in the consolidated financial statements they are recognised as interest and capital repayments.

EPRA NTA

EPRA NTA reflects current net asset value including acquisitions and disposals. Deferred taxes for investment properties are adjusted accordingly. NTA largely corresponds to the EPRA NAV previously communicated, adjusted for goodwill, and is particularly relevant for Deutsche Wohnen. Deutsche Wohnen did not exercise the option of adding land transfer tax and so works from the (net) IFRS carrying amounts.

EUR m	EPRA NTA 30/06/2021	EPRA NTA 31/12/2020
Equity (before non-controlling interests)	13,292.2	13,400.2 ¹
i) Hybrid bonds and dilution effects from the conversion of in-the-money convertible bonds	2,012.8	0.0
Diluted NAV	15,305.0	13,400.2¹
Plus		
iv) Revaluation of inventory properties after deferred taxes	38.9	43.9
Diluted NAV at fair values	15,343.9	13,444.1¹
Less		
v) Deferred taxes for valuation gains on investment properties	4,850.7	4,711.8
vi) Fair value of derivative financial instruments	34.5	54.7
viii.a) Goodwill accounted for in the IFRS consolidated financial statements	-319.6	-319.7
viii.b) Intangible assets as accounted for in the IFRS consolidated financial statements	-35.6	-38.0
NAV	19,873.9	17,852.9¹
Number of shares (diluted) in millions (without own shares)	377.32	343.77
NAV in EUR per share	52.67	51.93¹

¹ Previous year's figure amended due to finalisation of purchase price allocation for the QUARTERBACK transaction

EPRA NTA rose by EUR 2,021.0 million in absolute terms and by EUR 0.74 per share (diluted). Equity (before non-controlling interests) rose by the Group profit attributable to the shareholder of the parent company for the first half-year of 2021, in the amount of EUR 246.0 million, while the payment of the dividend for the financial year 2020 led to a reduction of EUR 354.1 million. Both outstanding convertible bonds are in the money as of the reporting date (the conversion prices exceeded the reporting date price of the Deutsche Wohnen share), resulting in dilutions.

The previously reported EPRA NAV rose by EUR 0.81 per share from EUR 52.82 per share as of 31 December 2020 to EUR 53.63 per share (diluted) as of 30 June 2021.

Events after the reporting date

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

Risk report

For the risks of future business performance and a description of the risk management system (RMS), we refer to the risk report in the consolidated financial statements as of 31 December 2020.

Published on 15 April 2021, the decision of the Federal Constitutional Court dated 25 March 2021 declared the Berlin rent freeze for residential properties [Gesetz zur Mietenbegrenzung im Wohnungswesen in Berlin – MietenWoG Bln] unconstitutional and therefore null and void. Risks arising from potential rent limits for new lettings and other rent rises classed as material as of 31 December 2020 and negative impacts on the value of affected properties therefore lapsed.

Material costs for new construction and maintenance projects are rising due to simultaneously high demand and limited supply resulting from reasons relating to the economy, particularly the pandemic, trade restrictions, container shortages and current natural events. The associated investment risks are deemed significant. These risks are deemed temporary in the assumption that the supply situation will improve.

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.

Forecast

The first six months of 2021 went according to plan for Deutsche Wohnen. We therefore stand by the forecast made when we published our performance figures for 2020 in March 2021 and are anticipating FFO I at the same level as last year.

Berlin, 5 August 2021

Deutsche Wohnen SE
Management Board



Michael Zahn
Chairman of the
Management Board



Philip Grosse
Management Board



Henrik Thomsen
Management Board



Lars Urbansky
Management Board

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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CONSOLIDATED BALANCE SHEET

as of 30 June 2021

EUR m	30/06/2021	31/12/2020 adjusted	31/12/2020 as reported
Assets			
Investment properties	28,551.4	28,069.5	28,069.5
Property, plant and equipment	191.4	197.0	197.0
Intangible assets	355.2	357.7	357.7
Trade receivables	2.8	0.0	0.0
Derivative financial instruments	1.7	2.3	2.3
Other financial assets	430.8	433.5 ¹	425.0
Deferred tax assets	0.0	0.0	0.0
Non-current assets	29,533.3	29,060.0¹	29,051.5
Land and buildings held for sale	465.7	472.2	472.2
Other inventories	12.2	12.3	12.3
Trade receivables	77.3	35.9	35.9
Income tax receivables	153.7	125.6	125.6
Derivative financial instruments	0.2	0.3	0.3
Other financial assets	967.6	343.6	343.6
Other non-financial assets	13.0	9.1	9.1
Cash and cash equivalents	252.4	583.3	583.3
Non-current assets held for sale	353.2	163.6	163.6
Current assets	2,295.3	1,745.9	1,745.9
Total assets	31,828.6	30,805.9¹	30,797.4

1 Previous year's figure amended due to finalisation of purchase price allocation for the QUARTERBACK transaction

EUR m	30/06/2021	31/12/2020 adjusted	31/12/2020 as reported
Equity and liabilities			
Equity attributable to shareholders of the parent company			
Issued share capital	359.9	359.9	359.9
Own shares	-16.1	-16.1	-16.1
Issued capital	343.8	343.8	343.8
Capital reserve	1,688.4	1,688.1	1,688.1
Accumulated other comprehensive income	-43.4	-47.8	-47.8
Retained earnings	11,303.4	11,416.1 ¹	11,407.6
Total equity attributable to the shareholders of the parent company	13,292.2	13,400.2¹	13,391.7
Non-controlling interests	451.2	441.1	441.1
Total equity	13,743.4	13,841.3¹	13,832.8
Financial liabilities	6,330.4	6,444.7	6,444.7
Convertible bonds	2,059.7	1,762.8	1,762.8
Corporate bonds	3,882.1	2,875.5	2,875.5
Pension obligations	103.2	109.6	109.6
Other provisions	30.0	29.9	29.9
Trade payables	67.1	67.9	67.9
Derivative financial instruments	28.2	48.7	48.7
Other financial liabilities	284.8	289.9	289.9
Deferred tax liabilities	4,590.0	4,412.0	4,412.0
Total non-current liabilities	17,375.5	16,041.0	16,041.0
Financial liabilities	88.8	80.4	80.4
Convertible bonds	4.7	5.9	5.9
Corporate bonds	166.5	254.1	254.1
Other provisions	29.4	27.5	27.5
Trade payables	227.5	362.0	362.0
Derivative financial instruments	8.2	8.6	8.6
Tax liabilities	58.1	60.5	60.5
Other financial liabilities	109.3	108.7	108.7
Other non-financial liabilities	17.2	15.9	15.9
Total current liabilities	709.7	923.6	923.6
Total equity and liabilities	31,828.6	30,805.9¹	30,797.4

1 Previous year's figure amended due to finalisation of purchase price allocation for the QUARTERBACK transaction

CONSOLIDATED PROFIT AND LOSS STATEMENT

for the period from 1 January to 30 June 2021

EUR m	H1 2021	H1 2020	Q2 2021	Q2 2020
Income from Residential Property Management	625.9	636.8	311.8	320.1
Income from Nursing Operations	113.0	112.5	57.9	57.1
Rental income from Nursing Assets	16.9	21.6	8.3	10.3
Other income	11.1	10.0	6.0	5.3
Income from sold properties	172.7	219.9	30.1	165.2
Carrying amount of properties sold	-170.3	-216.8	-28.3	-163.8
Income from sold properties (development)	10.9	0.0	8.4	0.0
Carrying amount of properties sold (development)	-10.1	0.0	-7.9	0.0
Earnings from Disposals	3.2	3.1	2.3	1.4
Cost of materials	-283.5	-299.7	-149.2	-149.8
Staff expenses	-118.9	-113.1	-62.1	-56.3
Other operating expenses	-58.0	-59.5	-39.2	-19.5
Other operating income	44.3	24.8	17.2	10.7
	354.0	336.5	153.0	179.3
Depreciation, amortisation and impairment	-19.5	-19.0	-9.7	-9.6
Gains/losses from the fair value adjustment of investment properties	480.7	174.2 ¹	480.6	174.7 ¹
Impairment losses on financial assets	-4.7	-3.5	-1.5	-1.8
Earnings before interest and taxes (EBIT)	810.5	488.2¹	622.4	342.6¹
Finance income	10.9	1.9	7.9	1.0
Finance expenses	-73.5	-90.6 ¹	-37.7	-38.9 ¹
Net income from fair value adjustment to derivative financial instruments	-282.7	-88.1	-358.3	-117.7
Earnings from investments accounted for using the equity method	-9.0	1.1	-3.3 ²	0.6
Earnings before taxes (EBT)	456.2	312.5	231.0	187.6
Income taxes	-199.8	-95.8	-174.4	-96.3
Profit/loss for the period	256.4	216.7	56.6	91.3
Of which attributable to:				
Shareholders of the parent company	241.6	212.1	45.2	89.3
Non-controlling interests	14.8	4.6	11.4	2.0
	256.4	216.7	56.6	91.3
Earnings per share				
Undiluted in EUR	0.70	0.60	0.13	0.26
Diluted in EUR	0.70	0.60	0.13	0.26

1 Previous year's figure changed due to exercise of IAS 23 option

2 Previous year's figure amended due to finalisation of purchase price allocation for the QUARTERBACK transaction

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the period from 1 January to 30 June 2021

EUR m	H1 2021	H1 2020	Q2 2021	Q2 2020
Profit/loss for the period	256.4	216.7	56.6¹	91.3
Other comprehensive income				
Items later reclassified through profit or loss				
Net gain/loss from derivatives of cash flow hedges	6.0	-5.9	1.5	-2.7
Income tax effects	-1.6	1.4	-0.5	0.4
	4.4	-4.5	1.0	-2.3
Items later not reclassified through profit or loss				
Net change in the fair value of equity instruments	0.0	-2.0	0.0	-2.0
Income tax effects	0.0	0.0	0.0	0.0
Actuarial gains/losses on pensions and effect of asset ceilings in pension plans	6.3	6.5	-0.6	4.2
Income tax effects	-1.2	-1.5	-0.3	-1.0
Net gain/loss on convertible bonds	-6.9	35.7	-5.2	-90.7
Income tax effects	2.0	-10.1	1.5	27.4
	0.2	28.6	-4.6	-62.1
Other comprehensive income after taxes	4.6	24.1	-3.6	-64.4
Total comprehensive income after taxes	261.0	240.8	53.0	26.9
Of which attributable to:				
Shareholders of the parent company	246.0	236.4	41.6	24.9
Non-controlling interests	15.0	4.4	11.4	2.0

1 Previous year's figure amended due to finalisation of purchase price allocation for the QUARTERBACK transaction

CONSOLIDATED STATEMENT OF CASH FLOWS

for the period from 1 January to 30 June 2021

EUR m	H1 2021	H1 2020
Operating activities		
Profit/loss for the period	256.4	216.7
Finance income	-10.9	-1.9
Finance expenses	73.5	91.8 ¹
Gains/losses from fair value adjustments of financial instruments	282.7	88.1
Earnings from investments accounted for using the equity method	9.0	-1.1
Income taxes	199.8	95.8
Profit/loss for the period before interest and taxes	810.5	489.4¹
Non-cash income and expenses		
Fair value adjustment of investment properties	-480.7	-174.2 ¹
Depreciation, amortisation and impairment	19.5	19.0
Other non-cash income and expenses	-6.1	-0.4
Change in net working capital		
Change in receivables, inventories and other current assets	-63.7	-53.2
Change in operating liabilities	-40.5	-67.3
Net operating cash flow	239.0	213.3
Proceeds from the disposal of land and buildings held for sale	5.6	9.9
Investments in land and buildings held for sale	-6.4	-1.3
Interest paid	-101.8	-92.7 ¹
Interest received	1.8	1.8
Taxes paid	-44.3	-29.0
Taxes received	10.9	22.2
Net cash flow from operating activities	104.8	124.2¹
Investing activities		
Proceeds from the disposal of investment properties and properties held for sale	82.9	181.6
Payments for investments in properties	-357.8	-558.1 ^{1,2}
Payments for investments in other assets	-668.2	-52.9 ²
Proceeds from dividends from shareholdings and joint ventures	0.1	0.1
Payments for business combinations less cash and cash equivalents acquired	9.7	0.0
Other proceeds of investing activities	33.5	10.5
Net cash flow from investing activities	-899.8	-418.8¹
Financing activities		
Proceeds of new borrowing	0.1	165.0
Loan repayments	-110.5	-88.1
Proceeds from the issue of corporate bonds	1,200.1	1,773.1
Repayment of corporate bonds	-250.0	-200.0
One-off financing payments	-5.9	-6.9
Repayment of lease liabilities	-10.8	-10.6
Payments for the purchase of own shares	0.0	-386.4
Proceeds of the capital increase	0.1	0.0
Other payments for financing activities	-0.1	0.0
Dividend payment to shareholders of Deutsche Wohnen SE	-354.1	-312.6
Dividend payment to non-controlling interests	-4.8	-4.8
Net cash flow from financing activities	464.1	928.7
Net change in cash and cash equivalents	-330.9	634.1
Opening balance cash and cash equivalents	583.3	685.6
Closing balance cash and cash equivalents	252.4	1,319.7

1 Previous year's figure changed due to exercise of IAS 23 option

2 Previous year's figure amended

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

as of 30 June 2021

EUR m	Share capital	Own shares	Issued capital	Capital reserve	Pensions and convertible bonds	Cash flow hedge reserve	Total other comprehensive income	Retained earnings company	Equity attributable to shareholders of the parent company	Non-controlling interests	Total equity
Equity as of 1 January 2020	359.7	-2.6	357.1	2,555.5	-33.9	-12.4	-46.3	9,834.1	12,700.4	406.9	13,107.3
Profit/loss for the period								212.1	212.1	4.6	216.7
Other comprehensive income					28.6	-4.3	24.3		24.3	-0.2	24.1
Total comprehensive income					28.6	-4.3	24.3	212.1	236.4	4.4	240.8
Capital increase	0.1		0.1	2.0					2.1		2.1
Purchase of treasury shares		-10.8	-10.8	-385.5					-396.3		-396.3
Contribution in connection with Management Board remuneration			0.0	-0.2					-0.2		-0.2
Change in non-controlling interests			0.0					0.2	0.2	-7.0	-6.8
Dividend			0.0					-312.6	-312.6		-312.6
Other			0.0					0.1	0.1		0.1
Equity as of 30 June 2020	359.8	-13.5	346.3	2,171.8	-5.3	-16.7	-22.0	9,733.9	12,230.0	404.3	12,634.3
Equity as of 1 January 2021 as reported	359.9	-16.1	343.8	1,688.1	-31.2	-16.6	-47.8	11,407.6	13,391.7	441.1	13,832.8
Previous year's figure amended due to finalisation of purchase price allocation for the QUARTERBACK transaction			0.0					8.5		8.5	8.5
Equity as of 1 January 2021 adjusted	359.9	-16.1	343.8	1,688.1	-31.2	-16.6	-47.8	11,416.1	13,400.2	441.1	13,841.3
Profit/loss for the period								241.6	241.6	14.8	256.4
Other comprehensive income					0.2	4.2	4.4		4.4	0.2	4.6
Total comprehensive income					0.2	4.2	4.4	241.6	246.0	15.0	261.0
Capital increase	0.0		0.0	0.2					0.2		0.2
Contribution in connection with Management Board remuneration			0.0	0.1					0.1		0.1
Change in non-controlling interests			0.0					0.0	0.0	-4.9	-4.9
Dividend			0.0					-354.1	-354.1		-354.1
Other			0.0					-0.2	-0.2		-0.2
Equity as of 30 June 2021	359.9	-16.1	343.8	1,688.4	-31.0	-12.4	-43.4	11,303.4	13,292.2	451.2	13,743.4

NOTES

General information

The consolidated interim financial statements of Deutsche Wohnen SE ("Deutsche Wohnen") as at 30 June 2021 were prepared by the Management Board on 5 August 2021. 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, 14197 Berlin, and it is entered in the Commercial Register held at Berlin-Charlottenburg Local Court, HRB 190322 B.

The operating activities of Deutsche Wohnen SE are limited to its role as a holding company for the entities in the Group, which comprises all the key central functions. The operating subsidiaries focus on property management, disposals/acquisitions, project development, nursing care services and property-related services.

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

Principles and methods used in the consolidated financial statements

The condensed consolidated financial statements for the period from 1 January to 30 June 2021 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 reviewed by the auditors.

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 2020.

As a rule, the interim consolidated financial statements are based on amortised cost. This does not apply to investment properties, equity instruments, convertible bonds and derivative financial instruments in particular, which are measured at fair value.

The consolidated financial statements comprise the financial statements of Deutsche Wohnen and its subsidiaries as of 30 June 2021. 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.

Preparing the consolidated financial statements requires the management to make decisions, estimates and assumptions that affect the amount of income, expenses, assets and liabilities and the presentation of contingent liabilities as of the reporting date. The uncertainty resulting from these assumptions and estimates may lead to results that require significant changes to be made in future to the carrying amounts of the assets or liabilities concerned.

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

Changes in the basis of consolidation

As part of the ongoing development of new building activities, in the first quarter of 2021, Isaria München Projektentwicklungs GmbH was sold to the QUARTERBACK Immobilien Group for EUR 12.5 million, with a profit to the amount of EUR 10.1 million. All the new building competences in the Deutsche Wohnen Group are now pooled in the QUARTERBACK Immobilien Group. In addition, four new companies with no operating activities of their own structured as German limited companies were acquired in the Residential Property Management segment. There were no other changes to the basis of consolidation.

Disclosure on interests in other companies

In the financial year 2020, Deutsche Wohnen acquired 40% of the unlisted QUARTERBACK Immobilien AG and 44% to 50% each of eleven unlisted investment vehicles of QUARTERBACK Immobilien AG, which were classified as joint ventures.

As final information from the QUARTERBACK Immobilien Group as of the acquisition date was not available at the time the publication of Deutsche Wohnen's consolidated financial statements was approved, and the first-time recognition of the acquisition was accordingly not complete, the purchase price allocation in the consolidated financial statements for the financial year ending on 31 December 2020 contained provisional information.

Essentially, the provisional purchase price allocation was adjusted in the second quarter of the financial year 2021 to the valuation of attributable fair value of investment properties, resulting in a corresponding increase in goodwill for QUARTERBACK Immobilien AG of approximately EUR 23.4 million. The attributable fair values of the net asset value of the eleven investment vehicles rose to EUR 28.4 million.

The provisional accounting using the equity method for shareholdings in the QUARTERBACK Immobilien Group as of 31 December 2020 was adjusted based on the final purchase price calculation. As of 31 December 2020, the carrying amount of QUARTERBACK Immobilien AG is therefore EUR 239.1 million (provisional accounting using the equity method as of 31 December 2020 EUR 220.4 million) and EUR 103.8 million for the QUARTERBACK investment vehicles (provisional accounting using the equity method as of 31 December 2020 EUR 113.9 million).

Changes in accounting policies and valuation methods

The accounting policies and valuation methods used in the condensed consolidated financial statements are generally based on those used for the consolidated financial statements 2020.

Selected notes on the consolidated balance sheet

Investment properties make up approximately 90% of the assets held by the Deutsche Wohnen Group. Effective 30 June 2021, 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 2020.

Based on the data provided, Jones Lang LaSalle SE, Frankfurt/Main (JLL) completed a rough plausibility check of the valuation performed by Deutsche Wohnen SE as of 30 June 2021. To do so, JLL concentrated on the earnings for each reporting cluster. The plausibility check was not applied at the level of the individual assets/micro-locations. The focus was on analysing the following aspects: change in value, in-place rent, value (EUR/sqm), actual multiplier and market multiplier, compared with the valuation carried out as of 31 December 2020.

Overall, JLL considers the portfolio value as of 30 June 2021 to be plausible and in line with the market.

The principles used for the valuation dated 30 June 2021 were the same as those applied on 31 December 2020 (Level 3 of the fair value hierarchy – measurement on the basis of valuation models).

The following table shows the average non-observable input factors (Level 3) used for the internal valuation of the developed land:

30/06/2021			Core ⁺	Core	Non-Core	Total
	Berlin	Other	Total	Total	Total	Total
In-place rent (EUR/sqm)	7.12	7.46	7.20	6.18	6.07	7.14
Market rental growth p.a. in %	2.3	2.6	2.3	1.2	0.6	2.3
Vacancy rate in %	1.7	4.3	2.4	2.6	3.1	2.4
Multiple	33.9	28.2	32.5	21.4	15.6	31.9
Discount rate in %	4.3	4.8	4.4	5.2	5.5	4.4
Capitalisation rate in %	3.1	3.6	3.2	4.0	4.7	3.3
Maintenance costs (EUR/sqm/p.a.)	14.05	13.50	13.81	13.98	16.31	13.82

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:

30/06/2021			Core ⁺	Core	Total
in %	Berlin	Other	Total	Total	Total
Market rental growth	-4.78	-4.92	-4.81	-4.35	-4.80
Discount rate	-0.87	-0.87	-0.87	-0.81	-0.86
Capitalisation rate	-2.50	-2.05	-2.40	-1.80	-2.38

Thereafter, there are positive effects of roughly the same amount, to the extent that the respective valuation parameters perform positively.

The following inputs were utilised as of 31 December 2020:

31/12/2020	Core ⁺			Core	Non-Core	Total
	Berlin	Other	Total	Total	Total	Total
In-place rent (EUR/sqm)	6.53	7.39	6.73	6.20	5.93	6.69
Market rental growth p.a. in %	1.1	2.6	1.5	1.8	2.1	1.5
Vacancy rate in %	1.3	3.5	1.9	2.3	3.0	1.9
Multiple	36.2	28.0	34.0	20.5	14.9	33.1
Discount rate in %	3.7	4.9	4.0	5.6	6.7	4.1
Capitalisation rate in %	2.9	3.8	3.1	4.9	5.9	3.1
Maintenance costs (EUR/sqm/p.a.)	13.70	13.42	13.63	13.33	15.46	13.61

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 2020:

31/12/2020	Core ⁺			Core	Total
	Berlin	Other	Total	Total	Total
in %					
Market rental growth	-4.97	-7.47	-5.53	-4.90	-5.50
Discount rate	-0.85	-0.79	-0.84	-0.72	-0.83
Capitalisation rate	-2.79	-1.83	-2.58	-1.28	-2.53

Residential project properties

Residential project properties were valued as of 31 December 2019, 31 December 2020 and 30 June 2021 by Jones Lang LaSalle SE using the residual value method. The key inputs for the valuation were net present value after completion and project development costs:

EUR m	30/06/2021	31/12/2020
Net present value after completion	4,350	4,153
Project development costs	3,261	3,108

Any adjustment of these material input factors (lowering of net present value after completion by 10%; increase in project development costs of 10%) results in the following non-cumulated fair value adjustments on the basis of the carrying amount of the project properties:

in %	30/06/2021	31/12/2020
Net present value after completion	-29.74	-30.84
Project development costs	-21.58	-22.45

Nursing facilities

Nursing facilities were valued as of 31 December 2019 and 31 December 2020, and as of 30 June 2021, by W&P Immobilienberatung GmbH. The key inputs for the valuation were average market rents, discount rates and maintenance expenses:

	30/06/2021	31/12/2020
Market rent (EUR/sqm)	8.47	8.16
Discount rate in %	4.36	4.67
Maintenance costs (EUR/sqm/p.a.)	11.31	11.14

Any adjustment of these material input factors (lowering of market rents by 5%; increase in the discount rate of 0.1%; increase in maintenance costs rate of 10%) will result in the following non-cumulated fair value adjustments on the basis of the carrying amount of the nursing facilities:

in %	30/06/2021	31/12/2020
Market rent	-5.0	-5.0
Discount rate	-2.0	-2.0
Maintenance costs	-1.0	-1.0

Property, plant and equipment consists mainly of properties used by the Group (IAS 16), technical equipment, operating and office equipment and right-of-use assets (IFRS 16).

Intangible assets include goodwill of EUR 319.6 million, which is allocated as follows: EUR 171.5 million (31 December 2020: EUR 171.6 million) to the Residential Property Management segment, EUR 140.0 million to the Nursing Operations segment and EUR 8.1 million to the SYN VIA Group. The goodwill of the Residential Property Management segment fell by EUR 0.1 million as a result of the disposal of Isaria München Projektentwicklungs GmbH to the QUARTERBACK Immobilien Group in the first quarter of 2021.

Goodwill was tested for impairment for the Residential Property Management segment on 30 June 2021. The recoverable amount of the cash generating unit was reached by determining the value in use in accordance with the methods used as of 31 December 2020, while updating the planning assumptions and market-based parameters. The cash flows after the ten-year detailed budgeting phase are extrapolated on the basis of a growth rate of 1.0%. The present value is calculated using a discount rate based on the Group's weighted capital cost rate of 2.58% before taxes. The impairment test did not reveal any impairment. As of the balance sheet date, there was no evidence of impairment in goodwill for the Nursing Operations segment and SYN VIA Group.

The derivative financial instruments are interest rate hedges carried at fair value, which are not held for speculation purposes but solely to minimise the risk of changes in interest rates, i.e. cash flow risks for floating rate loans.

The rise in assets held for disposal relates to investment properties for which notarised sales contracts had been signed as of the reporting date, but title had not yet been conveyed.

Other financial assets consist largely of financial investments in associates and joint ventures and receivables from these investees.

All other financial assets (trade receivables, other assets, and cash and cash equivalents), as well as other financial liabilities (non-current and current financial liabilities, non-current and current corporate bonds, trade payables and other liabilities) are measured at amortised cost. The amortised cost of these assets and liabilities is roughly equivalent to their fair value.

Group equity reduced by EUR 97.9 million in the first six months of 2021, with a decrease in equity ratio of around 43%. In the reporting period, some 48,600 bearer shares in Deutsche Wohnen SE were issued through the exercise of share options and another approximately 3,300 bearer shares in Deutsche Wohnen SE were issued in exchange for some 1,400 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. In addition, Deutsche Wohnen's capital increased by the total comprehensive income for the first half-year of 2021, in the amount of EUR 261.0 million. Group equity fell by EUR 354.1 million as a result of the payment of Deutsche Wohnen SE.

The attributable fair value of liabilities from convertible bonds rose by EUR 295.7 million to EUR 2,064.4 million (31 December 2020 reporting date: EUR 1,768.7 million) due to the share performance increase resulting from the Vonovia SE takeover offer. The nominal amount of outstanding convertible bonds was unchanged at EUR 1,600 million as of the reporting date.

Liabilities under corporate bonds fell by EUR 250.0 million due to scheduled redemptions and increased by EUR 1,200.1 million due to the proceeds of new issues. Proceeds of new issues in the first six months of 2021 included the issue of two long-term green bonds (EUR 500.0 million each) and of long-term bearer bonds (EUR 100.0 million) and short-term commercial papers (EUR 100.1 million).

Employee benefit liabilities were valued using a weighted discount factor of 0.96% p.a. on the reporting date (reporting date 31 December 2020: 0.62% p.a.). This is derived from the yield on fixed-interest industrial loans as of the reporting date.

Selected notes on the consolidated profit and loss statement

Income from Residential Property Management is made up as follows:

EUR m	H1 2021	H1 2020
Potential rent	435.2	432.8
Subsidies	0.4	0.4
Vacancy losses	-9.9	-11.4
Rent reductions	-3.1	-3.3
Operating costs	202.6	217.7
Other	0.7	0.6
	625.9	636.8

Notes on revenue recognition pursuant to IFRS 15 and IFRS 16

The following table shows the main income streams by type and timing of revenue recognition and allocates them to the segments in which they are presented:

EUR m						H1 2021
	Residential Property Management	Disposals	Nursing Operations	Nursing Assets	Other	Total
IFRS 16 income						
Rental income	422.9	-	29.5	16.4	2.8	471.6
Operating costs	57.2	-	-	-	-	57.2
	480.1	0.0	29.5	16.4	2.8	528.8
IAS 40 income						
Privatisation	-	20.3	-	-	-	20.3
Institutional sales	-	146.8	-	-	-	146.8
	0.0	167.1	0.0	0.0	0.0	167.1
IFRS 15 income						
Operating costs	145.4	-	-	0.5	-	145.9
Privatisation	-	5.6	-	-	-	5.6
Institutional sales	-	-	-	-	-	0.0
Sales proceeds Development cost-to-cost	10.9	-	-	-	-	10.9
Nursing services	-	-	83.5	-	-	83.5
Other revenue from customer contracts:	0.4	-	-	-	8.3	8.7
	156.7	5.6	83.5	0.5	8.3	254.6
Time of revenue recognition according to IFRS 15						
Goods or services transferred at a point in time	-	5.6	-	-	6.8	12.4
Goods or services transferred over time	156.7	-	83.5	0.5	1.5	242.2
	156.7	5.6	83.5	0.5	8.3	254.6

EUR m						H1 2020
	Residential Property Management	Disposals	Nursing Operations	Nursing Assets	Other	Total
IFRS 16 income						
Rental income	418.5	-	29.6	20.9	2.9	471.9
Operating costs	54.2	-	-	-	-	54.2
	472.7	0.0	29.6	20.9	2.9	526.1
IAS 40 income						
Privatisation	-	25.0	-	-	-	25.0
Institutional sales	-	185.0	-	-	-	185.0
	0.0	210.0	0.0	0.0	0.0	210.0
IFRS 15 income						
Operating costs	163.5	-	-	0.7	-	164.2
Privatisation	-	7.6	-	-	-	7.6
Institutional sales	-	2.3	-	-	-	2.3
Sales proceeds Development cost-to-cost	-	-	-	-	-	0.0
Nursing services	-	-	82.9	-	-	82.9
Other revenue from customer contracts:	0.6	-	-	-	7.1	7.7
	164.1	9.9	82.9	0.7	7.1	264.7
Time of revenue recognition according to IFRS 15						
Goods or services transferred at a point in time	-	9.9	-	-	5.9	15.8
Goods or services transferred over time	164.1	-	82.9	0.7	1.2	248.9
	164.1	9.9	82.9	0.7	7.1	264.7

Income from Nursing Operations is made up as follows:

EUR m	H1 2021	H1 2020
Income from nursing services	83.5	82.9
Rental income from nursing facilities	29.5	29.6
	113.0	112.5

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

The Group's cost of materials is made up as follows:

EUR m	H1 2021	H1 2020
Operating costs	-201.3	-217.0
Maintenance	-61.8	-60.2
Other	-20.4	-22.5
	-283.5	-299.7

Staff expenses comprise the following:

EUR m	H1 2021	H1 2020
Wages and salaries	-99.0	-95.1
Social security contributions, retirement and other benefits	-19.9	-18.0
	-118.9	-113.1

Finance expenses are made up as follows:

EUR m	H1 2021	H1 2020
Current interest	-73.2	-67.7
Accrued interest on liabilities and pensions	-8.7	-24.8
Capitalised interest expenses	7.2	2.8 ¹
Non-recurring expenses in connection with financing	1.2	-0.9
	-73.5	-90.6¹

¹ Previous year's figure changed due to exercise of IAS 23 option

Notes on the statement of cash flows

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

Notes on segment reporting

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

EUR m	External revenue		Internal revenue		Total revenue		Segment earnings	
	H1 2021	H1 2020	H1 2021	H1 2020	H1 2021	H1 2020	H1 2021	H1 2020
Segments								
Residential property management	628.0	639.5	2.2	2.1 ¹	630.2	641.6 ¹	373.3	370.7
Disposals	172.7	219.9	3.2	4.8	175.9	224.7	-0.5	-3.6
Nursing Operations	124.2	116.1	0.0	0.0	124.2	116.1	24.1	22.4
Nursing Assets	17.3	21.6	14.4	13.2	31.7	34.8	15.6	20.1
Reconciliation with consolidated financial statements								
Central functions and other operating activities	0.0	0.0	60.3	62.5	60.3	62.5	-63.2	-75.4
Consolidation and other reconciliation	0.0	0.0	-80.1	-82.6 ¹	-80.1	-82.6 ¹	0.0	0.0
	942.2	997.1	0.0	0.0	942.2	997.1	349.3	334.2

¹ Previous year's figure amended

The following table shows the reconciliation of the segment earnings with the consolidated profit and loss statement:

EUR m	H1 2021					
	Group	Residential Property Management	Disposals	Nursing Operations	Nursing Assets	Other
Income from Residential Property Management	625.9	625.9	0.0	0.0	0.0	0.0
Income from Nursing Operations	113.0	0.0	0.0	113.0	0.0	0.0
Rental income from Nursing Assets	16.9	0.0	0.0	0.0	16.9	0.0
Other income	11.1	0.1	0.0	0.0	0.0	11.0
Income from sold properties	172.7	0.0	172.7	0.0	0.0	0.0
Carrying amount of properties sold	-170.3	0.0	-170.3	0.0	0.0	0.0
Income from sold properties (development)	10.9	10.9	0.0	0.0	0.0	0.0
Carrying amount of prop- erties sold (development)	-10.1	-10.1	0.0	0.0	0.0	0.0
Earnings from Disposals	3.2	0.8	2.4	0.0	0.0	0.0
Cost of materials	-283.5	-253.5	-1.8	-22.9	-1.5	-3.8
Staff expenses	-118.9	-8.2	-1.1	-71.4	0.0	-38.2
Other operating expenses	-58.0	-3.5	0.0	-7.1	0.0	-47.4
Other operating income	44.3	16.2	0.0	12.5	0.4	15.2
	354.0	377.8	-0.5	24.1	15.8	-63.2
Depreciation, amortisa- tion and impairment	-19.5	0.0	0.0	0.0	0.0	-19.5
Gains/losses from the fair value adjustment of investment properties	480.7	0.0	0.0	0.0	0.0	480.7
Impairment losses on financial assets	-4.7	-4.5	0.0	0.0	-0.2	0.0
Earnings before interest and taxes (EBIT)/ segment earnings	810.5	373.3	-0.5	24.1	15.6	398.0
Finance income	10.9					
Finance expenses	-73.5					
Net income from fair value adjustment to financial instruments	-282.7					
Earnings from invest- ments accounted for using the equity method	-9.0					
Earnings before taxes (EBT)	456.2					
Income taxes	-199.8					
Profit/loss for the period	256.4					

EUR m	H1 2020					
	Group	Residential Property Management	Disposals	Nursing Operations	Nursing Assets	Other
Income from Residential Property Management	636.8	636.8	0.0	0.0	0.0	0.0
Income from Nursing Operations	112.5	0.0	0.0	112.5	0.0	0.0
Rental income from Nursing Assets	21.6	0.0	0.0	0.0	21.6	0.0
Other income	10.0	0.0	0.0	0.0	0.0	10.0
Income from sold properties	219.9	0.0	219.9	0.0	0.0	0.0
Carrying amount of properties sold	-216.8	0.0	-216.8	0.0	0.0	0.0
Income from sold properties (development)	0.0	0.0	0.0	0.0	0.0	0.0
Carrying amount of properties sold	0.0	0.0	0.0	0.0	0.0	0.0
Earnings from Disposals	3.1	0.0	3.1	0.0	0.0	0.0
Cost of materials	-299.7	-266.8	-5.9	-20.6	-1.4	-5.0
Staff expenses	-113.1	-6.6	-0.8	-68.3	0.0	-37.4
Other operating expenses	-59.5	-1.7	0.0	-5.7	0.0	-52.1
Other operating income	24.8	12.3	0.0	4.6	0.0	7.9
	336.5	374.0	-3.6	22.5	20.2	-76.6
Depreciation, amortisa- tion and impairment	-19.0	0.0	0.0	0.0	0.0	-19.0
Gains/losses from the fair value adjustment of investment properties	174.2 ¹	0.0	0.0	0.0	0.0	174.2 ¹
Impairment losses on financial assets	-3.5	-3.3	0.0	-0.1	-0.1	0.0
Earnings before interest and taxes (EBIT)/ segment earnings	488.2	370.7	-3.6	22.4	20.1	78.6
Finance income	1.9					
Finance expenses	-90.6 ¹					
Net income from fair value adjustment to financial instruments	-88.1					
Earnings from invest- ments accounted for using the equity method	1.1					
Earnings before taxes (EBT)	312.5					
Income taxes	-95.8					
Profit/loss for the period	216.7					

¹ Previous year's figure changed due to exercise of IAS 23 option

Other disclosures

Related parties

There have been no material changes in related-party disclosures compared with those made as of 31 December 2020.

Loans of EUR 884.1 million are outstanding from associates and joint ventures. Primarily, there are the standard loans outstanding from QUARTERBACK Immobilien Group to the amount of EUR 869.9 million, which are repayable within twelve months of the reporting date. There are outstanding receivables of EUR 0.1 million as of 30 June 2021. No guarantees were given or received. In addition, in the first quarter of 2021, Isaria München Projektentwicklungs GmbH was sold to the QUARTERBACK Immobilien Group for EUR 12.5 million.

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 IFRS 9:

30/06/2021						
EUR m	Valuation category in accordance with IFRS 9	Measured at amortised 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	80.1	80.1	0.0	-	80.1
Other assets						
Equity instruments	FVOCI	-	-	33.9	-	33.9
Equity instruments	FVtPL	-	-	-	-	0.0
Interests in associates and joint ventures	n/a	-	-	-	366.0	366.0
Loans receivable	AC	0.7	0.7	-	-	0.7
Leasing receivables	n/a	-	-	-	27.5	27.5
Other financial assets	AC	970.2	970.2	-	-	970.2
Derivative financial instruments						
Interest rate hedges (no hedge accounting)	FVtPL	-	-	2.0	-	2.0
Cash flow hedges (interest rate swaps)	n/a	-	-	-	-	-
Cash and cash equivalents	AC	252.4	252.4	-	-	252.4
Total financial assets		1,303.4	1,303.4	35.9	393.5	1,732.8
Financial liabilities						
Financial liabilities	AC	6,419.2	6,605.8	-	-	6,419.2
Convertible bonds	FVtPL	-	-	2,064.4	-	2,064.4
Corporate bonds	AC	4,048.6	4,336.2	-	-	4,048.6
Trade payables	AC	294.6	294.6	-	-	294.6
Other liabilities						
Liabilities from finance leases	n/a	-	-	-	140.2	140.2
Other financial liabilities	AC	254.0	254.0	-	-	254.0
Derivative financial instruments						
Interest rate hedges (no hedge accounting)	FVtPL	-	-	17.7	-	17.7
Cash flow hedges (interest rate swaps)	n/a	-	-	18.7	-	18.7
Total financial liabilities		11,016.4	11,490.6	2,100.8	140.2	13,257.4

AC – Financial assets and financial liabilities measured at amortised cost (Amortised Cost)

FVtPL – Fair Value through Profit and Loss

FVOCI – Fair Value through Other Comprehensive Income

31/12/2020						
EUR m	Valuation category in accordance with IFRS 9	Measured at amortised 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	
Trade receivables	AC	35.9	35.9	-	35.9	
Other assets						
Equity instruments	FVOCI	-	-	0.5	0.5	
Equity instruments	FVtPL	-	-	22.6	22.6	
Interests in associates and joint ventures	n/a	-	-	-	374.3 ¹	
Loans receivable	AC	0.8	0.8	-	0.8	
Leasing receivables	n/a	-	-	-	28.7	
Other financial assets	AC	350.2	350.2	-	350.2	
Derivative financial instruments						
Interest rate hedges (no hedge accounting)	FVtPL	-	-	2.6	2.6	
Cash flow hedges (interest rate swaps)	n/a	-	-	-	-	
Cash and cash equivalents	AC	583.3	583.3	-	583.3	
Total financial assets		970.2	970.2	25.7	1,398.9¹	
Financial liabilities						
Financial liabilities	AC	6,525.1	6,798.7	-	6,525.1	
Convertible bonds	FVtPL	-	-	1,768.7	1,768.7	
Corporate bond	AC	3,129.6	3,486.5	-	3,129.6	
Trade payables	AC	429.9	429.9	-	429.9	
Other liabilities						
Liabilities from finance leases	n/a	-	-	-	148.7	
Other financial liabilities	AC	249.9	249.9	-	249.9	
Derivative financial instruments						
Interest rate hedges (no hedge accounting)	FVtPL	-	-	32.5	32.5	
Cash flow hedges (interest rate swaps)	n/a	-	-	24.8	24.8	
Total financial liabilities		10,334.5	10,965.0	1,826.0	12,309.2	

¹ Previous year's figure amended due to finalisation of purchase price allocation for the QUARTERBACK transaction

AC - Financial assets and financial liabilities measured at amortised cost (Amortised 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 2020.

Events after the balance sheet date

The Deutsche Wohnen Group acquired twelve project properties from QUARTERBACK Immobilien AG in July 2021 for a purchase price of EUR 583.5 million. Completion of the properties is expected between 2023 and 2025. The project properties are primarily in the Core+ locations of Dresden and Leipzig.

On 1 August 2021, Vonovia SE and Deutsche Wohnen SE signed a new agreement on the merger of both companies. In this context, both companies agreed the previously agreed sale of 12,708,563 treasury shares of Deutsche Wohnen to Vonovia SE at a price of EUR 52.00 per share, which was settled on 3 August 2021.

Following the approval of the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht; BaFin), on 5 August 2021, in accordance with §10 para. 1 sentence 1 in conjunction with §29 para. 1 and § 34 of the German Securities Acquisition and Takeover Act [Wertpapiererwerbs- und Übernahmegesetz], Vonovia SE published the decision to submit another voluntary public takeover offer for no-par value bearer shares in Deutsche Wohnen in the amount of EUR 53.00 per Deutsche Wohnen share. The consummation of the transaction is expected in late September or early October 2021 and shall be subject to specific conditions, including, in particular, achieving a minimum acceptance threshold of over 50% of Deutsche Wohnen shares.

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

Berlin, 5 August 2021

Deutsche Wohnen SE
Management Board



Michael Zahn
Chairman of the
Management Board



Philip Grosse
Management Board



Henrik Thomsen
Management Board



Lars Urbansky
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 for the first half of 2021 give a true and fair view of the net assets, financial and earnings position of the Group, and the management report of the company, and the Group gives a true and fair view of the development of the business including the business result and the position of the Group and describes the main opportunities and risks associated with the Group's expected future development."

Berlin, 5 August 2021

Deutsche Wohnen SE
Management Board



Michael Zahn
Chairman of the
Management Board



Philip Grosse
Management Board



Henrik Thomsen
Management Board



Lars Urbansky
Management Board

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FINANCIAL CALENDAR 2021

[12/11/2021](#) Publication of Interim Statement as of 30 September 2021/1st-3rd Quarters

Disclaimer

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