MOODY'S INVESTORS SERVICE

CREDIT OPINION
22 December 2020

Update

Rate this Research

RATINGS

Deutsche Wohnen SE

Domicile	Eschborn, Germany
Long Term Rating	A3
Type	LT Issuer Rating - Fgn Curr
Outlook	Negative

Please see the ratings section at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

Contacts

Oliver Schmitt +49.69.70730.732
VP-Sr Credit Officer
oliver.schmitt@moodys.com

Moritz Mayer +49.69.70730.951
Associate Analyst
moritz.mayer@moodys.com

Anke Rindermann +49.69.70730.788
Associate Managing Director
anke.rindermann@moodys.com

Deutsche Wohnen SE

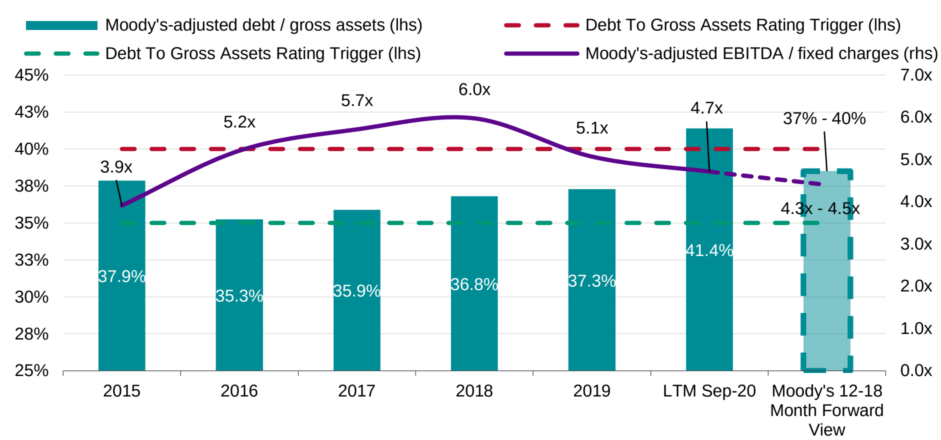
Update after rating affirmation

Summary Rating Rationale

Deutsche Wohnen's A3 long term issuer rating primarily reflects (i) its focus on stable and regulated rental housing activities in Germany, (ii) the large size with high income granularity in largely supply-constrained markets, which enhance the stability of its cash flow generation, (iii) the good quality of its properties as evidenced by consistently high occupancy and good rental growth, (iv) moderate debt to asset ratio and conservative financial policies, (v) strong fixed charge coverage and long dated debt maturities and (vi) good liquidity and access to debt capital.

The key challenge to Deutsche Wohnen is the political and regulatory scrutiny to its business in Berlin, reducing the company's ability to generate higher rental growth through its location quality and modernisation investments. Outside the rental freeze, considerations around socialisation of property companies gain some political support, while we still consider this risk to be low. We consider the political and regulatory risk as a social risk under our ESG framework. Moody's also takes into account (i) increasing leverage on earnings capacity through recent acquisitions, funding requirements for developments and share buybacks (ii) Deutsche Wohnen's exposure to the nursing assisted living portfolio, (iii) the high geographic concentration of the company's property portfolio in Berlin, (iv) a limited while increasing pool of unencumbered assets, which reduces its financial flexibility and subordinates unsecured bondholders.

Exhibit 1
Moody's adjusted leverage is expected to remain broadly stable while coverage declines
Debt / Gross Assets and EBITDA / fixed charges



Source: Moody's Financial Metrics™, Moody's estimate

Credit strengths

» Focus on stable and regulated rental housing activities in Germany

» Large size with high income granularity in largely supply-constrained markets

» Good asset quality as reflected in consistently high occupancy and historically good rental growth

» Moderate leverage and conservative financial practices

» Excellent fixed charge coverage and long dated debt maturities

» Good liquidity and access to capital

Credit challenges

» Political and regulatory scrutiny to its business in Berlin

» Elevated net debt/EBITDA

» High geographic concentration to Berlin

» Higher risk in the nursing and assisted living business

» Low level but slowly increasing amount of unencumbered assets

» Longer turn valuation downside risk with low property yields

Rating Outlook

The negative outlook reflects the political and regulatory headwinds the company faces in Berlin, and the increased funding needs from the recently increased development activities. The current rental freeze leads to a lack of earnings growth and a one-off rental income decline in Berlin, which prevents realisation of rental uplift potential. The company has also used substantial cash resources and additional debt to repurchase own shares and to acquire the developer ISARIA and a minority stake in the developer Quarterback Immobilien, with further requirements on capital spending stemming from those investments. Net debt/EBITDA remains elevated unless the rental freeze is cancelled in court during the course of 2021.

Factors that Could Lead to an Upgrade

Given the current negative outlook a rating upgrade is unlikely. Factors that could lead to an upgrade include

» an easing of the political opposition to residential landlords in Berlin

» gross debt to total asset sustains below 35%, supported by a financial policy

» fixed charges cover sustains above 5x, and

» the company further reduces its reliance on secured funding and an improved level of unencumbered assets.

Factors that Could Lead to a Downgrade

A downgrade could occur if

» the company fails to reduce the currently elevated net debt/EBITDA

» Moody's-adjusted debt/gross assets sustains above 40%

» further political and regulatory pressure arises for Deutsche Wohnen. A cliff risk to the ratings is a more tangible risk of socialisation of residential landlords in Berlin

Key Indicators

Deutsche Wohnen SE

Deutsche Wohnen SE

EUR millions	Dec-15	Dec-16	Dec-17	Dec-18	Dec-19	LTM (Sep-20)	Moody's 12-18 Month Forward View
Real Estate Gross Assets	13,384.6	16,792.8	20,547.4	25,085.6	27,851.7	29,188.5	35,000 - 39,000
Debt / Real Estate Gross Assets	37.9%	35.3%	35.9%	36.8%	37.3%	41.4%	37% - 40%
Net Debt / EBITDA	8.7x	10.1x	12.0x	13.5x	13.9x	17.5x	15.5x - 16.5x
Secured Debt / Real Estate Gross Assets	28.2%	27.4%	23.1%	24.7%	22.7%	22.5%	21% - 24%
EBITDA / Fixed Charges	3.9x	5.2x	5.7x	6.0x	5.1x	4.7x	4.4x - 4.6x
Amount of Unencumbered Assets	25.0%	25.0%	25.0%	25.0%	29.8%	30.4%	30% - 33%

[1] All ratios are based on 'Adjusted' financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporations.
[2] This represents Moody's forward view; not the view of the issuer; and unless noted in the text, does not incorporate significant acquisitions and divestitures.
Source: Moody's Financial Metrics™, Moody's estimate

Corporate Profile

Deutsche Wohnen SE owns and manages a multi-family residential rental portfolio of approximately 162,706 units and 2,953 commercial units, with an estimated fair value of around €24.9 billion as of 30 September 2020. In addition the company owns 77 nursing and assisted living places with approximately 10,480 beds and apartments with an estimated fair value of around €1.2 billion.

Around 74% of the residential portfolio by value is located in the metropolitan area of Berlin, and the remainder spread across other cities in Germany, with the Rhine-Main area (7.4%) and Dresden and Leipzig (6.8%) as second and third largest portfolio locations by value. The company is the second largest residential property owner in the country and one of the largest real estate companies in Europe in terms of gross assets and market capitalisation. It is listed on the Frankfurt stock exchange, with a market capitalisation of €14.7 billion as of 15 December 2020.

Detailed Rating Considerations

Focus on stable and regulated rental housing activities in Germany

The German residential sector is one of the most stable asset classes in the European real estate industry, with high demand and limited supply supporting rents and values. While the potential for tighter regulation is a threat to property values and cash flow growth, it will also probably intensify the supply and demand imbalance.

The German rental market is highly regulated: reletting rents and rent increases for existing tenants are capped with reference to a local index (Mietspiegel) calculated by local authorities reflecting the location and quality of the units. Rent increases are mostly capped to 15% over a period of three years (allowance made for modernisation, the cap on which is 8% per year). From a longer-term perspective, prices and rents for residential properties have been more stable in Germany than in any other large developed economy even after taking into account recent increases. Since 1970, German house prices have increased broadly in line with inflation but have never declined more than 3% in any given year.[1]

Average rents remain affordable despite recent rent and value increases. Nevertheless, affordability fluctuates in tandem with the absolute amount of household income, which exposes lower-income households in particular to higher rental cost-to-income ratios. Affordability has clearly declined in the past five years in Germany as a whole, with rental growth exceeding income growth, resulting in political and regulatory activity aiming to reduce rental growth.

Political and regulatory scrutiny to the business in Berlin

Deutsche Wohnen faces substantial social and political pressure in its core market Berlin given the political landscape with a left-wing oriented government and voting population and a high share of renters compared to owners of residential estate. The state of Berlin enacted a local rent regulation in February 2020 (rent freeze, or "Mietendeckel") that will lead to a one-off rental income decline for

Deutsche Wohnen end of 2020, and has removed the largest part of the expected rental income growth in Berlin during the initial five year tenure of the law. As such the law negatively affects the credit quality of the company.

Deutsche Wohnen and other landlords expect the rent freeze law to be found unconstitutional once a ruling of the federal constitutional court takes place. In our view, even in case of the law or parts of the law being found unconstitutional, we expect that the current local government will continue its attempt to interfere with rental regulations. Public pressure will continue to restrict the company's ability to drive rental growth in excess of the limitations given by federal rental regulation, which was the case even before the current law was enacted.

Another example of the difficult operating environment are efforts by an initiative to socialise (effectively expropriate) large private landlords, which has gained political support in parts of the ruling government. The initiative aims to collect more signatures early next year to achieve an actual referendum. We currently see the risk of expropriation as limited, but any success of the initiative or an actual support of the initiative by the ruling government does present a cliff risk for Deutsche Wohnen.

We continue to monitor the regulatory developments on a national level. Historically, regulation has helped to keep rental growth as well as supply low, and hence provided credit positive stability to the residential market as an asset class. An overboarding regulation would impair landlords' ability to at least moderately grow income and makes the asset class a less-attractive investment, with a respective effect on property values. Our current ratings do not incorporate any material rental regulation tightening on a national level.

Large size with high income granularity in largely supply-constrained markets

Deutsche Wohnen owns a total portfolio of 162,706 residential units in Germany. Its clear focus is the Berlin market with 71% of its residential units located in Berlin (or 74% of the portfolio fair value as of September 2020). Berlin's market fundamental contributed positively to a sustained income upside for the company until the recent regulatory implementation of a rental cap, which exposed the concentration risk towards a single city in Germany.

Deutsche Wohnen has grown the portfolio outside of Berlin to 46,845 units (or 26% of fair value), spread over a number of locations as shown in Exhibit 3. The company continues to reshuffle its portfolio both inside and outside of Germany's capital. A key driver by now is the development pipeline. The company has already build up a development pipeline with a focus on Berlin, Potsdam and Dresden that is now being added by the ISARIA-based developments in Munich and Stuttgart as well as potential projects stemming from Quarterback Immobilien in which Deutsche Wohnen owns a 40% equity stake.

Exhibit 3
Residential portfolio overview
as of September 2020

Location	Residential units	Fai Value (EUR m)	in-place rent EUR/sqm/month	Vacancy	in-place rent Multiples	Commercial Units
Greater Berlin	115,861	18,522	6.90	1.3%	31.2x	1,876
Rhine-Main	10,749	1,836	8.71	2.4%	26.2x	171
Dresden / Leipzig	10,587	1,696	6.29	3.6%	29.5x	562
Rhineland	6,672	903	7.30	2.7%	24.6x	73
Mannheim / Ludwigshafen	4,644	434	6.31	2.0%	19.3x	43
Other Core +	943	176	10.70	0.9%	24.5x	17
Core+	**149,456**	**23,568**	**7.00**	**1.6%**	**29.9x**	**2,742**
Hanover / Brunswick	8,718	932	6.25	2.5%	20.9x	86
Other Core	4,388	429	5.80	3.8%	22.0x	125
Core	**13,106**	**1,361**	**6.11**	**2.9%**	**21.3x**	**211**
Non-Core	144	6	5.20	5.8%	10.9x	0
Total	**162,706**	**24,934**	**6.93**	**1.7%**	**29.2x**	**2,953**

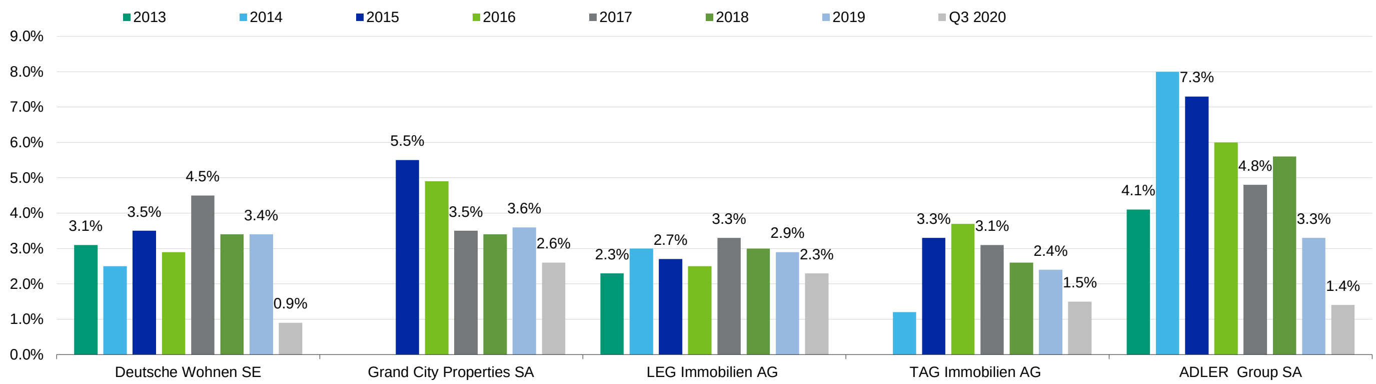
Source: Company information

Good asset quality as reflected in consistently high occupancy and historic good rental growth, now impaired by the rental freeze

As anticipated, the rental freeze enacted in February 2020 had a strong impact on Deutsche Wohnen's rental growth. Rental growth declined to 0.9% in Q3 2020, with further weakening expected from partially declining rents commanded by the rental cap starting November 2020. At the same time, it is clear that the lack of rental growth does not relate to a lack of demand for the rental units. Vacancy is very low at 1.7% (incl. 0.6% related to capital expenditure), and we continue to see growth potential outside of the recently introduced law. The company has estimated rental growth at 2.4% excluding the impact of the rent freeze in Q3 2020.

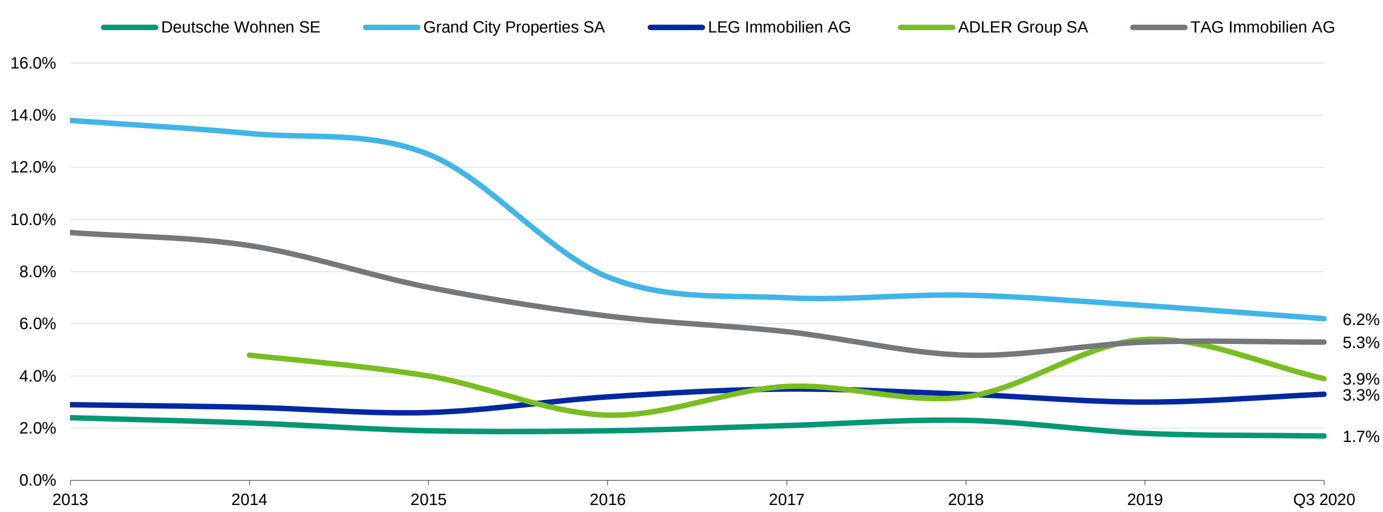
With maintenance and modernisation expenses targeted up to €40/sqm for 2020, Deutsche Wohnen's capex programme is one of the largest among the peers. The company's capital spending has consistently been high over the years and the portfolio is therefore reasonably well maintained.

Exhibit 4
Like-for-like rental growth is slowing down



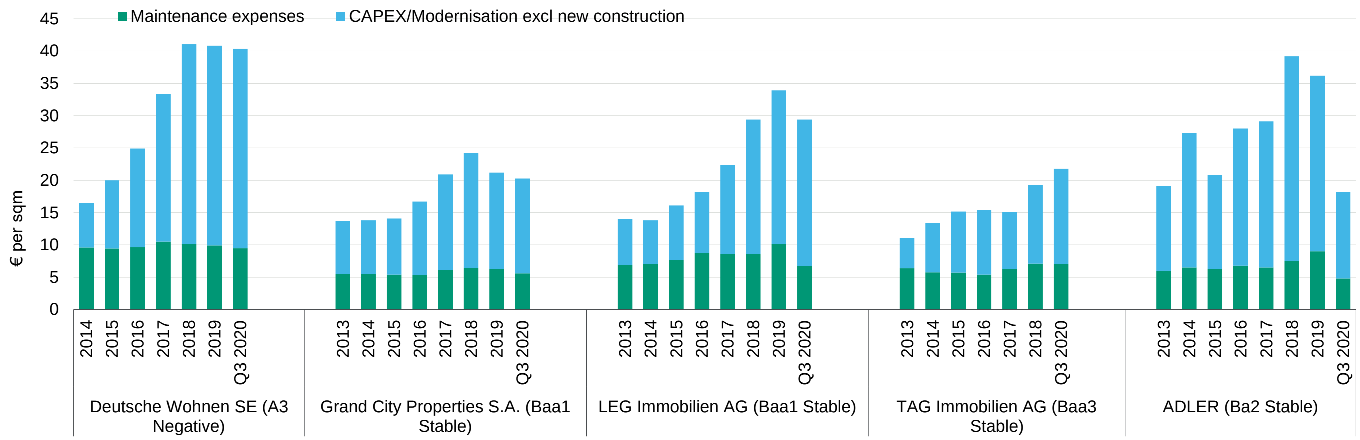
Source: Company reports

Exhibit 5
Development vacancy rates



Source: Company reports

Exhibit 6
Capex spending



Source: Company reports

Nursing and assisted living remains smaller part of total business while being higher risk

Around €1.2 billion of Deutsche Wohnen's assets are invested in nursing homes as of September 2020 (around 4.6% of assets), that contribute around 11% of earnings together with the company-owned nursing home operators. We continue to consider the nursing and assisted living businesses as a weaker credit profile compared to a pure play residential portfolio. We do not expect a further materially increased exposure for the company, which would be a credit negative, as the company has started to divest some non-core holdings after some larger acquisitions.

The weaker credit features of the nursing home segment compared to the residential portfolio mainly stems from the exposure to a less liquid asset class with more expected value volatility, potentially low visibility into the profitability of the assets for its tenants, a more concentrated tenant exposure to tenants with uncertain credit strength, and potentially limited alternative use without significant investments. The property values will be more linked to the operational performance of the assets for its tenants.

On the positive side, the portfolio generates higher EBITDA margins on long lease terms in a segment that is likely to benefit from increased demand due to demographic trends in Germany. Further mitigants can be location and asset quality, and long lease terms to stronger operators.

Exhibit 7
Nursing and assisted living portfolio overview
as of September 2020

Region	Facilities	Nursing	Assisted Living	Total Beds	Occupancy
Hamburg region	17	3,170	160	3,330	88.3%
Berlin region	12	1,070	360	1,430	98.6%
Saxony region	9	520	60	580	99.8%
Total in-house	**38**	**4,760**	**580**	**5,340**	**92.3%**

Federal state	Facilities	Nursing	Assisted Living	Beds	WALT
Bavaria	12	1,480	50	1,530	8.8
North Rhine-Westphalia	9	1,000	240	1,240	12.8
Rhineland-Palatinate	3	390	120	510	11.2
Baden-Württemberg	4	490	10	500	8.6
Lower Saxony	1	110	0	110	10.0
Hesse	4	530	0	530	9.0
Other	6	720	0	720	7.1
Total external operators	**39**	**4,720**	**420**	**5,140**	**9.9**
Total nursing	**77**	**9,480**	**1,000**	**10,480**	

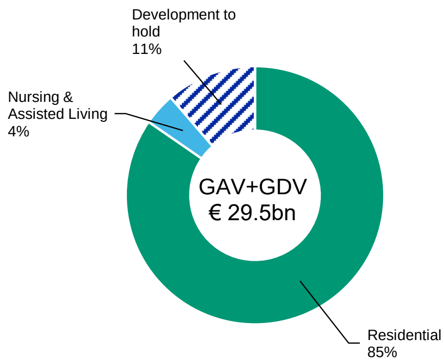
Source: Company information

Acquisition of ISARIA and investment in Quarterback increases total development pipeline above €5 billion

In March 2020 Deutsche Wohnen announced the acquisition of ISARIA Wohnbau AG, a real estate developer, with 13 development projects in German metropolitan regions. The acquisition will add an additional development pipeline of around €1.8 billion to an already existing pipeline of approximately €1.5 billion. In September 2020, Deutsche Wohnen acquired an 40% equity stake in Quarterback Immobilien, which indirectly increases the total pipeline above €5 billion over a 10 year plus time horizon.

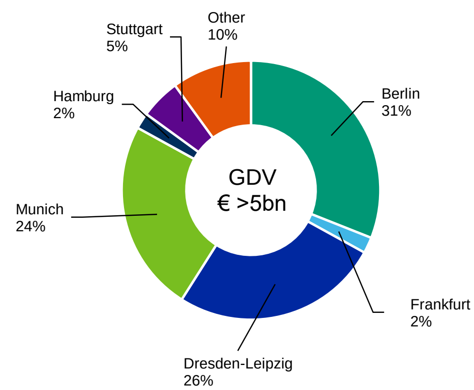
We see the increased development exposure as a net negative. The credit implication of the increased development activity are mainly (i) increased leverage as a consequence of the purchase of the company / stakes in the company, (ii) an extended period of no or little yield generated by a large amount of cash being utilised in the acquisition and investments into the developments, (ii) an increased portfolio quality and diversity through newly built properties in the largest and economically strongest cities in Germany, and (iv) increased business risk than the management of residential units, even though we expect the committed development pipeline to be substantially less than 10% of Deutsche Wohnen's total assets and reletting risk to be limited to price risk given location quality.

Exhibit 8
Developments to hold are expected to expand the portfolio by GAV & GDV



as of 30 September 2020, GDV = Gross Development Value
Source: Moody's calculations and estimates based on company information

Exhibit 9
Development pipeline will mainly add Munich and Stuttgart region to the portfolio
total development pipeline to sell and hold



Source: Company information

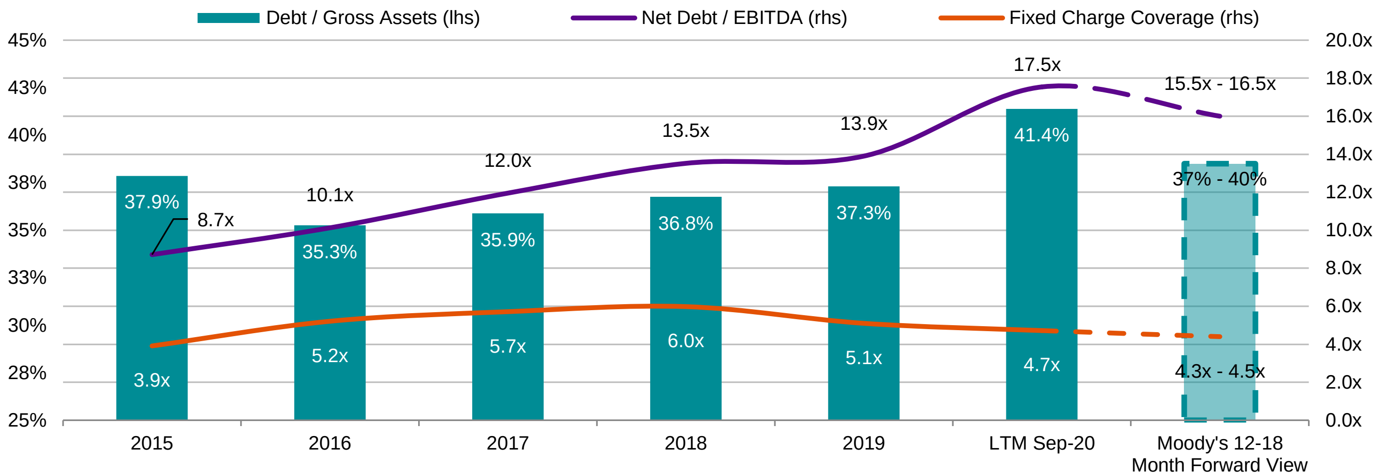
Strong debt/assets, elevated net debt/EBITDA and conservative financial practices

Deutsche Wohnen's Moody's adjusted gross debt amounted to €12.1 billion compared to total assets of €29.2 billion, resulting in effective leverage of 41.4% as of 30 September 2020. We expect debt/assets to range between 37-40% in the next 12-18 months, with a reduction due to expected valuation gains on the investment property portfolio, further investments in the development portfolio, and debt repayments stemming from disposals. Going forward we expect management to adhere to its commitment to maintain its reported loan-to-value below 40%, which is also helped by continued property sales around or above latest value.

Net debt/EBITDA has been growing steadily since 2015. Net debt to EBITDA grew from 8.7x in 2015 to 13.9x in 2019 and currently stands at 17.5x as of 30 September 2020, which weakens the quantitative credit scores for the company. The company will receive cash from already signed and further anticipated sales, which will position net debt/EBITDA between 15.5x and 16.5x in the next 12-18 months. The recent increase of the ratio was mainly driven by share buybacks of €597 million over the last twelve months, the acquisition of ISARIA AG for a net consideration of €517 million and the investment in Quarterback AG for €210 million, which was only partially funded by property sales. In addition, the company will only get limited initial earnings from both the initial investments in the two companies and the ongoing capital spending for the developments until those are complete, which drives up net debt/EBITDA. Given the current rental growth limitations in Berlin due to the rental freeze, EBITDA is not expected to return to previous strong growth rates leading to sustained higher net debt/EBITDA than historically, unless the law is cancelled.

Fixed charge coverage was strong at 4.7x on a last twelve month base as of 30 September 2020, comparing well with rated peers, while an average cost of debt has declined to 1.2% in Q3 2020 from 4.9% in 2011. Given the increase in gross debt we expect the fixed charge coverage to moderately decline until year-end 2020 without being a rating constraint at this time.

Exhibit 10
Debt/assets to stay roughly stable, Net Debt/EBITDA and fixed charge cover weakening



Source: Moody's Financial Metrics™, Moody's estimate

Longer turn valuation downside risk with low property yields, despite existing positive momentum

Declining values were a key credit concern in recent years for the European property sector and continue to be so. The coronavirus has shown that a stronger degree of differentiations across asset types occurs, where German residential has proven to be operationally rather stable, which provides support to asset values. Recent actions taken by governments, the EU and central banks also make a tightening of monetary policy less likely, which support asset values through low interest rates. Nevertheless the record-high valuation multiples remain a mid-term concern as the absolute amount of yield that a portfolio like Deutsche Wohnen generates is very low (EPRA NIY was 2.7% as of December 2019).

Good liquidity and access to capital but increased capital needs for developments

Deutsche Wohnen's good liquidity and access to capital is supported by

» the company's €311.5 million of cash and cash equivalents as of 30 September 2020

» the stable cash flow generation from the portfolio

» Committed revolving facilities of around €450 million, of which €430 million were undrawn as of 30 September 2020

» Incoming cash flows from asset disposals of around €1.0 billion during the last quarter of 2020

» the long, staggered maturity profile of the company's debt

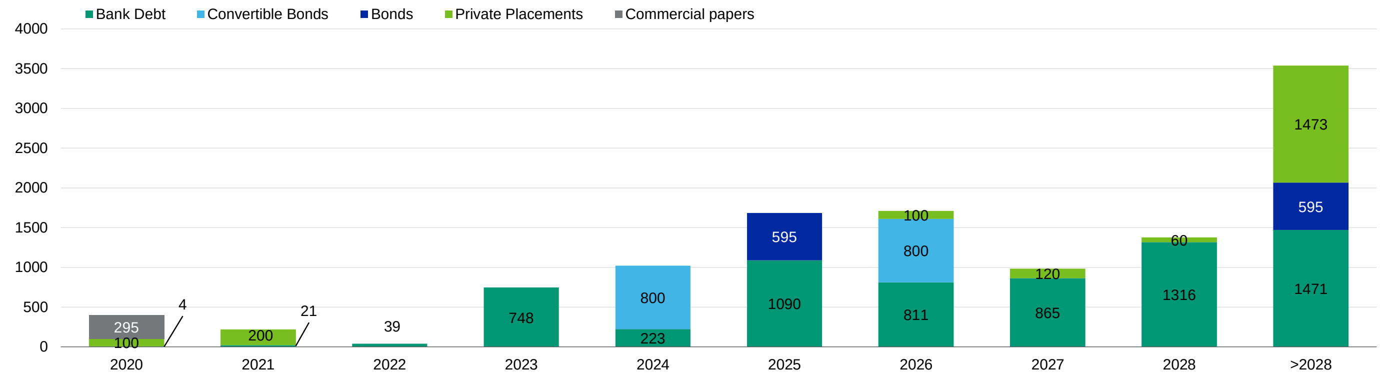
While Deutsche Wohnen's liqudity profile remains good, the increased development exposure creates funding needs that we expect the company to fund by property sales and debt or equity sources.

Deutsche Wohnen has also set up a €500 million commercial paper programme, to which we have assigned a P-2 rating. The notes issued under this programme will rank pari passu with all other unsecured and unsubordinated obligations of the company. Thereof €295 million was drawn under the programme as of 30 September 2020.

Deutsche Wohnen's average debt maturity of around 6.9 years is very long term and one of the longest across the entire rated European real estate coverage, providing the company with an excellent cushion again potential future increases in interest rates. As of 30 September 2020, 90% of the company's interest rates were fixed or hedged, which complies with its policy to fix at least 80% of its interest rate exposure.

Exhibit 11

Long-dated maturity profile with an average maturity of around 6.9 years



Source: Company information

Deutsche Wohnen has good access to equity and debt capital, even though access to equity has been potentially reduced as a consequence of the political debate around rental regulation in Berlin. The company has access to various capital market debt instruments and has diversified relationships with insurance companies and German mortgage banks. German mortgage banks can issue Pfandbriefe, or covered bonds, which provide an excellent source of funding for secured real estate loans.

Low but increasing level of unencumbered assets and relatively high secured debt ratio

Deutsche Wohnen is largely financed through secured debt. As a result, its pool of unencumbered assets represents 30.4% of total assets as of 30 September 2020, with a slowly increasing trend. While Deutsche Wohnen's liquidity profile is good, it would be further strengthened by a more balance secured and unsecured funding structure, which would further increase its level of unencumbered assets.

The majority of Deutsche Wohnen's loan agreements include financial covenants, which refer to the underlying assets that secure the debt and mostly relate to loan to value and debt service coverage ratios. Most of its loans have good headroom, but in those instances where the headroom is tighter, a potential breach of financial covenant would not automatically trigger the lender's right to accelerate repayment because all of its loan agreements provide a grace period for curing a covenant, e.g.,by reducing the loan balance outstanding.

ESG considerations

We take into account the impact of environmental, social and governance (ESG) factors when assessing companies' credit quality. In the case of Deutsche Wohnen, the main ESG-related drivers are the following:

» Environmental: Environmental performance of the properties have an impact on the marketability of properties and the asset quality. Deutsche Wohnen has committed to explicit energy savings targets, and continues to improve its property portfolio through energetic renovations and improved heating systems.

» Social: Social considerations have placed residential rents on the political agenda in Germany and particularly in Berlin, resulting in the rental freeze law in Berlin, which has an impact on the credit quality of the company. Deutsche Wohnen considers social implications on its business in a number of initiatives, such as the "promise to tenants", aiming to minimise or cap the impact that rental payments, property sales or modernisations have on its tenants and a cap for rent increases to 30% of net disposable household income.

» Governance: Deutsche Wohnen's financial policy is to keep its reported LTV below 40%, which we expect the company to adhere to. We do not have governance concerns that impact the credit quality of the company.

Rating Methodology and Scorecard Factors

The principal methodology used in these ratings was REITs and Other Commercial Real Estate Firms published in September 2018. Please see the Rating Methodologies page on www.moodys.com for a copy of this methodology.

Deutsche Wohnen's long term issuer rating of A3 is two notches higher than the scorecard indicated outcome of Baa2 both under the current and the forward view of Moody's rating scorecard because we have placed more emphasis on the high stability of the company's income largely independent of economic cycles due to sustained housing shortage, particularly in Berlin. We also consider the company's very long debt maturity profile as a strong positive.

Deutsche Wohnen SE

REITs and Other Commercial Real Estate Firms Industry Scorecard [1][2]	Current LTM 9/30/2020		Moody's 12-18 Month Forward View As of 12/9/2020 [3]	
Factor 1 : Scale (5%)	**Measure**	**Score**	**Measure**	**Score**
a) Gross Assets (USD Billion)	$34.2	Aa	$35.5 - $39	Aa
Factor 2 : Business Profile (25%)				
a) Market Positioning and Asset Quality	Aa	Aa	Aa	Aa
b) Operating Environment	A	A	A	A
Factor 3 : Liquidity and Access To Capital (25%)				
a) Liquidity and Access to Capital	A	A	A	A
b) Unencumbered Assets / Gross Assets	30.4%	B	30% - 33%	B
Factor 4 : Leverage and Coverage (45%)				
a) Total Debt + Preferred Stock / Gross Assets	41.4%	Baa	37% - 40%	Baa
b) Net Debt / EBITDA	17.5x	Ca	15.5x - 16.5x	Ca
c) Secured Debt / Gross Assets	22.5%	Ba	21% - 24%	Ba
d) Fixed Charge Coverage	4.7x	A	4.3x - 4.5x	A
Rating:				
a) Scorecard-Indicated Outcome		Baa2		Baa2
b) Actual Rating Assigned				A3

[1] All ratios are based on 'Adjusted' financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporations.
[2] As of 9/30/2020(L).
[3] This represents Moody's forward view; not the view of the issuer; and unless noted in the text, does not incorporate significant acquisitions and divestitures.
Source: Moody's Financial Metrics™, Moody's estimate

Appendix

Exhibit 13
Peer comparison

	Deutsche Wohnen SE A3 Negative			Grand City Properties S.A. Baa1 Stable			LEG Immobilien AG Baa1 Stable			TAG Immobilien AG Baa3 Stable			ADLER Group SA Ba2 Stable		
(in US millions)	FYE Dec-18	FYE Dec-19	LTM Sep-20	FYE Dec-18	FYE Dec-19	LTM Sep-20	FYE Dec-18	FYE Dec-19	LTM Sep-20	FYE Dec-18	FYE Dec-19	LTM Sep-20	FYE Dec-18	FYE Dec-19	LTM Mar-20
Real Estate Gross Assets	$28,676	$31,263	$34,228	$10,129	$11,058	$12,583	$12,854	$14,502	$17,102	$5,768	$6,339	$7,544	$4,772	$4,935	$4,923
EBITDA / Fixed Charges	6.0x	5.1x	4.7x	4.5x	4.8x	4.5x	4.3x	4.3x	4.7x	3.7x	4.4x	4.0x	3.6x	2.9x	0.0x
Debt / Real Estate Gross Assets	36.8%	37.3%	41.4%	43.4%	44.0%	45.6%	42.7%	40.4%	40.5%	48.1%	45.8%	50.4%	39.8%	31.5%	33.7%
Net Debt / EBITDA	13.5x	13.9x	17.5x	11.8x	11.6x	12.8x	11.6x	12.1x	11.8x	10.9x	11.3x	11.7x	17.4x	11.6x	13.8x
Secured Debt / Real Estate Gross Assets	24.7%	22.7%	22.5%	9.7%	5.4%	4.7%	27.1%	22.0%	20.7%	36.8%	33.7%	31.4%	24.2%	16.6%	20.1%

All figures and ratios calculated using Moody's estimates & standard adjustments. FYE = Financial Year-End. Last 12 months = Last Twelve Months.
Source: Moody's Financial Metrics™

Exhibit 14
Moody's-adjusted debt breakdown

(in EUR million)	FYE Dec-15	FYE Dec-16	FYE Dec-17	FYE Dec-18	FYE Dec-19	LTM Ending Sep-20
As Reported Debt	**5,266.3**	**6,181.5**	**7,281.8**	**9,061.1**	**10,159.8**	**11,927.4**
Pensions	64.6	67.6	65.7	63.4	107.2	107.2
Operating Leases	7.9	9.2	8.0	27.7	0.0	0.0
Non-standard Adjustments	-271.1	-338.1	18.5	81.4	117.5	47.8
Moody's-Adjusted Debt	**5,067.7**	**5,920.2**	**7,374.0**	**9,233.6**	**10,384.5**	**12,082.4**

Source: Moody's Financial Metrics™. All figures are calculated using Moody's estimates and standard adjustments.

Ratings

Exhibit 15

Category	Moody's Rating
DEUTSCHE WOHNEN SE	
Outlook	Negative
Issuer Rating	A3
Senior Unsecured -Dom Curr	A3
Commercial Paper -Dom Curr	P-2
ST Issuer Rating	P-2

Source: Moody's Investors Service

Endnotes

1 Source: OECD

REPORT NUMBER 1254085

CLIENT SERVICES

Americas	1-212-553-1653
Asia Pacific	852-3551-3077
Japan	81-3-5408-4100
EMEA	44-20-7772-5454

MOODY'S INVESTORS SERVICE