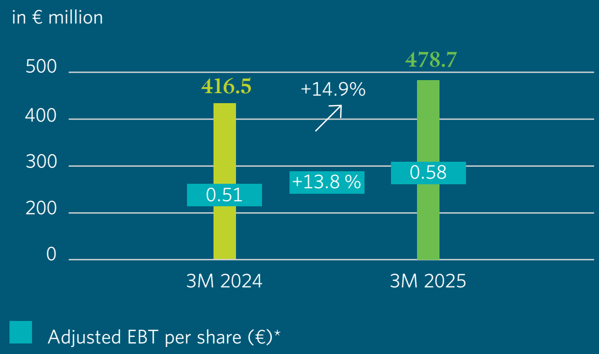
Economic Development in the First Three Months of 2025

Overview

> A positive start to the new fiscal year.
> Sustained high demand for housing.
> High levels of customer satisfaction.
> Increase in real estate investments.

Sustained Earnings

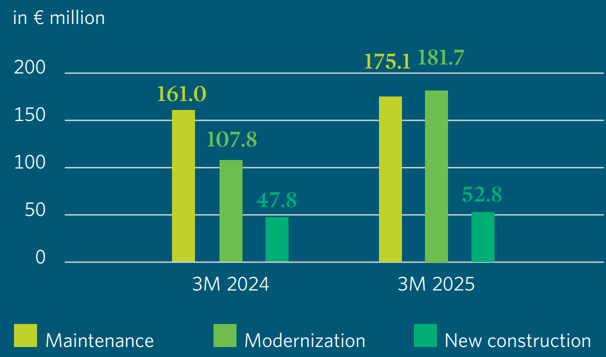
Adjusted EBT*



* Continuing operations.

Maintenance, Modernization and New Construction

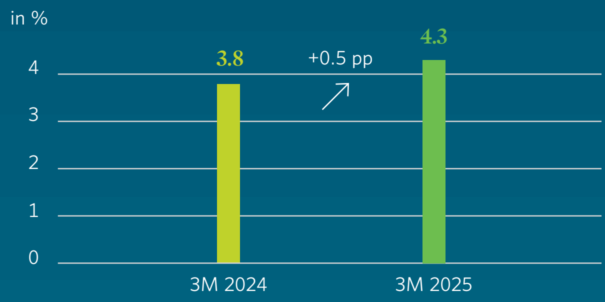
Capital Expenditure*



* Continuing operations.

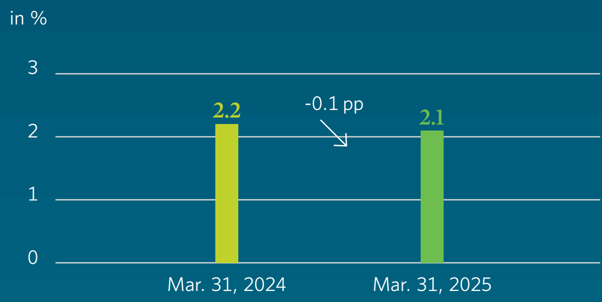
Organic Rent Growth

Organic Rent Increase



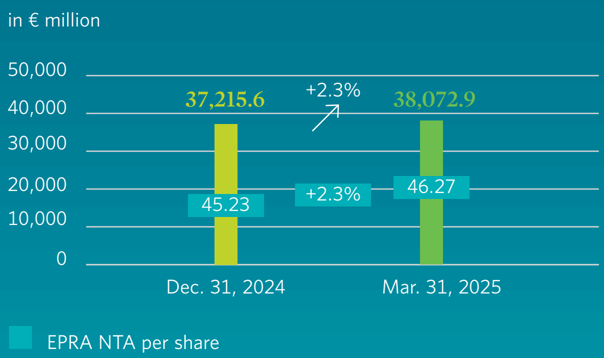
Vacancy

Vacancy Rate



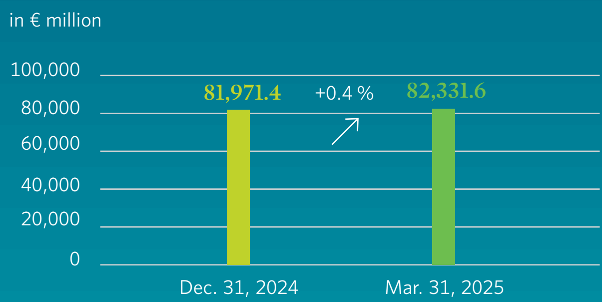
Net Assets

EPRA NTA



Fair Value of the Real Estate Portfolio

Fair Value



Vonovia SE on the Capital Market

Shares in Vonovia

The performance of Vonovia's shares remained dominated by macroeconomic issues in the first few months of this year. After starting out on a stable to slightly positive trajectory, the announcement of the new German government's economic stimulus program made at the beginning of March immediately sent German government bonds surging at a historic rate. At least to begin with, the concern was that yields of 4 % and more appeared to be within the realms of possibility. The high negative correlation put real estate stocks under pressure overall. Shares in Vonovia showed a particularly strong reaction, not least due to their high liquidity, and closed the first quarter down by 14.9 %.

The considerable turbulence sparked by the US government's tariff policy announced at the beginning of April then translated into new volatility on the markets, a trend that Vonovia's shares were unable to escape, although, as of mid-April, they outperformed the market as a whole. The performance of Vonovia's shares is likely to continue to be influenced to a considerable degree by market expectations regarding interest rates and yields on government bonds, at least in the short term.

We remain convinced that our positive operating performance, which remains extremely robust compared to most other sectors, should ensure rising share prices in the medium to long term. Assuming stable market yields, the current dividend yield of well in excess of 4% and an organic increase in value thanks to rental growth should ensure a total return in the double-digit percentage range, which we consider to be comparatively attractive given the risk profile and the good investment grade rating confirmed by four rating agencies.

Last but not least, the residential property markets in which we operate are characterized by a high level of excess demand, which is increasingly having a positive impact on rental growth.

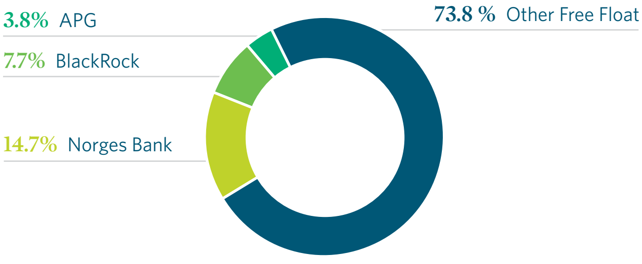
As a result, we remain confident that the fundamental conditions in our markets will ensure positive development in the long run. Besides the favorable relationship (from an owner's point of view) between supply and demand in urban regions, the relevant factors here include, above all, structural momentum on the revenue side as well as support from the key megatrends.

Vonovia's market capitalization amounted to around € 20.3 billion as of March 31, 2025.

Shareholder Structure

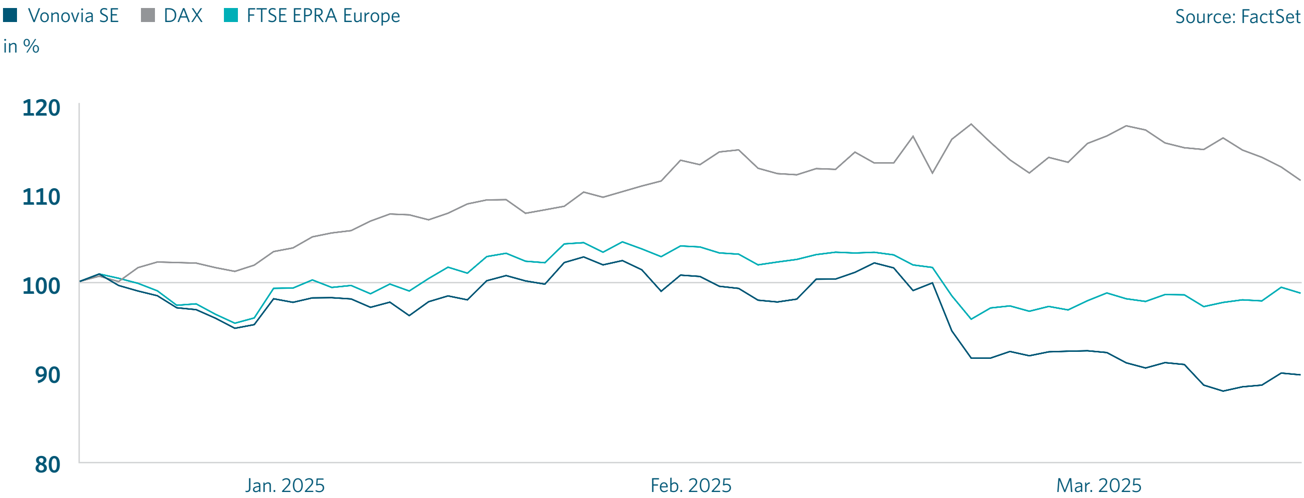
The chart below shows the company's shareholdings based on the data it collects itself and/or based on the voting rights pursuant to Sections 33 and 34 of the German Securities Trading Act (WpHG) as notified by the shareholders in relation to the current share capital.

Major Shareholders (as of March 31, 2025)



Based on the German stock exchange's definition of free float, only the interest held by Norges Bank (Ministry of Finance on behalf of Norway) does not count toward the free float. This means that 85.3 % of Vonovia's shares were in free float on March 31, 2025. The underlying **voting rights notifications** and corresponding financial instruments reported by shareholders or other instruments pursuant to Sections 38 and 39 WpHG can be found online.

Share Price Development



In line with Vonovia's long-term strategic focus, we believe that the majority of its investors also have a long-term focus. The company's investors include pension funds, sovereign wealth funds and international asset managers in particular. Institutional investors hold around 90 % of the shares, while 10 % are in the hands of private investors.

Investor Relations Activities

Vonovia SE is committed to transparent, ongoing dialogue with its shareholders and potential investors. We continued with our roadshows and meetings in the first three months of the 2025 fiscal year, in the form of virtual and face-to-face events. During this period, we took part in a total of 8 investor conference days and organized 15 roadshow days.

In addition, numerous one-on-one meetings, video conferences and conference calls were held with investors and analysts to keep them informed of current developments and special issues. Interest rates, capital structure and growth-related topics dominated conversation in the first three months of 2025.

We will continue to communicate openly with the capital market. Various roadshows, conferences and participation in investor forums have already been planned. Information can be found in the Financial Calendar on our **Investor Relations** website.

Analyst Assessments

As of March 31, 2025, 25 national and international analysts were publishing research studies on Vonovia. The average target share price was € 35.08. Of these analysts, 60 % issued a "buy" recommendation, with 24 % issuing a "hold" recommendation and 16 % a "sell" recommendation.

Share Information (as of March 31, 2025)

First day of trading	July 11, 2013
Subscription price	€ 16.50 | € 14.71*
Total number of shares	822,852,925
Share capital	€ 822,852,925
ISIN	DE000A1ML7J1
WKN	A1ML7J
Ticker symbol	VNA
Common code	94567408
Share class	Registered shares with no par value
Stock exchange	Frankfurt Stock Exchange
Market segment	Regulated market
Indices	DAX 40, DAX 50 ESG, Dow Jones Best-in-Class Index, STOXX Global ESG Leaders, EURO STOXX ESG Leaders 50, FTSE EPRA/NAREIT Developed Europe and GPR 250 World

* TERP-adjusted.

Business Development in the First Three Months of 2025

Key Events During the Reporting Period

US trade policy provoked strong reactions on capital markets across the globe in the first quarter of 2025. Fears of a new trade war and increasing protectionism cast a shadow over global economic development. Many economists believe there is a risk of a prolonged recession if the tariff conflicts continue to escalate.

Vonovia's business model is not affected directly by protectionist measures. Nevertheless, the Group's economic development is heavily reliant on other economic parameters, such as interest rate and inflation trends, which are more volatile as a result of the tariff measures. It is not, however, possible to predict or quantify any specific development at the moment.

Our core business remains characterized by a high level of demand for rental apartments and a positive rent trend. With a vacancy rate of 2.1 % at the end of the first quarter of 2025 (end of the first quarter of 2024: 2.2 %), Vonovia's residential real estate portfolio was virtually fully occupied.

The Customer Satisfaction Index (CSI) in the first quarter of 2025 was 3.5 percentage points above the value seen in the previous year. The level of customer satisfaction has increased by 0.8 percentage points by comparison with the average for the year 2024 as a whole.

On September 18, 2024, Vonovia SE and Deutsche Wohnen SE initiated a process to conclude a control and profit and loss transfer agreement between the two companies. This process will involve Vonovia making an offer to external shareholders of Deutsche Wohnen SE to acquire their shares in return for compensation in the form of newly issued shares in Vonovia SE, or to grant the remaining shareholders of Deutsche Wohnen SE an annual compensation payment for the term of the intercompany agreement.

At the extraordinary general meetings of Vonovia SE and Deutsche Wohnen SE on January 23 and 24, 2025, the control and profit-transfer agreement between Vonovia SE and Deutsche Wohnen SE was approved by the respective shareholders of both companies. The control and profit-transfer agreement takes effect upon entry into the commercial register of Deutsche Wohnen SE. The agreement has not yet been entered into the commercial register due to an action for annulment brought against the resolution passed by the Annual General Meeting of Vonovia SE. Once it has been entered, Deutsche Wohnen SE will, in future, transfer its total annual profit to Vonovia SE or Vonovia SE will cover any losses incurred by Deutsche Wohnen SE. The shareholders who do not accept the exchange agreement will receive a guaranteed dividend of € 1.03 per share (net).

Ownership of 19 nursing care properties and the "Katharinenhof" nursing care businesses was transferred in the first quarter of 2025. The purchase agreement concluded on October 2, 2024, involves the sale of a total of 27 nursing care properties and the Katharinenhof nursing care businesses.

On January 17, 2025, Vonovia signed a notarized contract for the acquisition of PFLEGEN & WOHNEN HAMBURG GmbH (P&W), including the associated properties, by the City of Hamburg. The acquisition comprises 13 nursing homes in Hamburg with around 2,000 employees and around 2,400 nursing places. The acquisition was made via HGV Hamburger Gesellschaft für Vermögens- und Beteiligungsmanagement (HGV), the city's largest group holding company, which belongs to the tax authorities and is an umbrella for the majority of the City of Hamburg's private law companies. The purchase price is € 380.0 million.

In the first quarter of 2025, 820 apartments and 261 commercial units from the QUARTERBACK Immobilien Group, accounting for a volume of around € 0.3 billion, were transferred to Vonovia's portfolio. The acquisition of land to build on with a volume of around € 0.5 billion was also completed within the first quarter of 2025.

As part of the planned further acquisitions of land to build on from the QUARTERBACK Immobilien Group, further purchase contracts with a volume of around € 165 million were concluded on April 14, 2025. The conclusion of these purchase contracts covered the planned total volume of the transaction.

A notarized sales contract for a portfolio in Berlin was successfully concluded on April 23, 2024. The transaction executed with two state-owned Berlin housing construction companies saw around 4,500 residential units with a value of around € 700 million being sold as part of a share deal. The transaction was closed with the transfer of beneficial ownership on January 1, 2025.

In April 2025, the Supervisory Board of Vonovia SE decided to nominate Michael Rüdiger and Dr. Marcus Schenck to the Annual General Meeting on May 28, 2025, for election to the Supervisory Board of Vonovia SE. They are to replace Dr. Ute Geipel-Faber and Hildegard Müller, whose mandates are set to end at the time of this year's Annual General Meeting.

In the invitation to Vonovia's ordinary Annual General Meeting, shareholders are given the option to choose a scrip dividend – in the form of shares – as part of the proposed appropriation of profit for the 2024 fiscal year.

A bond in the amount of € 485.4 million was repaid as scheduled on March 31, 2025.

On April 1, 2025, Vonovia issued an NOK 1.0 billion (approx. € 88.2 million) bond with an eight-year term and a coupon of 5.51% p.a. (4.12% p.a. after currency hedging).

Vonovia also issued a floating rate 2NC1 bond in the amount of € 750.0 million on April 14, 2025. After interest rate hedging, the coupon for one year is 2.89%.

Results of Operations

Overview

Vonovia made a positive start to the new 2025 fiscal year.

Business development in the Rental segment is still characterized by high demand for rental apartments and rising rental income. Despite a smaller portfolio due to disposals, the earnings contribution made in the 2025 reporting period was almost on a par with the previous year. In the Value-add segment, the increase in modernization and portfolio investments as well as business developments in energy sales made a particularly positive contribution to the earnings trend. The earnings contribution made by the Value-add segment in the first three months of 2025 was up year over year, an exceptional development. The Recurring Sales segment reported an extraordinary increase in earnings due to higher disposals. In the Development segment, the main positive effect in the 2025 reporting period came from the transfer of economic ownership resulting from the sale of land to two state-owned Berlin housing companies agreed in April 2024.

The sale of the Care segment had already been certified by a notary in the course of the 2024 fiscal year. Ownership of 19 nursing care properties and the "Katharinenhof" nursing care businesses was transferred in the first quarter of 2025. The remaining activities will be finalized in the course of the 2025 fiscal year, meaning that we will still report earnings contributions from discontinued operations in 2025.

In detail, Adjusted EBT from continuing operations developed as follows in the reporting period:

Adjusted EBT (continuing operations)

in € million	3M 2024	3M 2025	Change in %	12M 2024
Revenue in the Rental segment	824.2	840.4	2.0	3,323.5
Expenses for maintenance	-113.6	-123.9	9.1	-470.5
Operating expenses in the Rental segment	-117.7	-123.9	5.3	-467.3
Adjusted EBITDA Rental	**592.9**	**592.6**	**-0.1**	**2,385.7**
Revenue in the Value-add segment	325.1	387.1	19.1	1,359.4
thereof external revenue	28.2	31.1	10.3	179.6
thereof internal revenue	296.9	356.0	19.9	1,179.8
Operating expenses in the Value-add segment	-313.6	-348.6	11.2	-1,191.0
Adjusted EBITDA Value-add	**11.5**	**38.5**	**>100**	**168.4**
Revenue in the Recurring Sales segment	74.6	122.0	63.5	441.3
Fair value of properties sold adjusted to reflect effects not relating to the period from assets held for sale in the Recurring Sales segment	-60.9	-97.6	60.3	-359.8
Adjusted result Recurring Sales	**13.7**	**24.4**	**78.1**	**81.5**
Selling costs in the Recurring Sales segment	-4.6	-5.3	15.2	-23.9
Adjusted EBITDA Recurring Sales	**9.1**	**19.1**	**>100**	**57.6**
Revenue from disposal of Development to sell properties	30.6	113.5	>100	889.4
Cost of Development to sell	-27.3	-52.3	91.6	-813.8
Carrying amount of assets sold of Development to sell	–	–	–	-27.8
Gross profit Development to sell	**3.3**	**61.2**	**>100**	**47.8**
Rental revenue Development	1.7	1.4	-17.6	7.3
Operating expenses in the Development segment	-11.5	-14.3	24.3	-41.7
Adjusted EBITDA Development	**-6.5**	**48.3**	**–**	**13.4**
Adjusted EBITDA Total (continuing operations)	**607.0**	**698.5**	**15.1**	**2,625.1**
Adjusted net financial result	-160.8	-184.3	14.6	-709.0
Straight-line depreciation*	-27.8	-27.8	–	-112.7
Intragroup profit/losses	-1.9	-7.7	>100	-3.8
Adjusted EBT (continuing operations)	**416.5**	**478.7**	**14.9**	**1,799.6**
Adjusted EBT (continuing operations) per share in €**	**0.51**	**0.58**	**13.8**	**2.20**
Minorities	41.3	38.8	-6.1	166.0
Adjusted EBT (continuing operations) after minorities	375.2	439.9	17.2	1,633.6
Adjusted EBT (continuing operations) after minorities per share in €**	0.46	0.53	16.1	1.99

* Depreciation on concessions/property rights/licenses, self-developed software, self-used real estate, technical equipment and machinery, as well as other equipment/operating and business equipment.
** Based on the weighted average number of shares carrying dividend rights.

At the end of the first quarter of 2025, Vonovia employed 12,306 people in its continuing operations (end of Q1 2024: 11,999).

As of the end of the first quarter of 2025, Vonovia managed a portfolio comprising 534,566 of its own residential units (end of the first quarter of 2024: 543,427), 162,113 garages and parking spaces (end of the first quarter of 2024: 163,230) and 8,523 commercial units (end of the first quarter of 2024: 8,523). Vonovia also managed 72,838 residential units (end of the first quarter of 2024: 69,879) on behalf of third parties as of the end of the first quarter of 2025.

Details on Results of Operations by Segment

Rental segment

In the Rental segment, overall conditions on the residential real estate market remained virtually unchanged in the 2025 reporting period. The business environment was dominated by a pronounced shortage of housing and a high level of demand. At the end of March 2025, the portfolio in the Rental segment had a vacancy rate of 2.1 % (end of March 2024: 2.2 %), meaning that it was nearly fully occupied.

Rental segment revenue increased by 2.0 % (3M 2024: 2.2 %), from € 824.2 million in the first three months of 2024 to € 840.4 million in the first three months of 2025. Of the segment revenue in the Rental segment in the 2025 reporting period, € 714.2 million is attributable to rental income in Germany (3M 2024: € 704.3 million), € 96.0 million to rental income in Sweden (3M 2024: € 89.8 million) and € 30.2 million to rental income in Austria (3M 2024: € 30.1 million). Organic rent growth (twelve-month rolling) totaled 4.3 % (3.8 % at the end of the first quarter of 2024). The current rent increase due to market-related factors came to 2.9 % (2.1 % at the end of the first quarter of 2024), while the increase from property value improvements translated into a further 1.0 % (1.4 % at the end of the first quarter of 2024). All in all, this produced a like-for-like rent increase of 3.9 % at the end of the first quarter of 2025 (3.5 % at the end of the first quarter of 2024). New construction measures and measures to add extra stories also contributed 0.4 % at the end of the first quarter of 2025 (0.3 % at the end of the first quarter of 2024).

The average monthly in-place rent in the residential real estate portfolio within the Rental segment at the end of March 2025 came to € 8.15 per m² compared to € 7.78 per m² at the end of March 2024. The monthly in-place rent in the German portfolio at the end of March 2025 came to € 7.96 per m² (March 31, 2024: € 7.67 per m²), with a figure of € 11.49 per m² (March 31, 2024: € 10.21 per m²) for the Swedish portfolio and € 5.72 per m² for the Austrian portfolio (March 31, 2024: € 5.51 per m²). The rental income from the portfolio in Sweden reflects inclusive rents, meaning that the amounts contain operating, heating and water supply costs. Moreover, the rental income from the Austrian real estate portfolio includes maintenance and improvement contributions (EVB).

Total maintenance, modernization, investments in the existing portfolio and new construction in the first three months of 2025 came in at € 409.6 million, up by 29.4 % on the prior-year value of € 316.6 million.

Maintenance, Modernization/Portfolio Investments and New Construction (continuing operations)

in € million	3M 2024	3M 2025	Change in %	12M 2024
Expenses for maintenance	113.6	123.9	9.1	470.5
Capitalized maintenance	47.4	51.2	8.0	294.2
Maintenance measures	**161.0**	**175.1**	**8.8**	**764.7**
Modernization & portfolio investments	107.8	181.7	68.6	611.8
New construction (to hold)	47.8	52.8	10.5	224.5
Modernization, portfolio investments and new construction	**155.6**	**234.5**	**50.7**	**836.3**
Total sum of maintenance, modernization, portfolio investments and new construction	**316.6**	**409.6**	**29.4**	**1,601.0**

Operating expenses in the Rental segment in the first three months of 2025 amounted to € -123.9 million and were thus up by 5.3 % on the figure for the first three months of 2024 of € -117.7 million.

At € 592.6 million, Adjusted EBITDA in the Rental segment in the first three months of 2025 was almost on a par with the previous year (3M 2024: € 592.9 million) despite the sales completed in 2024 and in the first three months of 2025, and despite higher maintenance expenses.

Value-add Segment

The Value-add segment reported an extraordinary increase in earnings in the first three months of 2025. The increase in modernization and portfolio investments as well as positive business developments in energy sales made a particular contribution to this trend. In the first three months of 2025, modernization and portfolio investments were up by 68.6% year-on-year. This was also thanks to our increased investment in new photovoltaic facilities and heat pumps.

All in all, revenue from the Value-add segment came to € 387.1 million in the 2025 reporting period, up by 19.1 % on the value of € 325.1 million seen in the first three months of 2024. External revenue from our Value-add activities with our end customers in the first three months of 2025 amounted to € 31.1 million and had thus increased by 10.3 % on the first three months of 2024, for which the figure was € 28.2 million. Intra-Group revenue came to € 356.0 million in the first three months of 2025, 19.9 % higher than the value of € 296.9 million for the first three months of 2024.

Operating expenses in the Value-add segment in the first three months of 2025 amounted to € -348.6 million, an increase of 11.2 % by comparison with the figure for the first three months of 2024 of € -313.6 million.

Adjusted EBITDA Value-add came to € 38.5 million in the first three months of 2025, very significantly higher than the figure of € 11.5 million reported for the first three months of 2024, an exceptional development.

Recurring Sales Segment

In the 2025 reporting period, the Recurring Sales segment switched from the liquidity-oriented sales strategy pursued in 2024 to a returns-oriented approach. The income from disposal of properties came to € 122.0 million in the first three months of 2025 with 689 units sold (3M 2024: 407), up by 63.5 % on the value of € 74.6 million reported in the same period of 2024; with 600 units sold in Germany (3M 2024: 340) and 89 in Austria (3M 2024: 67). Income of € 98.9 million is attributable to sales in Germany (3M 2024: € 57.3 million) and € 23.1 million to sales in Austria (3M 2024: € 17.3 million).

The fair value step-up for the first three months of 2025 came to 25.0 %, up on the prior-year figure of 22.4 %. This is due to higher step-ups for sales in Germany.

Selling costs in the Recurring Sales segment came in at € -5.3 million in the first three months of 2025, up by 15.2 % on the value of € -4.6 million for the first three months of 2024.

Adjusted EBITDA Recurring Sales came in at € 19.1 million in the first three months of 2025, up considerably on the value of € 9.1 million seen in the first three months of 2024.

In the 2025 reporting period, 5,371 units from the Non Core/Other portfolio (3M 2024: 2,409) were also sold as part of our portfolio adjustment measures, with proceeds totaling € 722.9 million (3M 2024: € 265.6 million).

Development Segment

In the Development segment, economic conditions in the 2025 reporting period were influenced primarily by the development in interest rates for construction. Price increases on the construction and commodity markets, in particular, continued to have a moderate impact. In the segment result, the main positive effect came from the transfer of economic ownership resulting from the sale of land to two state-owned Berlin housing companies agreed in April 2024.

In the Development to sell area, a total of 48 residential units were completed in the 2025 reporting period (3M 2024: 692 units), all 48 units in Germany (3M 2024: 692). No units were completed in Austria in the 2025 reporting period, as in the first three months of 2024. In the first three months of 2025, income from the disposal of Development to sell properties amounted to € 113.5 million (3M 2024: € 30.6 million). With € 100.4 million attributable to project development in Germany (3M 2024: € 23.3 million) and € 13.1 million to project development in Austria (3M 2024: € 7.3 million). The gross profit for Development to sell came to € 61.2 million in the first three months of 2025 with a margin of 53.9 % (3M 2024: € 3.3 million, margin of 10.8 %).

Development operating expenses came to € -14.3 million in the first three months of 2025, which was 24.3 % higher than the value of € -11.5 million for the first three months of 2024.

Adjusted EBITDA in the Development segment amounted to € 48.3 million in the 2025 reporting period (3M 2024: € -6.5 million).

In the Development to hold area, a total of 38 units were completed by way of vertical expansion measures in the first three months of 2025 (3M 2024: 153 units), of which 33 were in Germany (3M 2024: 153 units), none were in Austria (3M 2024: none) and 5 were in Sweden (3M 2024: none).

Adjusted EBT

The Adjusted EBITDA Total for continuing operations amounted to € 698.5 million in the first three months of 2025 and was thus 15.1 % higher than the value of € 607.0 million in the first three months of 2024.

In the reconciliation of Adjusted EBITDA Total (continuing operations) to Adjusted EBT (continuing operations), the contributing factors in the reporting period were the adjusted net financial result of € -184.3 million (3M 2024: € -160.8 million), depreciation and amortization of € -27.8 million

(3M 2024: € -27.8 million) and interim profits of € -7.7 million (3M 2024: € -1.9 million). The interim profits mainly relate to services provided by the internal craftsmen's organization, which charges for its services internally at arm's length. Any margins are eliminated from the Group perspective and represent the value added resulting from the insourcing of services.

The adjusted EBT (continuing operations) amounted to € 478.7 million in the first three months of 2025 compared to € 416.5 million in the first three months of 2024.

In the 2025 reporting period, the non-recurring items eliminated in the Adjusted EBT Total (continuing operations) came to € 28.6 million (3M 2024: € 19.2 million).

The following table gives a detailed list of the non-recurring items:

Non-recurring Items

in € million	3M 2024	3M 2025	Change in %	12M 2024
Transactions*	4.3	18.5	>100	33.9
Personnel matters	6.8	3.6	-47.1	170.9
Business model optimization	6.7	5.6	-16.4	29.7
Research & development	1.2	0.8	-33.3	5.9
Refinancing and equity measures	0.2	0.1	-50.0	1.4
Total non-recurring items	**19.2**	**28.6**	**49.0**	**241.8**

* Including one-time expenses in connection with acquisitions, such as HR measures relating to the integration process and other follow-up costs.

Reconciliations

The adjusted net financial result changed from € -160.8 million in the first three months of 2024 to € -184.3 million in the first three months of 2025.

Reconciliation of Adjusted Net Financial Result (continuing operations)

in € million	3M 2024	3M 2025	Change in %	12M 2024
Income from non-current securities and non-current loans	20.0	4.0	-80.0	17.2
Interest income – finance lease	–	0.6	–	1.2
Interest received and similar income	7.6	11.0	44.7	51.1
Interest expense from non-derivative financial liabilities	-201.9	-203.2	0.6	-830.6
Swaps (current interest expense for the period)	13.4	2.1	-84.3	45.6
Capitalization of interest on borrowed capital Development	0.1	1.3	>100	0.6
Income from investments	–	–	–	5.9
Adjusted net financial result	**-160.8**	**-184.3**	**14.6**	**-709.0**
Accrued interest	-27.9	-45.4	62.7	15.8
Net cash interest	**-188.7**	**-229.7**	**21.7**	**-693.2**

In the first three months of 2025, profit for the period came to € 515.4 million (3M 2024: € 335.5 million).

The reconciliation of the profit for the period to Adjusted EBT (continuing operations) is as follows:

Reconciliation of Profit for the Period/Adjusted EBT/Adjusted EBITDA (continuing operations)

	3M 2024	3M 2025	Change in %	12M 2024
Profit for the period	**335.5**	**515.4**	**53.6**	**-962.3**
Profit from discontinued operations	-12.0	-11.0	-8.3	-26.7
Profit from continuing operations	**323.5**	**504.4**	**55.9**	**-989.0**
Income taxes	86.3	-165.6	–	385.6
Earnings before tax (EBT)	**409.8**	**338.8**	**-17.3**	**-603.4**
Non-recurring items	19.2	28.6	49.0	241.8
Net income from fair value adjustments of investment properties	–	–	–	1,559.0
Impairment/value adjustments	21.2	3.4	-84.0	347.3
Valuation effects and special effects in the financial result	-33.4	65.0	–	208.5
Net income from investments accounted for using the equity method	–	1.3	–	53.8
Earnings contribution from Non Core/Other sales	4.6	53.2	>100	6.6
Period adjustments from assets held for sale	-4.9	-11.6	>100	-14.0
Adjusted EBT (continuing operations)	**416.5**	**478.7**	**14.9**	**1,799.6**
Adjusted net financial result	160.8	184.3	14.6	709.0
Straight-line depreciation	27.8	27.8	–	112.7
Intragroup profit/losses	1.9	7.7	>100	3.8
Adjusted EBITDA Total (continuing operations)	**607.0**	**698.5**	**15.1**	**2,625.1**

The reconciliation of Adjusted EBT (continuing operations) to operating free cash flow is as follows:

Reconciliation of Adjusted EBT (continuing operations)/Operating Free Cash-Flow

in € million	3M 2024	3M 2025	Change in %	12M 2024
Adjusted EBT (continuing operations)	**416.5**	**478.7**	**14.9**	**1,799.6**
Straight-line depreciation	27.8	27.8	–	112.7
Change in net current assets (working capital) according to the cash flow statement (adjusted for special payment effects)	67.6	172.4	>100	274.1
Carrying amount of investment properties (core business)	60.9	97.6	60.3	387.6
Capitalized maintenance	-47.4	-51.2	8.0	-294.2
Dividends and payouts to non-controlling shareholders (minorities)	-0.3	-0.1	-66.7	-143.7
Income tax payments according to cash flow statement (w/o taxes on Non Core sales)	-24.1	-7.2	-70.1	-235.5
Operating Free Cash-Flow	**501.0**	**718.0**	**43.3**	**1,900.6**

Assets

Consolidated Balance Sheet Structure

	Dec. 31, 2024		Mar. 31, 2025	
	in € million	in %	in € million	in %
Non-current assets	82,326.9	91.2	83,602.1	92.2
Current assets	7,909.4	8.8	7,024.6	7.8
Total assets	**90,236.3**	**100.0**	**90,626.7**	**100.0**
Equity	28,126.9	31.2	28,923.8	31.9
Non-current liabilities	54,644.6	60.6	52,864.5	58.3
Current liabilities	7,464.8	8.3	8,838.4	9.8
Total equity and liabilities	**90,236.3**	**100.0**	**90,626.7**	**100.0**

The Group's total assets increased by € 390.4 million, from € 90,236.3 million as of December 31, 2024 to € 90,626.7 million.

The main development in non-current assets is the € 1,386.5 million increase in investment properties, which is due in particular to additions amounting to € 792.5 million, mainly in the context of the transactions concluded with the QUARTERBACK Immobilien group. Changes in value from currency translation in the amount of € 370.3 million and capitalized modernization costs in the amount of € 194.1 million also had a significant impact.

The transactions with Apollo Capital Management L.P. relating to the disposal of shares in the Südewo portfolio of residential properties in Baden-Württemberg and a portfolio in northern Germany in the 2023 fiscal year gave rise to call options on these shares. These were recognized directly in equity as an asset in the 2023 fiscal year. The call options have been adjusted, affecting net income, on a regular basis since December 31, 2023. These options were remeasured on March 31, 2025, resulting in a valuation of € 667.0 million. The adjustment was recognized in the form of an expense of € 64.0 million.

In current assets, it was in particular the disposal of assets held for sale in the amount of € 836.9 million and the disposal of assets of discontinued operations in the amount of € 238.5 million that resulted in a decrease in this item by € 884.8 million in total. Countering the disposals, there was an increase in cash and cash equivalents of € 422.5 million. Other changes in current assets relate to the decrease in financial assets by € 192.4 million, mainly due to the offsetting of loans as part of the QUARTERBACK transactions, and the decrease in trade receivables by € 121.5 million.

On March 31, 2025, goodwill comprised 1.5 % of total assets (December 31, 2024: 1.5 %).

As of March 31, 2025, the gross asset value (GAV) of Vonovia's property assets came to € 82,939.0 million. This corresponds to 91.5 % of total assets, compared to € 82,570.5 million or 91.5 % at the end of 2024.

Total equity increased by € 796.9 million from € 28,126.9 million to € 28,923.8 million, due in particular to the profit for the period of € 515.4 million and the other comprehensive income of € 281.8 million. The latter was influenced to a significant degree by currency effects amounting to € 258.4 million.

The equity ratio stood at 31.9 % as of March 31, 2025, compared with 31.2 % at the end of 2024.

Liabilities went down by € 406.5 million from € 62,109.4 million to € 61,702.9 million. The total of non-current non-derivative financial liabilities fell by € 1,881.5 million, from € 37,448.3 million to € 35,566.8 million. Current non-derivative financial liabilities increased by € 1,396.6 million, from € 5,202.7 million to € 6,599.3 million.

Deferred tax liabilities rose by € 106.8 million from € 15,613.5 million to € 15,720.3 million.

Net Assets

Vonovia's net asset value figures are based on the best practice recommendations of the EPRA (European Public Real Estate Association). At the end of the first quarter of 2025, the EPRA NTA came to € 38,072.9 million, up by 2.3% on the value of € 37,215.6 million seen at the end of 2024. EPRA NTA per share changed from € 45.23 at the end of 2024 to € 46.27 at the end of the first quarter of 2025.

EPRA Net Tangible Assets (EPRA NTA)

in € million	Dec. 31, 2024	Mar. 31, 2025	Change in %
Total equity attributable to Vonovia shareholders	23,996.4	24,768.5	3.2
Deferred tax in relation to fair value gains of investment properties*	14,620.2	14,730.0	0.8
Fair value of financial instruments**	23.4	8.2	-65.0
Goodwill	-1,391.7	-1,391.7	-
Intangible assets	-32.7	-42.1	28.7
EPRA NTA	**37,215.6**	**38,072.9**	**2.3**
EPRA NTA per share in €* **	**45.23**	**46.27**	**2.3**

* Proportion of hold portfolio.
** Adjusted for effects from cross currency swaps.
*** EPRA NTA per share based on the shares carrying dividend rights on the reporting date.

Fair Values

Major market developments and valuation parameters that have an impact on the fair values of Vonovia are assessed on an ongoing basis.

The evaluation of the market trend with a view to March 31, 2025, showed a general sideways trend in fair values for Vonovia's real estate portfolios in the first quarter. The fair values recalculated as at the end of the year have been adjusted to reflect the investments made up to March 31, 2025.

No buildings under construction (new construction/development to hold) were completed in the first quarter of 2025. In the comparative period from January 1 to March 31, 2024, buildings with a valuation effect of € 0.0 million were completed.

The entire portfolio will be fully remeasured for the interim consolidated financial statements as of June 30, 2025, taking into account the updated portfolio data, market developments and, in particular, the discounting and capitalized interest rates.

The recognition and valuation of investment properties are explained in detail in the consolidated financial statements for 2024.

Financial Position

Cash Flow

The Group cash flow is as follows:

Key Data from the Statement of Cash Flows

in € million	Jan. 1 - Mar. 31, 2024	Jan. 1 - Mar. 31, 2025
Cash flow from operating activities	620.0	804.3
Cash flow from investing activities	69.1	353.8
Cash flow from financing activities	-611.2	-764.3
Influence of changes in foreign exchange rates	-5.1	4.2
Net changes in cash and cash equivalents	**72.8**	**398.0**
Change in cash and cash equivalents related to discontinued operations*	-2.6	-16.3
Change in cash and cash equivalents related to disposal groups	–	-8.2
Cash and cash equivalents at the beginning of the period	**1,374.4**	**1,756.7**
Cash and cash equivalents at the end of the period	**1,449.8**	**2,179.2**

* For reasons of comparability, a separate presentation is made for the period Jan. 1 until Mar. 31, 2024 in accordance with IFRS 5 as for the period Jan. 1 until Mar. 31, 2025.

The cash flow from operating activities came to € 804.3 million for the first three months of 2025, compared with € 620.0 million for the first three months of 2024.

The cash flow from investing activities shows net proceeds of € 353.8 million for the first three months of 2025 (3M 2024: € 69.1 million). Payments for investments in investment properties came to € 863.8 million in the first three months of 2025 (3M 2024: € 202.3 million). On the other hand, income from portfolio sales in the amount of € 1,051.1 million was collected (3M 2024: € 285.2 million).

The cash flow from financing activities of € -764.3 million (3M 2024: € -611.2 million) includes payments for regular and unscheduled repayments on financial liabilities in the amount of € 699.6 million (3M 2024: € 1,152.4 million) and, on the other hand, proceeds from issuing financial liabilities in the amount of € 195.5 million (3M 2024: € 784.2 million). Payouts for transaction and financing costs amounted to € 2.5 million (3M 2024: € 13.9 million). Interest paid in the first three months of 2025 amounted to € 243.7 million (3M 2024: € 201.3 million).

Net changes in cash and cash equivalents came to € 398.0 million.

Financing

In its announcement of August 23, 2024, the agency Standard & Poor's indicated that Vonovia's rating remains unchanged at BBB+ with a stable outlook for its long-term issuer credit rating and A-2 for its short-term issuer credit rating, while Vonovia's issued and unsecured bonds are rated BBB+.

In its announcement of February 11, 2025, the rating agency Moody's confirmed Vonovia's rating of Baa1 with a stable outlook.

The rating agency Scope has, in its announcement of July 2, 2024, awarded Vonovia an A- investment grade rating with negative outlook.

On March 28, 2024, the rating agency Fitch awarded Vonovia a rating for the first time: BBB+ with a stable outlook.

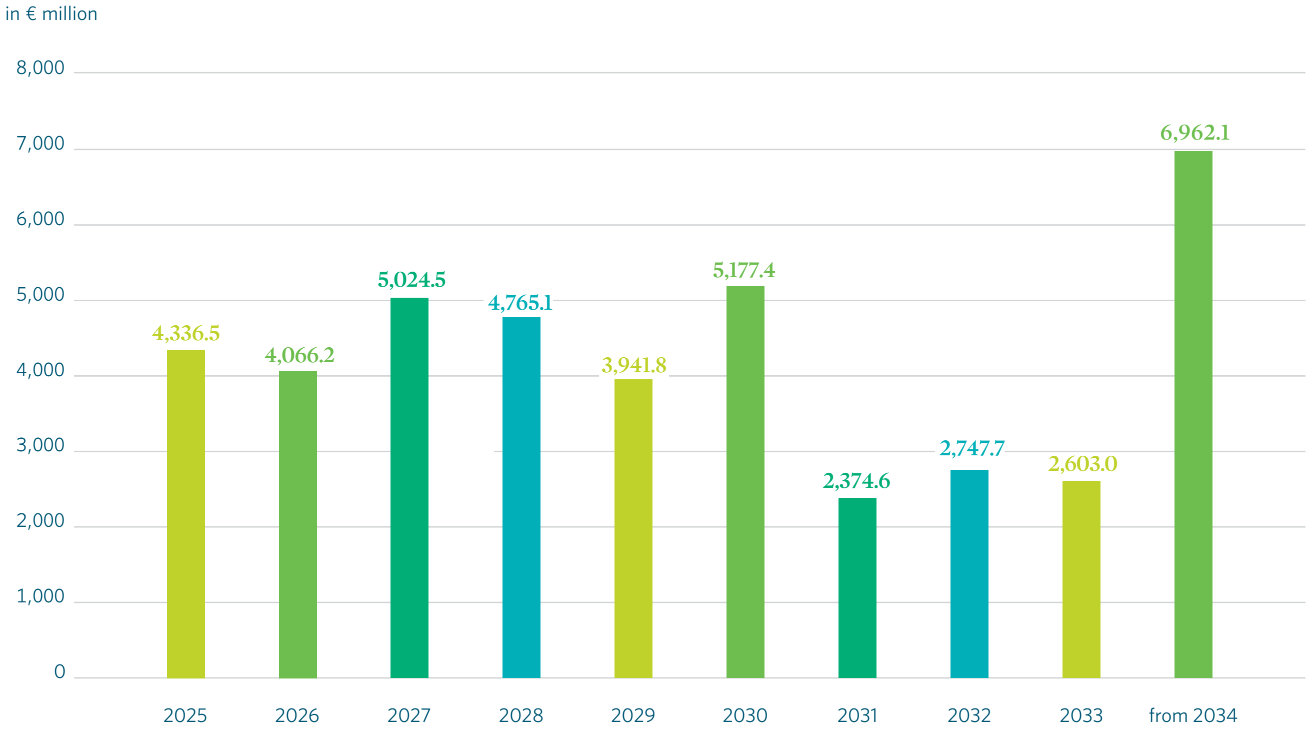
Vonovia SE has launched an EMTN (European medium-term notes) program. This program allows funds to be raised quickly at any time, without any major administrative outlay, using bond issues. The published prospectus for the € 40 billion program was expanded on March 24, 2025, must be updated annually and requires approval from the financial supervisory authority of the Grand Duchy of Luxembourg (CSSF).

As at the reporting date of March 31, 2025, Vonovia had placed a total bond volume of € 22.3 billion, € 21.2 billion of which relates to the EMTN program. Deutsche Wohnen bonds worth a further € 1.8 billion were also assumed.

A bond in the amount of € 485.4 million was repaid as scheduled on March 31, 2025.

The **debt maturity profile** of Vonovia's financing was as follows as of March 31, 2025:

Debt Maturity Profile on March 31, 2025 (face values)



The maturity profile also includes regular repayments.

The key debt ratios are as follows as of the reporting date:

in € million	Dec. 31, 2024	Mar. 31, 2025	Change in %
Non-derivative financial liabilities	42,651.0	42,166.1	-1.1
Foreign exchange rate effects	-19.8	-10.5	-47.0
Cash and cash equivalents*	-2,127.5	-2,545.8	19.7
Net debt	**40,503.7**	**39,609.8**	**-2.2**
Sales receivables	-873.3	-732.8	-16.1
Adjusted net debt	**39,630.4**	**38,877.0**	**-1.9**
Fair value of the real estate portfolio	**81,971.4**	**82,331.6**	**0.4**
Loans to companies holding immovable property and land	521.8	314.4	-39.7
Shares in other real estate companies	615.9	611.5	-0.7
Adjusted fair value of the real estate portfolio	**83,109.1**	**83,257.5**	**0.2**
LTV	**47.7%**	**46.7%**	**-1.0 pp**
Adjusted net debt	39,630.4	38,877.0	-1.9
Adjusted EBITDA total**	2,625.1	2,716.6	3.5
Adjusted net debt/Adjusted EBITDA total	**15.1x**	**14.3x**	**-0.8x**

* Incl. term deposits not classified as cash equivalents.
** Total over four quarters.

Vonovia has undertaken to comply with the following standard market covenants (calculation based on the definitions in the financing documentation) in the context of its issuance of unsecured bonds and financing as well as its structured secured financing.

in € million	Threshold	Dec. 31, 2024	Mar. 31, 2025	Change in %
Total financial debt		42,651.0	42,166.1	-1.1
Total assets		90,236.3	90,626.7	0.4
LTV	**< 60.0%**	**47.3%**	**46.5%**	**-0.8 pp**
Secured debt		13,204.7	13,247.9	0.3
Total assets		90,236.3	90,626.7	0.4
Secured LTV	**< 45.0%**	**14.6%**	**14.6%**	**-**
LTM Adjusted EBITDA		2,625.1	2,716.6	3.5
LTM Net Cash Interest		693.2	734.2	5.9
ICR	**> 1.8x**	**3.8x**	**3.7x**	**-0.1x**
Unencumbered assets		46,797.0	46,210.1	-1.3
Unsecured debt		29,446.3	28,918.2	-1.8
Unencumbered assets	**> 125.0%**	**158.9%**	**159.8%**	**0.9 pp**

Non-fulfillment of the agreed financial covenants may have a negative effect on Vonovia's liquidity status. The financial covenants have been fulfilled as of the reporting date.

Business Outlook

Business Outlook for 2025

The forecast was based on the accounting principles used in the consolidated financial statements, with the adjustments described elsewhere in the management report being made. The forecast takes account of the acquisition of land to build on and property management units from the QUARTERBACK Immobilien Group, as already communicated in the Q3 Interim Statement, Otherwise, the forecast does not take account of any larger acquisitions of real estate portfolios.

Our forecast for the 2025 fiscal year is based on determined and updated corporate planning for the Vonovia Group as a whole, and considers current business developments as well as possible opportunities and risks. It also includes the key overall macroeconomic developments and the economic factors that are relevant to the real estate industry and our corporate strategy. Further information is provided in the sections entitled **Development of the Economy and the Industry** and **Fundamental Information About the Group**. Beyond this, the Group's further development remains exposed to general opportunities and risks (see **Opportunities and Risks**).

We expect the price increases on the construction and commodity markets, in particular, to continue to have a moderate impact on Vonovia and our customers. While these will have a direct impact on ancillary expenses, they will also have an indirect effect on all areas of the economy due to general price increases. We also expect prices for construction materials to remain high, which will affect our construction projects as well. Unchanged high interest rates and inflation are creating increased volatility on the equity and debt capital markets. Overall, we see opportunities in the areas of tenancy law, energy/modernization and new construction from the coalition agreement concluded between the CDU/CSU and SPD. Beyond this, we do not currently expect any negative effects on the forecast business performance for the current financial year.

We are also keeping an eye on the potential effects of US trade policy and the associated implications of a growing risk of recession on interest rates, construction costs and the availability of skilled workers. We therefore assess the overall economic situation and developments on an ongoing basis, particularly with regard to the return requirements for investment and divestment decisions.

The EBITDA contribution for our core Rental business is expected to more or less match the previous year's level. In a year-on-year comparison, organic rent increases and associated higher rental income will be offset by higher rent losses stemming from sales resulting in a smaller portfolio. As far as the Value-add segment is concerned, we again expect the EBITDA contribution in 2025 to be on a par with the prior-year level. The expected additional earnings contributions made by increased investment activity in our craftsmen's organization will be offset by a one-off effect in 2024 in the multimedia business resulting from the leasing of coax networks. In the sales-related segments, we expect the market to recover, pushing price expectations up. We predict a very strong increase in the EBITDA contribution provided by our Development segment thanks to the expected increase in demand for new condominiums, as well as the targeted sale of undeveloped land. In the Recurring Sales segment, we will be making a return to the strategy of profitability before liquidity, with margins expected to increase as a result, particularly in Germany, fueling a marked increase in Adjusted EBITDA. At Group level, for 2025 we therefore expect to see an Adjusted EBITDA Total that is slightly higher than in the previous year.

The rise in interest rates over the last two years is resulting in a marked increase in borrowing costs and the associated negative adjusted net financial result. With a slight increase in depreciation and amortization due to greater investment in property, plant and equipment (particularly photovoltaic systems), we therefore anticipate that Adjusted EBT will be roughly level with the previous year.

We also expect the operating free cash flow, before changes in working capital, to be down moderately year on year.

Due in particular to heavier investment in our existing portfolio, we expect our investment activity to increase in

2025. In addition, we expect the value of our company to increase further and, as a result, predict a slight increase in **EPRA NTA per share**, before taking into consideration any further market-related changes in property values.

The values for the individual weighted targets for the 2025 fiscal year produce a standardized forecast of 100% for the **Sustainability Performance Index**.

The table below provides an overview of the development of the performance indicators forecast for 2025.

	Actual 2024	Forecast for 2025	Forecast for 2025 in the 2025 Q1 Report
Adjusted EBITDA Total (continuing operations) in € million	2,625.1	€ 2.70–2.80 billion	€ 2.70–2.80 billion
Adjusted EBT (continuing operations) in € million	1,799.6	€ 1.75–1.85 billion	€ 1.75–1.85 billion
Operating Free Cash-Flow	1,900.6	Moderately below previous year*	Moderately below previous year*
Sustainability Performance Index (SPI) in %	104	100	100
Rental income in € million	3,323.5	€ 3.3–3.4 billion	€ 3.3–3.4 billion
Organic rent growth in %	4.1	~4	~4

* Before taking into account changes in net working capital.

Bochum, April 30, 2025

The Management Board