

Interim Group Management Report – Business Development in the First Half-Year of 2025

Overview

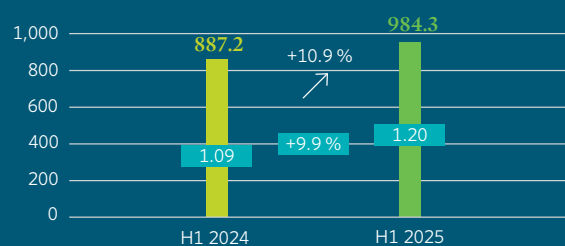
- > Positive business development in the first half-year of 2025.
- > Sustained high demand for rental apartments.
- > Further increase in real estate investments.
- > Successful placement of two convertible bonds with a total volume of € 1.3 billion.

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Sustained Earnings

Adjusted EBT*

in € million



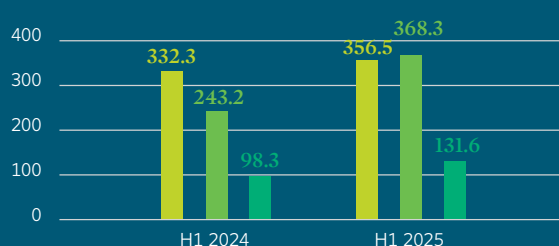
Adjusted EBT per share (€)*

* Continuing operations.

Maintenance, Modernization and New Construction

Capital Expenditure*

in € million



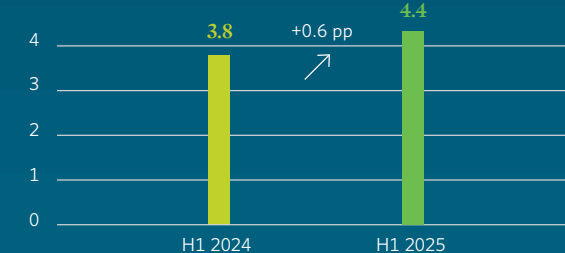
Maintenance Modernization New construction

* Continuing operations.

Organic Rent Growth

Organic Rent Increase

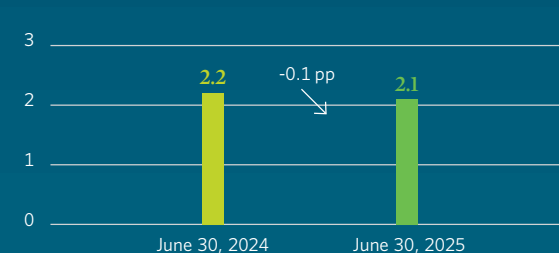
in %



Vacancy

Vacancy Rate

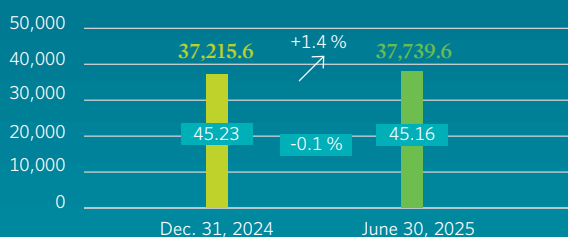
in %



Net Assets

EPRA NTA

in € million

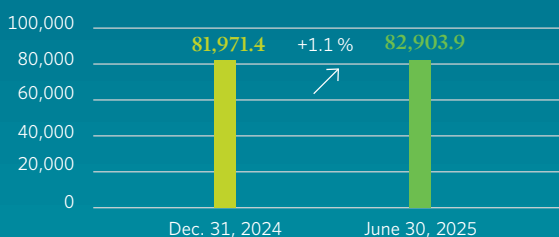


EPRA NTA per share

Fair Value of the Real Estate Portfolio

Fair Value

in € million



Vonovia SE on the Capital Market

Shares in Vonovia

The performance of Vonovia's shares was dominated by macroeconomic factors in the first six months of this year.

Vonovia's shares closed the first half of 2025 up by 2%, closing at € 29.91 on June 30, 2025, while the DAX 40 gained 20%. This was due to two different developments in the first and second quarters of 2025:

During the first three months of 2025, Vonovia's shares lost 14.9% in response to the announcement of the new German government's economic stimulus program made at the beginning of March, which immediately sent German government bond yields surging at a historic rate. At least to begin with, the concern was that yields of 4% and more might be within the realms of possibility for ten-year German government bonds. 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.

In the second quarter, Vonovia's shares outperformed the DAX 40 and closed the quarter up by 20% compared with an 8% rise in the DAX 40. There were two main reasons for this: first, the second quarter of 2025 was dominated by considerable uncertainty both in terms of the geopolitical situation and on the international capital markets. Second, the tariff dispute sent shockwaves through economies across the globe. This nudged investors towards more risk-averse stocks, with shares in Vonovia reaping the benefits of this trend.

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

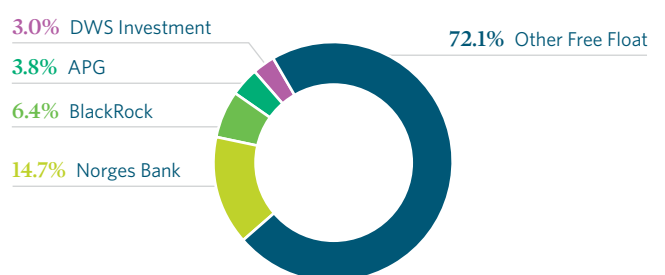
We remain confident that the fundamental conditions in our markets will ensure positive development in the long run. Besides the favorable relationship (from an owner's point of view) between supply and demand in urban regions, the relevant factors in this respect include, above all, structural momentum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

Vonovia's market capitalization amounted to around € 25.0 billion as of June 30, 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 June 30, 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 June 30, 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

■ Vonovia SE ■ DAX ■ FTSE EPRA Europe

Source: FactSet

in %



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 89% of the shares, while 11% are in the hands of private investors.

Investor Relations Activities

Vonovia SE is committed to transparent, ongoing dialogue with its shareholders and potential investors. In the first six months of the 2025 fiscal year, we continued with our roadshows and meetings in the form of virtual and face-to-face events. During this period, we took part in a total of 19 investor conference days and organized 24 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. Capital allocation and the change in the company's CEO, as well as property values and growth-related topics, dominated conversation in the first six 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 and Investor Day

Vonovia's ninth Analyst and Investor Day was held as a purely face-to-face event in Bochum on July 1, 2025. Focusing on the update regarding Vonovia's non-rental growth strategies, our international analysts and investors participated in three deep-dive breakout sessions on the topics of development, serial modernization and heat pump cubes. The event was rounded off with a property tour in Bochum.

The presentations held at the Analyst & Investor Day can be downloaded online on the Investor Relations website.

2025 Annual General Meeting

The Annual General Meeting of Vonovia SE was held as a virtual event on May 28, 2025. A total of 65.38% of the company's share capital was represented.

The shareholders approved all of the proposed resolutions with a large majority.

Among other proposals, the Annual General Meeting also approved the dividend proposal of € 1.22 per share made by the Supervisory Board and the Management Board, which corresponds to a dividend yield of 4.2% based on the closing price for 2024 of € 29.32. Shareholders were free to choose between a cash dividend and a scrip dividend. Ultimately, 35.53% opted for a dividend in the form of shares. Two new Supervisory Board members were elected: Michael Rüdiger

and Dr. Marcus Schenck. They will replace Dr. Ute Geipel-Faber and Hildegard Müller, whose mandates ended as scheduled at the time of this year's Annual General Meeting.

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.

Since 2018, the investor portal has given our shareholders the option to conveniently attend to all formalities relating to registering for and voting at the Annual General Meeting online.

Analyst Assessments

As of June 30, 2025, 23 national and international analysts were publishing research studies on Vonovia. The average target share price was € 34.98. Of these analysts, 61% issued a "buy" recommendation, with 26% issuing a "hold" recommendation and 13% a "sell" recommendation.

Share Information (as of June 30, 2025)

First day of trading	July 11, 2013
Subscription price	€ 16.50 € 14.71*
Total number of shares	835,621,487
Share capital	€ 835,621,487
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 Europe Index, STOXX Global ESG Leaders, EURO STOXX ESG Leaders 50, FTSE EPRA/NAREIT Developed Europe and GPR 250 World

* TERP-adjusted.

Economic Development in the First Half-Year of 2025

Key Events During the Reporting Period

In the first half of 2025, US trade and tariff policies led to significant reactions on the global capital markets. 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. At present, however, it is impossible to either predict or quantify what the specific developments might look like.

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 half of 2025 (end of the first half of 2024: 2.2%), Vonovia's residential real estate portfolio was virtually fully occupied.

Real estate transaction volumes were up in the first six months of 2025, with a slight increase in property values. The slight cut in the ECB key rate in June 2025 is likely to favor future transactions, particularly in the Recurring Sales and Development segments.

The Customer Satisfaction Index (CSI) was 1.2 percentage points above the value of the previous quarter as of June 30, 2025. Looking at the average for the year to date, customer satisfaction is up by 1.4 percentage points on the average for 2024.

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.

The extraordinary general meetings of Vonovia SE and Deutsche Wohnen SE on January 24 and 23, 2025, approved the control and profit-transfer agreement between Vonovia SE and Deutsche Wohnen SE dated December 15, 2024. The control and profit and loss transfer agreement takes effect upon entry into the commercial register of Deutsche Wohnen SE. This entry has not yet been made. On June 30, 2025, a court settlement pursuant to Section 278 (6) of the German Code of Civil Procedure (ZPO) was reached with all of the parties involved in the action for annulment brought against the resolution passed by the extraordinary general meeting of Vonovia SE regarding the approval of the conclusion of the control and profit-transfer agreement, the creation of the 2025 conditional capital and the corresponding amendment of the Articles of Association to include an Article 6a, ending the action for annulment by court order. When the control and profit and loss transfer agreement takes effect upon entry into the commercial register, Deutsche Wohnen SE will transfer its total annual profit to Vonovia SE or Vonovia SE will cover any losses incurred by Deutsche Wohnen SE. The obligation to transfer profits and losses will apply for the first time for the fiscal year ongoing at the time the control and profit and loss transfer agreement is entered into the commercial register of Deutsche Wohnen SE.

On September 30, 2024, Vonovia and Apollo agreed to establish a company that is to hold 20% of the shares in Deutsche Wohnen SE. Vonovia will hold a 49% stake in that company, while long-term investors advised by Apollo will collectively hold 51%. Vonovia's cash inflow from this transaction will amount to just over € 1 billion. The transaction was concluded on July 29, 2025.

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. Ownership of a further two nursing care properties was transferred in the second quarter of 2025.

On January 17, 2025, Vonovia signed a notarized contract for the sale of PFLEGEN & WOHNEN HAMBURG GmbH (P&W), including the associated properties, to the City of Hamburg. The sale comprises 13 nursing homes in Hamburg with around 2,000 employees and around 2,400 nursing places. The homes are being sold to HGV Hamburger Gesellschaft für Vermögens- und Beteiligungsmanagement (HGV), the group holding company belonging to the city's tax authority, in which the majority of the City of Hamburg's companies under private law are consolidated. The purchase price is € 380.0 million.

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 the first half 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 € 0.9 billion was also completed within the first half of 2025. The impairment test performed on the reporting date of June 30, 2025, resulted in impairment losses of around € 0.3 billion being recognized for the land to build on that has been transferred. A provision of around € 80 million has been set up for land that has not yet been transferred, and will reduce the amount recognized at the time of transfer of ownership.

The Supervisory Board of Vonovia SE decided unanimously on May 6, 2025, to appoint Luka Mucic as Vonovia's new CEO. Rolf Buch will be handing over the reins as CEO at the end of the year. He will remain responsible as CEO until then and will oversee the onboarding of Luka Mucic in his new role.

The Annual General Meeting held on May 28, 2025, resolved to pay a dividend for the 2024 fiscal year in the amount of € 1.22 per share. As in previous years, shareholders were offered the option of choosing between being paid the dividend in cash or being granted new shares. During the subscription period, shareholders holding a total of 35.53% of the shares carrying dividend rights opted for the scrip dividend instead of the cash dividend. As a result, 12,768,562 new shares were issued using the company's authorized capital for a total of € 356,728,085.14. The total amount of the dividend distributed in cash therefore came to € 647,152,483.36.

Two new Supervisory Board members were also elected by the Annual General Meeting: Michael Rüdiger and Dr. Marcus Schenck. They will replace Dr. Ute Geipel-Faber and Hildegard Müller, whose mandates ended as scheduled at the end of the Annual General Meeting.

On May 13, 2025, Vonovia placed two new convertible bonds with a total volume of € 1.3 billion. The first bond in the amount of € 650.0 million will mature in May 2030 and does not bear any periodic interest. The second bond – also with a volume of € 650.0 million – will fall due in May 2032 and has a coupon rate of 0.875% p.a. The bonds can either be converted into shares in Vonovia or settled in cash. The bond terms and conditions are such that the convertible bonds are treated as borrowed capital in full. For accounting purposes, the conversion rights are separated, as a derivative component, from the debt transaction and are measured and reported separately as a derivative within financial liabilities. Upon initial recognition not affecting net income, the value of the derivative came to € 143.7 million. The value came to € 165.3 million as of June 30, 2025. The change in value in the period since initial recognition was recognized affecting net income in the amount of € 21.6 million in other interest result from derivatives.

The partial buyback of bonds with a total volume of € 800 million was completed on June 6, 2025. This involved buying back a social bond with an issue volume of € 750.0 million and a term expiring in 2027 in the amount of € 435.7 million (selling price € 454.3 million). This bond has a 4.75% coupon rate. A further bond, a green bond, with an issue volume of € 750.0 million and a term expiring in 2030 was bought back in the amount of € 364.3 million (selling price € 399.5 million). This bond has a 5.00% coupon rate.

Development of the Economy and the Industry

According to the European Commission, economic growth in the EU continued in the first quarter of 2025 with a 0.3% increase in gross domestic product (GDP). However, investment fell short of expectations due to high financing costs and already significant economic policy uncertainty. Consumption, non-residential construction and exports are likely to have shown relatively strong development in the meantime. The impact of higher tariffs, increased uncertainty due to recent abrupt changes in US trade policy, and the unpredictability of the final form of the tariffs are, however, weighing heavily on the global outlook. The EU is also feeling the effects, with growth prospects having dimmed. In its spring forecast, the Commission expects GDP growth of 1.1% in the EU and 0.9% in the eurozone for 2025. According to the Federal Statistical Office (Destatis), the German economy started 2025 with GDP growth (GDP in the first quarter of 2025 +0.4% compared with the previous quarter) after still reporting negative growth at the end of 2024. Foreign trade and private consumption rose relatively strongly in the first quarter of 2025. At the same time, investment increased both in construction and in equipment compared to the previous quarter. The German economy is showing initial signs of improvement, but according to IfW Kiel, economic momentum is likely to remain restrained for some time. According to Statistics Sweden (SCB), GDP in Sweden declined by 0.2% in the first quarter of 2025, compared to the previous quarter. The decline was especially noticeable in gross fixed capital formation, while net exports rose slightly. Austrian GDP also grew only slightly in the first quarter of 2025, by 0.1%, compared to the previous quarter. The increase was supported in part by positive developments in the industry, though sectors such as hospitality and accommodation as well as transport had a dampening effect. In terms of demand, consumption growth supported the slight overall increase. For 2025, GDP growth of 0.3% is forecast for Germany (IfW Kiel) and 0.9% for Sweden (National Institute of Economic Research, or NIER), with stagnation of 0.0% expected for Austria (Austrian Institute of Economic Research, or WIFO).

Recovery in the labor market is still lagging. In Germany, the unemployment rate based on the total civilian labor force rose by 0.4 percentage points year-on-year in June 2025 to 6.2% (not adjusted for seasonal work). According to the Federal Employment Agency, while the risk of layoffs is comparatively low, it is continually increasing. According to SCB, the unemployment rate in Sweden rose by 1.0 percentage point year-on-year in May 2025 to 9.7% (not adjusted for seasonal work). According to national calculations by the

Austrian Public Employment Service (AMS), the unemployment rate in Austria in June 2025 was 6.8% and thus 0.5 percentage points higher than in the previous year. Based on respective national definitions, the average unemployment rate expected in 2025 is 6.3% for Germany (IfW Kiel), 8.8% in Sweden (NIER) and 7.5% in Austria (WIFO).

Measured based on the consumer price index (CPI), inflation in Germany came in at 2.0% year-on-year in June 2025, according to Destatis. This means the inflation rate was again slightly lower than at the end of 2024. Consumer price inflation has hovered around 2% for about a year, according to IfW Kiel. Larger temporary fluctuations were mainly due to energy prices. In Sweden, the inflation rate was 0.7% in June 2025 (SCB), similar to the end of 2024. Developments in housing costs, in particular interest expenses for ownership, and lower fuel prices had a dampening effect. In Austria, the rate is likely to have come to 3.3% (Statistics Austria), once again slightly higher than at the end of 2024. Among the factors driving up inflation at the beginning of 2025 were the expiration of the electricity price cap and the increase in grid fees for electricity and natural gas. Based on respective national definitions, a CPI increase of 2.2% is expected for Germany (IfW Kiel), 0.5% for Sweden (NIER) and 2.9% for Austria (WIFO) for 2025 on average.

In response to decreasing inflationary pressure, the European Central Bank (ECB) continued its policy of lowering key interest rates, which it began in June 2024. In the first half of 2025, the interest rate for the deposit facility, which the ECB Governing Council uses to steer the monetary policy course, fell in several steps to 2.00% as of June 11, 2025. After the inflation rate began approaching the inflation target again, the Swedish Riksbank also began lowering the policy rate starting in May 2024. Since then, the rate has been reduced in several steps, most recently to 2.00% on June 25, 2025. Further slight monetary policy easing by the ECB and the Swedish Riksbank may follow later this year. In this overall environment, interest rates for construction in Germany, Sweden and Austria fell slightly in the second half of 2024, but were still considerably higher than before the interest rate turnaround of 2022. In Germany and Sweden, the decline was interrupted in the first quarter of 2025 – in Germany indirectly as a result of the debt package from the CDU/CSU and SPD. In Austria, the decline continued over the same period.

The residential real estate market is showing a mixed picture: while prices for residential property are stabilizing or rising again, the residential investment market started the new year on a positive note in Germany and relatively solidly

in Sweden and Austria. On the supply side, new construction will not be able to meet housing demand in the short to medium term, so rental prices will continue their upward trend. According to empirica, quoted rents were 4.2% higher on average over all years of construction in the second quarter of 2025 (new construction 4.0%) than in the same quarter of the previous year. For 2025, Deutsche Bank Research expects overall rent increases to be similarly high as in the previous year. In 2024, existing rental contracts increased by more than 2%, and new contracts by more than 5%. According to "Hem & Hyra," the member magazine published by the Swedish tenants' association (Hyresgästföreningen), more than 90% of rents for 2025 had been negotiated as of March. The average rent increase until that point was 4.8%. Measured against the index for actual rental payments for primary residences as part of the consumer price index, rents in Austria also rose further from the beginning of the year and were approx. 4.1% higher in May 2025 than in the comparable previous-year month.

House prices have cooled down considerably in Germany, Sweden and Austria since their peak in 2022. The drop in prices in Germany came to a standstill in the course of 2024, and average prices are rising again. Accordingly, the empirica price index for condominiums (all years of construction) increased by 2.6% in the second quarter of 2025 compared to the same period of the previous year (new construction 1.5%). Helaba Research & Advisory expects that price increases in the residential property market will become entrenched and persist throughout the year. As early as the beginning of 2024, Sweden saw a noticeable recovery in purchase prices for tenant-owned apartments ("bostadsrätter"), which was interrupted by periods of weakness around mid-year and at the end of the year. In the first half of 2025, prices moved more or less sideways, and according to Svensk Mäklarstatistik, they were 0.2% higher in June 2025 than in the same period of the previous year. Experts at SEB, Skandinaviska Enskilda Banken, expect prices to rise by around 3% in 2025. After price declines in 2024, the residential real estate price index of the Austrian central bank (OeNB) on the basis of new and used condominiums and single-family residences in Austria show a slight 0.4% increase in the first quarter of 2025 and stagnation of 0.0% in the second quarter of 2025, in both cases compared to the previous year. According to RE/MAX, the price trend for condominiums in Austria as of the beginning of the year depends to a considerable degree on their location, with an increase expected in central locations in 2025.

Population growth continued in Germany, Sweden, and Austria in 2024 and is expected to persist. A large number of large cities and metropolitan areas are affected by housing shortages. Meanwhile, construction activity is on the de-

cline. According to the ifo institute, the war in Ukraine has brought the long-standing boom in European residential construction to a halt. Destatis reports that 251,900 apartments were completed in Germany in 2024, a figure that was down by 14.4%, or 42,500 fewer completions, compared to the previous year. Deutsche Bank Research expects 245,000 apartment completions in 2025, while the GdW forecasts only 218,000. This will significantly fall short of the approximately 320,000 new apartments needed annually until 2030, according to the latest BBSR housing demand forecast. Existing housing shortages are hindering migration to regions with strong labor markets. Declining residential construction is not only worsening the housing shortage but also hampering further economic development, according to the Arbeitsgemeinschaft für zeitgemäßes Bauen (Institute for Sustainable Constructions). Boverket estimates that 50,300 apartments will have to be built per year in Sweden by 2034. In 2024, 48,024 apartments were completed, a figure that was down by 30% compared to the previous year. According to Boverket, only around 35,000 apartments are expected to be completed in 2025. This means that the additional annual need will not be met. The number of construction starts could, however, rise again next year given the slight improvement in the overall conditions. In Austria, approximately 46,300 apartments were likely completed in 2024 according to EUROCONSTRUCT, with a decline to 38,500 expected for 2025. According to CBRE, the limited availability of housing in metropolitan areas is expected to worsen further.

CBRE also reports that the residential investment market (50 or more residential units) in Germany grew significantly in the first half of 2025. They estimate the transaction volume at € 4 billion, around 41% higher than in the same period of the previous year. The development was driven by a very dynamic start in the first quarter of 2025. Due to macroeconomic uncertainties stemming from global trade policy, the second quarter was marked by slight reticence, according to CBRE. While demand for core and core-plus properties and portfolios remains high and continues to grow, portfolio adjustments are still taking place in the Value-add segment. A noticeable stabilization of the market can be seen in project development deals. Prime yields in the top seven cities remained stable at 3.4%. For 2025 as a whole, CBRE expects a transaction volume of € 8 to 10 billion. According to Colliers, properties worth € 6.6 billion were traded across all segments on the Swedish transaction market in the first half of 2025, representing a year-on-year increase of approx. 40%. In terms of transaction volume, residential properties were the third-largest asset class after offices and the public sector, with a share of 19%. According to CBRE, the Austrian real estate investment market saw a transaction volume totaling € 1.26 billion in the first half of 2025, 1% more than in

the same period of the previous year. In the second quarter, the market proved much more active than in the first. In terms of transaction volume, residential properties were the strongest asset class with a share of 52%.

Housing policy developments in Germany so far in 2025 have included several measures and proposed laws. For example, the new German coalition government of CDU, CSU and SPD agreed in their coalition agreement to extend the rent cap until the end of 2029. In June, the Bundestag approved this extension. Furthermore, the new minister of construction announced a bill to accelerate construction. The corresponding draft of the Act to Accelerate Housing Construction and to Secure Housing has since been approved by the federal cabinet and is now undergoing the parliamentary process. The draft budget for 2025, adopted by the cabinet and currently under discussion in the Bundestag, includes key figures for 2026 to 2029 and provides for the securing or increase of important funding programs, such as social housing, urban development funding, and the federal funding for energy-efficient buildings (BEG). With the 2024 Annual Tax Act, the previous German government introduced a new non-profit housing structure from January 1, 2025, providing support to companies that build affordable apartments and rent them out on a long-term basis. At the beginning of the year, the property tax reform was also implemented, and the housing benefit was adjusted to reflect current price and rent developments. The CO₂ price also rose from € 45 to € 55 per metric ton. New building regulations came into force in Sweden on July 1, 2025. In addition, on May 22, 2025, the Swedish government decided to submit a bill to the Riksdag to amend the Planning and Building Act in order to simplify and clarify building permit regulations. The Riksdag is expected to vote on the proposal after the summer. To ease inflation, the rent increases due in Austria's regulated housing market from the beginning of April 2025 have been suspended for one year. This does not affect unrestricted rental agreements. As part of the 2025 Budget Accompanying Act, the Austrian government is implementing a reform of the real estate transfer tax on land transfers. It has been in effect since July 1, 2025, and is specifically aimed at increasing taxation on share deals. The expiration of the KIM Regulation on July 1, 2025, is expected to ease the granting of loans for residential property.

Results of Operations

Overview

Overall, Vonovia's business development was positive in the first half of 2025.

In the Rental segment, current business development is still characterized by high demand for rental apartments and rising rental income. Despite a smaller portfolio due to the disposal of around 10,000 units compared to the previous year, the earnings contribution made in the 2025 reporting period was up slightly in a year-on-year comparison.

In the Value-add segment, the increase in modernization and portfolio investments as well as positive business developments in energy sales made a particular contribution to the increase in earnings. The earnings contribution made by the Value-add segment in the 2025 reporting period was considerably higher than in the previous year.

The Recurring Sales segment reported a marked increase in earnings due to higher sales volumes and margins.

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 was certified by a notary in the 2024 fiscal year. In the course of 2024 and at the beginning of 2025, the nursing care properties and nursing care businesses were successfully sold as planned. 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. Ownership of a further two nursing care properties was transferred in the second quarter of 2025. All remaining activities will be finalized in the 2025 fiscal year, meaning that there are still earnings contributions from discontinued operations.

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

Adjusted EBT (continuing operations)

in € million	H1 2024	H1 2025	Change in %	12M 2024
Revenue in the Rental segment	1,650.4	1,692.7	2.6	3,323.5
Expenses for maintenance	-225.3	-237.7	5.5	-470.5
Operating expenses in the Rental segment	-233.5	-229.4	-1.8	-467.3
Adjusted EBITDA Rental	1,191.6	1,225.6	2.9	2,385.7
Revenue in the Value-add segment	635.3	731.2	15.1	1,359.4
thereof external revenue	59.9	69.6	16.2	179.6
thereof internal revenue	575.4	661.6	15.0	1,179.8
Operating expenses in the Value-add segment	-578.5	-630.5	9.0	-1,191.0
Adjusted EBITDA Value-add	56.8	100.7	77.3	168.4
Revenue in the Recurring Sales segment	163.9	215.0	31.2	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	-132.0	-166.1	25.8	-359.8
Adjusted result Recurring Sales	31.9	48.9	53.3	81.5
Selling costs in the Recurring Sales segment	-9.7	-10.2	5.2	-23.9
Adjusted EBITDA Recurring Sales	22.2	38.7	74.3	57.6
Revenue from disposal of Development to sell properties	70.1	209.1	>100	889.4
Cost of Development to sell	-59.6	-133.9	>100	-813.8
Carrying amount of assets sold of Development to sell	-	-5.0	-	-27.8
Gross profit Development to sell	10.5	70.2	>100	47.8
Rental revenue Development	3.1	3.4	9.7	7.3
Operating expenses in the Development segment	-17.7	-19.6	10.7	-41.7
Adjusted EBITDA Development	-4.1	54.0	-	13.4
Adjusted EBITDA Total (continuing operations)	1,266.5	1,419.0	12.0	2,625.1
Adjusted net financial result	-320.5	-363.3	13.4	-709.0
Straight-line depreciation*	-55.9	-56.0	0.2	-112.7
Intragroup profit/losses	-2.9	-15.4	>100	-3.8
Adjusted EBT (continuing operations)	887.2	984.3	10.9	1,799.6
Adjusted EBT (continuing operations) per share in €**	1.09	1.20	9.9	2.20
Minorities	82.9	85.6	3.3	166.0
Adjusted EBT (continuing operations) after minorities	804.3	898.7	11.7	1,633.6
Adjusted EBT (continuing operations) after minorities per share in €**	0.99	1.09	10.7	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.

As of the end of the first half of 2025, Vonovia employed 12,393 people in its continuing operations (end of the first half of 2024: 12,087).

As of the end of the first half of 2025, Vonovia managed a portfolio comprising 533,064 of its own residential units (end of the first half of 2024: 542,881), 162,451 garages and parking spaces (end of the first half of 2024: 163,552) and 8,589 commercial units (end of the first half of 2024: 8,507). Furthermore, Vonovia managed 75,069 residential units (end of the first half of 2024: 71,697) on behalf of third parties as of the end of the first half 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. A severe housing shortage and high demand continued to shape the business environment. As of the end of June 2025, the portfolio in the Rental segment had a vacancy rate of 2.1% (end of June 2024: 2.2%), meaning that it was once again virtually fully occupied.

In the first half of 2025, Rental segment revenue increased by 2.6% (H1 2024: 2.0%) compared to the first half of 2024 to € 1,692.7 million (H1 2024: € 1,650.4 million). Of the segment revenue in the Rental segment in the 2025 reporting period, € 1,436.5 million is attributable to rental income in Germany (H1 2024: € 1,410.0 million), € 195.5 million to rental income in Sweden (H1 2024: € 179.9 million) and € 60.7 million to rental income in Austria (H1 2024: € 60.5 million). The organic rent

growth (twelve-month rolling) stood at 4.4% at the end of the first half of 2025 (3.8% at the end of the first half of 2024). The increase in rent due to market-related factors came to 2.9% as of the end of the first half of 2025 (2.2% at the end of the first half of 2024). The increase from property value improvements stood at 1.2% at the end of the first half of 2025 (1.3% at the end of the first half of 2024). All in all, this produced a like-for-like rent increase of 4.1% at the end of the first half of 2025 (3.5% at the end of the first half of 2024). New construction measures and measures to add extra stories also contributed 0.3% at the end of the first half of 2025 (0.3% at the end of the first half of 2024) to organic rent growth.

The average monthly in-place rent in the residential portfolio in the Rental segment came to € 8.22 per m² at the end of June 2025 as against € 7.86 per m² at the end of June 2024. The monthly in-place rent in the German portfolio at the end of June 2025 came to € 8.05 per m² (end of June 2024: € 7.73 per m²), with a figure of € 11.30 per m² (June 2024: € 10.51 per m²) for the Swedish portfolio and € 5.76 per m² for the Austrian September (June 2024: € 5.66 per m²). The rental income for the Swedish portfolio is reported as inclusive rent, i.e. including ancillary and heating costs as well as water costs. Moreover, the rental income from the Austrian real estate portfolio includes maintenance and improvement contributions (EVB).

Total maintenance, modernization, portfolio investments and portfolio and new construction in the first half of 2025 came in at € 856.4 million, up by 27.1% on the prior-year value of € 673.8 million at the end of the first half of 2024.

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

in € million	H1 2024	H1 2025	Change in %	12M 2024
Expenses for maintenance	225.3	237.7	5.5	470.5
Capitalized maintenance	107.0	118.8	11.0	294.2
Maintenance measures	332.3	356.5	7.3	764.7
Modernization & portfolio investments	243.2	368.3	51.4	611.8
New construction (to hold)	98.3	131.6	33.9	224.5
Modernization, portfolio investments and new construction	341.5	499.9	46.4	836.3
Total sum of maintenance, modernization, portfolio investments and new construction	673.8	856.4	27.1	1,601.0

Operating expenses in the Rental segment in the first half of 2025 amounted to € -229.4 million, down by 1.8% compared to the figure for the first half of 2024 of € -233.5 million.

At € 1,225.6 million, Adjusted EBITDA in the Rental segment in the first half year of 2025 was up slightly on the prior-year value of € 1,191.6 million despite the sales completed in 2024 and in the first half of 2025, and despite higher maintenance expenses.

Value-add Segment

The Value-add segment can report a substantial increase in earnings in the 2025 reporting period. This was driven, in particular, by an increase in modernization and portfolio investments as well as positive business developments in energy sales. In the first half of 2025, modernization and portfolio investments increased by 51.4 % year on year, up from the volume of the first half of 2024, also thanks to our increased investment in new photovoltaic facilities and heat pumps.

All in all, revenue from the Value-add segment in the 2025 reporting period amounted to € 731.2 million, up by 15.1 % compared to the figure for the first half of 2024 of € 635.3 million. External revenue from our Value-add activities with our end customers in the first half of 2025 amounted to € 69.6 million, up by 16.2 % compared to the figure for the first half of 2024 of € 59.9 million. Intra-Group revenue in the first half of 2025 amounted to € 661.6 million, up by 15.0 % compared to the figure for the first half of 2024 of € 575.4 million.

Operating expenses in the Value-add segment in the first half of 2025 amounted to € -630.5 million and were thus up by 9.0 % on the figure for the first half of 2024 of € -578.5 million.

Adjusted EBITDA Value-add came in at € 100.7 million in the first half of 2025, significantly higher than the value of € 56.8 million seen in the first half of 2024.

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 € 215.0 million in the first half of 2025, with 1,134 units sold (H1 2024: 921) – of which 938 units were sold in Germany (H1 2024: 722) and 196 in Austria (H1 2024: 199). This corresponds to a rise in income of 31.2 % compared to the € 163.9 million seen in the first half of 2024. Income of € 161.6 million is attributable to sales in Germany (H1 2024: € 122.6 million) and € 53.4 million to sales in Austria (H1 2024: € 41.3 million).

Fair value step-up came to 29.4 % in the first half of 2025 (H1 2024: 24.2 %). Higher step-ups were achieved both in Germany and Austria.

Selling costs in the Recurring Sales segment came in at € -10.2 million in the first half of 2025, up by 5.2 % on the value of € -9.7 million seen in the first half of 2024.

Adjusted EBITDA Recurring Sales came in at € 38.7 million in the first half of 2025, significantly higher than the value of € 22.2 million seen in the first half of 2024.

In the 2025 reporting period, 7,151 units from the Non Core/ Other portfolio (H1 2024: 2,948) were sold as part of our portfolio adjustment measures, with proceeds totaling € 842.7 million (H1 2024: € 352.7 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, particularly on the construction and commodity markets, continued to have a moderate impact. The main positive effect on the segment result 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 280 units were completed in the 2025 reporting period, all of them in Germany (H1 2024: 1,018 units, all of them in Germany). In the first half of 2025, income from the disposal of development properties amounted to € 209.1 million (H1 2024: € 70.1 million). With € 176.5 million attributable to project development in Germany (H1 2024: € 53.8 million) and € 32.6 million to project development in Austria (H1 2024: € 16.4 million). The gross profit for Development to sell came to € 70.2 million in the first half of 2025 with a margin of 33.6 % (H1 2024: € 10.5 million, margin of 15.0 %).

Operating expenses in the Development segment in the first half of 2025 amounted to € -19.6 million, up by 10.7 % compared to the figure for the first half of 2024 of € -17.7 million.

Adjusted EBITDA in the Development segment amounted to € 54.0 million in the first half of 2025 (H1 2024: € -4.1 million).

In the Development to hold area, a total of 335 units were completed in the first half of 2025 (H1 2024: 637 units), of which 330 units were in Germany (H1 2024: 635 units), no units were in Austria (H1 2024: none) and 5 units were in Sweden (H1 2024: 2 units).

Adjusted EBT

Adjusted EBITDA Total for continuing operations came in at € 1,419.0 million in the first half of 2025, 12.0 % higher than the value of € 1,266.5 million seen in the first half of 2024.

In the reconciliation of Adjusted EBITDA Total (continuing operations) to Adjusted EBT (continuing operations), the main contributing factors in the first half of 2025 were the adjusted net financial result of € -363.3 million (H1 2024: € -320.5 million), depreciation and amortization of € -56.0 million (H1 2024: € -55.9 million) and interim profits of € -15.4 million (H1 2024: € -2.9 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 € 984.3 million in the first half of 2025 compared to € 887.2 million in the first half of 2024.

In the first half of 2025, the non-recurring items eliminated in the Adjusted EBT (continuing operations) came to € 149.5 million (H1 2024: € 45.4 million).

Transactions in the first half of 2025 include provisions set up for the purchased land to build on and old stock of the QUARTERBACK Immobilien Group in the amount of € 85.2 million. The relevant purchase agreement has already been signed, but the benefits and encumbrances will not be transferred until the second half of 2025.

The increase in HR-related special effects is due to the provision set up in connection with Mr. Buch's resignation as CEO of Vonovia and the cancellation of his contract of employment, which was set to run until 2028. In addition to a fixed one-off payment due on the date Mr. Buch leaves the company at the end of 2025, a variable component in the form of virtual shares has been agreed to fall due on December 31, 2027. The virtual shares will be allocated as of January 1, 2026. The amount of the payout will be based on the average price of Vonovia's shares over the six weeks prior to maturity, adjusted to reflect Vonovia's dividend payments during the period from January 1, 2026, to December 31, 2027.

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

Non-recurring Items

in € million	H1 2024	H1 2025	Change in %	12M 2024
Transactions*	12.9	113.0	>100	33.9
Personnel matters	14.7	22.0	49.7	170.9
Business model optimization	14.4	12.4	-13.9	29.7
Research & development	2.9	2.0	-31.0	5.9
Refinancing and equity measures	0.5	0.1	-80.0	1.4
Total non-recurring items	45.4	149.5	>100	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 amounted to € -363.3 million in the first half of 2025 (H1 2024: € -320.5 million).

Reconciliation of Adjusted Net Financial Result (continuing operations)

in € million	H1 2024	H1 2025	Change in %	12M 2024
Income from non-current securities and non-current loans	34.7	6.4	-81.6	17.2
Interest income – finance lease	-	1.5	-	1.2
Interest received and similar income	22.6	24.0	6.2	51.1
Interest expense from non-derivative financial liabilities	-410.1	-405.1	-1.2	-830.6
Swaps (current interest expense for the period)	27.0	2.1	-92.2	45.6
Capitalization of interest on borrowed capital Development	0.1	3.4	>100	0.6
Income from investments	5.2	5.2	-	5.9
Adjusted net financial result	-320.5	-363.3	13.4	-709.0
Accrued interest	-82.1	-132.2	61.0	15.8
Net cash interest	-402.6	-495.5	23.1	-693.2

The profit for the period amounted to € 811.2 million in the first half of 2025 (H1 2024: € -529.2 million).

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

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

	H1 2024	H1 2025	Change in %	12M 2024
Profit for the period	-529.2	811.2	-	-962.3
Profit from discontinued operations	21.0	-16.0	-	-26.7
Profit from continuing operations	-508.2	795.2	-	-989.0
Income taxes	-80.1	-44.2	-44.8	385.6
Earnings before tax (EBT)	-588.3	751.0	-	-603.4
Non-recurring items	45.4	149.5	>100	241.8
Net income from fair value adjustments of investment properties	1,432.0	-520.3	-	1,559.0
Impairment/value adjustments	16.8	341.2	>100	347.3
Valuation effects and special effects in the financial result	-28.8	197.9	-	208.5
Net income from investments accounted for using the equity method	18.5	7.9	-57.3	53.8
Earnings contribution from Non Core/Other sales	10.8	53.5	>100	6.6
Period adjustments from assets held for sale	-19.2	3.6	-	-14.0
Adjusted EBT (continuing operations)	887.2	984.3	10.9	1,799.6
Adjusted net financial result	320.5	363.3	13.4	709.0
Straight-line depreciation	55.9	56.0	0.2	112.7
Intragroup profit/losses	2.9	15.4	>100	3.8
Adjusted EBITDA Total (continuing operations)	1,266.5	1,419.0	12.0	2,625.1

The reconciliation of Adjusted EBT (continuing operations) to Operating Free Cash-Flow is as follows: The definition of the key figure OFCF was amended in the first half of 2025. The “change in working capital” item in the reconciliation (H1 2024: € 3.8 million, 12M 2024: € 274.1 million) has been

made more specific and is now referred to as the “change in the capital tied up for Development to sell projects”. The previous year’s figures were adjusted accordingly. The item “interim profits/losses” was also supplemented to reflect the cash advantage associated with services rendered in house.

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

in € million	H1 2024	H1 2025	Change in %	12M 2024
Adjusted EBT (continuing operations)	887.2	984.3	10.9	1,799.6
Straight-line depreciation	55.9	56.0	0.2	112.7
Change in capital commitment Development to sell*	-35.5	345.0	-	210.0
Carrying amount of investment properties (core business)	132.0	171.1	29.6	387.6
Capitalized maintenance	-107.0	-118.8	11.0	-294.2
Dividends and payouts to non-controlling shareholders (minorities)	-114.5	-175.1	52.9	-143.7
Income tax payments according to cash flow statement (w/o taxes on Non Core sales)	-57.1	-106.2	85.9	-235.5
Intragroup profit/losses*	2.9	15.4	>100	3.8
Operating Free Cash-Flow*	763.9	1,171.7	53.4	1,840.3

* In accordance with the current definition of key figures including intragroup profits/losses and reclassification of capital commitment.

Assets

Consolidated Balance Sheet Structure

	Dec. 31, 2024		Jun. 30, 2025	
	in € million	in %	in € million	in %
Non-current assets	82,326.9	91.2	84,291.1	93.5
Current assets	7,909.4	8.8	5,845.4	6.5
Total assets	90,236.3	100.0	90,136.5	100.0
Equity	28,126.9	31.2	28,335.9	31.4
Non-current liabilities	54,644.6	60.6	53,935.3	59.8
Current liabilities	7,464.8	8.3	7,865.3	8.8
Total equity and liabilities	90,236.3	100.0	90,136.5	100.0

The Group’s total assets fell from € 90,236.3 million as of December 31, 2024, by € 99.8 million to € 90,136.5 million as of June 30, 2025.

The main development in non-current assets is the € 2,185.9 million increase in investment properties. This is due in particular to additions amounting to € 1,168.5 million, mainly in the context of the transactions concluded with the QUARTERBACK Immobilien Group, and net income from fair value adjustments of investment properties of € 520.3 million.

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 initially 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 June 30, 2025, resulting in a valuation of € 643.0 million. The adjustment affecting net income resulted in an expense of € 88.0 million in the first half of 2025 due to an increased cost of capital.

In current assets, it was in particular the disposal of assets held for sale in the amount of € 1,024.1 million and the disposal of assets of discontinued operations in the amount of € 207.3 million that resulted in a decrease in this item by € 2,064.0 million in total. Other changes in current assets relate to the decrease in financial assets by € 338.9 million, mainly due to the offsetting of loans as part of the QUARTERBACK transactions, and the decrease in trade receivables by € 304.6 million.

On June 30, 2025, goodwill comprised 1.5 % of total assets (December 31, 2024: 1.5 %).

Total equity increased from € 28,126.9 million as of December 31, 2024, by € 209.0 million to € 28,335.9 million as of June 30, 2025, due in particular to the profit for the period of € 811.2 million and the other comprehensive income of € 153.4 million. The latter was determined largely by currency effects of € 127.0 million. The cash dividend distributions in the amount of € 647.2 million had the effect of reducing total equity.

The equity ratio stood at 31.4 % as of June 30, 2025 (December 31, 2024: 31.2 %).

Liabilities declined from € 62,109.4 million as of December 31, 2024, by € 308.8 million to € 61,800.6 million. The total of non-current non-derivative financial liabilities fell from € 37,448.3 million by € 1,076.7 million to € 36,371.6 million. Current non-derivative financial liabilities increased from € 5,202.7 million by € 428.7 million to € 5,631.4 million.

Deferred tax liabilities increased from € 15,613.5 million on December 31, 2024, by € 159.4 million to € 15,772.9 million as of June 30, 2025.

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 half of 2025, EPRA NTA amounted to € 37,739.6 million, 1.4 % over the value seen at the end of 2024 of € 37,215.6 million. EPRA NTA per share changed from € 45.23 at the end of 2024 to € 45.16 at the end of the first half of 2025.

EPRA Net Tangible Assets (EPRA NTA)

in € million	Dec. 31, 2024	Jun. 30, 2025	Change in %
Total equity attributable to Vonovia shareholders	23,996.4	24,190.9	0.8
Deferred tax in relation to fair value gains of investment properties*	14,620.2	14,794.0	1.2
Fair value of financial instruments**	23.4	189.2	>100
Goodwill	-1,391.7	-1,391.7	-
Intangible assets	-32.7	-42.8	30.9
EPRA NTA	37,215.6	37,739.6	1.4
EPRA NTA per share in €***	45.23	45.16	-0.1

* 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 new valuation in the first half of 2025 led to net income from fair value adjustments of investment properties of € 520.3 million (H1 2024: € -1,432.0 million). In addition, buildings under construction (New construction/Development to hold) were completed during the six-month period.

A fair value measurement is performed for the first time when the properties are completed. This resulted in a valuation effect of € 0.5 million (H1 2024: € 2.6 million) for the first half of 2025, with this valuation effect included in the aforementioned valuation result.

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 - Jun. 30, 2024	Jan. 1 - Jun. 30, 2025
Cash flow from operating activities	1,127.8	1,590.1
Cash flow from investing activities	114.4	80.8
Cash flow from financing activities	-1,107.8	-1,796.6
Influence of changes in foreign exchange rates	-2.7	2.6
Net changes in cash and cash equivalents	131.7	-123.1
Change in cash and cash equivalents related to discontinued operations*	5.1	-13.9
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	1,501.0	1,655.7

* For reasons of comparability, a presentation is made for the period Jan. 1 until June 30, 2024 in accordance with IFRS 5 as for the period Jan. 1 until June 30, 2025.

The cash flow from operating activities amounted to € 1,590.1 million in the first half of 2025 (H1 2024: € 1,127.8 million).

The cash flow from investing activities shows net proceeds of € 80.8 million for the first half of 2025 (H1 2024: € 114.4 million). Payments for the acquisition of investment properties came to € 1,479.3 million (H1 2024: € 427.0 million). On the other hand, proceeds from portfolio sales amounted to € 1,307.8 million (H1 2024: € 624.2 million).

The cash flow from financing activities amounted to € -1,796.6 million in the first half of 2025 (H1 2024: € -1,107.8 million), which includes payments for regular and unscheduled repayments on financial liabilities in the amount of € 2,916.2 million (H1 2024: € 1,708.2 million) and, on the other hand, proceeds from issuing financial liabilities in the amount of € 2,521.6 million (H1 2024: € 1,723.4 million). Payments for transaction and financing costs amounted to € 70.6 million (H1 2024: € 34.3 million). Interest paid in the first half of 2025 amounted to € 524.0 million (H1 2024: € 430.5 million).

Net changes in cash and cash equivalents came to € -123.1 million.

Financing

In its announcement of August 23, 2024, the agency Standard & Poor's confirmed 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.

On February 17, 2025, the rating agency Fitch confirmed its rating for Vonovia: BBB+ with a stable outlook.

The rating agency Scope has, in its announcement of June 19, 2025, awarded Vonovia an A- investment grade rating with negative 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 supplemented on March 24, 2025, must be updated annually and requires approval from the financial supervisory authority of the Grand Duchy of Luxembourg (CSSF).

As of June 30, 2025, Vonovia had placed bonds with a total volume of € 22.0 billion, € 20.7 billion of which were placed as part of the EMTN program. There are also Deutsche Wohnen bonds worth a further € 1.2 billion.

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. € 88.3 million) bond with an eight-year term and a coupon of 5.51% p.a. (4.12% p.a. after currency hedging).

Vonovia 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%.

Deutsche Wohnen repaid a bond in the amount of € 589.7 million as planned on April 30, 2025.

On May 13, 2025, Vonovia placed two new convertible bonds with a total volume of € 1.3 billion. The first bond in the amount of € 650.0 million will mature in May 2030 and does not bear any periodic interest. The second bond – also with a volume of € 650.0 million – will fall due in May 2032 and has a coupon rate of 0.875% p.a. The bonds can either be con-

verted into shares in Vonovia or settled in cash. The bond terms and conditions are such that the convertible bonds are treated as borrowed capital in full. For accounting purposes, the conversion rights are separated, as a derivative component, from the debt transaction and are measured and reported separately as a derivative within financial liabilities. Upon initial recognition not affecting net income, the value of the derivative came to € 143.7 million. The value came to € 165.3 million as of June 30, 2025. The change in value in the period since initial recognition was recognized affecting net income in the amount of € 21.6 million in other interest result from derivatives.

The partial buyback of bonds with a total volume of € 800 million was completed on June 6, 2025. This involved buying back a social bond with an issue volume of € 750.0 million and a term expiring in 2027 in the amount of € 435.7 million (selling price € 454.3 million). This bond has a 4.75% coupon rate. A further bond, a green bond, with an issue volume of € 750.0 million and a term expiring in 2030 was bought back in the amount of € 364.3 million (selling price € 399.5 million). This bond has a 5.00% coupon rate.

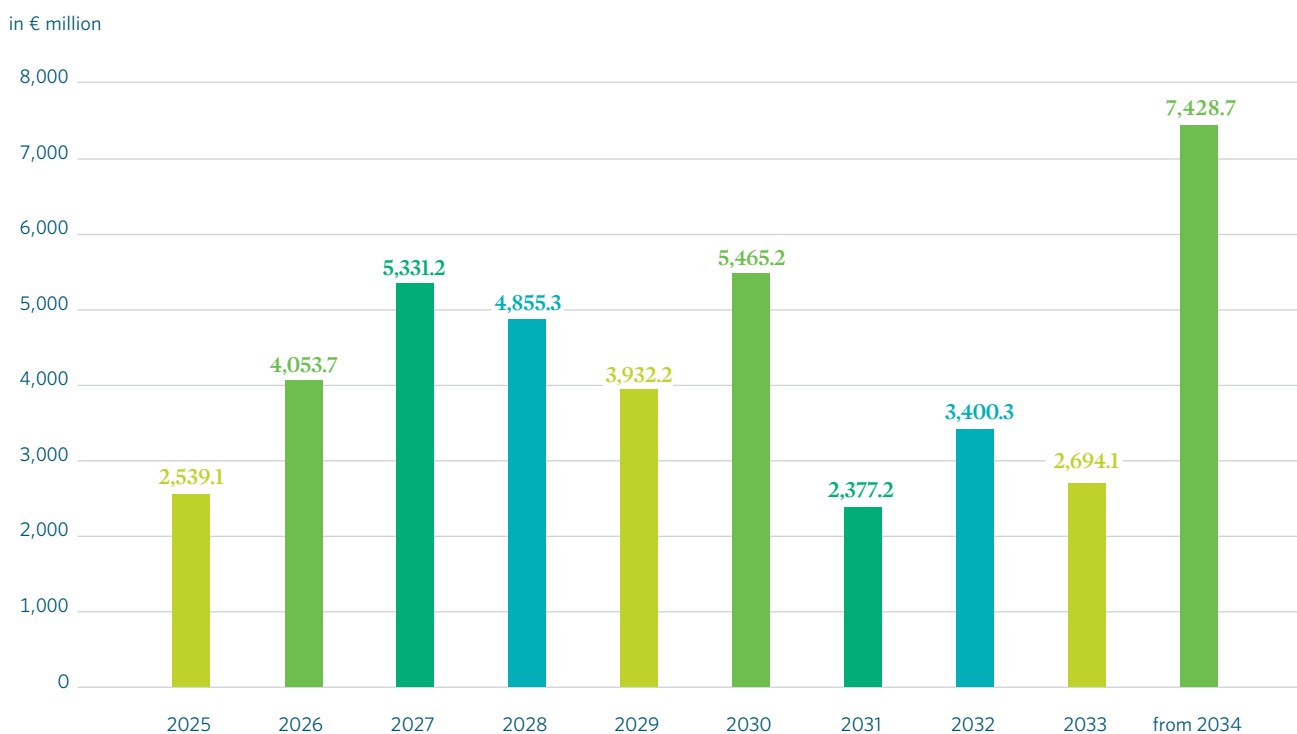
On June 13, 2025, Vonovia issued two green bonds in Swedish krona, each with a volume of SEK 500.0 million (around € 45.6 million). Both bonds will run until June 2028. The first bond is a floating-rate bond, with Vonovia paying a fixed coupon of 3.0885% after currency hedging. The second bond has an original fixed coupon of 3.308%. SEK 200.0 million of the nominal volume was hedged using a foreign currency derivative (3.1455% p.a. after currency hedging).

A bond with an outstanding nominal volume of € 429.2 million was repaid as scheduled on June 29, 2025.

Secured financing of around € 582 million fell due for repayment in the Deutsche Wohnen subgroup as of June 30, 2025. Of that amount, € 338.0 million was refinanced with the same lenders, with the remaining € 244.0 million being repaid.

The **debt maturity profile** of Vonovia's financing was as follows as of June 30, 2025:

Debt Maturity Profile on June 30, 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	Jun. 30, 2025	Change in %
Non-derivative financial liabilities	42,651.0	42,003.0	-1.5
Foreign exchange rate effects	-19.8	-2.7	-86.4
Cash and cash equivalents*	-2,127.5	-2,017.6	-5.2
Net debt	40,503.7	39,982.7	-1.3
Sales receivables	-873.3	-381.2	-56.3
Adjusted net debt	39,630.4	39,601.5	-0.1
Fair value of the real estate portfolio	81,971.4	82,903.9	1.1
Loans to companies holding immovable property and land	521.8	167.1	-68.0
Shares in other real estate companies	615.9	637.1	3.4
Adjusted fair value of the real estate portfolio	83,109.1	83,708.1	0.7
LTV	47.7%	47.3%	-0.4 pp
Adjusted net debt	39,630.4	39,601.5	-0.1
Adjusted EBITDA total**	2,625.1	2,777.6	5.8
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	Jun. 30, 2025	Change in %*
Total financial debt		42,651.0	42,003.0	-1.5
Total assets		90,236.3	90,136.5	-0.1
LTV	< 60.0%	47.3%	46.6%	-0.7 pp
Secured debt		13,204.7	12,861.3	-2.6
Total assets		90,236.3	90,136.5	-0.1
Secured LTV	< 45.0%	14.6%	14.3%	-0.3 pp
LTM Adjusted EBITDA		2,625.1	2,777.6	5.8
LTM Net Cash Interest		693.2	786.1	13.4
ICR	> 1.8x	3.8x	3.5x	-0.3x
Unencumbered assets		46,797.0	46,367.1	-0.9
Unsecured debt		29,446.3	29,141.7	-1.0
Unencumbered assets	> 125.0%	158.9%	159.1%	0.2 pp

* Unless otherwise specified.

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.

Opportunities and Risks

In addition to the opportunities and risks set out in detail in the 2024 Annual Report, there were essentially no changes in the first half of 2025.

The opportunities described in detail in the 2024 Annual Report remain unchanged to date.

The assessment of the overall risk position is comparable to the end of 2024. The number of overall risks at the end of the first half of 2025 was 110 compared to 115 at the end of 2024.

There are currently no indications of any (red) risks that could pose a threat to the company's existence, and no such risks are expected to arise in the future.

The number of amber risks at the end of the first half of 2025 was unchanged from the end of 2024 at 7; the 7 amber risks were assessed unchanged. These are listed according to their net assessment and the assigned risk categories:

Risks from the Operating Business

The risk "Future market development leads to a drop in property values" with a potential amount of loss affecting the balance sheet of € 2,400–6,000 million and an expected probability of occurrence of 5–39%.

The risk "Deteriorating residential property market situation" with a potential amount of loss with an impact on profit and loss of € 450–900 million and an expected probability of occurrence of 5–39%.

The risk "Development sale risk" with a potential amount of loss with an impact on profit and loss of € 180–450 million and an expected probability of occurrence of 40–59%.

Risks from Financing

The risk "Unfavorable interest rate developments" with a potential amount of loss with an impact on profit and loss of € 450–900 million and an expected probability of occurrence of 5–39%.

The risk "Higher refinancing costs due to changes in risk profile" with a potential amount of loss with an impact on profit and loss of € 450–900 million and an expected probability of occurrence of 5–39%.

The risk "Failure to fulfill obligations (from bonds, secured loans, transactions)" with a potential amount of loss with an impact on profit and loss of >€ 900 million and an expected probability of occurrence of <5%.

The risk "Amendments to the German Real Estate Transfer Tax Act (Grunderwerbsteuergesetz) due to share deals" with a potential amount of loss with an impact on profit and loss of >€ 900 million and an expected probability of occurrence of <5%.

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 does not take account of any larger acquisitions of real estate portfolios.

The forecast for the 2025 fiscal year is based on corporate planning determined and updated for the Vonovia Group as a whole, and considers current business developments as well as possible opportunities and risks. It also includes the material macroeconomic developments and the economic factors that are relevant to the real estate industry and Vonovia's corporate strategy. Further information is provided in the sections of the 2024 Annual Report 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, 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. We believe that the coalition agreement concluded between the CDU/CSU and SPD political parties will create opportunities regarding tenancy law, energy/modernization and new construction overall; at present, we do not expect to see any negative impact on the business development forecast for the current fiscal year.

We are also keeping an eye on the potential effects of US trade policy and the associated implications of a growing 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 the **Rental** core business is expected to be up slightly on the prior-year level. In a year-on-year comparison, organic rent increases and associated higher rental income will have more of an impact than rent losses stemming from sales resulting in a smaller portfolio. As far as the **Value-add** segment is concerned, we expect the EBITDA contribution in 2025 to be considerably higher than the prior-year level. The expected additional earnings contributions made by increased investment activity in the craftsmen's organization and rising earnings contributions from the energy business can more than offset the positive one-off effect in the multimedia business resulting from the leasing of coax networks in the previous year. In the sales-related segments, the market is expected to recover, pushing price expectations up. A very strong increase in the EBITDA contribution provided by the **Development** segment is predicted thanks to the expected increase in demand for new condominiums and the targeted sale of undeveloped land. In the **Recurring Sales** segment, Vonovia will be making a return to the strategy of profitability before liquidity, with margins expected to increase at the same time, particularly in Germany, fueling a marked increase in Adjusted EBITDA. At Group level, Vonovia expects to see an **Adjusted EBITDA Total** for 2025 as a whole that is moderately higher than in the previous year.

The rise in interest rates over the last two years is resulting in a moderate 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 moderately higher than in the previous year.

In addition, we expect the **Operating Free Cash-Flow**, before changes in capital commitment Development to sell, to be slightly below the previous year.

Investment activity is expected to increase in 2025, especially as Vonovia ramps up its investment in its portfolio. In addition, the value of the company is expected to increase further and, as a result, **EPRA NTA per share** is predicted to increase slightly, 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 forecast of just over 100% for the **Sustainability Performance Index**.

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

	Actual 2024	Forecast for 2025	Forecast for 2025 in the 2025 Q1 Report	Forecast for 2025 in the 2025 H1 Report
Adjusted EBITDA Total (continuing operations) in € million	2,625.1	€ 2.70–2.80 billion	€ 2.70–2.80 billion	Around upper-end of € 2.70–2.80 billion
Adjusted EBT (continuing operations) in € million	1,799.6	€ 1.75–1.85 billion	€ 1.75–1.85 billion	€ 1.85–1.95 billion
Operating Free Cash-Flow*	1,840.3	Moderately below previous year**	Moderately below previous year**	At previous year's level**
Sustainability Performance Index (SPI) in %	104	100	100	>100
Rental income in € million	3,323.5	€ 3.3–3.4 billion	€ 3.3–3.4 billion	Around upper-end of € 3.3–3.4 billion
Organic rent growth in %	4.1	~4	~4	>4

* In accordance with the current definition of key figures including intragroup profits/losses and reclassification of capital commitment.

** Before taking into account changes in capital commitment Development to sell.

Bochum, July 30, 2025

The Management Board