

Consolidated Financial Statements

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Consolidated Income Statement

in € million	Notes	Jan. 1-Dec. 31, 2024	Jan. 1-Dec. 31, 2025
Revenue from property letting		4,880.5	4,749.3
Other revenue from property management		206.8	169.5
Revenue from property management	B9	5,087.3	4,918.8
Income from disposal of properties		1,141.4	1,414.8
Carrying amount of properties sold		-1,063.8	-1,400.9
Revaluation of assets held for sale		42.8	39.1
Profit from the disposal of properties	B10	120.4	53.0
Revenue from disposal of real estate inventories		851.8	412.6
Cost of sold real estate inventories		-813.8	-323.1
Profit from disposal of real estate inventories	B11	38.0	89.5
Net income from fair value adjustments of investment properties	B12	-1,559.0	1,390.0
Capitalized internal expenses	B13	538.0	655.0
Cost of materials	B14	-2,321.8	-2,111.9
Personnel expenses	B15	-899.6	-833.6
Depreciation and amortization		-121.0	-514.2
Other operating income	B16	250.9	317.4
Impairment losses on financial assets		-408.1	-76.1
Net income from the derecognition of financial assets measured at amortized cost		4.3	-11.1
Other operating expenses	B17	-387.9	-479.1
Net income from investments accounted for using the equity method		-53.8	-60.5
Interest income	B18	87.9	129.7
Interest expenses	B19	-908.6	-880.3
Other financial result	B20	-70.4	-58.9
Earnings before tax		-603.4	2,527.7
Income taxes	B21	-385.6	1,586.5
Profit for the period from continuing operations		-989.0	4,114.2
Profit for the period from discontinued operations		26.7	71.3
Profit for the period		-962.3	4,185.5
Attributable to:			
Vonovia's shareholders		-896.0	3,723.0
thereof from continuing operations		-919.4	3,709.7
thereof from discontinued operations		23.4	13.3
Non-controlling interests		-66.3	462.5
Earnings per share from continuing operations (diluted) in €		-1.12	4.31
Earnings per share from continuing operations (basic) in €		-1.12	4.45
Earnings per share total (diluted) in €	C23	-1.09	4.33
Earnings per share total (basic) in €	C23	-1.09	4.47

Consolidated Statement of Comprehensive Income

in € million	Jan. 1–Dec. 31, 2024	Jan. 1–Dec. 31, 2025
Profit for the period	-962.3	4,185.5
Change in unrealized gains/losses	32.3	1.0
Taxes on the change in unrealized gains/losses	-7.0	-
Net realized gains/losses	-21.1	20.8
Taxes due to net realized gains/losses	7.7	-6.8
Profit on cash flow hedges	11.9	15.0
Changes in the period	-143.0	276.0
Profit on currency translation differences	-143.0	276.0
Items which will be recognized in profit or loss in the future	-131.1	291.0
Changes in the period	23.7	14.1
Taxes on changes in the period	-0.3	-0.3
Profit on equity instruments and securities at fair value in other comprehensive income	23.4	13.8
Change in actuarial gains/losses, net	13.3	47.1
Tax effect	-1.3	-17.3
Profit on actuarial gains and losses from pensions and similar obligations	12.0	29.8
Items which will not be recognized in profit or loss in the future	35.4	43.6
Other comprehensive income	-95.7	334.6
Total comprehensive income	-1,058.0	4,520.1
Attributable to:		
Vonovia's shareholders	-991.9	4,058.1
thereof from continuing operations	-1,012.9	4,046.7
thereof from discontinued operations	21.0	11.4
Non-controlling interests	-66.1	462.0

Consolidated Balance Sheet

in € million	Notes	Dec. 31, 2024	Dec. 31, 2025
Assets			
Intangible assets	D25	1,424.4	1,433.7
Property, plant and equipment	D26	743.8	808.0
Investment properties	D27	78,343.1	82,392.8
Trade receivables	D33	-	107.9
Financial assets	D28	1,181.1	1,128.6
Investments accounted for using the equity method	D29	344.3	498.7
Other assets	D30	267.0	15.9
Deferred tax assets	D31	23.2	8.3
Total non-current assets		82,326.9	86,393.9
Inventories	D32	13.2	27.6
Trade receivables	D33	584.6	233.8
Financial assets	D28	866.8	433.0
Other assets	D30	674.5	400.9
Income tax receivables	D31	177.0	258.4
Cash and cash equivalents	D34	1,756.7	3,256.9
Real estate inventories	D35	1,608.0	1,865.6
Assets held for sale	D36	1,498.7	385.2
Assets from discontinued operations	D36	729.9	-
Total current assets		7,909.4	6,861.4
Total assets		90,236.3	93,255.3

in € million	Notes	Dec. 31, 2024	Dec. 31, 2025
Equity and liabilities			
Subscribed capital		822.9	848.2
Capital reserves		2,451.1	2,608.9
Retained earnings		21,149.1	24,130.8
Other reserves		-426.7	-121.3
Total equity attributable to Vonovia shareholders		23,996.4	27,466.6
Non-controlling interests		4,130.5	4,701.1
Total equity	D37	28,126.9	32,167.7
Provisions	D38	584.5	550.1
Trade payables	D39	6.0	5.7
Non-derivative financial liabilities	D40	37,448.3	38,302.9
Derivatives	D41	59.6	136.4
Put options	D42	-	99.4
Lease liabilities	D43	630.6	633.8
Liabilities to non-controlling interests	D44	176.2	657.9
Financial liabilities from tenant financing	D45	41.6	40.8
Other liabilities	D46	84.3	125.0
Deferred tax liabilities		15,613.5	14,104.9
Total non-current liabilities		54,644.6	54,656.9
Provisions	E38	340.6	419.2
Trade payables	E39	524.2	550.0
Non-derivative financial liabilities	E40	5,202.7	4,327.4
Derivatives	E41	1.1	4.6
Put options	E42	311.2	243.9
Lease liabilities	E43	45.1	45.7
Liabilities to non-controlling interests	E44	32.6	134.3
Financial liabilities from tenant financing	E45	109.0	104.4
Current income taxes	E46	244.7	254.0
Other liabilities	E46	373.1	347.2
Liabilities associated with assets classified as held for sale	E36	203.1	-
Liabilities from discontinued operations	E36	77.4	-
Total current liabilities		7,464.8	6,430.7
Total liabilities		62,109.4	61,087.6
Total equity and liabilities		90,236.3	93,255.3

Consolidated Statement of Cash Flows

in € million	Notes	Jan. 1-Dec. 31, 2024	Jan. 1-Dec. 31, 2025
Profit for the period		-962.3	4,185.5
Net income from fair value adjustments of investment properties	B12	1,567.2	-1,390.0
Revaluation of assets held for sale	B10	-42.8	-39.1
Depreciation and amortization		134.3	514.2
Interest expenses/income and other financial result	B18/B19/B20	924.9	841.3
Income taxes	B21	386.3	-1,584.9
Profit from the disposal of investment properties	B10	-74.5	-13.9
Results from disposals of other non-current assets		-3.5	-56.1
Other expenses/income not affecting cash		390.6	74.2
Change in working capital		332.1	111.9
Income tax paid		-250.7	-194.8
Cash flow from operating activities		2,401.6	2,448.3
Proceeds from disposals of investment properties and assets held for sale	B10/D27/D33	1,398.3	1,710.3
Proceeds from disposals of other assets	D25/D26/D28/ D29	105.8	481.6
Proceeds from disposals of shares in consolidated companies including disposed cash and cash equivalents	D27/D30	-	347.9
Payments for investments in investment properties****	D25/D26/D28/ D29	-1,265.9	-2,403.3
Payments for investments in other assets		-497.0	-347.9
Payments for acquisition of shares in consolidated companies, in due consideration of liquid funds		-2.4	-8.3
Proceeds from disposal of other financial assets		-	19.3
Interest received		73.6	73.3
Cash flow from investing activities		-187.6	-127.1

in € million	Notes	Jan. 1–Dec. 31, 2024	Jan. 1–Dec. 31, 2025
Cash paid to shareholders of Vonovia SE	E37	-506.4	-647.2
Cash paid to non-controlling interests		-143.7	-202.9
Proceeds from issuing financial liabilities	E40	2,943.8	5,799.5
Cash repayments of financial liabilities	E40	-3,212.3	-5,722.3
Cash repayments of lease liabilities	E43	-42.8	-43.5
Payments for transaction costs in connection with capital measures	E40	-16.5	-55.0
Payments from changes in ownership interests in subsidiaries that do not result in loss of control	E37	-44.2	-265.3
Proceeds from changes in ownership interests in subsidiaries that do not result in loss of control	E37	-	1,124.0
Interest paid		-798.9	-865.7
Cash flow from financing activities		-1,821.0	-878.4
Influence of changes in foreign exchange rates on cash and cash equivalents		-3.4	5.7
Cash and cash equivalents total			
Net changes in cash and cash equivalents		389.6	1,448.5
Cash and cash equivalents at the beginning of the period		1,418.8	1,808.4
Cash and cash equivalents at the end of the period		1,808.4	3,256.9
Cash and cash equivalents from discontinued operations			
Net changes in cash and cash equivalents*	D36	-0.9	-43.5
Cash and cash equivalents at the beginning of the period		44.4	43.5
Cash and cash equivalents at the end of the period		43.5	-
Cash and cash equivalents from disposal groups**			
Net changes in cash and cash equivalents		8.2	-8.2
Cash and cash equivalents at the beginning of the period		-	8.2
Cash and cash equivalents at the end of the period		8.2	-
Cash and cash equivalents from continuing operations (without discontinued operations and disposal groups)			
Net changes in cash and cash equivalents	D34	382.3	1,500.2
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***		1,756.7	3,256.9

* Changes in cash in connection with discontinued operations are included in the cash flow from operating activities in the amount of € 33.3 million (2024: € 47.1 million), in the cash flow from investing activities in the amount of € -57.1 million (2024: € -46.4 million) and in the cash flow from financing activities in the amount of € -19.7 million (2024: € -1.6 million).

** For reasons of comparability, a presentation is made for the year 2024 in accordance with IFRS 5 as in 2025.

*** Includes total restricted cash of € 61.1 million (Dec. 31, 2024: € 65.4 million).

**** Primarily include expenditure on modernization and payments for the acquisition of investment properties (including a high double-digit million amount relating to the acquisition of subsidiaries in the form of asset acquisitions).

Consolidated Statement of Changes in Equity

in € million	Subscribed capital	Capital reserves	Retained earnings	Other reserves	
				Cash flow hedges	Equity instruments at fair value in other comprehensive income
As of Jan. 1, 2025	822.9	2,451.1	21,149.1	-8.2	51.1
Profit for the period			3,723.0		
Changes in the period			30.0	1.0	14.1
Reclassification affecting net income				14.0	0.0
Other comprehensive income			30.0	15.0	14.1
Total comprehensive income			3,753.0	15.0	14.1
Capital increase	25.3				
Premium on the issue of new shares		719.8			
Transaction costs in connection with the issue of shares		-0.4			
Withdrawal from the capital reserves		-548.4	548.4		
Dividend distributed by Vonovia SE			-1,003.9		
Transactions with minority shareholders			-284.6		
Profit distributions and dividends to minority shareholders					
Changes recognized directly in equity		-13.2	-31.2		0.3
As of Dec. 31, 2025	848.2	2,608.9	24,130.8	6.8	65.5
As of Jan. 1, 2024	814.6	2,681.2	22,505.1	-20.1	28.4
Profit for the period			-896.0		
Changes in the period			11.4	25.3	23.8
Reclassification affecting net income				-13.4	0.0
Other comprehensive income			11.4	11.9	23.8
Total comprehensive income			-884.6	11.9	23.8
Capital increase	8.3				
Premium on the issue of new shares		218.6			
Transaction costs in connection with the issue of shares		-0.4			
Withdrawal from the capital reserves		-448.6	448.6		
Dividend distributed by Vonovia SE			-733.2		
Transactions with minority shareholders			-87.6		
Profit distributions and dividends to minority shareholders					
Changes recognized directly in equity		0.3	-99.2		-1.1
As of Dec. 31, 2024	822.9	2,451.1	21,149.1	-8.2	51.1

	Currency translation differences	Total	Equity attributable to Vonovia's shareholders	Non-controlling interests	Total equity
	-469.6	-426.7	23,996.4	4,130.5	28,126.9
			3,723.0	462.5	4,185.5
	276.0	291.1	321.1	-0.5	320.6
		14.0	14.0		14.0
	276.0	305.1	335.1	-0.5	334.6
	276.0	305.1	4,058.1	462.0	4,520.1
			25.3		25.3
			719.8		719.8
			-0.4		-0.4
			0.0		0.0
			-1,003.9	0.0	-1,003.9
			-284.6	281.3	-3.3
				-174.2	-174.2
		0.3	-44.1	1.5	-42.6
	-193.6	-121.3	27,466.6	4,701.1	32,167.7
	-326.6	-318.3	25,682.6	4,262.0	29,944.6
			-896.0	-66.3	-962.3
	-143.0	-93.9	-82.5	0.2	-82.3
		-13.4	-13.4		-13.4
	-143.0	-107.3	-95.9	0.2	-95.7
	-143.0	-107.3	-991.9	-66.1	-1,058.0
			8.3		8.3
			218.6		218.6
			-0.4		-0.4
			0.0		0.0
			-733.2	0.0	-733.2
			-87.6	57.3	-30.3
				-113.4	-113.4
		-1.1	-100.0	-9.3	-109.3
	-469.6	-426.7	23,996.4	4,130.5	28,126.9

Notes

(A): Principles of the Consolidated Financial Statements

1 General Information

Vonovia SE has its registered office in Germany and has been registered in the commercial register in Bochum under commercial register number HRB 16879 since 2017. The company's registered office is located at Universitätsstrasse 133, 44803 Bochum, Germany. The company operates in the real estate sector.

The consolidated financial statements as of and for the year ended December 31, 2025 have been prepared in accordance with the IFRS Accounting Standards (IFRS) as adopted in the EU. In addition, the supplementary commercial law provisions under Section 315e (1) of the German Commercial Code (HGB) have been observed.

The consolidated financial statements have been prepared on the basis of amortized cost except for investment properties, assets and liabilities held for sale, derivative financial instruments, plan assets and equity instruments at fair value in other comprehensive income. These are measured at their fair value. The income statement has been prepared using the nature of expense method.

These consolidated financial statements are presented in euros, which is the Group's functional currency. Unless stated otherwise, all figures are shown in million euros (€ million). Furthermore, amounts below the rounding threshold are shown as "0.0". "-" means that information is not available.

Vonovia's Management Board prepared the consolidated financial statements on March 16, 2026, and approved them for submission to the Supervisory Board.

The following overview indicates the chapters on the individual topics containing disclosures on accounting policies, judgments and estimates:

Chapter	Accounting policies, judgments, estimates
A5	Currency translation
A6	Government grants
B	Profit for the period
B11	Profit on the disposal of properties
B21	Income taxes
C23	Earnings per share
D25	Intangible assets/goodwill
D26	Property, plant and equipment
D27	Investment properties
D28	Financial assets
D32	Inventories
D33	Trade receivables
D34	Cash and cash equivalents
D35	Real estate inventories
D36	Assets and liabilities held for sale and assets and liabilities of discontinued operations
E37	Total equity
E38	Provisions
E40	Non-derivative financial liabilities
E42	Put options
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E45	Financial liabilities from tenant financing
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2 Consolidation Principles

Business Combinations

An entity shall account for each business combination by applying the acquisition method if it obtains control. All hidden reserves and charges of the company acquired are disclosed as part of the necessary remeasurement. Any excess of the cost of a business combination over the net fair value of the identifiable assets, liabilities and contingent liabilities, following the disclosure of hidden reserves and charges, is recognized as goodwill in the balance sheet. The consideration transferred at the time of the acquisition and the identifiable net assets that are acquired are measured at fair value as a general rule. Transaction costs are recognized as an expense immediately insofar as they do not relate to costs pertaining to the raising of capital or the issue of debt capital.

Subsidiaries

The term "subsidiaries" refers to companies controlled by Vonovia SE. Vonovia SE controls a company if it is exposed to risks or has rights to variable returns from its involvement with the company and has the ability to use its power of control over the company to influence the level of these returns. In the process of full consolidation, the assets and liabilities of a subsidiary are included in the consolidated financial statements in their entirety. Subsidiaries are included in the consolidated financial statements from the date on which Vonovia SE obtains control until the day control ceases.

Non-Controlling Interests

Vonovia analyzes the opportunities and risks relating to minority interests when recognizing and reporting non-controlling interests. The equity of a subsidiary that is not attributable to Vonovia is shown as a separate component of equity under non-controlling interests. Non-controlling interests are measured based on their share of the identified net assets of the acquired company at the time of acquisition. In the event that a guaranteed dividend is to be paid out to non-controlling interests, it is reported as a liability for the agreed term and is offset against non-controlling interests within total equity. In subsequent periods, the profit for the period and each component of other comprehensive income is distributed among the stakeholders of Vonovia and the non-controlling interests in line with the current ownership structure.

Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary are equity transactions. Transaction costs that are directly attributable to these equity transactions are reported in retained earnings without affecting net income.

Loss of Control

If Vonovia loses control over a subsidiary, the assets and liabilities of the subsidiary in question as well as any corresponding non-controlling interests are derecognized. The result is recognized in the income statement. Any investment retained is recognized at fair value when control is lost.

Associates and Joint Arrangements

Associates and joint arrangements classified as joint ventures are accounted for using the equity method. An associate is an entity over which the investor has significant influence. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. If the arrangement involves rights to the assets and obligations for the liabilities of a joint arrangement instead, then this constitutes a joint activity that is then recognized using quota consolidation.

Business Transactions Eliminated on Consolidation

The effects of the business transactions between the entities included in the Vonovia consolidated financial statements are eliminated.

Results from business transactions with companies accounted for using the equity method are only eliminated in line with the Group's share in the investee.

The financial statements of Vonovia SE and all subsidiaries are consistently prepared according to uniform accounting policies.

3 Scope of Consolidation and Business Combinations

All in all, and including Vonovia SE, 600 companies (December 31, 2024: 612) – thereof 435 (December 31, 2024: 446) domestic companies and 165 (December 31, 2024: 166) foreign companies – have been included in the consolidated financial statements as of December 31, 2025. In addition, 15 (December 31, 2024: 16) domestic companies and one (December 31, 2024: one) foreign company were included as joint ventures and 11 domestic companies (December 31, 2024: 11) and three (December 31, 2024: three) foreign companies were included as associates accounted for using the equity method.

One domestic company (December 31, 2024: two domestic companies) is no longer included in the scope of consolidation as it is no longer considered to be material. This company is shown as a non-consolidated affiliated company.

For all subsidiaries included in the consolidated financial statements, the reporting date is December 31.

The → [List of Vonovia Shareholdings](#) is appended to the Notes to the consolidated financial statements as an integral part thereof.

Companies that have made use of the exemption provision set out in Section 264 (3) of the German Commercial Code (HGB) are marked accordingly in the list of shareholdings.

The year-over-year changes in the consolidated companies as of December 31, 2025 result from six companies that were established, ten companies that were added due to acquisition, one company that was added due to a change in the scope of consolidation, nine mergers, two accruals, one company that was disposed of due to changes in scope of consolidation and 17 companies that were disposed of because they were sold.

The changes in joint ventures in 2025 are due to one sale. There was an addition to associates due to a partial sale of shares in a company that had previously been included in the group as well as one sale.

Acquisition of QUARTERBACK München GmbH

On January 2, 2025, Vonovia acquired all of the shares in BUWOG Bauträger Süd GmbH (formerly QUARTERBACK München GmbH) via its wholly-owned subsidiary Deutsche Annington Acquisition Holding GmbH. The purchase price was around € 11.0 million. The company has 44 employees that provide development services in southern Germany. The purchase will further expand Vonovia's development organization in southern Germany.

Vonovia obtained control over BUWOG Bauträger Süd GmbH on January 2, 2025. The transaction was classed as a business combination in accordance with IFRS 3.

The final allocation of the total purchase price of € 11.0 million to the acquired assets and liabilities (PPA) of BUWOG Bauträger Süd GmbH as of the date of first-time consolidation was based on the financial statements of BUWOG Bauträger Süd GmbH as of December 31, 2024, and on the known necessary adjustments to the fair values of the assets and liabilities.

The assets and liabilities assumed in the course of the business combination had the following fair values as of the date of first-time consolidation:

in € million	
Property, plant and equipment	5.9
Financial assets	10.7
Cash and cash equivalents	1.2
Fair value of other assets	1.2
Total assets	19.0
Lease liabilities	4.6
Fair value of other liabilities	3.4
Total liabilities	8.0
Fair value net assets	11.0
Consideration	11.0
Goodwill	0.0

The acquired trade receivables were fully recoverable as of the acquisition date. The gross amount of the acquired trade receivables was € 0.8 million. The net carrying amount, which corresponds to the fair value, was € 0.8 million.

In the 2025 fiscal year, no transaction costs were incurred in relation to the acquisition of BUWOG Bauträger Süd GmbH.

4 Financial Reporting of Financial Assets and Financial Liabilities

Loans and Receivables

Loans and receivables are first recognized as incurred, other non-derivative financial assets as of the day of trading. The day of trading is the date on which Vonovia becomes a contracting party of the financial instrument. All financial instruments are initially measured at fair value, taking account of transaction costs. Trade receivables are stated at the transaction price. A financial asset is derecognized when the contractual rights to the cash flows from the financial asset expire, or the financial asset is transferred and Vonovia neither retains control nor retains material risks and rewards associated with ownership of the financial asset.

Loans and receivables are stated at amortized cost using the effective interest method.

Vonovia determines whether there is an objective indication of an impairment at the level of individual financial instruments if they are material, and, for financial instruments for which no impairments have been identified at the level of the individual financial instruments or such impairments are immaterial, grouped according to risk profile. Impairments are identified for individual financial instruments when the counterparty has defaulted or breached a contract or there are indications of risks of impairments due to a rating downgrade and general information (loss event). For groups of financial instruments with similar risks, historical default probabilities in relation to the time overdue are drawn upon (loss event). An impairment is calculated after the occurrence of a loss event as the difference between the carrying amount and the value of the discounted estimated future cash flow. The original effective interest rate is taken as the discount rate. Impairment losses are recognized with effect on net income and offset directly with the carrying amount of the financial instrument. Any interest income on impaired financial instruments is still recognized. If there are indications that the amount of the impairment loss will be smaller, this reduction is credited to the financial instrument affecting net income to the extent that the sum does not exceed the amortized cost that would have been recognized if the impairment had not occurred.

Derivative Financial Instruments and Put Options

Derivative financial instruments are stated at their fair value on the day of trading when they are recognized for the first time. The fair values of the derivative financial instruments are calculated using standard market valuation methods for such instruments on the basis of the market data available on the valuation date.

With derivatives that are not designated as a hedging instrument in the balance sheet, changes in the fair value are recognized in profit or loss with effect on net income.

Compared with IAS 39, the IFRS 9 regulations relating to hedge accounting include, among other things, an expanded range of eligible hedged items, changes regarding the posting approach for certain undesignated value components of hedging instruments, the abolition of the fixed effectiveness ranges and retrospective effectiveness testing as well as the first-time introduction of "recalibration." The less restrictive provisions compared with IAS 39 make it easier to reflect economic risk management in the balance sheet, which can, in turn, reduce artificial volatility in the income statement.

At the time of application of IFRS 9, Vonovia will opt to continue to apply the hedge accounting provisions set out in IAS 39 as opposed to the provisions of IFRS 9. Vonovia applies this accounting method to all hedge relationships.

Contracts concluded for the purpose of receiving or supplying non-financial items in accordance with the company's expected purchase, sale, or use requirements (own-use contracts) are not treated as derivative financial instruments, but rather as pending transactions under IAS 37.

With derivatives designated as hedging instruments, the recognition of changes in the fair value depends on the type of hedge:

- > With a fair value hedge, the changes in the fair value of the derivative financial instruments and of the underlying hedged items attributable to the hedged risk are recognized affecting net income.
- > With a cash flow hedge, the unrealized gains and losses are initially recognized in other comprehensive income to the extent that the hedge is effective. Amounts accumulated in other comprehensive income are reclassified to the income statement at the same time the underlying hedged item affects net income. To the extent that the hedge is ineffective, the change in fair value is immediately recognized in net interest.

Embedded derivative financial instruments that are combined with a non-derivative financial instrument (host contract) to form a hybrid financial instrument are to be separated from the host contract pursuant to IFRS 9 as a general rule and accounted for separately if (i) its economic risks and characteristics are not closely related to those of the host contract, (ii) a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative, and (iii) the hybrid instrument is not measured at fair value affecting net income with changes in fair

value recognized in the income statement. As soon as the derivative is to be separated from its host contract, the individual components of the hybrid financial instrument are to be accounted for based on the provisions that apply to the individual financial instruments.

In order to measure interest rate swaps, future cash flows are calculated and then discounted. The calculated cash flows result from the contract conditions. The contract conditions regularly refer to the EURIBOR/STIBOR reference rates (3M and 6M EURIBOR/STIBOR). Discounting is based on market interest rate data as of the reporting date (risk-free overnight rate). The fair value contains the credit risk of the interest rate swaps and therefore allows for adjustments for the company's own credit risk or for the counterparty credit risk.

To measure the cross-currency swaps, future cash flows are calculated and then discounted. The calculated cash flows result from the contract conditions and the forward rates (development of exchange rates expected by the market). Discounting is based on market interest rate data as of the reporting date (risk-free overnight rate). The fair value contains the credit risk of the cross-currency swaps and therefore allows for adjustments for the company's own credit risk or for the counterparty credit risk.

The fair value of the purchase price liabilities from put options/rights to reimbursement granted to minority shareholders is generally based on the going concern value of the respective company; if a contractually agreed minimum purchase price is higher than this amount, this purchase price is recognized. Measurement is at amortized cost in accordance with IFRS 9.

Equity Instruments to Be Recognized at Fair Value in Other Comprehensive Income

In general, the equity instruments to be recognized at fair value in other comprehensive income are shares in companies that were acquired with long-term strategic intentions.

These equity instruments to be recognized at fair value in other comprehensive income are initially stated at their fair value, plus the directly attributable transaction costs. Subsequent measurement is at fair value as a general rule. Changes in the fair value are recognized in other comprehensive income.

The fair value of equity instruments to be recognized at fair value in other comprehensive income is based on quoted market prices as of the reporting date where they are available. If no market price is available, the fair value is

calculated using a discounted cash flow model. If these equity instruments are derecognized, the cumulative gain or loss recognized in other comprehensive income is transferred to retained earnings, not affecting net income. Interest on interest-bearing financial instruments of this category is calculated using the effective interest method. Dividends on equity instruments in this category are shown in the income statement.

5 Currency Translation

Accounting Policies

Foreign currency transactions involving Group companies are converted into the functional currency, in accordance with the temporal method, at the exchange rate that applies on the day of the transaction. Monetary balance sheet items denominated in a foreign currency are converted at the exchange rate that applies on each reporting date. Any exchange differences are recognized affecting net income. Non-monetary items that are measured in terms of historical cost are recorded on the reporting date at the exchange rate on the date they were first recognized. Non-monetary items that are measured at fair value are translated on the reporting date using the exchange rate on the date the fair value was determined. Exchange differences relating to non-monetary items are recognized affecting net income insofar as a profit or loss on the corresponding line item is also recognized affecting net income. Otherwise, they are disclosed in other comprehensive income.

The main foreign subsidiaries included in the consolidated financial statements operate their business independently in line with functional theory. The annual financial statements of those subsidiaries whose functional currency is not the euro are converted into the reporting currency using the modified closing rate method. The functional currency of individual foreign units is always the respective local currency. Any resulting exchange differences are disclosed as a separate item in other comprehensive income. When a foreign subsidiary leaves the scope of consolidation, the cumulative exchange differences are reversed and recognized in profit or loss.

Vonovia applies the concept of functional currency translation in accordance with IAS 21 "Effects of Changes in Foreign Exchange Rates" to its consolidated financial statements. The functional currency of Vonovia SE and the reporting currency of the Vonovia Group is the euro.

The exchange rates of the currencies relevant to the Vonovia Group have developed as follows:

Basis: € 1	Closing rate		Average for period	
	Dec. 31, 2024	Dec. 31, 2025	2024	2025
AUD — Australian dollar*	-	1.76	-	1.78
CHF — Swiss franc	0.94	0.93	0.95	0.94
GBP — Great British pound	0.83	0.87	0.85	0.86
NOK — Norwegian krone*	-	11.84	-	11.72
SEK — Swedish krona	11.46	10.82	11.43	11.07

* Currency exchange rates for the Australian dollar and Norwegian krone shown for the first time from 2025 due to the bond issue in AUD and NOK in 2025.

6 Government Grants

Accounting Policies

Government grants are recognized when there is reasonable assurance that the relevant conditions will be fulfilled and that the grants will be awarded.

Government grants that do not relate to investments are regularly recognized as income in the periods in which the relevant expenses are incurred.

Expenses subsidies granted in the form of rent, interest and other expenses subsidies are recorded as income in the periods in which the expenses are incurred and shown within other revenue from property management.

Low-interest loans are government grants that are recognized at their present value within the non-derivative financial liabilities on the basis of the market interest rate at the time the loans are taken out. The difference between face value and present value is recognized as deferred income under "non-derivative financial liabilities" with an effect on net income over the maturity term in the line with the fixed-interest-rate period of the corresponding loans.

Where the low-interest loans are granted in the context of capitalized modernization measures, the deferred income item is reversed in proportion to depreciation, or, with investment properties that are measured based on the fair value model, over 12.5 years.

The companies that belong to the Group receive government grants in the form of construction subsidies, expenses subsidies, expenses loans and low-interest loans. In the 2025 fiscal year, Vonovia was granted low-interest loans of € 27.4 million (2024: € 182.4 million).

7 Changes in Accounting Policies, Estimates, Assumptions, Options and Judgments

Changes to Key Accounting Methods

As of January 1, 2025, the Group did not have to apply any interest rate benchmark reform. Based on the existing transactions, we do not expect to see any material impact in the future either.

Changes in Accounting Policies Due to New Standards and Interpretations

The following new or amended standards and interpretations became mandatory for the first time in the 2025 fiscal year. They did not have any material effects on Vonovia's consolidated financial statements.

> IAS 21 "Effects of Changes in Foreign Exchange Rates"

New Standards and Interpretations Not Yet Applied

Application of the following standards, interpretations and amendments to existing standards was not yet mandatory for the 2025 fiscal year. Vonovia also did not choose to apply them in advance. The implementation of IFRS 18 is likely to lead to considerable changes in Vonovia's future consolidated financial statements. It is expected that the application of the other new or amended standards will have no material effects on Vonovia's consolidated financial statements. Their application will be mandatory for the fiscal years following the dates stated in the following table:

IFRS 18 – Presentation and Disclosure in Financial Statements

The IASB published the new IFRS 18 "Presentation and Disclosure in Financial Statements" in April 2024. The standard was published in the EU Official Journal on February 16, 2026. IFRS 18 replaces the current IAS 1 "Presentation of Financial Statements" and will apply retrospectively to fiscal years beginning on or after January 1, 2027.

The new IFRS 18 standard provides for fundamental changes. It requires entities to introduce subtotals in the income statement and sets out specific requirements governing the categorization of expenses and income, as well as their aggregation and disaggregation. The standard also removes flexibility that previously existed in classifying items in the cash flow statement, expands the disclosure requirements for management-defined performance measures (MPMs) and requires detailed reconciliations. The new provisions aim to improve the transparency and comparability of financial reporting.

The **income statement structure** required in line with the standard provides for the following categories going forward: "operating profit or loss", "profit or loss from investing activities", "profit or loss from financing activities", "income taxes" and – where applicable – "discontinued operations". Whereas IFRS 18 sets out clear requirements on which expenses and income are to be allocated to the "investing activities" and "financing activities" categories, operating profit or loss is defined by exclusion. This means that, in the

future, it will include all expenses and income that cannot be allocated to any other category.

The initial application of IFRS 18, which replaces IAS 1, will result in significant changes in the presentation of Vonovia's income statement: within the operating result, revenues and other income from operating activities will in the future be combined in a subtotal. In addition, changes in inventories will be reported as a separate item in the future and will include, among other things, the current items "Carrying amount of properties sold" and "Cost of sold real estate inventories." Net income from non-current financial assets accounted for using the equity method will also be allocated to the profit or loss from investing activities, as with interest income from cash and cash equivalents.

In the future, expected credit losses will no longer be recognized under "Impairment losses on financial assets" but in the profit or loss from investing activities under "Other financial result." All expenses and income from corporate financing will be reported in the profit or loss from financing activities.

According to IFRS 18, **MPMs** are subtotals of income and expenses that are used in financial market communication and are used to communicate to management's view of the performance of the entity as a whole in the relevant reporting period. The existing key figures were analyzed in line with the new provisions to review their classification as MPMs in accordance with IFRS 18. The analysis revealed that the previous performance indicators "Adjusted EBT" and "Adjusted EBITDA" as well as the new key figures "Adjusted earnings for the period attributable to Vonovia shareholders" and "Adjusted earnings for the period attributable to non-controlling interests" are to be classified as MPMs. In the future, detailed information on these key figures will be published in the Notes, including reconciliations that also show the effects of minority interests and tax effects of the individual reconciliation items. We do not expect to see any major quantitative changes in the key figures.

Relevant New Standards, Interpretations and Amendments to Existing Standards and Interpretations	Effective date for Vonovia	
Amendments to Standards		
IFRS 1, IFRS 7, IFRS 9, IFRS 10, IAS 7	Annual Improvements – Volume 11	Jan. 1, 2026
IFRS 7	“Financial Instruments: Disclosures”	Jan. 1, 2026
IFRS 9	“Financial Instruments ”	Jan. 1, 2026
IAS 21	“The Effects of Changes in Foreign Exchange Rates”	Jan. 1, 2027*
New Standards		
IFRS 18	“Presentation and Disclosures in Financial Statements”	Jan. 1, 2027
IFRS 19	“Subsidiaries without Public Accountability: Disclosures”	Jan. 1, 2027*

* Not yet endorsed.

Estimates and Assumptions

To a certain extent, the preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of the reporting date as well as reported amounts of income and expenses during the reporting year. The actual amounts may differ from the estimates as the business environment may develop differently than assumed. In this case, the assumptions and, where necessary, the carrying amounts of the assets or liabilities affected are prospectively adjusted accordingly. Specific estimates and assumptions relating to individual elements of financial statements are also explained in the corresponding notes to the consolidated financial statements.

Assumptions and estimates are reviewed on an ongoing basis and are based on experience and other factors, including expectations regarding future events that appear reasonable under the given circumstances.

The estimates and assumptions that may have a material risk of causing an adjustment to the carrying amounts of assets and liabilities mainly relate to the determination of the fair value of investment properties.

The best evidence of fair value of investment properties is current prices in an active market for comparable residential properties. As such information is not completely available, however, Vonovia uses standard valuation techniques.

A detailed description of the discounted cash flow (DCF) method used can be found in chapter → [\[D27\] Investment Properties](#).

In accordance with IAS 40 in conjunction with IFRS 13, the respective market values of the investment properties owned by Vonovia are determined. Changes in certain market conditions such as prevailing rent levels and vacancy rates may affect the valuation of investment properties. Any changes in the fair value of the investment portfolio are recognized as part of the profit for the period in the income statement and can thus substantially affect Vonovia’s results of operations.

The statement of financial liabilities at amortized cost using the effective interest method takes the expected contractual cash flows into account. In some cases, the agreements do not have any fixed maturity terms. As a result, the cash flows included in the valuation are subject to management assumptions in terms of amount and term.

As explained in chapter → [\[D25\] Intangible Assets](#), Vonovia checks for goodwill impairments on an annual basis, or if there is any reason to suspect such impairments. The next step involves determining the recoverable amount of the group of cash-generating units (CGU). This corresponds to either the fair value less costs of sale or the value in use, whichever is higher. Determining the value in use includes adjustments and estimates regarding the forecast and discounting of the future cash flow. Although the management believes that the assumptions used to determine the recoverable amount are appropriate, any unforeseeable changes in these assumptions could result in impairment losses, with a detrimental impact on the net assets, financial position and results of operations.

When determining the volume of current and deferred taxes, the Group takes into account the effects of uncertain tax items and whether additional taxes and interest may be due. This assessment is made on the basis of estimates and assumptions about future events. New information may become available that causes the Group to change its discretionary decisions regarding the appropriateness of existing tax liabilities; such changes to tax liabilities will affect the tax expense in the period in which such a change is made.

Deferred tax assets are recognized to the extent that it can be demonstrated that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that there will be sufficient future taxable profits to realize the tax benefit in the future.

In connection with the application of IFRS 15, it is assumed with respect to determining progress in relation to revenue recognition over time that the costs incurred appropriately reflect the progress as a share of total costs.

Properties under development are measured by comparing the net sales proceeds against the recoverable amount. The measurement of properties under development in the Development to sell and Development to hold areas is shaped by a large number of relevant parameters (e.g., future sale prices, total investment costs, etc.). These parameters are associated with estimation uncertainties regarding their specific actual amount as of the relevant measurement date.

Additional estimates and assumptions mainly relate to the uniform definition of useful lives, the assumptions made on the value of land and buildings, the recognition and measurement of provisions as well as the realization of future tax benefits.

Climate risks and opportunities have an impact on Vonovia's business model and strategy, e.g., in connection with energy efficiency modernization measures. They are addressed in particular by the climate pathway that the company has mapped out, but also by appropriate estimates and assumptions in key items of the company's net assets, financial position and results of operations. Climate risks can have a potentially negative impact and result in increased estimation uncertainties.

Physical climate risks refer to longer-term shifts in general climatic conditions. Climate events such as floods, earthquakes, extreme weather events, etc. could have an impact on our real estate portfolio and require specific crisis management measures. Transition climate risks describe negative impacts on companies resulting from the transformation to a more sustainable economic system, e.g., due to changes in regulation, customer preferences or technological advances. Vonovia did not identify any material physical climate risks or climate transition risks as part of our double materiality assessment in accordance with the ESRS.

Based on our current knowledge and expectations regarding future developments, this will not have any impact on Vonovia's balance sheet. This relates, among other things, to the fair values of investment properties, specific useful lives and the value of assets, as well as provisions for environmental risks, for which no significant need for adjustment emerges.

Options and Judgments

Options exercised and judgments made by Vonovia's management in the process of applying the entity's accounting policies that may have a significant effect on the amounts recognized in the consolidated financial statements include the following:

- > The group of investments accounted for using the equity method is determined by assessing significant influence or whether there is joint control.
- > Determining whether the acquisition of investment properties as part of a business combination constitutes the acquisition of a "business" or the acquisition of an individual asset or group of assets can involve discretionary judgments.
- > Vonovia measures investment properties at fair value. If management had opted to use the acquisition costs model as permitted under IAS 40, the carrying amounts of the investment properties as well as the corresponding income and expense items in the income statement would differ significantly.
- > The criteria for assessing in which category a financial asset is to be classified may involve discretionary judgments.
- > Within the scope of revenue recognition in accordance with IFRS 15, discretionary decisions relating to the expected revenue, the total costs of a project and the degree of completion may be necessary. These have an impact on the amount and timing of revenue. The determination of the transaction price may be subject to estimates and assumptions, particularly in cases involving variable consideration or warranty security holdbacks.

- > In order to allocate revenue to the individual reporting periods in accordance with the period-related revenue recognition under IFRS 15, the cost-to-cost method was selected as an input-based procedure to determine the percentage of completion/progress made on the basis of objectivity and measurability.
- > When accounting for leases in accordance with IFRS 16, the assessment of the exercise or non-exercise of unilaterally granted termination or renewal options may involve discretionary judgment, particularly if there is no economic incentive for the exercise or non-exercise of options.
- > The need to include information concerning the future in the valuation of expected defaults results in discretionary decisions regarding the impact that changes in economic factors will have on the expected defaults.
- > The decision on how to define a group of cash-generating units to which goodwill is allocated may involve discretionary judgments.
- > Allocating the goodwill to the group of individual cash-generating units may also involve discretionary judgments. The parameters used in the impairment test, such as the determination of undiscounted cash flows, the weighted average cost of capital and the growth rate, may also involve discretionary judgments. Due to a lack of any detailed definition of the term "operation" (IAS 36.86), the disposal of goodwill within the context of real estate sales may involve discretionary decisions.
- > Defining a disposal group when selling properties can involve a discretionary decision. Due to a lack of any detailed definition of the term "a separate major line of business or geographical area of operations" (IFRS 5), classification as a discontinued operation may involve discretionary decisions. Assessing whether a sale is deemed to be highly probable within the space of a year can also involve a discretionary decision.
- > At the moment, there are no definitive provisions on how to reflect a mandatory acquisition of non-controlling interests following the acquisition of control as part of a voluntary public takeover offer. In general, the acquisition of shares as part of a public offer during the second offer period is based on exactly the same conditions as those that applied in the first offer period, and the two acquisitions are closely related in terms of content and timing. This means that, even if it is executed in two offer periods, the acquisition constitutes one and the same transaction (linked transaction). Following the completion of the later acquisition, the original purchase price allocation is to be adjusted with retroactive effect from the acquisition date, resulting in a change in the consideration transferred, the fair value of net assets transferred and, consequently, the resulting goodwill.

8 Subsequent Events

In November 2025, an outstanding nominal volume of EMTN bonds with a partial amount of € 559.6 million was bought back. The portion of the bond that was still outstanding, amounting to approximately € 217 million, was terminated early in December 2025 and repaid on January 15, 2026.

On January 23, 2026, Vonovia issued a CHF 150.0 million (around € 160 million) bond with an 8.75-year term and a 1.5516% coupon (3.797% after currency hedging).

On February 5, 2026, Vonovia issued a bond denominated in Swedish krona (SEK 1,500 million, around € 140 million) in three tranches with terms of three and five years. Two tranches are floating-rate, with Vonovia paying a fixed coupon of 3.052% after currency hedging for the three-year term and 3.53% for the five-year term. The third tranche, which has a five-year term, has an original fixed coupon of 3.504%.

On January 30, 2026, Vonovia concluded a bilateral credit facility agreement with Skandinaviska Enskilda Banken (SEB) and Swedbank for € 200.0 million with a term of two years (plus extension options).

On February 18, 2026, Vonovia completed a private placement of JPY 10,000.0 million (approximately € 54 million) with a maturity of ten years. The coupon is 2.94% p.a. or 4.08% p.a. after currency hedging.

For the €750.0 million 2NC1 bond issued on April 14, 2025, Vonovia announced early redemption on March 12, 2026, effective as of April 14, 2026.

Section (B): Profit for the Period

Accounting Policies

Revenue from property management includes income from the rental of investment properties and assets held for sale which is recognized, net of discounts, over the duration of the contracts when the remuneration is contractually fixed or can be reliably determined and collection of the related receivable is probable.

In Vonovia's financial statements, the corresponding income for all the services for **ancillary costs** performed by the end of the year is also recognized in the year in which the service is performed. This amount is recognized on a non-netted basis using the principal method, in particular due to Vonovia's business model, which provides for a large proportion of services relevant to ancillary costs being performed by Vonovia itself as Vonovia is considered by the tenant to be the primary party responsible for providing the service. For all services that it does not perform itself, Vonovia also bears an inventory risk due to the settlement method (based on rentable area), as is standard practice in the real estate sector.

In cases involving **property sales** and project developments for sale, the profit is recognized over time or at a specific point in time, depending on the contractual structure. As far as any remaining obligations are concerned, a provision is recognized for the probable risk.

Expenses are recognized when they arise or at the time they are incurred.

Interest is recognized as income or expense in the period in which it is incurred using the effective interest method.

9 Revenue from Property Management

in € million	2024	2025
Rental income	3,331.6	3,428.9
Ancillary costs	1,548.9	1,320.4
Revenue from property letting	4,880.5	4,749.3
Other revenue from property management	206.8	169.5
	5,087.3	4,918.8

In 2024, other revenue from property management resulted largely from leasing cable networks, while in 2025 it was mainly from property management and energy sales.

10 Profit on the Disposal of Properties

in € million	2024	2025
Income from the disposal of properties	376.4	240.3
Carrying amount of properties sold	-298.8	-174.7
Profit from the disposal of investment properties	77.6	65.6
Income from the sale of assets held for sale	765.0	1,174.5
Retirement carrying amount of assets held for sale	-765.0	-1,226.2
Change in value from properties sold	42.8	39.1
Profit from the disposal of assets held for sale	42.8	-12.6
	120.4	53.0

The increase in income from the sale of assets held for sale as well as the corresponding retirement carrying amount of assets held for sale mainly results from the sale of the portfolio in Berlin, comprising around 4,500 residential units, in the first quarter of 2025. Further information on the sale of the portfolio in Berlin (linked transaction) is available in → [D36] Assets and Liabilities Held for Sale.

The fair value adjustment of properties held for sale where sales efforts have progressed to the point that a sale within one year can be expected resulted in a gain of € 39.1 million as of December 31, 2025 (2024: € 42.8 million).

11 Profit on Disposal of Real Estate Inventories

Accounting Policies

Revenue from disposal of real estate inventories is realized either over time or at a specific point in time as soon as the customer obtains control over the asset in question. If, upon conclusion of the certified purchase agreement, control within the meaning of IFRS 15.35 (c) passes to the customer before or during the construction phase, the revenue is to be recognized as of this point in time based on the degree of completion of the construction project. Disclosure of the contract assets that fall within the scope of IFRS 15 occurs on a net basis with the corresponding advance payments received under other assets.

Contractual balances with an expected term of less than one year are not adjusted to reflect the time value of money.

No separate agreements are reached, in the contracts on the sale of apartments as part of the development business, on extraordinary rights of return or rescission, meaning that such rights are based on the relevant legal provisions. The same applies to warranty commitments, which are not to be treated as a separate contractual component within the meaning of IFRS 15 as a result. Existing warranty claims are always accounted for in line with the provisions of IAS 37.

In accordance with IFRS 15.94, costs for the initiation of the contracts with customers are recognized as an expense as soon as they are incurred, as the depreciation period generally would not amount to more than a year. The costs relate primarily to brokerage commission.

Variable consideration can only be incorporated into the transaction price if the entitlement is highly probable.

In cases involving **revenue recognition over time**, the percentage of completion/progress made has to be assessed. Vonovia uses the cost-to-cost method, as an input-based procedure, for this purpose. The progress made is determined based on the ratio of the capitalized contract costs incurred up until the reporting date to the estimated total contract costs that can be capitalized.

In the context of global exits (i.e., the sale of an entire project to a single investor), the revenues from the transfer of the land have to be recognized separately from those resulting from the construction of the building. This means that the contractually agreed purchase price has to be split between these two performance components. The decisive factor is the ratio of the individual sale prices.

Revenue from the disposal of real estate inventories amounting to € 412.6 million (2024: € 851.8 million) comprises € 60.6 million (2024: € 157.8 million) in period-related revenue together with € 352.0 million (2024: € 694.0 million) in time-related revenue from the disposal of real estate inventories. Again, the year-on-year increase is primarily due to the sale of the portfolio in Berlin. Further information on the sale of the portfolio in Berlin (linked transaction) is available in → [\[D36\] Assets and Liabilities Held for Sale](#).

As of the reporting date, contract assets of € 34.7 million (2024: € 88.1 million) are recognized within miscellaneous other assets in connection with the period-related revenue recognition. As of the reporting date, this amount includes advance payments received of € 23.2 million (2024: € 64.9 million).

A transaction price of € 20.8 million (2024: € 32.9 million) has been allocated to the remaining performance obligations that had not yet been satisfied (in full) at the end of the current reporting period. These amounts are expected to be recognized affecting net income within the next three fiscal years, with an amount of € 15.3 million attributable to 2026, an amount of € 3.7 million to 2027 and an amount of € 1.9 million to 2028.

12 Net Income from Fair Value Adjustment of Investment Properties

Investment properties are generally measured by the in-house valuation department according to the fair value model. The fair value for the remaining nursing care properties is generally calculated by independent experts using a DCF method and is adjusted, where appropriate, based on findings from market observation and transactions. Any gains or losses from a change in fair value are recognized in the income statement affecting net income.

The measurement of the investment properties led to a valuation gain in the 2025 fiscal year of € 1,390.0 million (2024: € -1,559.0 million) (see explanatory information in chapter → [\[D27\] Investment Properties](#)). This includes € -0.4 million (2024: € -17.5 million) for the measurement of right-of-use assets (IFRS 16).

Buildings under construction (New construction/Development to hold) were completed in the 2025 fiscal year and moved to the Rental portfolio. A fair value measurement is performed for the first time when the properties are completed. This resulted in a valuation effect of € 2.0 million as of December 31, 2025 (2024: € 10.2 million).

13 Capitalized Internal Expenses

Capitalized internal expenses in the fiscal year amount to € 655.0 million (2024: € 538.0 million) and mainly relate to the expenses of the Group's own craftsmen's organization contained in the capitalized modernization costs as well as the management costs for major modernization projects.

14 Cost of Materials

in € million	2024	2025
Expenses for ancillary costs	1,481.9	1,226.4
Expenses for maintenance and modernization	613.9	685.9
Other cost of purchased goods and services	226.0	199.6
	2,321.8	2,111.9

15 Personnel Expenses

in € million	2024	2025
Wages and salaries	680.8	660.4
Social security, pensions and other employee benefits	218.8	173.2
	899.6	833.6

Personnel expenses as of December 31, 2025 include the provision set up, as an expense, 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 (see → [F47] **Related Party Transactions**, → [F48] **Share-based Payments** and → [F49] **Remuneration Pursuant to Section 314 of the German Commercial Code (HGB)**).

In the 2025 fiscal year, the provision set up in the previous year in connection with legal disputes with a social insurance provider was remeasured (see → [E38] **Provisions**). The resulting reversal of the provision in the amount of € 45.2 million reduced personnel expenses in the fiscal year under review.

The personnel expenses include expenses for severance payments in the amount of € 13.9 million (2024: € 9.7 million), allocations to the provisions for pre-retirement part-time work arrangements in the amount of € 7.1 million (2024: € 6.4 million) and expenses for the Long-term Incentive Plan (LTIP) at € 14.8 million (2024: € 10.2 million) (see → [E38] **Provisions**).

In the fiscal year under review, employers' contributions to statutory pension insurance amounted to € 60.1 million (2024: € 54.3 million).

As of December 31, 2025, Vonovia had a workforce of 12,708 employees (December 31, 2024: 12,056). 3,688 employees were female as of December 31, 2025 (December 31, 2024: 3,485), and 9,040 were male (December 31, 2024: 8,571). The average figure for the year was 12,482 employees (2024: 12,063). Vonovia also employed 735 apprentices as of December 31, 2025 (December 31, 2024: 664).

16 Other Operating Income

in € million	2024	2025
Compensation paid by insurance companies	93.5	114.6
Reversal of impairments on Development to hold projects	34.6	48.3
Income from repayment grant	11.1	28.9
Reversal of provisions	38.8	23.0
Compensation for damages and cost reimbursements	20.1	19.7
Income from previous years	6.1	14.0
Reversal of impairments on Development to sell projects	2.1	6.2
Disposal of other property, plant and equipment	4.9	4.4
Dunning and debt collection fees	4.9	3.4
Income from attribution	1.6	1.9
Miscellaneous	33.2	53.0
	250.9	317.4

17 Other Operating Expenses

in € million	2024	2025
Consultants' and auditors' fees	95.2	85.8
Land related expenses	1.6	59.1
Vehicle and traveling costs	40.0	47.5
Communication costs and work equipment	25.7	29.1
Unrecognized insured losses	8.3	29.1
Advertising costs	27.7	28.9
Rents, leases and ground rents	22.2	22.6
Additions to provisions	12.9	21.2
Administrative services	19.6	20.1
Impairment losses on development real estate inventories	18.8	13.8
Non-capitalizable expenses from real estate development	3.8	10.6
Other taxes	18.3	10.0
Sales incidentals	8.5	8.5
Seminar fees	6.3	7.4
Other contributions and fees	5.8	6.7
Impairment losses on receivables	3.8	6.6
Expenses from previous years	5.0	6.3
Costs of sale associated with real estate inventories	6.2	5.6
Losses and reimbursements of ancillary costs	4.1	3.2
Legal and notary costs	2.8	2.3
Miscellaneous	51.3	54.7
	387.9	479.1

The increase in property-related expenses is due primarily to provisions set up for the purchased land to build on and old stock of the QUARTERBACK Immobilien Group amounting to € 57.6 million.

Other operating expenses include impairment losses on Development to sell properties in the amount of € 13.8 million (2024: € 18.8 million).

18 Interest Income

in € million	2024	2025
Income from non-current securities and non-current loans	17.2	11.1
Interest income from taxes	-	40.1
Interest income from partial redemptions and repurchases of bonds	-	7.7
Interest income - finance leases	1.2	3.0
Interest received and similar income	51.1	52.2
Other interest and similar income	18.4	15.6
	87.9	129.7

The income from non-current securities and non-current loans relates primarily to income from loans extended to the QUARTERBACK property companies. The drop is due to the impairment loss on receivables resulting from interest.

The interest income from taxes relates to corporate income tax interest for previous years that is still outstanding. The payment was received on January 23, 2026.

Other interest and similar income in the reporting year includes income of € 0.4 million (2024: € 0.8 million) from the discounting of provisions as well as income of € 7.4 million from government bonds (2024: € 9.1 million).

19 Interest Expenses

in € million	2024	2025
Interest expense from non-derivative financial liabilities	830.6	818.0
Swaps (current interest expense for the period)	-45.6	1.2
Effects from the valuation of non-derivative financial instruments	-3.3	14.4
Effects from the valuation of derivative financial instruments	66.5	-75.8
Capitalization of interest on borrowed capital regarding development	-0.6	-7.1
Prepayment penalties and commitment interest	9.1	8.6
Interest expenses from partial redemptions and repurchases of bonds	-	57.2
Interest accretion to provisions	17.4	19.0
Interest from leases	20.6	21.1
Other financial expenses	13.9	23.7
	908.6	880.3

The reduction in interest expenses is due primarily to subsequent measurement of the option component of the convertible bond issued in May 2025. The obligation from the conversion option fell by € 64.3 million in the course of the reporting year.

The interest effect from the partial buyback of bonds had the opposite effect.

A reconciliation of net interest to net interest to be classified in accordance with IFRS 9 is shown in the following table:

in € million	2024	2025
Interest income	87.9	129.7
Interest expense	-908.6	-880.3
Net interest	-820.7	-750.6
Less:		
Net interest from provisions for pensions in acc. with IAS 19	15.7	17.4
Net interest from other provisions in acc. with IAS 37	0.9	1.1
Net interest from leases	20.6	21.1
Net interest to be classified	-783.5	-711.0

The net interest classified pursuant to IFRS 9 is as follows:

in € million	2024	2025
Financial assets measured at (amortized) cost	87.1	129.3
Derivatives measured at FV through P&L	-20.8	74.6
Financial liabilities measured at (amortized) cost	-849.8	-914.9
Classification of net interest	-783.5	-711.0

20 Other Financial Result

in € million	2024	2025
Income from other investments	32.2	32.2
Transaction costs	-0.4	-0.4
Purchase price liabilities from put options/rights to reimbursement	5.1	-27.5
Result from derivative valuation in connection with equity instruments	-107.0	-60.0
Result from currency translation	-0.2	-0.9
Miscellaneous other financial result	-0.1	-2.3
	-70.4	-58.9

Net income from the valuation of derivatives in connection with equity instruments resulted from the subsequent measurement of the long-term call options that Vonovia received as part of the sale of two minority stakes in the Südewo portfolio and the northern Germany portfolio. The adjustment as of December 31, 2025 was determined primarily by the dividends already paid and the change in the WACC.

The income from investments includes financial income resulting from the delayed collection of profits from the investments in AVW GmbH & Co. KG, Hamburg, in the amount of € 20.9 million (2024: € 19.4 million) and G+D Gesellschaft für Energiemanagement mbH, Magdeburg, in the amount of € 5.4 million (2024: € 7.0 million), both in connection with housing-related services in the Value-add segment.

It also comprises financial income from investments in other residential real estate companies in the amount of € 5.9 million (2024: € 5.7 million).

21 Income Taxes

Accounting Policies

Income taxes for the current and prior fiscal years are recognized as current income tax liabilities to the extent that they have not yet been paid. The current tax expense is determined on the basis of the taxable income for the fiscal year.

Deferred tax assets and liabilities are recognized using the liability method under the temporary concept, providing for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred tax assets are only recognized for temporary differences and on loss carryforwards to the extent that there are deferred tax liabilities that can be netted against them – regarding deferred tax assets on loss carryforwards taking the minimum taxation into account – or, based on the predictable profits in the foreseeable future, it can be verified that they will be realized.

Deferred tax assets and liabilities are not recognized where the temporary difference arises from initial recognition of goodwill in connection with a business combination or the initial recognition (other than a business combination) of other assets and liabilities in a transaction that neither affects taxable income nor net income and does not result in equal taxable and deductible temporary differences on the transaction date.

The carrying amount of a deferred tax asset is reviewed at each reporting date. If necessary, the carrying amount of the deferred tax asset is reduced to the extent that it is no longer offset by deferred tax liabilities that can be netted against it or that it is no longer probable that sufficient taxable profit will be available in the future.

Deferred taxes are measured at the tax rates that apply, or are expected to apply, to the period in which the tax asset is realized or the liability is settled based on the current legislation in the countries in question. As in 2024, the combined tax rate of corporate income tax and trade tax of 33.1% was also used to calculate domestic deferred taxes for 2025. On July 11, 2025, the German upper house (Bundesrat) adopted a gradual reduction in the corporate income tax rate from 15% to 10% over a five-year period starting in 2028. In accordance with IAS 12, all deferred tax assets and deferred tax liabilities – including deferred tax assets based on corporate income tax loss carryforwards – were measured, at the reporting date, using the tax rates that are expected to apply in the years in which the underlying temporary differences will be realized/settled. The individual stages of the tax rate reduction were taken into account depending on the expected realization date of the temporary differences. The corporate income tax rate for the companies based in Austria has been 23.0% since 2024, while the rate for companies based in Sweden is 20.6%.

Deferred tax assets and liabilities are netted against each other only if Vonovia has a legally enforceable right to set off the recognized amounts, when the same tax authority is involved and when the realization period is the same. In accordance with the regulations of IAS 12 "Income Taxes," deferred tax assets and liabilities are not discounted.

in € million	2024	2025
Current income tax	220.9	244.3
Prior-year current income tax	0.9	-80.9
Deferred tax – temporary differences	51.2	-1,904.4
Deferred tax – unutilized loss carryforwards	112.6	154.5
	385.6	-1,586.5

For the 2025 fiscal year, the combined tax rate of corporate income tax and solidarity surcharge for domestic companies is 15.8% (2024: 15.8%). Including trade tax at a rate of about 17.3% (2024: 17.3%), the combined domestic tax rate is 33.1% in 2025 (2024: 33.1%). The recalculation of deferred taxes based on the changes in corporate income tax rates resulted in deferred tax income of € 2,457.3 million in the 2025 fiscal year, which is reported under income taxes in the consolidated income statement. The corporate income tax rate for the companies based in Austria is 23.0% (2024: 23.0%), while the rate for the companies in Sweden comes to 20.6% (2024: 20.6%). The other foreign companies pay tax that is of a negligible amount from the Group's perspective in the countries in which they are domiciled.

For deductible temporary differences (excl. loss carryforwards) in the amount of € 445.4 million (December 31, 2024: € 82.5 million), no deferred corporate income taxes or deferred trade taxes were recognized, because they are not likely to be used in the future. The increase can be explained by the addition of a number of companies with substantial carryforwards of deductible temporary differences.

As of December 31, 2025, there were corporate income tax loss carryforwards amounting to € 3,884.7 million (December 31, 2024: € 3,989.4 million), as well as trade tax loss carryforwards amounting to € 2,140.8 million (December 31, 2024: € 2,258.9 million), for which deferred tax assets have been recognized to the extent that their realization is sufficiently probable. As of December 31, 2025, there were corporate income tax loss carryforwards abroad amounting to € 275.6 million (December 31, 2024: € 313.8 million), as well as trade tax loss carryforwards amounting to € 15.1 million (2024: € 14.8 million), for which deferred tax assets have been recognized to the extent that their realization is sufficiently probable. The drop in tax loss carryforwards resulted from current tax gains at individual companies and the associated utilization of the loss carryforwards.

No deferred taxes were recognized in the balance sheet for domestic and foreign corporate income tax loss carryforwards amounting to € 1,596.8 million (December 31, 2024: € 1,479.6 million). Of this amount, € 119.3 million arose for the first time in the 2025 fiscal year (2024: € 46.9 million). Under current tax law, these loss carryforwards are not subject to restrictions either with regard to time or the amount of the loss carryforward. The fact that no deferred tax assets were recognized on the new corporate income tax loss carryforwards results in a tax effect of € 15.6 million (2024: € 7.5 million). In addition, there are further trade tax loss carryforwards subject to no restrictions with regard to how they can be carried forward in the amount of € 850.0 million in total (December 31, 2024: € 755.1 million). These did not give rise to any deferred tax assets. Of this amount, € 97.5 million arose for the first time in the 2025 fiscal year (2024: € 40.5 million) and the resulting tax effect is € 15.9 million (2024: € 6.8 million).

The remeasurement of deferred tax assets on temporary differences and loss carryforwards led to expense amounting to € 120.8 million in the 2025 fiscal year (2024: income of € 2.0 million). This increase can again be explained by the addition of companies with substantial carryforwards of deductible temporary differences.

Deferred taxes on interest carryforwards are recognized if the interest carryforward is likely to be able to be used in the future. Due to the Group's capital structure, no interest carryforwards are likely to be able to be used in the future. As a result, no deferred tax assets have been recognized on domestic interest carryforwards in the amount of € 2,275.7 million (December 31, 2024: € 1,910.5 million). € 361.5 million of this amount arose for the first time in the reporting year (2024: € 403.1 million). The fact that no deferred tax assets were recognized on the new interest carryforward generated a tax effect of € 115.3 million in Germany (2024: € 129.1 million). Sweden has a regulation similar to the German interest threshold. As a result, no deferred tax assets have been recognized on interest carryforwards in the amount of € 204.1 million in Sweden (2024: € 193.2 million). Of this amount, € 29.2 million (2024: € 33.4 million) arose for the first time in the reporting year. The fact that no deferred taxes were recognized generated a tax effect of € 6.0 million in Sweden (2024: € 6.9 million).

A reconciliation between disclosed effective income taxes and expected tax expense, which is the product of the accounting profit for the period multiplied by the tax rate applicable in Germany, is shown in the table below.

in € million	2024	2025
Earnings before tax	-603.4	2,527.7
Income tax rate in %	33.1	33.1
Expected tax expense	-199.7	836.7
Trade tax effects	172.2	-3.0
Non-deductible operating expenses	287.7	272.6
Tax-free income	-9.4	-132.7
Change in the deferred tax assets on loss carryforwards and temporary differences	-2.0	120.8
New loss and interest carryforwards not recognized and utilization of interest carryforwards	150.3	152.8
Prior-year income tax and taxes on guaranteed dividends	28.5	-334.6
Differing foreign tax rates	-38.7	-53.2
Change in deferred taxes due to change in corporate income tax rate	-	-2,457.3
Other tax effects (net)	-3.3	11.4
Effective income taxes	385.6	-1,586.5
Effective income tax rate in %	-63.9	-62.8

The deferred taxes refer to temporary differences in balance sheet items and unutilized loss carryforwards as follows:

in € million	Dec. 31, 2024	Dec. 31, 2025
Intangible assets	6.4	5.3
Investment properties	69.0	99.4
Inventories	102.2	96.2
Assets held for sale	2.0	0.3
Property, plant and equipment	6.7	2.6
Financial assets	44.9	7.4
Other assets	180.1	137.4
Provisions for pensions	62.2	36.4
Other provisions	98.6	36.7
Liabilities	143.9	127.8
Loss carryforwards	793.7	639.2
Deferred tax assets	1,509.7	1,188.7

in € million	Dec. 31, 2024	Dec. 31, 2025
Intangible assets	10.9	11.1
Investment properties	16,401.2	14,791.3
Inventories	155.7	110.2
Assets held for sale	209.5	130.5
Property, plant and equipment	71.7	53.9
Financial assets	22.7	1.6
Other assets	114.6	66.3
Provisions for pensions	0.7	0.8
Other provisions	19.1	18.8
Liabilities	93.9	100.7
Deferred tax liabilities	17,100.0	15,285.2
Excess deferred tax liabilities	15,590.3	14,096.5

Deferred tax assets and liabilities are netted against each other when the same company and the same tax authority are involved and the realization period is the same. As a result, the following deferred tax assets and liabilities are stated:

in € million	Dec. 31, 2024	Dec. 31, 2025
Deferred tax assets	23.2	8.3
Deferred tax liabilities	15,613.5	14,104.9
Excess deferred tax liabilities	15,590.3	14,096.6

The change in deferred taxes is as follows:

in € million	2024	2025
Excess deferred tax liabilities as of Jan. 1	15,626.8	15,590.3
Deferred tax expense in income statement	163.8	-1,749.9
Deferred tax due to first-time consolidation and deconsolidation	-	179.2
Change in deferred taxes recognized in other comprehensive income due to equity instruments measured at fair value	0.3	0.3
Change in deferred taxes recognized in other comprehensive income on actuarial gains and losses from pensions and similar obligations	1.3	16.0
Change in deferred taxes recognized in other comprehensive income on derivative financial instruments	-0.7	6.8
Balance sheet reclassification to assets and liabilities held for sale with regard to discontinued operations	-177.3	-
Deferred taxes recognized in the capital reserve on capital procurement costs of capital increases	0.1	13.1
Currency translation differences	-20.9	42.6
Reclassification to result from discontinued operations	-3.1	-1.9
Other	-	-
Excess deferred tax liabilities as of Dec. 31	15,590.3	14,096.5

No deferred tax liabilities are recognized for profits accumulated at subsidiaries of € 52,910.1 million (December 31, 2024: € 52,744.7 million), as these profits are to remain invested for an indefinite period or are not subject to taxation. In the event of distribution or disposal of the subsidiaries, 5% of the distributed amounts or the capital gains would be subject to German taxation so that there would normally be an additional tax obligation.

The BEPS Pillar 2 regulations were transposed into German law (German Minimum Tax Act [MinStG]) at the end of 2023 and came into force on January 1, 2024. The Group falls within the scope of these regulations based on the revenue threshold set out in Section 1 MinStG.

Vonovia carried out an extensive analysis as of the reporting date to identify the applicability of the Pillar 2 regulations and the jurisdictions from which the Group could be exposed to potential effects in connection with a Pillar 2 top-up tax. The first step involved checking whether the CbCR safe harbor rules set out in Section 84 MinStG applied to the individual jurisdictions. None of the CbCR safe harbor tests are relevant for Germany. A Pillar-2 calculation revealed that no top-up tax was due as of December 31, 2025.

Vonovia applies the exception provided for in IAS 12, based on which no deferred tax assets or liabilities are recognized in connection with OECD Pillar 2 income taxes and no disclosures are made in this regard either.

The Group closely monitors the progress made in the legislative process in every country in which Vonovia operates.

Section (C): Other Disclosures on the Results of Operations

22 Segment Reporting

Vonovia is an integrated residential real estate company with operations across Europe. The company's strategy is focused on sustainably increasing the value of the company. This is achieved by managing the company's own portfolio sustainably and with a view to enhancing its value, investing in existing residential properties in order to create value, building new residential buildings and selling individual apartments as well as by engaging in active portfolio management and offering property-related services. For the purposes of managing the company, we make a distinction between four segments **Rental, Value-add, Recurring Sales** and **Development at the end of 2025**. We also report the **Other** segment, which is not relevant from a corporate management perspective, in our segment reporting. This includes the sale, only as and when the right opportunities present themselves, of entire buildings or land (Non Core/Other) that are likely to have below-average development potential in terms of rent growth in the medium term and are located in areas that can be described as peripheral compared with Vonovia's overall portfolio and in view of future acquisitions. The expenses for ancillary costs are reported separately under "Other," with the corresponding ancillary costs income being reported under external income.

As part of a strategic review, the management decided in 2023 to sell the Care segment. In the course of 2024 and at the beginning of 2025, the properties and nursing care businesses were successfully sold as planned. Ownership of a further 39 nursing care properties and the PFLEGE & WOHNEN HAMBURG GmbH and Katharinenhof nursing care businesses was transferred in the 2025 fiscal year. These transactions successfully completed the sale of the discontinued nursing care business.

The **Rental** segment combines all of the business activities that are aimed at the value-enhancing management of our own residential real estate. It includes our property management activities in Germany, Austria and Sweden. The consolidation of our property management activities in Germany, Austria and Sweden to form one single reporting segment is based on the similarities that we see in the property management business in these three countries. This applies to the way in which services are provided and the individual service processes that form part of the property management business as well as to the customers in the residential rental market and the type of customer acquisition used. Overall, the residential rental market in all three countries is characterized by a shortage of housing. The three countries are also members of the European Union and have similar economic conditions (inflation, regulation, budgeted rent increases), resulting in similar long-term return expectations.

The **Value-add** segment bundles all of the housing-related services that we have expanded our core rental business to include. These services include both the maintenance and modernization work on our residential properties and services that are closely related to the rental business. We allocate the activities relating to the craftsmen's and residential environment organization, the condominium administration business, the cable TV business, metering services, energy supplies and our insurance services to the Value-add segment.

The **Recurring Sales** segment includes the regular and sustainable disposals of individual condominiums and single-family houses from our portfolio. The consolidation of our sales activities in Germany and Austria to form one single reporting segment is based on the similarities that we see in the property management business in these two countries. The sales address a homogeneous customer group, and the processes and distribution channels created are similar within the Group. Both countries are also members of the European Union and have similar economic conditions (inflation, regulation, shortage of housing), resulting in similar long-term return expectations. The segment does not include the sale of entire buildings or land (Non Core/Other). These properties are only sold as and when the right opportunities present themselves, meaning that the sales do not form part of the Recurring Sales segment. We report these opportunistic sales in the **Other** column of the segment report.

The **Development** segment combines cross-country development activities and includes the project development of new residential buildings. The consolidation of our development activities in Germany, Austria and Sweden to form one single reporting segment is based on the similarities that we see in the business in these three countries. This applies to the way in which services are provided and the individual service processes that form part of the development business as well as to the customers in the development market and the type of customer acquisition used. The three countries are also members of the European Union and have similar economic conditions (inflation, regulation). The business in all three countries covers the value chain starting with the purchase of land without any development plan/ dedicated purpose and ending with the completion and sale of new buildings and new construction measures on our own land. These properties are either incorporated into our own portfolio or sold to third parties.

Revenue and advance performance between the segments is charged based on market prices.

Planning and controlling systems ensure that resources are efficiently allocated and their successful use is monitored on a regular basis. Reporting to the chief decision-makers and thus the assessment of economic performance as well as the allocation of resources are performed on the basis of this segmentation. Asset and liability items are not reported separately by segment. Internal reporting is based on the IFRS Accounting Standards in general.

The Management Board as chief decision-makers of Vonovia monitor the contribution made by the segments to the company's performance on the basis of the Adjusted EBITDA.

Adjusted EBITDA Total is the result before interest, taxes, impairment, depreciation and amortization (including income from other operational investments and intragroup profits/losses) adjusted for effects that do not relate to the period, recur irregularly and are atypical of business operations, and for net income from fair value adjustments to investment properties.

Non-recurring items include the development of new fields of business and business processes, acquisition projects, expenses for refinancing and equity increases (where not treated as capital procurement costs) as well as expenses for pre-retirement part-time work arrangements and severance payments. The Adjusted EBITDA Total is derived from the sum of Adjusted EBITDA for Rental, Adjusted EBITDA for Value-add, Adjusted EBITDA for Recurring Sales and Adjusted EBITDA for Development.

The following table shows the segment information for the reporting period:

in € million	Rental	Value-add	Recurring Sales	Development	Segments total	Other*	Consolidation*	Group
Jan. 1 - Dec. 31, 2025								
Segment revenue (continuing operations)	3,417.2	1,471.5	439.6	433.2	5,761.5	2,286.0	-1,301.3	6,746.2
thereof external revenue	3,417.2	139.5	439.6	433.2	4,429.5	2,286.0	30.7	6,746.2
thereof internal revenue		1,332.0			1,332.0		-1,332.0	
Carrying amount of assets sold			-380.0	-5.0	-385.0	-1,016.0		
Revaluation from disposal of assets held for sale			46.5		46.5	2.5		
Expenses for maintenance	-484.1				-484.1			
Cost of Development to sell				-323.1	-323.1			
Operating expenses**	-488.1	-1,274.0	-22.9	-30.0	-1,815.0	-105.0	1,261.4	
Ancillary costs						-1,226.4		
Adjusted EBITDA Total (continuing operations)	2,445.0	197.5	83.2	75.1	2,800.8	-58.9	-39.9	2,702.0
Non-recurring items								-140.3
Period adjustments from assets held for sale								-9.8
Income from investments in other real estate companies/other								5.9
Net income from fair value adjustments of investment properties								1,390.0
Impairment and value adjustments/reversals of impairment losses								-517.9
Net income from investments accounted for using the equity method								-60.5
Income from other investments								-32.2
Interest income								129.7
Interest expenses								-880.3
Other financial result								-58.9
Earnings before tax (EBT)								2,527.7
Income taxes								1,586.5
Profit from continuing operations								4,114.2
Profit from discontinued operations								71.3
Profit for the period								4,185.5

* The revenue for the Rental, Value-add, Recurring Sales and Development segments constitutes income that is regularly reported to the Management Board as the chief operating decision-maker and that reflects Vonovia's sustainable business. The revenue/costs in the "Other" and "Consolidation" columns are not part of the Management Board's segment management.

** Thereof personnel expenses in the segments were: Rental € 380.0 million, Value-add € 422.1 million, Recurring Sales € 8.1 million, Development € 35.5 million and Non Core/Other € 1.3 million. In addition, personnel expenses of € -13.4 million are included as non-recurring items outside of Adjusted EBITDA.

in € million	Rental	Value-add	Recurring Sales	Development**	Segments total	Other*	Consolidation*	Group
Jan. 1 - Dec. 31, 2024								
Segment revenue (Continuing operations)	3,323.5	1,359.4	441.3	896.7	6,020.9	2,211.4	-1,151.8	7,080.5
thereof external revenue	3,323.5	179.6	441.3	896.7	4,841.1	2,211.4	28.0	7,080.5
thereof internal revenue		1,179.8			1,179.8		-1,179.8	
Carrying amount of assets sold			-383.7	-27.8	-411.5	-652.3		
Revaluation from disposal of assets held for sale			23.9		23.9	4.9		
Expenses for maintenance	-470.5				-470.5			
Cost of Development to sell				-813.8	-813.8			
Operating expenses**	-467.3	-1,191.0	-23.9	-25.0	-1,707.2	-88.7	1,148.0	
Ancillary costs						-1,481.9		
Adjusted EBITDA Total (continuing operations)	2,385.7	168.4	57.6	30.1	2,641.8	-6.6	-3.8	2,631.4
Non-recurring items								-241.8
Period adjustments from assets held for sale								14.0
Income from investments in other real estate companies/other								5.9
Net income from fair value adjustments of investment properties								-1,559.0
Impairment and value adjustments/reversals of impairment losses***								-476.8
Net income from investments accounted for using the equity method								-53.8
Income from other investments								-32.2
Interest income								87.9
Interest expenses								-908.6
Other financial result								-70.4
Earnings before tax (EBT)								-603.4
Income taxes								-385.6
Profit from continuing operations								-989.0
Profit from discontinued operations								26.7
Profit for the period								-962.3

* The revenue for the Rental, Value-add, Recurring Sales and Development segments constitutes income that is regularly reported to the Management Board as the chief operating decision-maker and that reflects Vonovia's sustainable business. The revenue/costs in the "Other" and "Consolidation" columns are not part of the Management Board's segment management.

** Thereof personnel expenses in the segments were: Rental € 355.3 million, Value-add € 342.6 million, Recurring Sales € 7.5 million, Development € 33.6 million and Non Core/Other € 1.4 million. In addition, personnel expenses of € 159.2 million are included as non-recurring items outside of Adjusted EBITDA. Prior-year figure adjusted in line with current key figure definition, including adjustments for value adjustments/reversals due to development-to-sell projects amounting to € 16.7 million.

*** Prior-year figure adjusted in line with current key figure definition, including adjustments for value adjustments/reversals due to development-to-sell projects amounting to € -16.7 million.

The expenses for maintenance include the cost of materials relevant to management of the Rental segment and the expenses charged for maintenance work performed by in-house craftsmen. Operating expenses largely include personnel expenses, the cost of purchased goods and services, non-staff administrative expenses and other costs of materials. Capitalized internal expenses have the opposite effect. To show the development of operating performance and to ensure comparability with previous periods, Adjusted EBITDA is calculated for each of the Rental, Value-add, Recurring Sales and Development segments. The sum of these key figures produces the Adjusted EBITDA Total for the continuing operations.

The adjustments made include items that are not related to the period, items that recur irregularly and items that are atypical of business operations. The non-recurring items include expenses for pre-retirement part-time work arrangements and severance payments, the development of new fields of business and business processes, acquisition projects including integration costs, research and development and expenses for refinancing and equity increases (where not treated as capital procurement costs).

In the 2025 fiscal year, the non-recurring items eliminated in the Adjusted EBT (continuing operations) came to € 140.3 million (2024: € 241.8 million).

Transactions in the 2025 fiscal year include provisions set up for the purchased land to build on and old stock of the QUARTERBACK Immobilien Group in the amount of € 57.6 million.

In the 2024 fiscal year, HR-related scenarios included non-recurring items associated with the reassessment of the probability of claims being asserted in connection with legal disputes with a social insurance provider. Remeasurement at the end of 2025 resulted in the reversal of the provision in the amount of € 45.2 million and more than compensated for the expenses associated with the other HR-related scenarios.

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

in € million	Jan. 1-Dec. 31, 2024	Jan. 1-Dec. 31, 2025
Transactions*	33.9	116.8
Personnel matters	170.9	-16.1
Business model optimization	29.7	35.9
Research & development	5.9	3.7
Refinancing and equity measures	1.4	-
Total non-recurring items	241.8	140.3

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

The breakdown of non-Group revenue from contracts with customers (pursuant to IFRS 15.114f.) and its allocation to the segments referred to above is as follows:

in € million	Rental	Value-add	Recurring Sales	Development	Other	Total
Jan. 1 - Dec. 31, 2025						
Revenue from ancillary costs (IFRS 15)					1,070.7	1,070.7
Revenue from the disposal of real estate inventories			-	412.6		412.6
Other revenue from contracts with customers	27.5	133.0	-	3.1	0.9	164.5
Revenue from contracts with customers	27.5	133.0	-	415.7	1,071.6	1,647.8
thereof period-related				60.6		60.6
thereof time-related	27.5	133.0	-	355.1	1,071.6	1,587.2
Revenue from rental income (IFRS 16)	3,417.2	0.7	-	11.0		3,428.9
Revenue from letting cable networks (IFRS 16)		5.0	-			5.0
Revenue from ancillary costs (IFRS 16)*					249.7	249.7
Other revenue	3,417.2	5.7	-	11.0	249.7	3,683.6
Revenue	3,444.7	138.7	-	426.7	1,321.3	5,331.4
Jan. 1 - Dec. 31, 2024						
Revenue from ancillary costs (IFRS 15)					1,284.0	1,284.0
Revenue from the disposal of real estate inventories			-	851.8		851.8
Other revenue from contracts with customers	26.1	118.5	-	0.8		145.4
Revenue from contracts with customers	26.1	118.5	-	852.6	1,284.0	2,281.2
thereof period-related				157.8		157.8
thereof time-related	26.1	118.5	-	694.8	1,284.0	2,123.4
Revenue from rental income (IFRS 16)	3,323.5	0.8	-	7.3		3,331.6
Revenue from letting cable networks (IFRS 16)		61.4	-			61.4
Revenue from ancillary costs (IFRS 16)*					264.9	264.9
Other revenue	3,323.5	62.2	-	7.3	264.9	3,657.9
Revenue	3,349.6	180.7	-	859.9	1,548.9	5,939.1

* Includes land tax and buildings insurance.

External revenue and non-current assets, excluding financial instruments, deferred taxes, post-employment benefits and rights under insurance contracts, are distributed among Vonovia's country of origin and other countries as follows. The revenue and the assets are allocated based on the registered office of the unit providing the service.

in € million	Revenue		Assets	
	Jan. 1-Dec. 31, 2024	Jan. 1-Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025
Germany	5,324.1	4,692.2	71,168.7	74,254.3
Other countries	615.0	639.2	9,609.6	10,503.9
thereoff in Austria	247.2	237.0	3,034.1	3,276.1
theroff in Sweden	367.8	402.2	6,575.5	7,227.8
Total	5,939.1	5,331.4	80,778.3	84,758.2

23 Earnings per Share

Accounting Policies

The basic **earnings per share** are calculated by dividing the profit for the period attributable to the shareholders by the weighted average number of ordinary shares in circulation during the reporting period. The diluted earnings per share are obtained by adjusting the profit for the period and the number of outstanding shares on the basis of the assumption that convertible instruments will be converted, options or warrants will be exercised or ordinary shares will be issued under certain conditions. Potential ordinary shares will only be included in the calculation if the conversion into ordinary shares would reduce the earnings per share.

in € million	2024	2025
Profit for the period attributable to Vonovia's shareholders (in € million)	-896.0	3,723.0
Dilutive effect of convertible bonds		-25.9
Profit for the period attributable to Vonovia's shareholders including dilutive effect (in € million)		3,697.1
Weighted average number of shares, basic	819,354,465	832,985,605
Dilutive effect of convertible bonds	-	20,964,663
Weighted average number of shares, diluted	819,354,465	853,950,268
Earnings per share, basic in €	-1.09	4.47
Earnings per share, diluted in €	-	4.33

24 Management Board's Proposal for the Appropriation of Profit

The Management Board and the Supervisory Board propose to the Annual General Meeting that, of the profit of Vonovia SE for the 2025 fiscal year of € 1,125,000,000.00, an amount of € 1,060,270,481.25 on the 848,216,385 shares of the share capital as of December 31, 2025 (corresponding to € 1.25 per share) be paid as a dividend to the shareholders, and that the remaining amount of € 64,729,518.75 be carried forward to the new account or be used for other dividends on shares carrying dividend rights at the time of the Annual General Meeting and which go beyond those as of December 31, 2025.

Section (D): Assets

25 Intangible Assets

in € million	Concessions, industrial property rights, license and similar rights	Self-developed software	Customer relationships and non- competition clause	Trademark rights	Goodwill	Total
Cost						
As of Jan. 1, 2025	124.9	18.4	11.2	66.6	9,307.6	9,528.7
Additions	18.2	7.0				25.2
Disposals	-0.1		-3.4			-3.5
Transfers	-3.2					-3.2
As of Dec. 31, 2025	139.8	25.4	7.8	66.6	9,307.6	9,547.2
Accumulated amortization						
As of Jan. 1, 2025	97.9	12.8	11.1	66.6	7,915.9	8,104.3
Amortization in reporting year	10.9	3.9	0.1			14.9
Transfers	-2.2					-2.2
Disposals	-0.1		-3.4			-3.5
As of Dec. 31, 2025	106.5	16.7	7.8	66.6	7,915.9	8,113.5
Carrying amounts						
As of Dec. 31, 2025	33.3	8.7	-	-	1,391.7	1,433.7
Cost						
As of Jan. 1, 2024	135.8	15.1	11.2	66.6	9,307.6	9,536.3
Additions	9.7	3.3				13.0
Disposals	-20.6					-20.6
As of Dec. 31, 2024	124.9	18.4	11.2	66.6	9,307.6	9,528.7
Accumulated amortization						
As of Jan. 1, 2024	109.1	10.1	10.9	66.6	7,915.9	8,112.6
Amortization in reporting year	9.6	2.7	0.2			12.5
Disposals	-20.8					-20.8
As of Dec. 31, 2024	97.9	12.8	11.1	66.6	7,915.9	8,104.3
Carrying amounts						
As of Dec. 31, 2024	27.0	5.6	0.1	-	1,391.7	1,424.4

Accounting Policies

Acquired other intangible assets are stated at amortized cost. **Internally generated other intangible assets** are stated at amortized cost provided that the requirements of IAS 38 for the capitalization of internally generated intangible assets are met. Acquired trademark rights that are identified have an indefinite useful life and are subject to regular impairment testing. All of Vonovia's miscellaneous other intangible assets have definite useful lives and are amortized on a straight-line basis over their estimated useful lives. Software and licenses are amortized on the basis of a useful life of three years.

In accordance with IAS 36 "Impairment of Assets," other intangible assets are tested for impairment whenever there is an indication of an impairment. Impairment testing is performed at least once a year. An impairment loss is recognized when an asset's recoverable amount is less than its carrying amount. If the recoverable amount cannot be determined for the individual asset, the impairment test is conducted on the cash generating unit (CGU) to which the asset belongs. Impairment losses are recognized as expenses in the income statement affecting net income.

An impairment loss recognized for prior periods is reversed if there has been a change in the estimates used to determine the asset's (or the CGU's) recoverable amount since the last impairment loss was recognized. The carrying amount of the asset (or the CGU) is increased to the newly estimated recoverable amount. The carrying amount is limited to the amount that would have been determined if no impairment loss had been recognized in prior years for the asset (or the CGU).

Goodwill

Accounting Policies

Goodwill results from a business combination and is defined as the amount by which the total consideration for shares in a company or group of companies exceeds the pro rata net assets acquired. The net assets are the total of the identifiable assets acquired that are valued at fair value in accordance with IFRS 3 as well as the assumed liabilities and contingent liabilities.

Goodwill is not subject to amortization, but rather is subjected to impairment testing on an annual basis. It is also tested for impairment whenever events or circumstances indicating an impairment arise.

The impairment testing of goodwill is performed at the level of cash generating units (CGUs) or a group of CGUs. A CGU is the smallest group of assets which generates cash inflows that are largely independent of the cash inflows generated by other assets or other groups of assets. Goodwill purchased as part of a business combination is allocated to the CGUs or groups of CGUs that are expected to produce benefits resulting from the synergy effects of the combination.

At Vonovia, each property meets the requirements for classification as a CGU as a general rule. As part of operational management, these properties are grouped first of all to form geographically structured business units and then to form regional business areas. Since the regional business areas are the lowest level within the company at which goodwill is monitored for internal management purposes, the impairment test is performed at business area level and, as a result, in accordance with IAS 36.80 for a group of CGUs. The acquired assets are allocated to the business areas based on the geographical location of the properties. A group of CGUs for which goodwill is monitored for internal management purposes relates to the Value-add Business segment.

The group of CGUs to which goodwill has been allocated are tested for impairment on a regular basis. This involves comparing the recoverable amount with the carrying amount of the group of CGUs. The recoverable amount of the group of CGUs is either its value in use or fair value less costs of sale, whichever is higher. When calculating the value in use, the estimated future cash flows are discounted to their cash value. Discount rates before tax are used that reflect the current market assessment of the interest rate effect and the specific risks associated with the regional business areas and the Value-add segment.

If goodwill has been allocated to a group of CGUs and its carrying amount exceeds the recoverable amount, the goodwill is to be written down in the amount of the difference in the first instance. Any need for impairment in excess of this amount is distributed among the other assets in the group of CGUs in proportion to their carrying amount. The individual fair value less costs to sell, value in use or zero must not be undercut in this regard.

Impairment losses that have been realized as part of the valuation of goodwill are not reversed in the following years.

The carrying amount of goodwill came to € 1,391.7 million as of December 31, 2025 (December 31, 2024: € 1,391.7 million). There was no change in goodwill, all of which relates to the Value-add segment, as against December 31, 2024. A regular impairment test was performed in the fourth quarter of 2025.

For the purposes of the regular annual impairment test on goodwill as of December 31, 2025, the five-year plan for the Value-add segment for the fiscal years from 2026 to 2030 was taken as a basis. This forms part of the five-year plan for the Group as a whole as approved by the Management Board and acknowledged by the Supervisory Board. The plan is based on assessments regarding the development of the operating business areas in terms of future revenue, expenses and margins, and taking current market developments into account.

The value of the goodwill for the Value-add group of CGUs was confirmed by the impairment test. The impairment test is performed by comparing the carrying amount of the Value-add CGU against its value in use. Developments in the Value-add segment are characterized primarily by the extension of existing business areas (craftsmen's organization, multimedia, management of residential property, smart metering, energy service, etc.). On the other hand, there is an increase in operating expenses, taking into account the rate of inflation. These developments are in line with past experiences of business model development.

The cash flows from the last detailed planning year were derived to calculate the terminal value.

The terminal value was calculated on the basis of planning year 2030, taking into account the long-term growth rate of 1.5% (December 31, 2024: 1.5%).

The weighted average cost of capital before tax is based on the risk-free interest rate calculated as a three-month average using the Svensson method, a market risk premium and a levered beta. The levered beta and the equity ratios used are determined on the basis of a peer comparison. The main parameters are shown in the following table:

Parameters for WACC Calculation for the Value-add Segment

	Dec. 31, 2024	Dec. 31, 2025
Risk-free interest rate in %	2.50	3.25
Market risk premium in %	6.75	5.25
Levered beta	0.78	1.01
WACC (before tax) in %	6.62	7.25

An increase in the cost of capital would result in the following need for impairment:

	Value-add segment
Goodwill as of Dec. 31, 2025 in € million	1,391.7
Headroom € million	3,003.8
Impairment starts with an increase of the WACC in percentage points	5.17
Full impairment in the event of an increase in the WACC in %	28.24
Goodwill as of Dec. 31, 2024 in € million	1,391.7
Headroom in € million	2,418.8
Impairment starts with an increase of the WACC in percentage points	3.85
Full impairment in the event of an increase in the WACC in %	23.62

In the event of a drop in the sustainable rate of increase by 0.5 percentage points, there would be no impairment losses in the Value-add segment.

In the previous year, too, a drop in the sustainable rate of increase by 0.5 percentage points would not have triggered any impairment losses in the Value-add segment.

26 Property, Plant and Equipment

in € million	Owner-occupied properties*	Technical equipment, plant and machinery*	Other equipment, fixtures, furniture and office equipment*	Construction in progress - Property, plant and equipment	Total
Cost					
As of Jan. 1, 2025	376.3	335.4	375.5	92.1	1,179.3
Additions due to business combinations	5.3		0.9		6.2
Additions	11.2	89.0	80.1		180.3
Capitalized modernization costs	2.4				2.4
Disposals	-8.4	-11.8	-38.5		-58.7
Transfer from investment properties	7.6				7.6
Transfer to investment properties	-7.0				-7.0
Other transfers	0.1	21.1	-0.8	-20.1	0.3
Revaluation from currency effects	0.2	0.0	0.3		0.5
As of Dec. 31, 2025	387.7	433.7	417.5	72.0	1,310.9
Accumulated depreciation					
As of Jan. 1, 2025	81.2	144.4	209.9		435.5
Additions due to business combinations			0.2		0.2
Depreciation in reporting year	18.5	29.8	53.5		101.8
Impairment	1.8				1.8
Reversal of impairments	-1.9				-1.9
Disposals	-2.9	-6.2	-25.3		-34.4
Other transfers	0.1	0.1	-0.6		-0.4
Revaluation from currency effects	0.1	0.0	0.2		0.3
As of Dec. 31, 2025	96.9	168.1	237.9		502.9
Carrying amounts					
As of Dec. 31, 2025	290.8	265.6	179.6	72.0	808.0
Cost					
As of Jan. 1, 2024	354.5	329.3	354.5	17.5	1,055.8
Additions	23.9	13.6	60.0	87.3	184.8
Capitalized modernization costs	2.1			6.6	8.7
Disposals	-9.2	-37.6	-41.0		-87.8
Transfer from investment properties	22.3				22.3
Transfer to investment properties	-17.1				-17.1
Transfer from down payments made		6.6			6.6
Other transfers	0.1	23.5	2.1	-19.3	6.4
Revaluation from currency effects	-0.3	0.1	-0.1		-0.3
As of Dec. 31, 2024	376.3	335.5	375.5	92.1	1,179.4
Accumulated depreciation					
As of Jan. 1, 2024	68.7	144.4	187.6		400.7
Depreciation in reporting year	17.6	29.0	53.6		100.2
Impairment	5.6	0.2	0.3		6.1
Reversal of impairments	-1.6				-1.6
Disposals	-8.8	-33.9	-32.2		-74.9
Other transfers	-0.1	4.6	0.7		5.2
Revaluation from currency effects	-0.1	0.1	-0.1		-0.1
As of Dec. 31, 2024	81.3	144.4	209.9		435.6
Carrying amounts					
As of Dec. 31, 2024	295.0	191.1	165.6	92.1	743.8

* Prior-year adjustment due to the recognition of rights of use within the balance sheet items for property, plant, and equipment in accordance with IFRS 16.

Accounting Policies

Items of property, plant and equipment are carried at amortized cost less accumulated depreciation and are depreciated over their respective estimated useful lives on a straight-line basis. In accordance with IAS 36 "Impairment of Assets," impairment tests are performed whenever there is an indication of an impairment.

Subsequent costs of replacing part of an item of property, plant and equipment are capitalized provided it is probable that future economic benefits associated with the item will flow to Vonovia and the cost can be estimated reliably.

The properties used by the company itself are subject to depreciation over a term of 50 years, with fixtures, furniture and office equipment subject to depreciation over a period of 3-13 years and technical equipment, plant and machinery over a period of 5-20 years.

The assets under construction - property, plant and equipment relate to photovoltaic facilities that have been assembled but are not yet ready for operation, or have not yet been connected to the electricity grid.

Carrying amounts of owner-occupied properties amounting to € 103.2 million as of December 31, 2025 (December 31, 2024: € 98.0 million) are encumbered with land charges in favor of various lenders.

27 Investment Properties

in € million

As of Jan. 1, 2025	78,343.1
Additions	1,516.8
Capitalized modernization costs	1,011.9
Grants received	-10.6
Transfer to property, plant and equipment	-0.6
Transfer from down payments made	362.2
Transfer to real estate inventories	-17.6
Transfer to assets held for sale	-119.6
Other transfers	13.3
Disposals	-186.1
Net income from fair value adjustments of investment properties	1,390.0
Impairment of investment properties measured at cost	-392.2
Reversal of impairment of investment properties measured at cost	48.3
Revaluation of assets held for sale	39.1
Revaluation from currency effects	394.8
As of Dec. 31, 2025	82,392.8
As of Jan. 1, 2024	81,120.3
Additions	233.1
Capitalized modernization costs	767.2
Grants received	-7.2
Transfer to property, plant and equipment	-22.3
Transfer from property, plant and equipment	17.1
Transfer from down payments made	197.8
Transfer from real estate inventories	10.2
Transfer to assets held for sale	-1,941.6
Disposals	-313.7
Net income from fair value adjustments of investment properties	-1,559.0
Impairment of investment properties measured at cost	-2.0
Reversal of impairment of investment properties measured at cost	7.4
Revaluation of assets held for sale	42.8
Revaluation from currency effects	-207.0
As of Dec. 31, 2024	78,343.1

Accounting Policies

When Vonovia acquires properties, whether through a business combination or as part of a separate transaction, the intended use determines whether such properties are classified as investment properties or as owner-occupied properties.

Investment properties are properties that are held for the purpose of earning rental income or for capital appreciation or both and are not owner-occupied or held for sale in the ordinary course of business. Investment properties include undeveloped land, land and land rights including buildings and land with hereditary building rights of third parties. Investment properties also include right-of-use assets from rented, developed and undeveloped land (hereditary building rights) and from rented residential and commercial properties (interim leasing) within the meaning of IFRS 16 that are classified as investment properties.

Investment properties are initially measured at cost. Related transaction costs, such as fees for legal services or real estate transfer taxes, are included in the initial measurement. If properties are purchased as part of a business combination and if the transaction relates to a "business," then IFRS 3 applies as far as recognition is concerned. Transaction costs are recognized as an expense.

Following initial recognition, investment properties are measured at fair value. Any change therein is recognized as affecting net income in the income statement. If, during the land or project development phase, reliable measurement at fair value is not possible due to the lack of marketability and the lack of comparable transactions, recognition is at acquisition cost. In such cases, the cost model is continued until a reliable measurement can be carried out, but at the latest until the property in question is completed.

Investment properties are transferred to property, plant and equipment when there is a change in use evidenced by the commencement of owner-occupation. The properties' deemed cost for subsequent measurement corresponds to the fair value at the date of reclassification.

The values as of December 31, 2025 include investment properties measured at cost of € 1,124.1 million (December 31, 2024: € 426.0 million), as their fair value cannot be reliably calculated on a continuing basis. There were additions in the amount of € 904.9 million (2024: € 80.8 million) in the reporting period, disposals of € 5.2 million (2024: € 12.3 million) and reclassifications including changes in value due to currency translation of € 82.7 million (2024: € -48.0 million). Value adjustments are also recognized on these project developments in the amount of € 392.2 million (2024: € 2.0 million) and reversals of impairment losses of € 48.3 million (2024: € 7.4 million). The impairment losses were reported under depreciation and amortization losses, with the reversal of impairment losses being disclosed under Other operating income.

The additions in the 2025 reporting year include € 354.0 million (2024: € 224.5 million) in production costs for new construction activities.

The total amount reported for investment properties as of December 31, 2025 includes right-of-use assets from recognized leasehold contracts and interim rental agreements in the amount of € 1,601.9 million (December 31, 2024: € 1,600.5 million). In this respect, we also refer to → [\[E43\] Leases](#).

The majority of € 1,601.4 million is attributable to right-of-use assets resulting from leasehold contracts (December 31, 2024: € 1,600.0 million). This includes right-of-use assets amounting to € 117.1 million (December 31, 2024: € 115.4 million) relating to the Spree-Bellevue (Spree-Schlange) property in Berlin, which comprises the leasehold land and the rented properties. The properties have been leased from the fund company DB Immobilienfonds 11 Spree-Schlange von Quistorp KG until 2044. The lease agreement includes an obligation to pay a user fee as compensation for the loss of use. At the end of 2028, each fund subscriber is entitled to return their share to the property fund at a fixed redemption price. If all of the fund investors make use of this option, Vonovia is obliged to acquire the properties at a fixed purchase price after deduction of borrowings. If more than 75% of the shares are returned in this way, Vonovia has a call option to purchase all fund shares.

For the investment properties encumbered with land charges in favor of various lenders, see → [\[E40\] Non-derivative Financial Liabilities](#).

Directly Attributable Operating Expenses

Rental income from investment properties amounted to € 3,428.8 million during the fiscal year (2024: € 3,331.5 million). Operating expenses directly relating to these properties amounted to € 364.4 million during the fiscal year (2024: € 546.8 million). These include expenses for maintenance, ancillary costs that cannot be passed on to the tenants, personnel expenses from the caretaker and craftsmen's organizations, and capitalized internal expenses from charges passed on from the internal craftsmen's organization. The capitalized internal expenses relate to the work performed by the Group's own craftsmen's organization and the management costs for major modernization projects.

Long-Term Leases

Vonovia as a lessor has concluded long-term leases on commercial properties. These are non-cancelable leases. The minimum future lease receipts from these leases are due as follows:

in € million	Dec. 31, 2024	Dec. 31, 2025
Total minimum lease payments	123.7	203.5
Due within the first year	28.4	44.6
Due within the second year	20.0	35.3
Due within the third year	15.3	28.9
Due within the fourth year	12.3	24.4
Due within the fifth year	10.1	15.4
Due after the fifth and the subsequent years	37.6	54.9

Fair Values

Accounting Policies

The **fair values** of the portfolio of residential properties are determined on the basis of the International Valuation Standard Committee's definition of market value. Portfolio premiums and discounts, which can be observed when portfolios are sold in market transactions, are not included. Nor are time restrictions in the marketing of individual properties. Vonovia determines fair value in accordance with the requirements of IAS 40 in conjunction with IFRS 13.

In principle, Vonovia measures its portfolio on the basis of the discounted cash flow (DCF) method. Under the DCF methodology, the expected future cash inflows and outflows associated with a property are forecast over a detailed period of ten years and discounted to the date of valuation as the net present value. Due to the particular market situation in Austria and in order to reflect the extensive Austrian rent restrictions, a sales scenario involving the recurring sales of apartments is assumed for a subportfolio. In order to present these sales in the correct accounting period, the detailed period for the Austrian DCF model has been extended to 100 years.

The cash inflows in the DCF model mainly comprise expected rental income (current net rent excl. ancillary costs current inclusive rent in Sweden, market rents as well as their development) taking vacancy losses and also sales revenues for an Austrian subportfolio into account. The expected rental income is derived for each location from the latest rent indices and rent tables (including Value AG, IVD, the Austrian Economic Chambers [WKÖ]) as well as from studies on spatial prosperity (Federal Institute for Research on Building, Urban Affairs and Spatial Development [BBSR], Prognos, Value AG, the Federal Statistical Office of Germany, the Austrian statistical office Statistik Austria, etc.). In Sweden, rents and rent increases are defined as part of negotiations with the Swedish tenants' association ("Hyresgästföreningen") and are reflected accordingly in the valuation model. The expected sales revenues in Austria are derived from historical sale prices as well as market data (e.g., WKÖ, EHL).

On the cash outflow side, maintenance expenses and administrative costs are taken into account. In Germany, these are taken into account in accordance with the II. Berechnungsverordnung. The II. Berechnungsverordnung (BV) is the German Regulation on Calculations for Residential Buildings in accordance with the Second Housing Construction Law, which stipulates how economic viability calculations for homes are to be performed. These cost approaches are also transferred to the Austrian market. Further cash outflows include, for example, ground rents, non-allocable ancillary costs, rent losses and, in Austria, selling costs. In the Swedish valuation model, further expenses to be borne by the owner are also taken into account in the DCF model due to the inclusive rents that are a special feature of this market. All cash outflows are adjusted for inflation in the reporting period. Modernization measures carried out in the housing stocks are factored in by decreasing the current maintenance expenses and adjusting market rents.

On this basis, the forecast cash flows are calculated on an annual basis and discounted to the date of valuation as the net present value. Furthermore, the terminal value of the property at the end of the ten-year period is determined using the expected stabilized net operating income and again discounted to the date of valuation as the net present value. The discount rate applied reflects the market situation, location, type of property, special property features (e.g., hereditary building rights, rent restrictions), the yield expectations of a potential investor and the risk associated with the forecast future cash flows of the property. The present value calculated in this way is reconciled to the market value by deducting standard market transaction costs, such as real estate transfer taxes, agent and notary costs. As the detailed period in the Austrian DCF model has been extended to 100 years in order to present the sales scenarios in the correct accounting period, no terminal value is applied here.

The commercial properties in the portfolio are mainly small commercial units for the supply of the local residential environment. Different cost approaches are used to those for residential properties, and discount rates were adjusted to reflect the market specifics.

The valuation is, in principle, performed on the basis of homogeneous valuation units. These meet the criteria of economically cohesive and comparable land and buildings. They include:

- > Geographical location (identity of the microlocation and geographical proximity)
- > Comparable types of use, building class, construction year class and condition of property
- > Same property features such as rent restrictions, hereditary building rights and full or part ownership

The Vonovia portfolio also contains project developments, existing areas with construction potential and land areas with hereditary building rights granted, as well as nursing care facilities. Project developments for subsequent management within its own portfolio are measured using the cost approach until the construction work is complete – subject to a review of the values applied if triggering events occur. Once the construction work is complete, measurement is at fair value using the DCF procedure described above. Existing areas with construction potential are valued using a comparable method on the basis of the local standard land value evaluated. Deductions are taken into account in particular for the readiness for construction and potential use as well as for likelihood of development and the development situation. Hereditary building rights granted are valued in the same way as the property portfolio using a DCF method. The input parameters here are the duration and amount of ground rent and the value of the land. The right-of-use assets from leasehold contracts are recognized at their fair value. The fair value of the leasehold contracts corresponds to the present value of the standard market leasehold fee payments up until the end of the term of the hereditary building right in question. These are calculated based on the current amount of the ground rent. In order to calculate the present value, the leasehold fee payments are discounted using a property-specific interest rate.

Vonovia determines the fair values of its real estate portfolio in Germany, Sweden and Austria in its in-house valuation department on the basis of the methodology described above.

The real estate portfolio of Vonovia is to be found in the items investment properties, property, plant and equipment (owner-occupied properties), real estate inventories, contract assets and assets held for sale. The fair value of the portfolio comprising residential buildings, commercial properties, garages and parking spaces, project developments and undeveloped land, hereditary building rights granted and nursing care facilities was € 84,448.2 million as of December 31, 2025 (December 31, 2024: € 81,971.4 million). This corresponds to a net initial yield for the real estate portfolio of 3.0% (total portfolio including Sweden and Austria; December 31, 2024: 3.0%). For Germany, this results in an in-place rent multiplier of 24.0 for the portfolio (December 31, 2024: 24.1) and a fair value per m² of € 2,361 (December 31, 2024: € 2,278 per m²). For the portfolio in Sweden, the in-place rent multiplier and fair value is 17.3 and € 2,293 per m² (December 31, 2024: 17.5 and € 2,094 per m²); for Austria it is 22.3 and € 1,695 per m² (December 31, 2024: 21.4 and € 1,606 per m²). We report the net rents excluding ancillary expenses, as well as other key indicators relevant to the valuation of our portfolio in the Portfolio Structure section of the management report, broken down by regional market.

In addition to the internal valuation, Vonovia's real estate portfolio was also valued by the independent property appraisers CBRE GmbH and Savills Sweden AB. The market value resulting from the external report was consistent with the internal valuation result.

The fair value for the remaining nursing care properties was assessed by the independent expert W&P Immobilienberatung GmbH.

The contractually fixed remuneration for the valuation report is not linked to the valuation results.

The material valuation parameters for the investment properties (Level 3) in the residential real estate portfolio are as follows as of December 31, 2025, broken down by regional markets:

Regional market	Valuation results*		
	Fair value (in € million)	thereof investment properties (in € million)	thereof other asset classes (in € million)
Dec. 31, 2025			
Berlin	23,205.1	23,041.6	163.5
Rhine Main Area	6,430.8	6,369.7	61.1
Southern Ruhr Area	5,347.7	5,335.5	12.2
Rhineland	5,202.1	5,164.5	37.6
Dresden	5,068.9	4,906.5	162.3
Hamburg	3,161.5	3,143.5	18.0
Hanover	2,927.4	2,922.2	5.3
Munich	2,861.8	2,853.8	8.0
Kiel	2,737.5	2,722.6	14.9
Stuttgart	2,254.5	2,252.1	2.5
Leipzig	2,159.6	2,157.2	2.4
Northern Ruhr Area	2,015.4	2,008.5	6.8
Bremen	1,411.8	1,408.8	3.0
Westphalia	1,140.9	1,139.5	1.4
Freiburg	744.7	743.3	1.4
Other strategic locations	3,415.2	3,408.0	7.3
Total strategic locations	70,084.9	69,577.4	507.5
Non-strategic locations**	820.4	800.1	20.3
Vonovia Germany	70,905.3	70,377.4	527.9
Vonovia Sweden***	7,055.4	7,055.4	0.0
Vonovia Austria***	2,767.1	2,728.2	38.9

* Fair value of the developed land excl. € 3,720.4 million for Development and Care portfolio, undeveloped land, inheritable building rights granted and other; € 1,757.3 million of this amount relates to investment properties. The investment properties balance sheet item also includes the present value in connection with payments for right-of-use assets in the amount of € 474.5 million.

** Fair value including nursing care properties in the amount of € 296.5 million

*** The valuation methods used for the portfolio in Austria and Sweden use and provide valuation parameters that are only partially comparable.

Valuation parameters for investment properties (Level 3)

	Management costs residential (€/residential unit p.a.)	Maintenance costs total residential (€/m ² p.a.)	Market rent residential (€/m ² per month)	Market rent increase residential	Stabilized vacancy rate residential	Discount rate total	Capitalized interest rate total
	328	17.49	9.45	2.1%	0.5%	4.9%	3.0%
	353	16.97	11.14	2.2%	1.0%	5.3%	3.3%
	348	15.24	8.48	1.8%	2.3%	5.0%	3.4%
	349	16.61	9.86	2.0%	1.5%	5.2%	3.4%
	315	16.65	7.93	2.0%	1.8%	5.1%	3.3%
	339	16.68	9.97	2.1%	1.0%	5.0%	3.2%
	338	16.48	8.74	2.0%	1.8%	5.3%	3.5%
	339	17.02	14.28	2.2%	0.5%	5.3%	3.3%
	340	17.39	9.31	1.9%	1.5%	5.5%	3.9%
	355	17.41	10.65	2.1%	1.1%	5.3%	3.4%
	333	17.10	8.00	2.1%	1.7%	5.2%	3.4%
	349	15.65	7.45	1.6%	2.9%	5.3%	4.0%
	345	15.57	8.23	2.0%	1.6%	5.2%	3.4%
	344	15.49	8.61	2.0%	1.8%	5.3%	3.6%
	353	17.37	10.01	2.1%	0.6%	5.0%	3.0%
	345	16.72	8.73	1.9%	2.4%	5.4%	3.7%
	338	16.77	9.29	2.0%	1.4%	5.1%	3.3%
	357	17.88	8.65	1.9%	2.5%	5.9%	4.2%
	338	16.78	9.28	2.0%	1.4%	5.1%	3.3%
	405	14.04	11.72	2.0%	1.8%	6.1%	4.2%
	n.a.	21.74	6.50	1.7%	2.4%	6.2%	n.a.

Regional market	Valuation results*		
	Fair value (in € million)	thereof investment properties (in € million)	thereof other asset classes (in € million)
Dec. 31, 2024			
Berlin	23,446.4	22,577.3	869.1
Rhine Main Area	6,436.5	6,181.7	254.8
Southern Ruhr Area	5,096.0	5,080.6	15.4
Rhineland	5,001.7	4,981.7	20.0
Dresden	4,899.8	4,657.1	242.6
Hamburg	3,204.4	3,099.2	105.2
Hanover	2,799.7	2,796.2	3.5
Munich	2,623.7	2,610.8	13.0
Kiel	2,673.9	2,665.9	7.9
Stuttgart	2,215.7	2,212.2	3.5
Leipzig	1,928.3	1,925.1	3.2
Northern Ruhr Area	1,987.7	1,975.8	11.9
Bremen	1,399.6	1,382.8	16.7
Westphalia	1,106.1	1,104.6	1.5
Freiburg	730.3	727.4	3.0
Other strategic locations	3,270.5	3,259.5	11.0
Total strategic locations	68,820.3	67,237.9	1,582.4
Non-strategic locations**	610.8	581.4	29.4
Vonovia Germany	69,431.1	67,819.3	1,611.9
Vonovia Sweden***	6,418.2	6,418.2	0.0
Vonovia Austria***	2,671.4	2,632.9	38.5

* Fair value of the developed land excl. € 3,450.7 million for Development and nursing care properties (discontinued operations), undeveloped land, inheritable building rights granted and other; € 1,024.0 million of this amount relates to investment properties. The investment properties balance sheet item also includes the present value in connection with payments for right-of-use assets in the amount of € 448.7 million.

** Fair value including nursing care properties in the amount of € 287.2 million

*** The valuation methods used for the portfolio in Austria and Sweden use and provide valuation parameters that are only partially comparable.

The inflation rate applied to the valuation procedure comes to 2.0% (December 31, 2024: 2.0%). For the Austrian portfolio, a sales strategy with an average selling price of € 2,646 per m² (December 31, 2024: € 2,414 per m²) was assumed for 63.6% of the portfolio (December 31, 2024: 48.4%).

Net income from the valuation of investment properties amounted to € 1,390.0 million in the 2025 fiscal year (December 31, 2024: € -1,559.0 million).

Sensitivity Analyses

The sensitivity analyses performed on Vonovia's real estate portfolio show the impact of value drivers dependent upon market developments. Those influenced in particular are the market rents and their development, the amount of recognized administrative and maintenance expenses, cost

increases, the vacancy rate and interest rates. The effect of possible fluctuations in these parameters is shown separately for each parameter according to regional market in the following.

Interactions between the parameters are possible but cannot be quantified owing to the complexity of the interrelationships. The vacancy and market rent parameters, for example, can influence each other. If rising demand for housing is not met by adequate supply developments, then this can result in lower vacancy rates and, at the same time, rising market rents. If, however, the rising demand is compensated for by a high vacancy reserve in the location in question, then the market rent level does not necessarily change.

Valuation parameters for investment properties (Level 3)

	Management costs residential (€ per residential unit p. a.)	Maintenance costs total residential (€/m ² p. a.)	Market rent residential (€/m ² per month)	Market rent increase residential	Stabilized vacancy rate residential	Discount rate total	Capitalized interest rate total
	322	17.28	9.19	2.3%	0.5%	5.1%	3.0%
	347	16.77	10.70	2.2%	1.2%	5.3%	3.3%
	342	14.97	8.06	1.9%	2.4%	5.0%	3.4%
	343	16.42	9.42	2.1%	1.5%	5.3%	3.4%
	309	16.43	7.40	2.0%	1.8%	5.1%	3.3%
	332	16.46	9.68	2.1%	1.1%	5.1%	3.2%
	331	16.36	8.43	2.0%	1.7%	5.3%	3.6%
	333	16.97	13.72	2.3%	0.5%	5.3%	3.3%
	334	17.30	8.93	2.1%	1.5%	5.7%	3.9%
	349	17.35	10.22	2.1%	1.1%	5.3%	3.4%
	326	17.13	7.49	2.0%	2.1%	5.0%	3.3%
	343	15.50	7.15	1.7%	3.0%	5.4%	4.1%
	339	15.40	7.95	2.0%	1.8%	5.2%	3.4%
	339	15.29	8.32	2.1%	1.7%	5.6%	3.8%
	346	17.27	9.69	2.1%	0.7%	5.0%	3.1%
	339	16.49	8.41	2.0%	2.4%	5.4%	3.7%
	331	16.58	8.92	2.1%	1.4%	5.2%	3.3%
	362	17.86	8.60	2.0%	2.2%	6.1%	4.2%
	332	16.59	8.92	2.1%	1.4%	5.2%	3.3%
	386	13.34	10.49	2.1%	2.0%	6.2%	4.1%
	n.a.	21.90	6.50	1.7%	2.4%	6.2%	n.a.

Changes in the demand for housing can also impact the risk associated with the expected cash flows, which is then reflected in adjusted discounting and capitalized interest rates. The effects do not, however, necessarily have to have a favorable impact on each other, for example, if the changes in the demand for residential real estate are overshadowed by macroeconomic developments.

In addition, factors other than demand can have an impact on these parameters. Examples include changes in the portfolio, in seller and buyer behavior, political decisions and developments on the capital market. Due to the effect that changes in inflation will have on future rent increases in Sweden, it has been assumed, for the purposes of calculating sensitivities, that one-third of any change in inflation will spill over into rental growth.

The table below shows the percentage impact on values in the event of a change in the valuation parameters. The absolute impact on values is calculated by multiplying the percentage impact by the fair value of the investment properties.

	Change in value as a % under varying parameters		
	Management costs residential	Maintenance costs residential	Cost increase/inflation
Regional market	-10%/10%	-10%/10%	-0.5%/+0.5% points
Dec. 31, 2025			
Berlin	0.6/-0.6	1.9/-1.9	4.9/-5.0
Rhine Main Area	0.5/-0.5	1.5/-1.5	3.3/-3.4
Southern Ruhr Area	0.8/-0.8	2.2/-2.2	5.1/-5.2
Rhineland	0.6/-0.6	1.8/-1.8	4.0/-4.1
Dresden	0.8/-0.8	2.3/-2.3	5.1/-5.2
Hamburg	0.6/-0.6	1.8/-1.8	4.1/-4.3
Hanover	0.7/-0.7	2.1/-2.1	4.6/-4.7
Munich	0.4/-0.4	1.1/-1.1	2.9/-3.0
Kiel	0.8/-0.8	2.2/-2.2	4.2/-4.4
Stuttgart	0.5/-0.5	1.6/-1.6	3.4/-3.5
Leipzig	0.7/-0.7	2.3/-2.3	5.0/-5.1
Northern Ruhr Area	1.1/-1.1	2.8/-2.8	5.5/-5.6
Bremen	0.8/-0.9	2.3/-2.3	5.3/-5.4
Westphalia	0.8/-0.8	2.2/-2.2	4.8/-4.8
Freiburg	0.6/-0.6	1.8/-1.8	4.4/-4.4
Other strategic locations	0.7/-0.7	2.2/-2.2	4.4/-4.5
Total strategic locations	0.7/-0.7	2.0/-2.0	4.5/-4.6
Non-strategic locations	0.8/-0.8	2.4/-2.4	4.6/-4.7
Vonovia Germany	0.7/-0.7	2.0/-2.0	4.5/-4.6
Vonovia Sweden*	0.6/-0.6	1.5/-1.5	4.0/-4.2
Vonovia Austria*	n.a./n.a.	0.2/-0.2	0.2/-0.2

* The valuation methods used for the portfolio in Austria and Sweden use and provide valuation parameters that are only partially comparable.

Change in value as a % under varying parameters

	Market rent residential	Market rent increase residential	Stabilized vacancy rate residential	Discounting and capitalized interest rates total
	-2%/+2%	-0.2%/+0.2% points	-1%/+1% points	-0.25%/+0.25% points
	-2.5/2.4	-8.2/9.6	0.7/-1.8	9.6/-8.1
	-2.4/2.4	-6.8/7.8	1.0/-1.6	8.2/-7.0
	-2.6/2.6	-7.6/8.7	2.0/-2.1	8.2/-7.1
	-2.4/2.4	-7.1/8.2	1.7/-1.8	8.4/-7.2
	-2.5/2.5	-7.4/8.6	1.9/-1.9	8.4/-7.2
	-2.4/2.4	-7.5/8.7	1.2/-1.8	8.8/-7.5
	-2.6/2.6	-7.2/8.3	1.9/-1.9	8.0/-6.9
	-2.1/2.1	-6.8/7.9	0.6/-1.5	8.9/-7.5
	-2.6/2.5	-6.6/7.4	1.9/-2.0	7.1/-6.3
	-2.4/2.4	-6.7/7.7	1.3/-1.7	7.9/-6.8
	-2.4/2.4	-7.3/8.5	1.9/-1.9	8.4/-7.2
	-2.7/2.7	-6.8/7.7	2.3/-2.3	6.8/-6.0
	-2.5/2.5	-7.6/8.8	2.0/-2.0	8.3/-7.2
	-2.5/2.5	-7.0/8.1	1.9/-1.9	7.7/-6.6
	-2.5/2.6	-7.6/9.0	0.9/-1.7	8.9/-7.5
	-2.6/2.5	-6.8/7.8	1.8/-1.9	7.5/-6.5
	-2.5/2.4	-7.5/8.7	1.3/-1.8	8.6/-7.4
	-2.7/2.6	-6.9/7.8	1.9/-2.1	7.7/-6.7
	-2.5/2.4	-7.5/8.7	1.3/-1.8	8.6/-7.4
	-3.0/3.1	-7.2/8.2	0.6/-1.1	6.8/-6.0
	-0.2/0.2	-0.5/0.5	0.8/-0.8	3.5/-3.3

	Change in value as a % under varying parameters		
	Management costs residential	Maintenance costs residential	Cost increase/inflation
Regional market	-10%/10%	-10%/10%	-0.5%/+0.5% points
Dec. 31, 2024			
Berlin	0.6/-0.6	1.9/-1.9	4.7/-4.8
Rhine Main Area	0.5/-0.5	1.5/-1.5	3.4/-3.5
Southern Ruhr Area	0.9/-0.9	2.4/-2.4	5.4/-5.4
Rhineland	0.6/-0.6	1.9/-1.9	4.1/-4.2
Dresden	0.8/-0.8	2.5/-2.5	5.5/-5.5
Hamburg	0.6/-0.6	1.8/-1.8	4.1/-4.3
Hanover	0.8/-0.8	2.2/-2.2	4.6/-4.7
Munich	0.4/-0.4	1.2/-1.2	3.1/-3.2
Kiel	0.8/-0.8	2.2/-2.2	4.2/-4.4
Stuttgart	0.6/-0.6	1.7/-1.7	3.6/-3.7
Leipzig	0.8/-0.8	2.6/-2.6	5.8/-5.9
Northern Ruhr Area	1.1/-1.1	3.0/-3.0	5.6/-5.6
Bremen	0.9/-0.9	2.4/-2.3	5.5/-5.4
Westphalia	0.8/-0.7	2.2/-2.2	4.5/-4.6
Freiburg	0.6/-0.6	1.9/-1.9	4.2/-4.3
Other strategic locations	0.8/-0.8	2.3/-2.3	4.5/-4.6
Total strategic locations	0.7/-0.7	2.0/-2.0	4.6/-4.7
Non-strategic locations	0.6/-0.7	2.1/-2.1	3.8/-3.9
Vonovia Germany	0.7/-0.7	2.0/-2.0	4.6/-4.7
Vonovia Sweden*	0.6/-0.6	1.5/-1.5	4.2/-4.4
Vonovia Austria*	n.a./n.a.	0.4/-0.4	0.3/-0.4

* The valuation methods used for the portfolio in Austria and Sweden use and provide valuation parameters that are only partially comparable.

Contractual Obligations

In connection with major acquisitions, Vonovia entered into contractual obligations or assumed such obligations indirectly via acquired companies, among other things in the form of Social Charters, which could limit its ability to freely sell parts of its portfolio, increase rents or terminate existing rent agreements for certain units and which, in the event of a breach, could give rise to substantial contractual penalties in some cases.

In many cases, in the event that all or part of a portfolio is transferred or individual residential units are sold, the aforementioned obligations are to be assumed by the buyers, who are in turn subject to the obligation to pass them on to any future buyers. After a certain period of time, the obligations often cease to apply either in full or in part.

All contractual obligations that have a material impact on the market value were taken into account accordingly in the valuation.

Under financing agreements, Vonovia may be subject to fundamental restrictions regarding mandatory investments for maintenance or improvements, or on the use of excess property disposal proceeds, such restrictions being particularly in the form of mandatory minimum capital repayments.

Although the non-current financial liabilities are subject to certain covenants, Vonovia is not subject to any restrictions regarding how it can use its investment properties.

Excess cash from property management is restricted to a certain extent.

Change in value as a % under varying parameters

	Market rent residential	Market rent increase residential	Stabilized vacancy rate residential	Discounting and capitalized interest rates total
	-2%/+2%	-0.2%/+0.2% points	-1%/+1% points	-0.25%/+0.25% points
	-2.4/2.3	-8.1/9.5	0.7/-1.8	9.5/-8.0
	-2.3/2.3	-6.8/7.8	1.1/-1.6	8.2/-7.0
	-2.7/2.6	-7.7/8.9	2.0/-2.1	8.3/-7.1
	-2.4/2.4	-7.1/8.2	1.7/-1.7	8.2/-7.1
	-2.6/2.6	-7.5/8.7	1.9/-1.9	8.4/-7.2
	-2.4/2.4	-7.4/8.6	1.2/-1.7	8.8/-7.5
	-2.5/2.5	-7.1/8.2	1.9/-1.9	7.9/-6.8
	-2.1/2.1	-7.0/8.1	0.7/-1.5	8.9/-7.6
	-2.6/2.5	-6.6/7.4	1.9/-1.9	7.1/-6.3
	-2.4/2.4	-6.8/7.8	1.4/-1.7	8.0/-6.9
	-2.6/2.5	-7.8/9.0	2.0/-2.0	8.6/-7.4
	-2.8/2.8	-6.7/7.6	2.3/-2.3	6.6/-5.9
	-2.5/2.5	-7.5/8.8	2.0/-2.0	8.3/-7.1
	-2.5/2.4	-6.7/7.7	1.8/-1.9	7.3/-6.4
	-2.4/2.4	-7.5/8.8	1.0/-1.7	8.9/-7.5
	-2.6/2.5	-6.8/7.8	1.8/-1.9	7.4/-6.5
	-2.4/2.4	-7.5/8.6	1.3/-1.8	8.6/-7.3
	-2.2/2.3	-5.9/6.8	1.7/-1.7	7.0/-6.2
	-2.4/2.4	-7.5/8.6	1.3/-1.8	8.6/-7.3
	-2.7/2.8	-7.4/8.6	0.6/-1.1	6.9/-6.1
	-0.4/0.4	-0.9/1.0	0.9/-0.9	4.0/-3.6

28 Financial Assets

in € million	Dec. 31, 2024		Dec. 31, 2025	
	non-current	current	non-current	current
Derivatives	781.6	6.5	734.0	12.9
Loans to associates and joint ventures	-	522.0	-	92.8
Other investments	267.2	-	273.0	-
Other non-current loans	5.8	-	5.1	-
Loans to other investments	49.7	-	49.3	-
Receivables from finance leases	66.0	11.1	61.6	10.0
Non-consolidated subsidiaries	4.4	-	-	-
Securities	6.4	327.2	5.6	317.3
	1,181.1	866.8	1,128.6	433.0

Accounting Policies

Financial assets are recognized in the balance sheet when Vonovia becomes a contracting party of the financial instrument. A financial asset is derecognized when the contractual rights to the cash flows from a financial asset expire, or the financial asset is transferred and Vonovia neither retains control nor retains material risks and rewards associated with ownership of the financial asset.

In accordance with IFRS 9, the **classification of financial assets** takes into account both the business model in which financial assets are held and the characteristics of the cash flows of the assets in question. These criteria determine whether the assets are measured at amortized cost using the effective interest method or at fair value.

With regard to the business model criterion, all financial investments at Vonovia are to be assigned to the "hold to collect" model pursuant to IFRS 9.4.1.2(a). Whenever financial investments are categorized as equity instruments, Vonovia has exercised the irrevocable option to state future changes to the fair value in other comprehensive income in equity. Gains and losses recognized in other comprehensive income are never reclassified from total equity to the income statement on their disposal.

The carrying amount of financial assets corresponds to maximum risk of loss as of the reporting date.

Due to the subsequent measurement of the call options that Vonovia received as part of the sale of two minority stakes in the Südwedo portfolio in Baden-Württemberg and in the northern Germany portfolio, the balance sheet value fell by € 60.0 million to € 671.0 million as of December 31, 2025 (December 31, 2024: € 731.0 million). The adjustment as of December 31, 2025 was determined primarily by the dividends already paid and the change in the WACC. In a sensitivity analysis, the WACC was changed by +0.5%/-0.5% for the call options, which would result in a change in equity affecting net income of € -76.0 million/€ +86.0 million (December 31, 2024: € -89.0 million/€ +108.0 million).

In addition, positive market values from cash flow hedges in the amount of € 63.0 million (December 31, 2024: € 50.6 million) were reported under non-current derivatives.

The loans to associates and joint ventures relate primarily to loan receivables from the QUARTERBACK Immobilien-Group with a nominal value of € 108.6 million at the end of the year (December 31, 2024: € 836.1 million) that are recognized in the amount of € 18.7 million (December 31, 2024: € 476.8 million) after taking account of the expected credit loss. These loans are classified as current in full. The loans were granted in line with standard market conditions.

In the reporting year, Vonovia concluded purchase agreements with QUARTERBACK Immobilien AG both for the acquisition of land to build on and for the selective acquisition of property management units. Loan receivables were offset as a component of the purchase price when the transactions closed in the 2025 fiscal year. The drop in loan receivables as of December 31, 2025 is therefore due, first of all, to the offsetting of loan receivables as part of the acquisition of land to build on and property management units from the QUARTERBACK Immobilien Group in the amount of € 417.2 million (2024: € - million). Second, impaired receivables with a nominal volume of € 258.3 million (2024: € - million) were sold for one euro to the QUARTERBACK Immobilien Group. In addition, impaired receivables with a nominal volume of € 52.0 million (2024: € - million) were transferred to the capital reserves of QUARTERBACK Immobilien AG.

The value of the receivables outstanding after the transactions were closed had to be reassessed. This resulted in a corresponding impairment loss of € 48.5 million (2024: € 319.9 million) being recognized in the 2025 fiscal year. In total, the impairment of the outstanding loan principal as of December 31, 2025 amounts to € 89.9 million (December 31, 2024: € 340.0 million).

As part of a review of the recoverability of the loan to QUARTERBACK New Energy Holding GmbH with a nominal value of € 90.0 million at the end of the year (December 31, 2024: € 90 million), no further need for impairment was identified (2024: € 45.0 million).

In addition, loans to associates and joint ventures include loan receivables totalling € 27.8 million (December 31, 2024: € - million), for which no impairments were identified in the 2025 fiscal year (2024: € - million).

Other investments include the most significant individual investment, namely the shares in the Vesteda Residential Fund FGR, Amsterdam, in the amount of € 206.5 million (December 31, 2024: € 190.2 million). The increase is due to a change in the fair value of the shares that was reported without affecting net income in accordance with the option provided for in IFRS 9.

The loans to other investments not yet due largely relate to a loan to the property fund DB Immobilienfonds 11 Spree-Schlange von Quistorp KG. Impairment losses of € 23.2 million (2024: € 10.3 million) were recognized on those non-current loans.

Receivables from finance leases amounted to € 71.6 million as of the balance sheet date (December 31, 2024: € 77.1 million) and result from the leasing of broadband cable networks (coax networks).

The year-on-year drop in receivables from finance leases (€ -5.5 million) is primarily due to received cable network charges.

With effect from January 1 as well as April 1, 2025, Vonovia leased further coax broadband networks under long-term agreements, recognizing receivables from finance leases and revenue of € 5.0 million. The resulting proceeds amounted to € 2.4 million in the reporting year.

The finance income resulting from the interest capitalization of the receivables from finance leases amounted to € 3.0 million in the reporting year (2024: € 1.2 million). Moreover, revenue amounting to € 11.8 million (2024: € 5.9 million) was recognized as part of a variable revenue-sharing arrangement in the 2025 fiscal year.

The maturity profile of the receivables is as follows:

in € million	Dec. 31, 2024	Dec. 31, 2025
Nominal value of outstanding lease payments	89.1	84.4
thereof due within one year	13.4	12.6
thereof due between 1 and 2 years	9.9	9.9
thereof due between 2 and 3 years	9.2	9.6
thereof due between 3 and 4 years	8.9	9.6
thereof due between 4 and 5 years	8.8	9.6
thereof due after more than 5 years	38.9	33.1
plus unguaranteed residual values	-	-
less unrealized financial income	-12.0	-12.8
Present value of outstanding lease payments	77.1	71.6

€ 321.0 million (December 31, 2024: € 334.0 million) of the securities are restricted with regard to their use. These largely relate to government bonds (€ 315.8 million).

29 Financial Assets Accounted for Using the Equity Method

As of the reporting date, Vonovia held interests in 16 joint ventures and 14 associates (December 31, 2024: 17 joint ventures and 14 associates).

Gropyus AG

Gropyus AG is specializes in developing and implementing serial-modular wooden construction projects. As part of development projects, the collaboration with Gropyus is aims to use efficient, digitalized solutions to create sustainable and affordable living space. Participation in a capital increase in the second quarter of 2025 meant that the stake in Gropyus AG increased from 23.9% in 2024 to 26.75%. Vonovia's voting rights amount to 24.05% (2024: 21.3%). The at-equity adjustment of the investment in Gropyus AG results in a negative result of € -13.9 million in the reporting period (2024: € 1.1 million). An impairment test was performed on the interest in Gropyus AG as of December 31, 2025. No need for impairment arose.

The table below shows financial information for Gropys AG as of December 31, 2025.

in € million	Dec. 31, 2024 Gropys AG	Dec. 31, 2025 Gropys AG
Non-current assets	77.7	70.6
Current assets		
Cash and cash equivalents	14.4	2.4
Other current assets	38.8	42.8
Total current assets	53.2	45.2
Non-current liabilities	7.9	4.1
Current liabilities	56.2	69.5
Net assets (100%)	66.8	42.2
Group share in %	23.9%	26.8%
Group share of net assets	16.0	11.3
Group adjustments	94.8	102.1
Carrying amount of share in joint venture	110.8	113.4
Revenue	22.8	13.0
Interest income	0.6	0.5
Depreciation and amortization	-2.5	-1.6
Other operating expenses	-37.3	-15.2
Interest expenses	-2.2	-
Total results and comprehensive income for the fiscal year (100%)	-49.8	-52.0

Mosaik fund

In August 2024, Vonovia sold eleven development projects for € 489.0 million to a fund launched by HHH Invest, Projekt Mosaik GmbH & Co. KG. A transfer of six properties with a purchase price of € 302.2 million had been made by December 31, 2024. A further four properties with a purchase price of € 106.4 million were transferred in 2025.

In October 2024, Vonovia sold a further ten additional development projects for around € 515.9 million to another fund launched by HHH Invest, Projekt Mosaik II GmbH & Co. KG. Properties worth € 69.6 million had been transferred by December 31, 2024, within this context. A further three properties with a purchase price of € 114.4 million were transferred in 2025.

Vonovia has a 49.2% stake in both funds. The agreed compulsory contributions were made in accordance with the share quotas, which increased the total equity of the Mosaik funds. Interim profits from the disposal of real estate inventories in the amount of € 3.7 million (2024: € 4.2 million) were deducted from the consolidated results as part of the sale.

As of December 31, 2025, the funds contributed € -22.1 million (2024: € 0.0 million) to Vonovia's consolidated results. In addition to the at-equity adjustment of the investment in the amount of € -11.9 million, this figure includes adjustments associated with finalizing the figures reported by Mosaik in the financial statements.

The table below provides financial information for Projekt Mosaik GmbH & Co. KG and Projekt Mosaik II GmbH & Co. KG as of December 31, 2025:

in € million	Dec. 31, 2024*	Dec. 31, 2024*	Dec. 31, 2025	Dec. 31, 2025
	Projekt Mosaik GmbH & Co. KG	Projekt Mosaik II GmbH & Co. KG	Projekt Mosaik GmbH & Co. KG	Projekt Mosaik II GmbH & Co. KG
Non-current assets	341.3	68.7	435.5	179.8
Total current assets	239.4	30.1	141.5	172.0
Non-current liabilities	174.9	30.6	261.9	130.6
Current liabilities	194.7	25.1	62.2	118.0
Net assets (100%)	211.1	43.1	252.9	103.2
Group share in %	49.2%	49.2%	49.2%	49.2%
Group share of net assets	103.8	21.2	124.4	50.8
Group adjustments	-4.5	0.4	-4.2	3.7
Carrying amount of share in joint venture	99.3	21.6	120.2	54.5
Interest income	0.4	0.1	2.0	1.3
Other operating expenses	-0.1	-0.1	-5.6	-1.2
Interest expenses	0.0	0.0	-6.6	-3.0
Total results and comprehensive income for the fiscal year (100%)	-8.5	-4.3	-14.5	-9.7

* Previous year's presentation was adjusted.

QUARTERBACK Group

Vonovia continues to hold 40% of the non-listed QUARTERBACK Immobilien AG whose registered office is situated in Leipzig. QUARTERBACK Immobilien AG is a project developer with operations throughout Germany focusing on the central German region. The investment strengthens Vonovia's development business.

Vonovia also still holds 40% of QUARTERBACK New Energy Holding GmbH, which was hived off from the QUARTERBACK-Immobilien-AG group structure back in 2024, and has been continuing the New Energy business area ever since.

Vonovia also holds interests in eleven (December 31, 2024: eleven) non-listed financial investments of QUARTERBACK Immobilien AG, with equity interests of between 44% and 50% (QUARTERBACK property companies), that were classified as joint ventures.

The 40% stake in the non-listed QUARTERBACK Immobilien AG (QBI), QBI's eleven non-listed financial investments, in which Vonovia holds stakes ranging between 44% and 50% and the 40% stake in the non-listed QUARTERBACK New Energy Holding GmbH were adjusted based on the financial information as of December 31, 2025, that was available on the preparation cut-off date.

in € million	Dec. 31, 2024 QUARTER- BACK Immobilien AG	Dec. 31, 2025 QUARTER- BACK Immobilien AG	Dec. 31, 2024 QUARTER- BACK New Energy Holding GmbH	Dec. 31, 2025 QUARTERBACK New Energy Holding GmbH	Dec. 31, 2024 QUARTER- BACK property companies	Dec. 31, 2025 QUARTERBACK property companies
Non-current assets	235.1	142.2	70.0	70.5	20.8	16.3
Current assets						
Cash and cash equivalents	86.2	37.5	7.3	11.1	9.4	11.0
Other current assets	1,855.3	640.7	139.0	190.0	660.9	204.4
Total current assets	1,941.5	678.2	146.3	201.1	670.3	215.4
Non-current liabilities	371.1	109.5	69.7	23.5	102.5	2.3
Current liabilities	1,746.6	450.7	146.5	269.9	462.8	237.0
Non-controlling interests	36.0	25.8	-	-1.3	9.8	4.8
Net assets	22.9	234.4	0.1	-20.5	116.0	-12.4
Group share in %	40%	40%	40%	40%	44% to 50%	44% to 50%
Group share of net assets	9.2	93.8	0.0	-8.2	52.8	-6.9
Group adjustments	-9.2	-93.8	0.0	8.2	4.1	20.5
Carrying amount of share in joint venture	0.0	0.0	0.0	0.0	56.9	13.6
Revenues	493.2	902.1	2.3	28.5	76.2	237.5
Change in inventories	-56.1	-571.9	70.0	36.3	-9.2	-198.9
Interest income	5.7	5.4	0.1	0.1	5.7	5.5
Depreciation and amortization	-5.6	-6.5	-0.5	-1.1	-0.1	-0.1
Interest expenses	-121.1	-53.5	-8.2	-21.7	-32.5	-20.5
Income taxes	4.5	-63.6	-1.1	-2.0	5.1	-19.9
Total results and comprehensive income for the fiscal year (100%)	-154.6	155.6	-10.6	-20.4	-56.3	-52.5

The at-equity adjustment of the investments in the QUARTERBACK Group described above produces a negative result of € -20.9 million as of December 31, 2025 (2024: € -49.3 million). The part of the loss for the reporting period that was not recognized comes to € 88.4 million (2024: € 8.0 million). The cumulative amount of losses not recognized comes to € 110.3 million on the reporting date (2024: € 21.9 million).

As part of the acquisition of land to build on, apartments and commercial units from the QUARTERBACK Immobilien Group, accounting for a volume of around € 0.4 billion, were transferred to Vonovia's portfolio in the 2025 fiscal year. The acquisition of land to build on with a volume of around € 1.1 billion was also completed in the 2025 fiscal year. In the course of the transaction, loan receivables from the QUARTERBACK Immobilien Group in the amount of € 417.2 million (2024: € - million) were offset.

Furthermore, impaired receivables with a nominal volume of € 258.3 million (2024: € - million) were sold for one euro to the QUARTERBACK Immobilien Group. In addition, impaired receivables with a nominal volume of € 52.0 million (2024: € - million) were transferred to the capital reserves of QUARTERBACK Immobilien AG.

Other investments accounted for using the equity method

In addition to these investments, Vonovia also holds interests in 14 (December 31, 2024: 15) other entities that are accounted for using the equity method and are currently of minor importance; quoted market prices are not available.

The interests were adjusted for these entities provided that corresponding financial information was available.

The following table shows, in aggregated form, the carrying amount and the share of profit and other comprehensive income of these companies:

in € million	Dec. 31, 2024	Dec. 31, 2025
Carrying amount of shares in companies accounted for using the equity method	49.3	197.0
Group share of net income of non-significant companies accounted for using the equity method	10% to 50%	10% to 50%
Pro rata total comprehensive income	-5.6	-3.6

As of December 31, 2024, Vonovia holds a 100% stake in Delphinus SubCo GmbH. In the third quarter of 2025, 51% of the stake in Apollo Capital Management L.P. was sold, so that Vonovia now holds a 49% stake in Delphinus SubCo GmbH. As a result of the sale and the associated loss of control, the company has been accounted for using the equity method since the shares were sold. 20% of the shares in Deutsche Wohnen SE were transferred to Delphinus SubCo GmbH. This involves taking the economic substance of the investment as a basis, and only presenting investments in terms of the relationship with third-party shareholders.

A loan of € 150.0 million was granted to the company as part of the sale. This is shown, including interest, under the carrying amounts of the stakes in the non-current financial assets accounted for using the equity method.

The figures include a currency effect for the Swedish investments of € 1.4 million as of December 31, 2025.

With regard to the other 14 entities, Vonovia has no significant financial obligations or guarantees with respect to joint ventures and associates.

The interests were adjusted for these entities provided that corresponding financial information was available.

30 Other Assets

in € million	Dec. 31, 2024		Dec. 31, 2025	
	non-current	current	non-current	current
Advance payments for real estate projects	240.6	292.2	6.9	97.6
Receivables from insurance claims	1.7	101.6	1.8	76.8
Contract assets relating to development	-	88.1	-	34.7
Contract assets relating to ancillary cost bills	-	8.6	-	6.6
Right to reimbursement for transferred pensions	2.0	-	1.6	-
Miscellaneous other assets	22.7	184.0	5.6	185.2
	267.0	674.5	15.9	400.9

The advance payments made for real estate projects include ongoing project developments by third parties (forward deals) in which the purchase price is paid in installments during the project development phase. The reduction in advance payments made is related mainly to the sale of forward deals to the Mosaik fund and the reclassification of projects to construction in progress. Impairment losses on advance payments for real estate projects in the amount of € 3.5 million (December 31, 2024: € - million) were taken into account in the reporting period.

The receivables from insurance claims include the recognition of the excess of the fair value of plan assets over the corresponding pension obligations amounting to € 1.8 million (December 31, 2024: € 1.7 million).

The contract assets in the Development segment arising over time, pursuant to IFRS 15, due to the sale of real estate inventories are offset against the corresponding advance payments received.

The contract assets from ancillary costs comprise the excess, at single entity level, of ancillary cost payments made during the year and the payments made by tenants in advance before billing.

The right to reimbursement for transferred pensions is in connection with the indirect obligation shown under provisions for pensions arising from pension entitlements transferred to former affiliated companies of the Viterra Group.

Miscellaneous other assets include the entitlement to the additional purchase price payment as part of the ongoing judicial review proceedings in connection with the control agreement concluded in 2014 between Deutsche Wohnen SE and GSW Immobilien AG in the amount of € 71.6 million (2024: € 69.7 million).

31 Income Tax Receivables

The income tax receivables disclosed relate to corporate income tax and trade tax receivables for the current fiscal year and prior years as well as capital gains tax.

32 Inventories

Accounting Policies

Inventories are valued at cost or at their net realizable value, whichever is lower. Carbon credits and green electricity certificates are recognized at cost and are subsequently tested for impairment as of the reporting date.

Inventories primarily include repair materials for the internal craftsmen's organization in the amount of € 14.1 million (December 31, 2024: € 11.5 million) and carbon credits that Vonovia Energie Service has to keep as part of its carbon emissions trading in the amount of € 13.1 million (December 31, 2024: € 1.6 million). In individual cases, the credits can also include smaller quantities of green electricity certificates that serve as evidence of a green electricity product.

33 Trade Receivables

The trade receivables break down as follows:

in € million	Impaired		Not impaired						Carrying amount
	Gross amount	Impairment losses	Neither impaired nor past due at the end of the reporting period	Overdue in the following time bands as of the reporting date					Corresponds to maximum risk of loss*
				less than 30 days	between 30 and 90 days	between 91 and 180 days	between 181 and 360 days	more than 360 days	
Receivables from the sale of investment properties	1.6	-0.9	118.1	13.2	8.9	3.8	1.5	6.0	152.2
Receivables from the sale of real estate inventories			66.9	0.0	0.5	0.7	1.2	3.1	72.4
Receivables from property letting	113.7	-56.4							57.3
Receivables from other supplies and services	27.3	-6.2	31.5	2.6	1.9	1.5	0.7	0.5	59.8
As of Dec. 31, 2025	142.6	-63.5	216.5	15.8	11.3	6.0	3.4	9.6	341.7
Receivables from the sale of investment properties	1.7	-1.0	102.3	29.6	5.1	0.7	2.1	1.1	141.6
Receivables from the sale of real estate inventories			302.4	8.3	7.9	1.7	1.0	2.3	323.6
Receivables from property letting	126.9	-55.4							71.5
Receivables from other supplies and services	27.1	-6.4	21.1	1.8	2.5	0.9	0.5	0.4	47.9
As of Dec. 31, 2024	155.7	-62.8	425.8	39.7	15.5	3.3	3.6	3.8	584.6

* The maximum default risk on the receivables from the sale of properties is limited to the margin and the transaction unwinding costs as the title to the properties remains with Vonovia as security until receipt of payment.

Accounting Policies

Impairment losses on financial assets are determined based on the expected credit loss model. The guiding principle of the model is to reflect the general pattern of deterioration or improvement in the credit quality of financial instruments, taking losses that are already expected into account.

The IFRS 9 approach includes the following measurement levels:

- > Level 1: Twelve-month expected credit losses (ECLs), which applies to all items (from initial recognition) as long as there is no significant deterioration in credit quality.
- > Level 2: Lifetime ECLs (homogeneous debtor portfolios), which applies when a significant increase in credit risk has occurred on an individual or a collective basis of financial instruments.
- > Level 3: Lifetime ECLs (based on an individual assessment): If an individual assessment of assets produces objective indications of a need for impairment, then an assessment of the entire maturity of the financial instrument is decisive.

The simplified impairment approach is used with regard to **trade receivables** (e. g., rent receivables, receivables from ancillary costs, receivables from the sale of properties) and for **contract assets** pursuant to IFRS 15. This means that there is no need to track the changes in credit risk. Instead, Vonovia has to set up loan loss provisions in the amount of the lifetime expected credit losses both at the time of initial recognition and on each following reporting date.

The carrying amounts of current trade receivables correspond to their fair values.

Receivables from the sale of properties arise on economic transfer of ownership. The due date of the receivable may, however, depend on the fulfillment of contractual obligations. Some purchase contracts provide for the purchase price to be deposited in an escrow account. Impairment losses for doubtful debts are recorded up to the amount of the posted proceeds from sales.

Vonovia's receivables from property letting generally arise at the beginning of the month, are of a short-term nature and result from claims in relation to tenants relating to operating business activities. Due to the (subsequent) measurement at amortized cost, an impairment test has to be performed. The receivables fall under the scope of the calculation of expected credit losses.

In accordance with the general provisions set out in IFRS 9, expected credit losses are to be recognized using the simplified approach for current trade receivables without any significant financing component.

Vonovia uses a credit loss matrix when calculating expected credit losses for trade receivables. The matrix is based on historical default rates and takes current expectations into account. The matrix can be used to calculate the expected credit losses for various homogeneous portfolios.

In order to create portfolios for the purpose of assessing the probability of default, the individual clusters of receivables need to have homogeneous credit risk characteristics. As far as receivables from its operating business activities are concerned, i.e., the letting of rental properties, Vonovia makes a distinction between receivables from existing tenants and receivables from former tenants. Both portfolios include current receivables that are exposed to a low level of volatility, as the company's core operating business is hardly exposed to any major fluctuations.

In principle, all impaired trade receivables are due and payable. As regards the trade receivables that are neither impaired nor past due, there was no indication on the reporting date that the debtors would not meet their payment obligations.

Impairment losses on trade receivables developed as follows:

in € million

Impairment losses as of Jan. 1, 2025	62.8
Addition	28.4
Utilization	-27.5
Reversal	-0.8
Revaluation from currency effects	0.6
Impairment losses as of Dec. 31, 2025	63.5
Impairment losses as of Jan. 1, 2024	59.5
Addition	33.8
Utilization	-29.4
Reversal	-0.9
Revaluation from currency effects	-0.2
Impairment losses as of Dec. 31, 2024	62.8

Calculation Method for Receivables from Former Tenants

The calculation of the probability of default is based on the results of an analysis of the historical probability of default. Cash flows relating to outstanding receivables were analyzed and an average amount of incoming payments was calculated on a monthly basis. Ultimately, Vonovia has been able to collect approx. 5% of the average receivables over the last few years. The risk provisions recognized on receivables from former tenants therefore correspond to 95%.

The loss given default comprises the following:

The receivables of former tenants that are being analyzed (amount of the receivable at the time of default) are corrected to reflect retained deposits that serve as security for Vonovia. This is already taken into account as part of the calculation method used for the probability of default.

The average receivables taken as a basis do not include receivables subject to specific valuation allowances that were written off in full.

Receivables from Existing Tenants

When it comes to determining the probability of default with regard to receivables associated with ongoing lease agreements, Vonovia analyzes those receivables that have actually been derecognized over the last few years.

Receivables are managed adopting a systematic approach that takes the following aspects into account: receivables from ancillary expenses, product-related factors, rent adjustments and difficulties making payment.

Within the impairment losses on receivables from property letting, the risk provisions are generally taken into account as follows: For existing tenants, a risk provision corresponding to between 18% and 40% of the receivables, in a total amount of € 14.2 million (December 31, 2024: € 13.5 million), was set up depending on the term. In cases involving payment difficulties, the provision corresponded to between 40% and 95% of the receivables and amounted to € 8.9 million in total (December 31, 2024: € 8.9 million). The risk provisions for former tenants correspond to 95% of the receivables and amount to € 33.3 million in total (December 31, 2024: € 33.0 million).

For contracts with customers who are assigned to Vonovia's development business, the payment terms pursuant to Section 3 (2) of the Real Estate Agent and Commercial Contractor Regulation (MaBV) generally apply in Germany. Customers also have a contractual obligation to present a financing commitment issued by a credit institution for the entire purchase price. Otherwise, Vonovia is entitled to withdraw from the agreement. In Austria, the installment plan pursuant to Section 10 (2) of the Austrian Property Development Contract Act (BTVG) is normally applied, with customers obliged to pay the entire purchase price into an escrow account. Due to the structure of the standard payment terms in the development business, no separate impairment losses are taken into account on corresponding receivables from customer contracts.

For example, receivables are derecognized if tenants die and have no heirs, if they move to an unknown location or move abroad, if execution is impossible for the court bailiff, in cases involving bankruptcy or if a settlement was reached.

The following table shows the expenses for the full derecognition of receivables as well as income from the receipt of derecognized receivables:

in € million	2024	2025
Expenses for the derecognition of receivables	6.6	18.1
Income from the receipt of derecognized receivables	10.9	7.0

34 Cash and Cash Equivalents

Accounting Policies

Cash and cash equivalents include cash on hand, checks and deposits at banking institutions as well as marketable securities with an original term of up to three months.

Cash and cash equivalents are measured using the general impairment approach in accordance with IFRS 9.

Cash and cash equivalents include cash on hand, checks and deposits at banking institutions totaling € 3,106.8 million (December 31, 2024: € 1,756.7 million) as well as short-term securities held as current assets in the amount of € 150.0 million (December 31, 2024: € - million).

€ 61.1 million (December 31, 2024: € 65.4 million) of the bank balances are restricted with regard to their use.

35 Real Estate Inventories

Accounting Policies

Properties from the sales-related development business and land and buildings intended for sale are reported within real estate inventories. The **sales-related development business** refers to subsidized or independently financed condominiums that are under construction or have already been completed. These properties are not held with the aim of generating rental income or achieving increases in value within the meaning of IAS 40, but rather are developed and constructed to be sold at a later date. These development projects are recognized depending on whether there is a customer contract for the residential units that are intended for sale. If this is not the case, the valuation is performed, due to the intention to sell according to IAS 2 at amortized cost or at net realizable value, whichever is lower, with a corresponding disclosure under real estate inventories.

As inventories are current assets, they are not subject to depreciation. IAS 36 is not applicable either, as the assets recognized in accordance with IAS 2 are explicitly excluded from its scope of application. Instead, the strict lower-of-cost-or-market principle applies, meaning that checks are to be performed at regular intervals, or in the event of corresponding indications, to determine whether the net realizable value has fallen below the amortized cost. Any impairment losses are recognized in other operating expenses due to the short-term nature of inventories.

Cost is calculated for each project development on the basis of an individual project cost estimate that includes the planned costs, and the actual costs incurred, at the level of the individual trades.

The net realizable values are determined on the basis of a sales estimate of the sale prices likely to be achieved per square meter. Undeveloped land is generally valued on the basis of standard land values using an indirect comparative value method.

Recognized real estate inventories in the amount of € 1,865.6 million (December 31, 2024: € 1,608.0 million) concern development projects. These are projects to construct residential units planned for sale that are currently being built or that have been completed but have not yet been sold.

36 Assets and Liabilities Held for Sale and Assets and Liabilities of Discontinued Operations

Accounting Policies

Assets **held for sale** include those non-current assets that can, and are extremely likely to be, sold at standard conditions in their current state. A sale is deemed to be highly probable if there is a commitment to a plan to sell the asset, an active program to locate a buyer and complete the plan has been initiated, the asset is being actively marketed for sale at a reasonable price, and a sale is expected to be completed within one year of the date on which the asset is classified as held for sale. Investment properties held for sale are recognized at the contractually agreed sales price or, if this is not available, at the estimated sales price. If there is a disposal group, it is recognized at fair value less costs to sell, if the latter is lower than the net carrying amount of the disposal group.

This item not only includes individual non-current assets that are to be sold, but also groups of assets (disposal groups). Discontinued operations are reported separately as an item in their own right. In cases involving disposal groups and discontinued operations, all liabilities to be sold together with the corresponding assets as part of one and the same transaction are also reclassified to the items "Liabilities in connection with assets held for sale" or "Liabilities of discontinued operations."

Vonovia accounts for investment properties as **assets held for sale** when notarized purchase contracts have been signed or a declaration of intent to purchase, or at least an exclusivity agreement, has been signed by both parties as of the reporting date but transfer of title will, under the contract, not take place until the subsequent reporting period. Investment properties held for sale are recognized at the contractually agreed sales price. If there is a **disposal group**, it is recognized at fair value less costs to sell, if the latter is lower than the net carrying amount of the disposal group.

A **discontinued operation** refers to a scenario in which a separate major line of business or a geographical area of operations is classed as held for sale, or if a business activity is part of a single coordinated plan for such a sale. A line of business has to be distinct from the other activities for accounting purposes before it can be classified as a discontinued operation. The result is presented separately from the continuing operations in the consolidated income statement. The comparative year is restated as if the discontinued operation had been classified as such from the start of that year.

Assets and Liabilities Held for Sale

The portfolio in Berlin comprising around 4,500 residential units, which was sold in the previous year, was transferred, in economic terms, effective January 1, 2025. This reduced assets held for sale by around € 700 million and also reduced debt (largely deferred tax liabilities) by € 203.1 million. Within the outgoing assets, cash and cash equivalents of € 8.2 million were disposed of as part of the disposal group. In addition to existing buildings, the transaction also includes a development site, which was reported under real estate inventories in the balance sheet. As the sale of the existing buildings and the land for development were agreed as a single transaction, they are treated as a linked transaction. The fair value measurement of the corresponding portfolio therefore meant that the sale in 2025 did not result in any proceeds overall. As the purchase price was split between the two affected property-holding companies, however, a positive effect is generated by the sale of real estate inventories in the amount of around € 53.3 million (see → [B11] Profit from Disposal of Real Estate Inventories) and, with the opposite effect, the effect from the disposal of properties (€ -53.3 million) (see → [B10] Profit from the Disposal of Properties).

In addition, the transfer of further possession, benefits and encumbrances associated with properties earmarked for sale that had been reported in the balance sheet as assets held for sale as of December 31, 2024, as well as the transfer of properties back to investment properties due to the reassessment of how likely these properties are to be sold, resulted in a marked drop in assets held for sale.

Sales of real estate portfolios which, as of December 31, 2025, had been classified as assets held for sale and economic ownership of which is likely to be transferred in 2026 had a slight offsetting effect.

Impairment Losses on the Disposal Group

The management currently expects the purchase price to match the balance of IFRS 5 assets and liabilities less costs to sell.

Assets and Liabilities Held for Sale of the Discontinued Operation

As part of a strategic review, the management decided in 2023 to sell the Care segment. In the course of 2024 and at the beginning of 2025, the 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. Ownership of a further two nursing care properties was transferred in the second quarter of 2025. Ownership of a

further 14 nursing care properties and the PFLEGEN & WOHNEN HAMBURG GmbH (P&W) nursing care businesses was transferred in the third quarter of 2025. Ownership of the remaining four nursing care properties was transferred in the fourth quarter of 2025. These transactions completed the sale of the discontinued nursing care business.

This means that, as of December 31, 2025, no assets or liabilities were allocated to the discontinued nursing care business:

in € million	Dec. 31, 2024	Dec. 31, 2025
Intangible assets	9.3	-
Property, plant and equipment	34.3	-
Investment properties	606.0	-
Other assets	4.0	-
Total non-current assets of discontinued operations	653.6	-
Inventories	0.5	-
Trade receivables	25.9	-
Other assets	5.9	-
Income tax receivables	0.5	-
Cash and cash equivalents	43.5	-
Total current assets of discontinued operations	76.3	-
Total assets of discontinued operations	729.9	-

in € million	Dec. 31, 2024	Dec. 31, 2025
Provisions	32.4	-
Lease liabilities	1.7	-
Deferred tax liabilities	5.0	-
Total non-current liabilities of discontinued operations	39.1	-
Provisions	13.3	-
Trade payables	6.4	-
Lease liabilities	1.8	-
Current income taxes	0.3	-
Other liabilities	16.5	-
Total current liabilities of discontinued operations	38.3	-
Total liabilities of discontinued operations	77.4	-

The earnings contribution from discontinued operations is comprised as follows.

in € million	2024	2025
Revenue from property letting	-	-
Other revenue from property management	296.2	148.2
Revenue from property management	296.2	148.2
Income from disposal of properties	87.7	284.6
Carrying amount of properties sold	-90.8	-284.4
Profit from the disposal of properties	-3.1	0.2
Net income from fair value adjustments of investment properties	-8.2	-
Cost of materials	-54.5	-29.0
Personnel expenses	-184.0	-93.0
Depreciation and amortization	-	-
Other operating income	17.6	7.7
Net income from the derecognition of financial assets measured at amortized cost	0.3	0.1
Other operating expenses	-22.1	-14.2
Interest income	0.2	0.9
Interest expenses	-1.7	-0.6
Earnings before tax	40.7	20.3
Income taxes	-0.6	-1.6
Profit for the period from discontinued operations (before valuation of discontinued operations)	40.1	18.7
Gain or loss recognized on the measurement and on the disposal of the discontinued operations	-13.4	52.6
Profit for the period from discontinued operations	26.7	71.3

Intra-Group transactions were eliminated from the consolidated financial results in full. The eliminations were allocated to continuing operations and discontinued operations so as to take account of the decision not to continue these transactions after the disposal, as the Management Board considers this type of presentation to be useful.

For this purpose, the Management Board has eliminated the revenue generated from transactions with continuing operations in the result from continuing operations, as no services will be exchanged between the continuing operations and the discontinued operations after the sale.

Disclosures on Employees

As of December 31, 2025, Vonovia had no employees (December 31, 2024: 3,912, 2,977 of whom were women and 935 of whom were men) working in the business area belonging to the discontinued operations. The average figure for the year was 1,829 employees (2024: 3,881). Furthermore, as of December 31, 2025, Vonovia had no apprentices (December 31, 2024: 417) working in the business area belonging to the discontinued operations.

Net Income from the Measurement of the Discontinued Operations

The valuation of the discontinued operations at the lower of carrying amount and fair value less costs to sell has not resulted in any impairment losses (2024: € -13.4 million).

Net Income from the Disposal of the Discontinued Operations

The total sale price for the shares in the nursing care businesses belonging to the discontinued operations came to € 379.7 million (including the assumption of debt) and, with the exception of a remaining purchase price receivables of € 10.9 million, was paid in the form of cash and cash equivalents. At the time of the sale, the discontinued operations had total cash and cash equivalents of € 40.8 million. The sale also involved transferring intangible assets in the amount of € 8.4 million, property, plant and equipment of € 43.0 million, investment properties of € 318.4 million, other receivables and assets of € 14.2 million and liabilities of € 97.7 million.

The disposal of the "Katharinenhof" nursing care businesses in the first quarter of 2025 produced proceeds of € 5.1 million (2024: € - million).

The profit from the disposal of the discontinued operations includes profit from the disposal of deferred taxes in the amount of € 1.3 million (2024: € - million).

The disposal of the PFLEGEN & WOHNEN HAMBURG GmbH (P&W) nursing care businesses in the third quarter of 2025 produced proceeds of € 47.5 million (2024: € - million). The profit from the disposal of the discontinued operations includes profit from the disposal of deferred taxes in the amount of € 17.4 million (2024: € - million).

Cumulative Income or Expenses Included in Other Comprehensive Income

Due to the sale of the nursing care business, no cumulative income or expenses not affecting net income resulting from the measurement of actuarial gains and losses in connection with the discontinued operations (December 31, 2024: € -10.0 million taking into account deferred tax effects, or € -11.9 million excluding tax effects) are included in Other comprehensive income as of December 31, 2025.

€ 8.8 million (2024: € -2.4 million) of the gains and losses recognized in other comprehensive income during the period, or € 10.5 million (2024: € -2.8 million) excluding tax effects, are attributable to Vonovia's shareholders and € 1.2 million (2024: € -0.3 million), or € 1.5 million (2024: € -0.4 million) excluding tax effects, is attributable to non-controlling shareholders.

Earnings per Share

The earnings per share attributable to the profit for the period of the discontinued operations came to € 0.02 (2024: € 0.03) for the 2025 fiscal year.

Cash Flows From the Discontinued Operation

Key Data from the Statement of Cash Flows

in € million	2024	2025
Cash flow from operating activities	47.1	33.3
Cash flow from investing activities	-46.4	-57.1
Cash flow from financing activities	-1.6	-19.7
Net changes in cash and cash equivalents of discontinued operations	-0.9	-43.5
Cash and cash equivalents at the beginning of the period	44.4	43.5
Cash and cash equivalents at the end of the period of discontinued operations	43.5	-

Section (E): Capital Structure

37 Total Equity

Accounting Policies

Other comprehensive income includes changes in total comprehensive income not affecting net income except that resulting from capital transactions with equity holders (e.g., capital increases or dividend distributions). Vonovia includes under this item unrealized gains and losses from the fair value measurement of equity instruments and derivative financial instruments that are designated as cash flow hedges. The item also includes actuarial gains and losses from defined benefit pension commitments as well as certain currency translation differences.

The **other reserves** contain cumulative changes in equity not affecting income. At Vonovia, the effective portion of the net change in the fair value of cash flow hedging instruments, the equity instruments at fair value as well as currency translation differences are recognized in other comprehensive income.

The other reserves from cash flow hedges and from currency translation differences can be reclassified. When the underlying hedged item of the cash flow hedge affects net income, the reserves attributable thereto are reclassified to profit or loss. If a foreign business is disposed of, the reserves attributable thereto are reclassified.

Development of the Subscribed Capital

in €

As of Dec. 31, 2024	822,852,925.00
Capital increase against non-cash contributions on Jun. 24, 2025 (scrip dividend)	12,768,562.00
Capital increase against non-cash contributions until Dec. 31, 2025 (exchange of Deutsche Wohnen SE shares)	12,594,898.00
As of Dec. 31, 2025	848,216,385.00

Development of the Capital Reserves

in €

As of Dec. 31, 2024	2,451,083,465.14
Premium from capital increase against non-cash contributions on Jun. 24, 2025 (scrip dividend)	343,959,523.14
Share premium from the capital increase against non-cash contributions as of Dec. 31, 2025 (exchange of Deutsche Wohnen SE shares)	375,831,756.32
Transaction costs on the issue of new shares (after allowing for deferred taxes)	-355,731.18
Withdrawal from capital reserve	-548,412,973.73
Other changes not affecting net income	-13,165,453.86
As of Dec. 31, 2025	2,608,940,585.83

Dividend

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. The total amount came to € 1,003,880,568.50.

As in previous years, shareholders could opt to receive either a cash dividend or 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 pursuant to Section 5b of the Articles of Association ("2022 authorized capital") at a subscription price of € 27.938, i.e., a total amount of € 356,728,085.14. The total amount of the dividend distributed in cash therefore came to € 647,152,483.36.

Authorized Capital

The 2022 authorized capital was canceled. New 2025 authorized capital totaling € 246,855,877.00 has been created. After being used in connection with the stock exchange for shares in Deutsche Wohnen SE, this capital fell by € 12,594,898.00 to € 234,260,979.00 as of December 31, 2025. Shareholder subscription rights for the 2025 authorized capital can also be excluded.

Capital Reserves

Deferred taxes in the capital reserves were reduced by € 13.5 million (2024: € 0.0 million), as the tax rate was adjusted above all as a result of the reduction in corporation tax decided for the years ahead. This effect is reported under other changes not affecting income.

Retained Earnings and Non-controlling Interests

Retained earnings as of December 31, 2025, came to € 24,130.8 million (December 31, 2024: € 21,149.1 million). This figure includes actuarial gains and losses of € 43.8 million (December 31, 2024: € 10.3 million), which cannot be reclassified and therefore may no longer be recognized in profit or loss in subsequent reporting periods.

Shares of third parties in Group companies are recognized under non-controlling interests.

The neutral effects in retained earnings and non-controlling interests are due largely to transactions with the co-investor Apollo Capital Management L.P.

In the third quarter of 2025, Apollo Capital Management L.P. indirectly acquired 10.2% of the shares in Deutsche Wohnen SE for € 1.0 billion via a subsidiary. This transaction increased non-controlling interests by € 1.3 billion, while retained earnings fell by € 0.3 billion.

Under the control and profit and loss transfer agreement between Vonovia SE and Deutsche Wohnen SE, 12,594,898.00 shares in Vonovia SE were created using the 2025 authorized capital and exchanged for shares in Deutsche Wohnen. This reduced non-controlling interests by € 483.0 million.

The shareholders who have not converted will receive a guaranteed dividend. Based on the term of the profit and loss transfer agreement, this was stated in liabilities at its net present value of € 157.3 million and reduced the total equity of the non-controlling interests.

The new Deutsche Wohnen SE minority shareholder Apollo Capital Management L.P. will also receive a guaranteed dividend. Based on the term of the profit and loss transfer agreement, this was also stated in liabilities at its net present value of € 310.9 million and also reduced the total equity of the non-controlling interests.

An amount of € 165.2 million was distributed to the non-controlling interests of Apollo Capital Management L.P. as of June 30, 2025 in connection with the investments in the Südewo portfolio and the northern Germany portfolio. As a result, the ratio between retained earnings and non-controlling interests in total equity was adjusted by € 98.7 million.

The allocation of additional guaranteed dividends reduced non-controlling interests by € 153.5 million (December 31, 2024: € 8.9 million).

The combined subgroup financial information, prepared in accordance with Vonovia's accounting policies, for the Deutsche Wohnen Group as a major subsidiary with non-controlling interests and its registered headquarters in Berlin is as follows:

in € million	Dec. 31, 2024 Deutsche Wohnen Group	Dec. 31, 2025 Deutsche Wohnen Group
Revenue	1,574.6	1,499.7
Profit for the period	550.3	926.1
attributable to non-controlling interests	66.3	239.2
Other comprehensive income	2.1	3.8
attributable to non-controlling interests	-0.3	0.6
Total non-current assets	23,161.2	24,670.0
Total current assets	3,184.3	1,751.0
thereof cash and cash equivalents	388.6	442.2
Total non-current liabilities	11,438.0	10,780.5
Total current liabilities	2,042.1	1,836.5
Total equity	12,865.4	13,804.0
Cash flow from operating activities	725.5	793.6
Cash flow from investing activities	-77.8	-295.2
Cash flow from financing activities	-417.1	-488.3
Net changes in cash and cash equivalents of discontinued operations	-0.9	-43.5
Net changes in cash and cash equivalents	230.6	10.1
Dividend per share in €	0.04	0.04

Other Reserves

Changes in other comprehensive income during the period in the amount of € 291.1 million (2024: € -93.9 million) are mainly the result of currency translation differences due to changes in the exchange rate for the Swedish krona against the euro in the amount of € 276.0 million (2024: € -143.0 million).

38 Provisions

in € million	Dec. 31, 2024		Dec. 31, 2025	
	non-current	current	non-current	current
Provisions for pensions and similar obligations	499.8	-	449.9	-
Other provisions for taxes (excl. deferred taxes)	-	20.8	-	59.3
Other provisions				
Environmental remediation	13.6	-	12.6	-
Personnel obligations	43.9	79.9	60.2	40.9
Miscellaneous other provisions	27.2	239.9	27.4	319.0
Total other provisions	84.7	319.8	100.2	359.9
Total provisions	584.5	340.6	550.1	419.2

Provisions for Pensions and Similar Obligations

Accounting Policies

When valuing the **provisions for pensions**, the company pension obligations are determined using the projected unit credit method pursuant to IAS 19 "Employee Benefits," whereby current pensions and vested pension rights as of the reporting date as well as expected future increases in salaries and pensions are included in the valuation. An actuarial valuation is performed at every reporting date.

The amount shown in the balance sheet is the total present value of the defined benefit obligations (DBO) after offsetting against the fair value of plan assets.

Actuarial gains and losses are accounted for in full in the period in which they occur and recognized in retained earnings as a component of other comprehensive income and not in profit or loss. The actuarial gains and losses are also no longer recognized affecting net income in subsequent periods.

Service cost is shown in personnel expenses. The service cost is the increase in the present value of a defined benefit obligation resulting from employee service in the reporting period.

The interest expense is recognized in the financial result. Interest expense is the increase during a period in the present value of a defined benefit obligation that generally arises due to the fact that the benefit obligation is one period closer to being discharged.

Vonovia has taken out reinsurance contracts for individual people. These are recognized at the asset value for tax purposes (i.e., actuarial reserve plus allocated profit shares).

Pension obligations as part of the "BAV 2021" deferred compensation scheme are financed using fund units that are stated at fair value.

These qualify as plan assets within the meaning of IAS 19.

Where the value of the assets exceeds the related pension obligations, the excess is recognized as an asset and shown under other assets.

Obligations from joint defined benefit multi-employer plans at Versorgungsanstalt des Bundes und der Länder (VBL), a pension institution of the Federal Republic of Germany and the Federal States, are stated, in line with IAS 19.34, in the same way as obligations from defined contribution plans. The data and information required for recognition as defined benefit plans for accounting purposes are not available (in particular information on the individual vested rights and the plan assets assigned to the member company), meaning that the plan is treated as a defined contribution plan in line with IAS 19.34.

Based on a judgment passed by the German Federal Labor Court (BAG) in October 2024, various companies belonging to the craft companies are members of the social insurance fund of the building industry. This gives

rise to an obligation to register employees with the supplementary welfare fund for the construction industry (ZVK). The data and information required for recognition as a defined benefit plan for accounting purposes are not available, as with VBL.

Vonovia has pension obligations towards various employees which are based on the length of service.

Vonovia pays contributions to state pension insurance providers under defined contribution pension systems based on statutory provisions. The current contribution payments are reported as social security contributions under personnel expenses in the amount of € 52.7 million (2024: € 47.1 million). The increase can be attributed mainly to the fact that the ZVK contributions were recognized for the first time in the amount of € 4.3 million in 2025.

Defined benefit and defined contribution obligations - for which Vonovia guarantees a certain level of benefit - are financed through provisions for pensions. Vonovia has taken out reinsurance contracts for individual people.

Generally, they are pension benefits that depend on the final salary with percentage increases depending on the number of years of service.

Pension commitments in the current fiscal year cover 6,978 (December 31, 2024: 6,941) vested rights.

The "BAV 2021" deferred compensation scheme, which was introduced in 2021, applies as standard for all defined employee groups within the Vonovia Group in Germany (current number of participants: 1,836). In addition to deferred compensation, the employer subsidies (matching contributions) are also contributed to the employee retirement benefit plan. The matching contributions made in each case correspond to the amount of the deferred compensation contribution made, and are limited to 1% of the employee's monthly gross basic salary. Individuals can opt to use

the allowance for capital formation purposes, and an annual deferred compensation amount corresponding to no more than 50% of the annual bonus (excluding the allowance paid by the employer) can also be contributed. The contributions are invested in two capital market funds and are credited to the staff account (employer and employee account) for retirement provision. The contributions made by the employees and Vonovia are transferred to a CTA and may only be used for the purposes of the employee retirement benefit plan. This gives employees double protection, even if Vonovia becomes insolvent, first via the pension insurance association that is required by law and second via the assets from the CTA. The capital is paid out as a lump-sum upon retirement.

An arrangement governing vested rights means that executives/non-tariff employees not subject to a collective pay-scale agreement working for companies belonging to Vonovia have the opportunity to participate in the "Pension Instead of Cash Remuneration" model (Versorgungsbezüge anstelle von Barbezügen) (eligible persons: 305 including employees who are no longer active). Retirement, invalidity and surviving dependent benefits in the form of a lifelong pension are offered under this deferred compensation model. The retirement benefits can also be paid out as a one-time capital sum.

Overview of the most important basic data for existing pension plans (all of which have already been closed):

	VO 1/VO 2 Veba Immobilien	VO 60/VO 91 Eisenbahnges.	Bochumer Verband
Type of benefit	Retirement, invalidity and surviving dependent benefits	Retirement, invalidity and surviving dependent benefits	Retirement, invalidity and surviving dependent benefits
Pensionable remuneration	Final salary	Final salary	Not applicable
Max. pension level	Yes	Yes	Depends on individual grouping
Total pension model based on final salary	Yes	No	No
Net benefit limit incl. state pension	None	Yes	None
Gross benefit limit	Yes	None	None
Adjustment of pensions	Section 16 (1, 2) BetrAVG	Section 16 (1, 2) BetrAVG	Adjustment every 3 years by Bochumer Verband (Management Board resolution)
Supplementary periods	Age of 55	Age of 55	Age of 55 (half)
Legal basis	Works agreement	Works agreement	Commitment to executives in individual contracts
Number of eligible persons	304	586	313
	VO 1991/VO 2002 Gagfah	VO guideline Gagfah M	VO 2017 VBL-Ersatzversorgung
Type of benefit	Retirement, invalidity and surviving dependent benefits	Retirement, invalidity and surviving dependent benefits	Retirement, invalidity and surviving dependent benefits
Pensionable remuneration	Salary for September of each year	Final salary	Salary of each year
Max. pension level	Module p.a.	Yes	Module p.a.
Total pension model based on final salary	No	Yes	No
Net benefit limit incl. state pension	None	None	None
Gross benefit limit	None	Yes	None
Adjustment of pensions	1% p.a.	Section 16 (1, 2) BetrAVG	1% p.a.
Supplementary periods	Age of 55	Age of 55	None
Legal basis	Works agreement	Works agreement	Individual agreement
Number of eligible persons	1,083	260	115

The current pensions according to the classic pension benefit regulations of Bochumer Verband are adjusted in line with Section 20 of those regulations. Section 20 is a rule which is based on Section 16 (1,2) of the German Occupational Pensions Improvement Act (BetrAVG) but which, according to a ruling of the Federal Labor Court of Germany, is an independent rule. Other company pensions are reviewed and adjusted under the terms of the agreement according to Section 16 (1,2) BetrAVG. On every review date, the development of the cost of living since the individual retirement date is reviewed and compensated for. In the

model for executives/non-tariff employees not subject to a collective pay-scale agreement that is an arrangement governing vested rights ("pension benefits in lieu of cash benefits"), as described above, the option, available since January 1, 1999, is used to raise the current pensions every year by 1% (Section 16 (3) No. 1 BetrAVG). No further risks are seen.

The company has decided to use the internal financing effect of the provisions for pensions and only to back a relatively small portion of the pension obligations with plan

assets. Reinsurance policies have been taken out for former Management Board members against payment of a one-time insurance premium in order to provide additional protection against insolvency; these reinsurance policies were pledged to the eligible persons. They constitute plan assets, which are offset against the gross obligation. The fair value of the reinsurance policies for individual persons is higher than the extent of the obligations towards the respective person. This surplus of the fair values of the assets over the obligation is shown under non-current other assets. The conclusion of further personal liability insurance reinsurance policies is not planned.

Pension plan obligations and the expenses necessary to cover these obligations are determined using the projected unit credit method prescribed by IAS 19. Both pensions known on the reporting date and vested rights as well as expected future increases in salaries and pensions are included in the measurement. The following actuarial assumptions were made at the reporting date – in each case related to the end of the year and with economic effect for the following year.

Actuarial Assumptions

in %	Dec. 31, 2024	Dec. 31, 2025
Actuarial interest rate	3.39	4.08
Pension trend	2.00	2.00
Salary trend	3.00	3.00

In the fiscal year under review, we adjusted the procedure for calculating discount rates for provisions for pensions. This resulted in a deviation of 21 basis points as against the interest procedure used in the past. This, in turn, means that provisions for pensions would have been € 11.3 million higher had the previous interest procedure been applied again.

In order to take into account the pension adjustments that were anticipated due to the high levels of inflation in recent years, a one-time increase of 2.20% was applied to current pensions for the calculation of pension obligations in 2024. This was no longer necessary in 2025.

The 2018 G mortality tables of Prof. Dr. Klaus Heubeck have been taken for the biometric assumptions without any changes.

The defined benefit obligation (DBO) developed as follows:

in € million	2024	2025
DBO as of Jan. 1	541.2	528.8
Interest expense	16.7	17.4
Current service cost	8.0	10.6
Actuarial gains and losses:		
Experience-based adjustment of the obligation	5.4	-7.4
Changes in the financial assumptions	-22.9	-38.9
Transfer	10.4	
Benefits paid	-30.0	-29.6
Transfer into discontinued operations	-	-
DBO as of Dec. 31	528.8	480.9

The present value of the pension obligation is divided among the groups of eligible persons as follows:

in € million	Dec. 31, 2024	Dec. 31, 2025
Active employees	91.9	70.4
Former employees with vested pension rights	92.3	88.0
Pensioners	344.6	313.9
DBO as of Dec. 31	528.8	472.3

Plan assets primarily comprise pension liability insurance reinsurance contracts and contributions made by Vonovia, which are managed by trustees, in the context of the deferred compensation scheme that was closed in the 2021 fiscal year. The latter are invested in fund units. The following table provides a breakdown of the plan assets:

in %	Dec. 31, 2024	Dec. 31, 2025
Shares	9.02	
Fixed-interest securities	7.11	
Cash assets	1.72	
Insurance contracts	82.15	

The fair value of the plan assets has developed as follows:

in € million	2024	2025
Fair value of plan assets as of Jan. 1	30.0	30.4
Return calculated using the actuarial interest rate	1.0	1.0
Actuarial gains:		
Income and expenses from plan assets not already included in interest income	-0.9	0.3
Benefits paid	-1.9	-1.8
Employer contributions	2.2	2.6
Fair value of plan assets as of Dec. 31	30.4	32.5

The net liability recognized in the balance sheet developed as follows:

in € million	2024	2025
Net pension obligation as of January 1	511.1	498.4
Interest expense	15.8	16.4
Current service cost	8.1	10.6
Actuarial gains and losses:		
Experience-based adjustment of the obligation	5.4	-7.4
Changes in the financial assumptions	-22.9	-38.9
Income from plan assets not already included in interest income	0.9	-0.3
Transfer	10.4	-
Employer contributions	-2.2	-2.6
Benefits paid	-28.2	-27.8
Transfer into discontinued operations	-	-
Net pension obligation as of January 31	498.4	448.4

The following table shows a reconciliation of the defined benefit obligation to the pension obligation recognized in the balance sheet:

in € million	Dec. 31, 2024	Dec. 31, 2025
Present value of funded obligations	39.6	39.4
Present value of unfunded obligations	489.2	441.5
Total present value of defined benefit obligations	528.8	480.9
Fair value of plan assets	-30.4	-32.5
Net liability recognized in the balance sheet	498.4	448.4
Other assets to be recognized	1.4	1.6
Provisions for pensions recognized in the balance sheet	499.8	450.0

In 2025, actuarial gains of € 47.1 million (excluding deferred taxes) were recognized in other comprehensive income (2024: actuarial gains of € 13.3 million), including actuarial gains from discontinued operations of € 0.7 million (2024: actuarial losses of € 3.3 million). This results in actuarial gains for the continuing operations of € 46.4 million (2024: actuarial gains of € 16.6 million).

The weighted average term of the defined benefit obligations is 11.67 years (December 31, 2024: 12.38 years).

The following table contains the estimated, undiscounted pension payments of the coming five fiscal years and the total of those in the subsequent five fiscal years:

in € million	Projected pension payments
2026	32.4
2027	31.4
2028	31.0
2029	31.0
2030	31.0
2031-2035	148.0

Sensitivity Analyses

An increase or decrease in the material actuarial assumptions would have led to the following defined benefit obligation, providing the other assumptions did not change:

in € million		Dec. 31, 2024	Dec. 31, 2025
Actuarial interest rate	Increase of 0.5%	499.0	455.7
	Decrease of 0.5%	561.8	508.7
Pension trend	Increase of 0.25%	536.9	487.6
	Decrease of 0.25%	519.7	473.2

An increase in life expectancy of 4.8% would have resulted in an increase in the DBO of € 17.6 million as of December 31, 2025 (December 31, 2024: € 20.6 million). This percentage rise corresponds to a one-year increase in the life expectancy of a man who was 65 at the reporting date.

If several assumptions are changed simultaneously, the cumulative effect is not necessarily the same as if there had been a change in just one of the assumptions.

The provisions for pensions include € 1.6 million (December 31, 2024: € 2.0 million) for pension obligations which were transferred to third parties as part of an assumption of debt and which relate to vested rights and the payment of current pensions. A corresponding non-current receivable relating to the reimbursement of these payments is shown under miscellaneous other assets.

Other Provisions

Accounting Policies

Other provisions are recognized when there is a present obligation, either legal or constructive, vis-à-vis third parties as a result of a past event if it is probable that a claim will be asserted and the probable amount of the required provision can be reliably estimated. Provisions are discounted if the resulting effect is material. The carrying amount of discounted provisions increases in each period to reflect the passage of time and the unwinding of the discount is recognized within interest expense. The discount rate is a pre-tax rate that reflects current market assessments.

Provisions for restructuring expenses are recognized when the Group has set up and communicated a detailed formal plan for restructuring and has no realistic possibility of withdrawing from these obligations.

Provisions for onerous contracts are recognized when the expected benefits from a contract are lower than the unavoidable cost of meeting the obligations under the contract. The provision is stated at the lower of the present value of the fulfillment obligation and the cost of terminating the contract, i.e., a possible indemnity or fine for breach or non-fulfillment of contract.

Provisions are reviewed regularly and adjusted to reflect new information or changed circumstances.

The **provisions for pre-retirement part-time work arrangements** are basically to be classified as other long-term employee benefits that are to be accrued over the employees' service periods.

The assets of the insolvency policy to secure fulfillment shortfalls arising from pre-retirement part-time work arrangements are offset against the amounts for fulfillment shortfalls contained in the provisions for pre-retirement part-time work arrangements.

A **contingent liability** is a possible obligation toward third parties that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events or a present obligation that arises from past events for which an outflow of resources is not probable or the amount of which cannot be estimated with sufficient reliability. According to IAS 37, contingent liabilities are not generally recognized.

Development of Other Provisions During the Fiscal Year

in € million	As of Jan. 1, 2025	Changes in scope of consoli- dation	Additions	Reversals	Netting plan assets	Interest accretion to provi- sions	Revalua- tion from currency effects	Transfer	Reclassifi- cation in connec- tion with discontin- ued opera- tions	Utiliza- tion	As of Dec. 31, 2025
Other provisions											
Environmental reme- diation	13.6					-0.2				-0.8	12.6
Personnel obligations	123.8		33.6	-46.3	-0.1	0.7				-10.6	101.1
Miscellaneous other provisions	267.1	0.0	168.4	-11.6	0.0	0.6	-1,7			-76.4	346.4
	404.5	0.0	202.0	-57.9	-0.1	1.1	-1,7			-87.8	460.1

Development of Other Provisions During the Previous Year

in € million	As of Jan. 1, 2024	Changes in scope of consolidation	Additions	Reversals	Netting plan assets	Interest accretion to provisions	Revaluation from currency effects	Transfer	Reclassification in connection with discontinued operations	Utilization	As of Dec. 31, 2024
Other provisions											
Environmental remediation	14.4					0.3				-1.1	13.6
Personnel obligations	62.4		96.1	-13.5	0.0	0.7		-10.4		-11.5	123.8
Miscellaneous other provisions	187.7		146.0	-28.1		-0.2		0,0	0.8	-39.1	267.1
	264.5		242.1	-41.6	0.0	0.8		-10.4	0.8	-51.7	404.5

Reversals of provisions are generally offset against the expense items for which they were originally established.

The provisions for environmental remediation primarily refer to site remediation of locations of the former Raab Karcher companies. Remediation has either already begun or an agreement has been reached with the authorities as to how the damage is to be remedied. The cost estimates are based on expert opinions detailing the anticipated duration of the remediation work and the anticipated cost.

The personnel obligations are provisions for pre-retirement part-time work arrangements, provisions for bonuses, severance payments not relating to restructuring and other personnel expenses. The other personnel expenses include a provision for the Long-term Incentive Plan (LTIP) determined in accordance with IFRS 2 of € 25.0 million (December 31, 2024: € 14.3 million) (see → [\[F48\] Share-Based Payments](#)).

The material individual cost items under miscellaneous other provisions include costs associated with structuring measures of € 163.9 million (December 31, 2024: € 96.7 million), costs associated with legal disputes in the amount of € 60.9 million (December 31, 2024: € 37.7 million), litigation costs in the amount of € 4.7 million (December 31, 2024: € 22.4 million), costs associated with company tax audits in the amount of € 3.7 million (December 31, 2024: € 4.3 million) and provisions for other contractually agreed guarantees in the amount of € 2.2 million (December 31, 2024: € 2.8 million).

The Group expects to utilize the lion's share of the provision over the coming year.

39 Trade Payables

in € million	Dec. 31, 2024		Dec. 31, 2025	
	non-current	current	non-current	current
Liabilities				
Outstanding trade invoices	-	191.6	-	193.7
From property letting	-	157.0	-	174.2
From other supplies and services	6.0	175.6	5.7	182.1
	6.0	524.2	5.7	550.0

40 Non-derivative Financial Liabilities

in € million	Dec. 31, 2024		Dec. 31, 2025	
	non-current	current	non-current	current
Non-derivative financial liabilities				
Liabilities to banks	13,189.2	1,725.2	13,336.2	1,352.4
Liabilities to other creditors	24,259.1	3,205.5	24,966.7	2,710.8
Deferred interest from non-derivative financial liabilities	-	272.0	-	264.2
	37,448.3	5,202.7	38,302.9	4,327.4

Accounting Policies

Vonovia recognizes **non-derivative financial liabilities**, which mainly include liabilities to banks and to investors, at their fair value on the day of trading, less the directly attributable transaction costs (this generally corresponds to the acquisition cost). These liabilities are subsequently measured at amortized cost using the effective interest method. Financial liabilities are derecognized when Deutsche Wohnen's obligations specified in the contract expire or are discharged or canceled.

Liabilities bearing no interest or interest below market rates in return for occupancy rights at rents below the prevailing market rates are recorded at present value.

Deferred interest is presented as current in order to show the cash effectiveness of the interest payments transparently. In principle, the deferred interest is part of the non-derivative financial liability. Of the deferred interest from non-derivative financial liabilities, € 222.1 million (December 31, 2024: € 228.0 million) is from bonds reported under non-derivative financial liabilities to other creditors.

The non-derivative financial liabilities developed as follows in the fiscal year under review:

in € million	As of Jan. 1, 2025	New loans	Scheduled repayments	Unscheduled repayments	Adjusted for effective interest method	Reclassification in connection with discontinued operations	Other adjustments	Exchange rate differences	As of Dec. 31, 2025
Bond (AUD)	-	476.9			-2.8			6.6	480.7
Bond (CHF)	407.1				0.3			4.3	411.7
Bond (GBP)	474.1				1.9			-24.0	452.0
Bond (NOK)	-	88.3						-3.9	84.4
Bond (SEK)	173.9	91.2			-0.2			11.5	276.4
Bond (EMTN)	16,538.0	1,400.0	-2,594.4	-511.8	1.0		49.5		14,882.3
Bond (EMTN Green Bond)	2,121.6	850.0		-364.3	-8.6				2,598.7
Bond (EMTN Social Bond)	2,903.7	750.0		-533.0	5.0				3,125.7
Bond (Deutsche Wohnen)	1,792.3		-589.7		-8.4				1,194.2
Bearer bond	1,343.3				-10.7				1,332.6
Registered bond	620.6				-5.5				615.1
Convertible bond	-	1,300.0					-131.4		1,168.6
Promissory note loan	1,043.4				0.4				1,043.8
Mortgages*	14,961.0	843.6	-580.1	-479.3	-41.4		-69.7	65.9	14,700.0
Deferred interest	272.0						-7.9		264.1
	42,651.0	5,800.0	-3,764.2	-1,888.4	-69.0		-159.5	60.4	42,630.3

* New loans include capitalized interest not affecting cash in the amount of € 0.5 million.

The non-derivative financial liabilities developed as follows in the previous year:

in € million	As of Jan. 1, 2024	New loans	Scheduled repayments	Unscheduled repayments	Adjusted for effective interest method	Reclassification in connection with discontinued operations	Other adjustments	Exchange rate differences	As of Dec. 31, 2024
Bond (CHF)	-	407.1							407.1
Bond (GBP)	-	465.1			9.0				474.1
Bond (SEK)	113.1	111.2	-48.5		-1.9				173.9
Bond (EMTN)	18,330.5		-1,814.0		21.5				16,538.0
Bond (EMTN Green Bond)	2,119.5				2.1				2,121.6
Bond (EMTN Social Bond)	2,062.0	850.0			-8.3				2,903.7
Bond (Deutsche Wohnen)	1,803.5				-11.2				1,792.3
Bearer bond	1,352.2				-8.9				1,343.3
Registered bond	624.3				-3.7				620.6
Promissory note loan	1,047.6				-4.2				1,043.4
Commercial paper	497.4		-500.0		2.6				-
Mortgages*	14,716.5	1,111.0	-488.1	-361.7	-5.1	35.7	-7.6	-39.7	14,961.0
Deferred interest	230.5						41.5		272.0
	42,897.1	2,944.4	-2,850.6	-361.7	-8.1	35.7	33.9	-39.7	42,651.0

* New loans include capitalized interest not affecting cash in the amount of € 0.6 million.

The AUD, NOK and SEK bonds issued in 2025 and the existing CHF and GBP bonds were translated at the exchange rate at the end of the reporting period in line with applicable IFRS Accounting Standards. Allowing for the hedging rate prescribed through the interest hedging transaction entered into, these financial liabilities would be € 4.2 million (December 31, 2024: € 19.8 million) lower overall than the recognized value.

The maturities and average interest rates of the nominal obligations of the liabilities to banks and the liabilities to other creditors are as follows during the fiscal year:

in € million	Nominal obligation Dec. 31, 2025	Average end of maturity	Average interest rate	Repayment of the nominal obligations is as follows:					
				2026	2027	2028	2029	2030	from 2031
Bond (AUD)* **	476.9	2034	3.87%						476.9
Bond (CHF)* **	407.1	2030	4.00%				159.3		247.8
Bond (GBP)* **	465.1	2036	4.55%						465.1
Bond (NOK)* **	88.3	2033	4.12%						88.3
Bond (SEK)* **	275.2	2027	3.54%	67.0	72.7	135.5			
Bond (EMTN)*	14,993.3	2032	1.37%	1,639.0	1,667.9	1,724.9	1,499.0	1,679.4	6,783.1
Bond (EMTN Green Bond)**	2,622.6	2033	2.89%					385.7	2,236.9
Bond (EMTN Social Bond)**	3,142.7	2029	2.86%	827.5	750.0	715.2			850.0
Bond (Deutsche Wohnen)**	1,171.0	2033	1.18%					587.3	583.7
Registered bond**	600.0	2031	1.68%	100.0	70.0	50.0	80.0		300.0
Bearer bond**	1,260.2	2032	1.77%		33.5	10.0		60.0	1,156.7
Convertible bond	1,300.0	2031	0.88%					650.0	650.0
Promissory note loan**	1,045.0	2029	2.57%	50.0	309.0	60.0	403.5	50.0	172.5
Mortgages***	14,785.9	2032	2.55%	1,379.8	1,898.3	2,204.3	1,798.8	2,124.6	5,380.1
	42,633.3			4,063.3	4,801.4	4,899.9	3,940.6	5,537.0	19,391.1

* The currency-hedged nominal obligation is shown for the foreign currency bonds.

** Under the conditions of existing loan agreements, Vonovia is obliged to fulfill certain financial covenants, which it fulfilled.

*** For a portion of the mortgages, Vonovia is obliged to fulfill certain financial covenants, which it fulfilled.

In the previous year, the maturities and average interest rates of the nominal obligations were as follows:

in € million	Nominal obligation Dec. 31, 2024	Average end of maturity	Average interest rate	Repayment of the nominal obligations is as follows:					
				2025	2026	2027	2028	2029	from 2030
Bond (CHF)*	407.1	2030	4.00%					159.3	247.8
Bond (GBP)*	465.1	2036	4.55%						465.1
Bond (SEK)*	184.0	2027	4.09%		67.0	72.7	44.3		
Bond (EMTN)*	16,650.0	2031	1.05%	2,594.4	1,769.2	2,000.0	1,724.9	1,499.0	7,062.5
Bond (EMTN Green Bond)*	2,136.9	2031	2.80%						2,136.9
Bond (EMTN Social Bond)*	2,925.7	2029	3.20%		610.5	750.0	715.2		850.0
Bond (Deutsche Wohnen)*	1,760.7	2030	1.12%	589.7					1,171.0
Registered bond*	600.0	2031	1.68%		100.0	70.0	50.0	80.0	300.0
Bearer bond*	1,260.2	2032	1.77%			33.5	10.0		1,216.7
Promissory note loan*	1,045.0	2029	2.57%		50.0	309.0	60.0	403.5	222.5
Mortgages**	15,005.6	2031	2.35%	1,746.6	1,463.5	1,779.7	2,171.3	1,815.2	6,029.3
	42,440.3			4,930.7	4,060.2	5,014.9	4,775.7	3,957.0	19,701.8

* Under the conditions of existing loan agreements, Vonovia is obliged to fulfill certain financial covenants, which it fulfilled.

** For a portion of the mortgages, Vonovia is obliged to fulfill certain financial covenants, which it fulfilled.

The loan repayments shown for the following years contain contractually fixed minimum repayment amounts.

Of the nominal obligations to creditors, € 13,161.9 million (December 31, 2024: € 12,963.4 million) are secured by land charges and other collateral (account pledge agreements, assignments, pledges of company shares and guarantees of Vonovia SE or other Group companies). In the event that payment obligations are not fulfilled, the securities provided are used to satisfy the claims of the banks.

Financial liabilities to banks and other creditors have an average interest rate of approximately 2.10% (2024: 1.89%). The financial liabilities as a whole do not contain any significant short-term interest rate risks as they relate either to loans with long-term fixed interest rates or variable-interest liabilities that are hedged using suitable derivative financial instruments (see → [G54] Financial Risk Management).

Repayment of Bonds Under the European Medium-Term Notes Program (EMTN)

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

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

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 September 8, 2025, a bond with a nominal volume of € 429.8 million was repaid as scheduled.

Another buyback of an outstanding bond in the amount of € 559.6 million was completed on November 17, 2025. This involved buying back a bond maturing in 2026 (coupon of 0.625%), two bonds maturing in 2027 (coupons of 1.75% and 0.75%) and another bond maturing in 2027 (coupon of 4.75%). In early December 2025, early termination was announced with effect from January 15, 2026 for the outstanding volume of this bond totaling around € 217 million, and repayment was made.

In addition, Vonovia concluded the scheduled repayment of a bond with an outstanding volume of € 1,250 million on December 1, 2025.

Repayment of Deutsche Wohnen Bonds

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

Bonds Under the European Medium Term Notes Program (EMTN)

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%.

Vonovia issued a € 2,250 million bonds on November 12, 2025, in three tranches with terms of 7, 11 and 15 years. The tranche with an 11-year term was issued as a green note. The average coupon is 3.96% p.a.

Foreign Currency Bonds

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).

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 each). 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).

On September 3, 2025, Vonovia issued a bond in the amount of AUD 850.0 million for the first time. One tranche of the bond, in an amount of AUD 300.0 million (approximately € 168.3 million) has a term expiring in seven years and a 5.266% coupon (3.677% p.a. after currency hedging). The term of the second AUD 550.0 million (approx. € 308.6 million) tranche is ten years and this tranche has a coupon of 5.717% (3.980% after currency hedging).

Convertible Bonds

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 first convertible bond can be converted into shares in Vonovia as of November 21, 2029, and the second convertible bond as of November 21, 2031. 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 € 79.4 million as of December 31, 2025. The change in value in the period since initial recognition was recognized affecting net income in the amount of € 64.3 million in other interest result from derivatives.

Secured Financing

On September 5, 2025, Vonovia took out secured financing with Hessische Landesbank in the amount of € 150.0 million with a maturity of ten years.

Repayment of European Investment Bank Loan

On December 8, 2025, Vonovia SE repaid a loan taken out with the European Investment Bank, with an outstanding amount of € 330.0 million, in line with the contractual provisions.

Secured Deutsche Wohnen Financing

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

On September 22, 2025, Deutsche Wohnen SE took out secured financing with BERLINER SPARKASSE in the amount of € 130.0 million with a maturity of ten years.

41 Derivatives

in € million	Dec. 31, 2024		Dec. 31, 2025	
	non-current	current	non-current	current
Derivatives				
Cash flow hedges	39.8		39.9	
Stand-alone derivatives	19.8		96.5	
Deferred interest from derivatives		1.1		4.6
	59.6	1.1	136.4	4.6

Regarding derivative financial liabilities please refer to chapters → **[G52] Additional Financial Instrument Disclosures** and → **[G56] Cash Flow Hedges and Stand-alone Hedging Instruments**.

42 Put Options

Accounting Policies

Shares and rights to reimbursement held by minority shareholders are reported as **put options**. The amount is measured at amortized cost in accordance with IFRS 9. The long-term put options include co-investor agreements, which can only be exercised at the end of the basic term and where the basic term of the agreement is longer than one year.

The fair value of the purchase price liabilities from put options for shares and rights to reimbursement held by minority shareholders is generally based on the going concern value of the respective company. If a contractually agreed minimum purchase price is higher than this going concern value, this minimum purchase price is recognized.

Development of Put Options

in € million	As of Jan. 1	New closed investment agreement	Termination of investment agreement	Valuation adjustment to proportionate IFRS-equity	Transfers	As of Dec. 31
2025	311.2	26.6	-39.1	27.4	17.2	343.3
2024	316.2			-5.0		311.2

In the 2025 fiscal year, an investor agreement with a co-investor was terminated and, in another scenario, a new investor agreement was concluded with a new co-investor.

43 Leases

Accounting Policies

All contracts that give the Vonovia Group the right to control the use of an identified asset over a certain period of time in return for consideration are considered **leases** within the meaning of IFRS 16.

For all lease contracts that meet the definition of leases according to IFRS 16, Vonovia recognizes lease liabilities equal to the present value of the future lease payments, discounted using the term-specific incremental borrowing rate. Correspondingly, right-of-use assets are recognized in the amount of the lease liabilities, plus any advance payments or any initial direct costs.

The lease liabilities are adjusted in line with financial principles. They are increased by the periodic interest expenses and reduced by the lease payments made.

The right-of-use assets are generally recognized at amortized cost, taking depreciation and impairments into account. Right-of-use assets that meet the definition of investment properties (IAS 40) are recognized at fair value in line with the recognition and measurement rules set out in IAS 40.

Changes within the lease term or within the lease payments lead to a remeasurement of the present value and, as a result, to an adjustment of the lease liability and the right-of-use asset.

Periods resulting from extension or termination options granted on a unilateral basis are assessed on a lease-by-lease basis and are only taken into account if their use is sufficiently probable – for example, due to financial incentives.

There is an accounting option available for short-term leases and leases of low-value assets. Vonovia makes use of this option, meaning that such leases are not recognized. In case of rented metering technology, portfolios are set up for leases with identical lease terms and a single discount rate is applied to these portfolios.

Such variable lease payments, which are not included in the measurement of the lease liabilities, as well as lease payments associated with short-term leases, with leases of low-value assets and with lease contracts that do not meet the definition of leases according to IFRS 16 are recognized as expenses on a straight-line basis over the contractual term.

In addition to conventional vehicle leasing over a fixed lease term of three to five years, the Vonovia Group also leases IT equipment (IT leasing), rented residential and commercial properties for subleasing (interim rental agreements), heat generation plants to supply the Group's own properties with heat (contracting), water and heat meters (metering technology), leasing of land for the construction of owner-occupied commercial properties, as well as office buildings, office spaces, warehouse spaces and parking spaces (lease agreements for commercial premises). Under license agreements with public-sector institutions, Vonovia is granted the right to use public properties as storage locations or parking spaces, to lay heating pipes or cables, or to construct playgrounds. Long-term leasehold contracts have the biggest impact on the company's net assets, financial position and results of operations. These involve Vonovia leasing land for the rental of constructed residential and commercial properties. These contracts generally have a term of 99 years.

Development of Right-of-use Assets

in € million	Dec. 31, 2024	Dec. 31, 2025
Right-of-use assets		
Leasehold contracts	1,600.0	1,601.4
Interim rental agreements	0.5	0.5
Right-of-use assets within investment properties	1,600.5	1,601.9
Leasing of land for the construction of owner-occupied commercial properties	32.3	33.1
Lease agreements for commercial premises	57.4	51.5
Contracting	66.9	59.8
Vehicle leases	6.0	7.1
Leases for IT equipment	0.9	0.9
Metering technology	17.3	13.3
Right-of-use assets within property, plant and equipment	180.8	165.7
	1,781.3	1,767.6

As of December 31, 2025, the right-of-use assets resulting from leases amount to € 1,767.6 million (2024: € 1,781.3 million).

The majority of the right-of-use assets amounting to € 1,601.9 million is reported under **investment properties** and does not only result from interim rental agreements (leased and subleased residential and commercial properties), but mainly from leasehold contracts (€ 1,601.4 million). The other right-of-use assets totaling € 165.7 million are reported under **property, plant and equipment** and mainly include right-of-use assets resulting from contracting (€ 59.8 million), concluded lease agreements for commercial premises (€ 51.5 million), the leasing of land for the construction of owner-occupied commercial properties (€ 33.1 million), contracts connected with leased metering technology (€ 13.3 million) and vehicle leases (€ 7.1 million).

The year-on-year drop in right-of-use assets amounting to € 13.7 million is mainly due to depreciation (€ -36.2 million) as well as to the remeasurement of right-of-use assets resulting from leasehold contracts (€ -18.0 million).

On the contrary, additions to right-of-use assets were recognized in the 2025 fiscal year, mainly resulting from leasehold contracts (€ +25.1 million) and lease agreements for commercial premises (€ +14.1 million). This was mainly due to higher leasehold fees and extended lease terms (leasehold contracts) as well as index-based rent adjustments and newly concluded agreements (lease agreements for commercial premises). Additions to right-of-use assets resulting from lease agreements for commercial premises include € 5.3 million from the first-time consolidation of BUWOG Bauträger Süd GmbH.

Development of Lease Liabilities

in € million	Dec. 31, 2024			Dec. 31, 2025		
	Due within one year	Due in 1 to 5 years	Due after 5 years	Due within one year	Due in 1 to 5 years	Due after 5 years
Lease liabilities						
Leasehold contracts (IAS 40)	12.8	41.1	434.6	12.9	41.9	451.5
Interim rental agreements	0.4	0.0	-	0.4	0.0	-
Leasing of land for the construction of owner-occupied commercial properties	0.2	0.7	33.1	0.2	0.7	34.2
Lease agreements for commercial premises	14.0	36.0	9.8	15.0	32.2	6.8
Contracting	10.3	27.3	30.5	9.9	25.8	25.8
Vehicle leases	2.9	3.2	-	3.6	3.7	-
Leases of IT equipment	0.4	0.6	-	0.4	0.5	-
Metering technology	4.1	11.2	2.5	3.3	9.5	1.2
	45.1	120.1	510.5	45.7	114.3	519.5

As of December 31, 2025, the lease liabilities amount to € 679.5 million (2024: € 675.7 million).

The year-on-year increase in lease liabilities of € 3.8 million is primarily attributable to non-cash-effective additions in the reporting year (€ +55.1 million).

In the 2025 fiscal year, additions were mainly recognized within leasehold contracts (€ +25.1 million), lease agreements for commercial premises (€ +14.2 million) and heat supply contracts (€ +5.6 million). This was, in some cases, mainly due to notably increased leasehold fees (leasehold contracts), extended lease terms (leasehold contracts, contracting) as well as index-based rent increases and new leases of office buildings (lease agreements for commercial premises). The additions include € 5.5 million from the first-time consolidation of BUWOG Bauträger Süd GmbH.

A further increase in the amount of € 2.7 million belongs to changes in foreign exchange rates as of December 31, 2025 (non-cash-effective).

Repayments of lease liabilities in the 2025 fiscal year (€ -43.2 million) worked opposingly, as well as disposals (non-cash-effective) mainly resulting from early terminations of leases (€ -10.8 million).

The following table shows the development of the right-of-use assets reported under property, plant and equipment:

in € million	Carrying amount of right-of-use assets Jan. 1, 2025	Additions 2025	Depreciation 2025	Carrying amount of right-of-use assets Dec. 31, 2025	Interest expenses 2025
Leasing of land for the construction of owner-occupied commercial properties	32.3	1.3	-0.5	33.1	0.9
Lease agreements for commercial premises	57.4	14.1	-14.5	51.5	1.6
Contracting	66.9	5.6	-12.7	59.8	1.7
Vehicle leases	6.0	5.0	-3.8	7.1	0.2
Leases of IT equipment	0.9	0.4	-0.4	0.9	0.0
Metering technology	17.3	2.9	-4.3	13.3	0.7
	180.8	29.3	-36.2	165.7	5.1

in € million	Carrying amount of right-of-use assets Jan. 1, 2024	Additions 2024	Depreciation 2024	Carrying amount of right-of-use assets Dec. 31, 2024	Interest expenses 2024
Leasing of land for the construction of owner-occupied commercial properties	32.2	0.6	-0.5	32.3	0.9
Lease agreements for commercial premises	48.3	23.5	-13.6	57.4	1.5
Contracting	78.0	1.5	-12.5	66.9	1.9
Vehicle leases	4.9	4.6	-3.1	6.0	0.2
Leases of IT equipment	1.0	1.8	-0.5	0.9	0.0
Metering technology	22.1	5.0	-5.0	17.3	0.9
	186.5	37.0	-35.2	180.8	5.4

The interest expenses (interest paid in the same amount) recognized in the 2025 fiscal year resulting from leases pursuant to IFRS 16 amounted to € 21.1 million in total (2024: € 20.6 million), mainly from leasehold contracts (€ 16.0 million; 2024: € 15.2 million).

In the 2025 fiscal year, all in all 188 lease contracts (2024: 198) were classified as short-term leases and thus were not recognized in line with the accounting option available. The corresponding expenses, recognized in the 2025 fiscal year, amounted to € 1.1 million (2024: € 0.7 million). Expenses relating to leases of low-value assets amounting to € 1.5 million in the 2025 fiscal year (2024: € 2.4 million) mostly result from leased bicycles/e-bikes. Expenses totaling € 17.3 million were incurred in connection with variable lease payments in the 2025 fiscal year (2024: € 9.8 million), mainly due to energy costs under heat supply contracts. Variable lease payments have not been included in the measurement of lease liabilities.

In addition to variable lease payments as well as payments resulting from short-term leases and leases of low-value

assets, each included in the cash flow from operating activities, interest payments and repayments of lease liabilities totaling € 64.7 million were incurred in the 2025 fiscal year (2024: € 63.4 million). These include € 0.4 million from leases of discontinued operations (2024: € 1.1 million). The total cash outflow for leases in the reporting period amounted to € 84.6 million (2024: € 76.3 million).

Total income from subleasing, mostly from subleasing of right-of-use assets in connection with rented residential and commercial properties, as well as leased metering technology, amounted to € 13.3 million in the reporting period (2024: € 14.8 million). As of the reporting date, there were no significant non-cancelable subleases on the Spree-Bellevue property.

The loss arising from the rental of the sold Spree-Bellevue property (sale and leaseback transaction) amounted to 1.2 million (2024: loss of € 1.2 million) in the 2025 fiscal year. This does not have any material impact on the Group's cash flows.

44 Liabilities to Non-controlling Interests

Accounting Policies

Liabilities to non-controlling interests, which include obligations from the guaranteed dividend agreements, in particular, are stated at fair value when they are recognized for the first time. The fair value is, in principle, determined by the value of the respective company; if a contractually agreed minimum purchase price is higher than this amount, this purchase price is recognized.

The liabilities to non-controlling interests relate especially to the obligations to pay guaranteed dividends under valid profit-and-loss transfer agreements or co-investor agreements in an amount of € 792.2 million (December 31, 2024: € 208.8 million).

The increase as of December 31, 2025 can be explained primarily by the guaranteed dividends under the control and profit and loss transfer agreement between Vonovia SE and Deutsche Wohnen SE. The shareholders who have not converted will receive a guaranteed dividend. Based on the term of the profit and loss transfer agreement, this was recognized in liabilities to non-controlling shareholders at its net present value of € 157.3 million.

The new Deutsche Wohnen SE minority shareholder Apollo Capital Management L.P. will also receive a guaranteed dividend. Based on the term of the profit and loss transfer agreement, this was also recognized in liabilities to non-controlling shareholders at its net present value of € 310.9 million.

45 Financial Liabilities from Tenant Financing

Accounting Policies

Financial liabilities from tenant financing include tenant financing contributions. The financing contributions relate to the contributions collected from tenants in Austria for subsidized apartments. These are reimbursed upon the termination of the rental contract following the deduction of a depreciation amount. The amount refunded can be collected again relating to new tenants. As these are generally rental contracts that can be terminated at any time.

Financial liabilities from tenant financing also include maintenance and improvement contributions deposited by tenants (EVB). These contributions are paid by tenants in Austria to finance the costs associated with modernization work. The payment depends on the age of the building and must be used up for modernization work within 20 years of their receipt. Otherwise, the contributions have to be refunded to the tenant.

First-time recognition is at fair value. Subsequent measurement is at amortized cost.

The financial liabilities from tenant financing as of the reporting date include € 104.3 million (December 31, 2024: € 108.3 million) in tenant financing contributions. Financial liabilities from tenant financing also include € 41.0 million in maintenance and improvement contributions deposited by tenants (EVB) (December 31, 2024: € 42.3 million).

46 Other Liabilities

in € million	Dec. 31, 2024		Dec. 31, 2025	
	non-current	current	non-current	current
Advance payments received	-	225.8	-	187.0
Accruals	-	84.7	-	99.5
Other taxes	-	32.6	-	23.9
Miscellaneous other liabilities	84.3	30.0	125.0	36.8
	84.3	373.1	125.0	347.2

The advance payments received comprise the excess, at single transaction level, of advance payments made by tenants and ancillary cost payments made during the year before billing.

The liabilities recognized primarily relate to acquisition fees and personnel expenses.

Section (F): Corporate Governance Disclosures

47 Related Party Transactions

Vonovia had business relationships with unconsolidated investees and subsidiaries in the 2025 fiscal year. These transactions are shown in the table below:

in € million	Provided services		Purchased services		Receivables		Liabilities		Advance payments	
	2024	2025	2024	2025	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025
Subsidiaries (not consolidated)	0.0	0.0	0.2	0.0	-	0.0	0.0	0.0	-	-
Associates	81.8	222.3	99.0	66.0	403.1	92.1	3.1	4.0	217.1	52.9
Joint ventures	15.5	3.6	73.2	102.7	140.5	46.6	0.3	0.3	33.3	3.8
Other non-consolidated subsidiaries	0.1	0.1	3.8	-	-	0.1	0.0	-	-	-
	97.4	226.0	176.2	168.7	543.6	138.8	3.4	4.3	250.4	56.7

As of December 31, 2025, Vonovia's significant business relations were with the QUARTERBACK Group. As of December 31, 2025, loan receivables were recognized in the amount of € 46.5 million (December 31, 2024: € 476.8 million), with € 46.5 million (December 31, 2024: € 476.8 million) repayable in twelve months and € - million (December 31, 2024: € - million) repayable in 24 months. The average interest rate for the loans is 6.4%. The interest income from the loans extended to the QUARTERBACK Group amounted to € 3.3 million (2024: € 14.6 million) in the 2025 fiscal year. As of December 31, 2025, there were also interest receivables in the amount of € 0.9 million (December 31, 2024: € - million). Further information on the loan receivables from the QUARTERBACK Immobilien Group can be found in chapter → [D28] Financial Assets.

In addition, there are real estate project sales of the QUARTERBACK Group to Deutsche Wohnen for which Deutsche Wohnen had made advance payments of € 54.3 million in total as of December 31, 2025 (December 31, 2024: € 248.3 million). In connection with agency services contracted by the QUARTERBACK Group in the amount of € 55.1 million (2024: € 97.9 million), Deutsche Wohnen has outstanding balances on liabilities of € 4.0 million as of December 31, 2025 (December 31, 2024: € 3.2 million).

Vonovia had other major business relationships with the associates (see → [D29] Financial Assets Accounted for Using the Equity Method) Projekt Mosaik GmbH & Co. KG, Hamburg, and Projekt Mosaik II GmbH & Co. KG, Hamburg, as of December 31, 2025. As of December 31, 2025, there were outstand-

ing balances vis-à-vis Projekt Mosaik GmbH & Co. KG, Hamburg, relating to receivables of € 13.0 million (December 31, 2024: € 3.0 million). In the 2025 fiscal year, services worth € 106.7 million (2024: € 31.9 million) were rendered, and services worth € 5.0 million (2024: € - million) purchased. There were outstanding balances vis-à-vis Projekt Mosaik II GmbH & Co. KG, Hamburg, relating to receivables of € 15.0 million (December 31, 2024: € 1.7 million). In the 2025 fiscal year, services worth € 114.4 million (2024: € 49.6 million) were rendered, and services worth € 0.8 million (2024: € - million) purchased.

The loan receivables from QUARTERBECK New Energy Holding GmbH, Leipzig, also an associate (see → [D29] Financial Assets Accounted for Using the Equity Method) amounted to € 45.0 million as of December 31, 2025 (December 31, 2024: € 45.0 million).

There were loan receivables of € 15.0 million (December 31, 2024: € 16.5 million) from the associate Gropyus AG, Vienna, (see → [D29] Financial Assets Accounted for Using the Equity Method) as of December 31, 2025.

As of December 31, 2025, Vonovia had purchased services amounting to € 100.0 million (2024: € 71.3 million) vis-à-vis G+D Gesellschaft für Energiemanagement mbH, Magdeburg.

Vonovia purchased services worth € 3.2 million (December 31, 2024: € - million) from Delphinus SubCo GmbH, Bochum, in the 2025 fiscal year.

In addition, Vonovia purchased services worth € 1.8 million in the 2025 fiscal year (2024: € 1.7 million) from GSZ Gebäude-service und Sicherheitszentrale GmbH, Berlin, and services worth € 1.9 million (2024: € 1.0 million) from Othermo GmbH, Alzenau.

At Vonovia, the individuals in key positions pursuant to IAS 24 include the members of the Management Board and the Supervisory Board of Vonovia SE.

The remuneration to key management personnel, which are subject to a disclosure requirement under IAS 24, include the remuneration of the active members of the Management Board and Supervisory Board in the current fiscal year.

The active members of the Management Board and Supervisory Board received the following remuneration:

in € million	2024	2025
Short-term benefits (without share-based payment)	10.5	12.6
Post-employment benefits	1.1	1.5
Benefits from termination of employment	-	5.8
Share-based payment	7.0	11.6
	18.6	31.5

The balances vis-à-vis active members of the Management Board and the Supervisory Board are as follows:

	Provisions for outstanding remuneration	
	2024	2025
Short-term benefits (without share-based payment)	4.7	12.3
Share-based payment	10.9	20.4
Pension obligation according to IFRS (DBO)	9.7	11.4
	25.3	44.1

The payments due in the short term for members of the Supervisory Board include the relevant basic remuneration, comprising the fixed remuneration and committee remuneration, which is paid out after the end of the fiscal year in accordance with the Articles of Association.

The payments due in the short term for the members of the Management Board include the basic remuneration (fixed amount paid out in twelve equal monthly installments), the short-term variable remuneration (STI), the fringe benefits and the pension payment/pension contribution. The STI entitlement is earned in full with the activities in the reporting year, and is paid out in the first half of the year following the end of the fiscal year concerned. The actual amount paid out (which is measured in the January after the end of the fiscal year in question) depends on the target achievement level calculated by the Supervisory Board based on the current Management Board remuneration system. It is determined based on financial and non-financial performance criteria as well as on the achievement of strategic targets, provided such targets have been set for the fiscal year concerned.

As a general rule, all Management Board members also receive, in addition to their base salary, a non-performance-related cash lump sum (pension allowance) to be put towards their own personal provision for retirement. This benefit does not constitute a company retirement benefit plan within the meaning of the German Company Pensions Act (Betriebsrentengesetz). A Management Board member receives the pension allowance from a Group subsidiary based on another employment relationship in the form of direct contributions to a foreign pension fund.

As part of the revamping of the Management Board remuneration system (which came into force on January 1, 2025), the occupational pension still in place for two Management Board members (legacy pension commitment) was closed. The legacy pension commitment included the option of making the contractually agreed annual pension contribution to the "pension benefits in lieu of cash benefits" deferred compensation scheme as amended from time to time. In the 2025 fiscal year, one Management Board member made use of the "pension benefits in lieu of cash benefits" deferred compensation scheme option for the last time.

The service cost resulting from provisions for pensions for the active Management Board members is reported under post-employment benefits.

Post-employment benefits include a severance payment associated with premature termination of a contract that will be paid out in 2026.

The disclosure on share-based payments (LTI) is based on the expenses in the fiscal year, which are also reported in chapter → [\[F48\] Share-Based Payments](#).

Management Board members are still obliged, as a matter of principle, to invest in a specific proportion of their annual base salary in company shares during their term in office. In general, there is no obligation for any of the remuneration components to use these to directly purchase shares as part of the obligation to hold shares. Nor are any remuneration components withheld in order to meet this requirement. Similarly, there is no link between the time at which the remuneration components are paid out and the time at which the share investment needs to be made.

The Management Board and Supervisory Board members were not granted any loans or advances.

48 Share-Based Payments

Accounting Policies

The obligations arising from share-based payments are calculated using standard valuation methods based on option pricing models (Monte Carlo simulation). Calculation of the fair value on the reporting date is based on various parameters for the Monte Carlo simulation (risk-free rate, annualized volatilities, correlations). The annualized volatility and the correlation are calculated based on historical volatility and historical correlation in the period matching the residual term based on daily returns. The risk-free rate is calculated using the interest rate structure curve based on the Svensson method. As the LTI provides for the granting of a dividend equivalent, there is no need to include the dividend yield.

Equity-settled share-based payments are recognized at the grant date at the fair value of the equity instruments vested by that date. The fair value of the obligation is therefore recognized as personnel expenses proportionally over the vesting period and is offset directly against the capital reserves.

The cash-settled share-based payments are shown under other provisions and remeasured at fair value at each reporting date. The expenses are also recognized as personnel expenses over the vesting period (see → [\[E38\] Provisions](#)).

Vonovia Management Board

As part of the LTI in place since 2015, the Management Board members are granted a fixed number of phantom stocks (performance share units or "PSU") annually, which are paid out at the end of a four-year performance period based on the target achievement level for targets defined at the beginning of the performance period and on the development of the share price, including dividends paid out during the performance period. The pre-defined target achievement level is based on the targets Relative Total Shareholder Return (RTSR), the development of EPRA Net Tangible Assets (NTA) per share, the development of the

Group FFO per share, and the Sustainability Performance Index (SPI), with each target weighted equally at 25%. A change in the plan was agreed in the 2024 fiscal year for all tranches that had not yet been paid out. This involved the development in Group FFO per share being replaced by the development in Adjusted EBT per share. Under the new Management Board remuneration system effective as of January 1, 2025, operating free cash flow (OFCF) per share replaces the target for Adjusted EBT per share for all new LTI tranches. The SPI is taken into account excluding the Customer Satisfaction Index (CSI) and changes have been made to the target weightings. Target achievement now comprises the RTSR with a weighting of 40% and NTA per share, OFCF per share and the SPI with a weighting of 20% in each case. The LTI shown constitutes a cash-settled plan pursuant to IFRS 2; in turn, the payout claim can be lost entirely if the defined target achievement level has not been reached.

As part of the premature termination of a contract, one Management Board member was allocated 210,528 phantom stocks in Vonovia SE in an additional two-year tranche as of January 1, 2026. Each phantom stock confers a payment entitlement (gross) corresponding to the final share price of an ordinary share in Vonovia SE. The phantom stocks will be settled and paid out as part of the standard variable remuneration settlement cycle at the beginning of 2028.

The value of the total phantom stocks that had been granted but not paid out from the LTI as of December 31, 2025 was calculated by an external expert based on recognized actuarial principles (Monte Carlo simulation). The obligation disclosed as of the reporting date breaks down as follows:

Tranche	End of performance period	Number of shares	Average fair value per share at Dec. 31, 2025 in €	Earned provision as of Dec. 31, 2025 in €
2022-2025	Dec. 31, 2025	138,742	20.44	2,835,690
2023-2026	Dec. 31, 2026	262,026	28.56	5,593,261
2024-2027	Dec. 31, 2027	272,544	37.53	5,114,593
2025-2028	Dec. 31, 2028	247,477	27.61	1,703,618
2026-2027	Dec. 31, 2027	210,528	24.54	5,140,450

The LTI program resulted in expenses pursuant to IFRS 2 totaling € 11.6 million in the 2025 reporting year (2024: € 7.0 million).

Vonovia Executives Below Management Board Level

As part of the LTI in place since 2016, executives are granted a fixed number of phantom stocks (performance share units or "PSU") annually, which are paid out at the end of a four-year performance period based on the target achievement level for targets defined at the beginning of the performance period and on the development of the share price, including dividends paid out during the performance period. The pre-defined target achievement level is based on the targets Relative Total Shareholder Return (RTSR), the development of EPRA Net Tangible Assets (NTA) per share, the development of the Group FFO per share, and the Sustainability Performance Index (SPI), with each target weighted equally at 25%. A change in the plan was agreed in the 2024 fiscal year for all tranches that had not yet been paid out. This involved the development in Group FFO per share being replaced by the development in Adjusted EBT per share. As of January 1, 2025, operating free cash flow (OFCF) per share replaces the target for Adjusted EBT per share for all new LTI tranches. The SPI is taken into account excluding the Customer Satisfaction Index (CSI) and changes have been made to the target weightings. Target achievement now comprises the RTSR with a weighting of 40% and NTA per share, OFCF per share and the SPI with a weighting of 20% in each case. The LTI shown constitutes a cash-settled plan pursuant to IFRS 2; in turn, the payout claim can be lost entirely if the defined target achievement level has not been reached.

The value of the total phantom stocks that had been granted but not paid out from the LTI as of December 31, 2025 was calculated by an external expert based on recognized actuarial principles (Monte Carlo simulation). The obligation disclosed as of the reporting date breaks down as follows:

Tranche	End of performance period	Number of shares	Average fair value per share at Dec. 31, 2025 in €	Earned provision as of Dec. 31, 2025 in €
2022-2025	Dec. 31, 2025	33,354	20.44	681,409
2023-2026	Dec. 31, 2026	83,223	28.56	1,857,808
2024-2027	Dec. 31, 2027	76,458	37.53	1,580,904
2025-2028	Dec. 31, 2028	65,842	27.61	509,064

The LTI program resulted in expenses pursuant to IFRS 2 totaling € 2.0 million in the 2025 reporting year (2024: € 2.4 million).

Employees

The Group works council agreement "Employee Share Program" was concluded in 2014. The program started in the 2015 calendar year, with the shares (in Vonovia SE) granted subject to a vesting period of six months. The costs associated with the securities deposit account are borne by Vonovia. All employees that had at least one full year of service as of December 31 of the calendar year concerned are eligible to participate. Shares with a value of between € 90 and € 360 at the most are granted to employees, depending on their gross annual salary, without the employees having to make any contribution of their own. This means that the Employee Share Program is an equity-settled plan pursuant to IFRS 2.

The employee share program results in total expenses of € 2.7 million in the 2025 reporting year (2024: € 2.7 million), which have been offset directly against the capital reserves.

49 Remuneration Pursuant to Section 314 of the German Commercial Code (HGB)

Remuneration of the Supervisory Board

The members of the Supervisory Board received total remuneration of € 2.0 million for their work during the 2025 fiscal year (2024: € 2.0 million).

Total Remuneration of the Management Board

The total remuneration paid to the members of the Management Board comprises the following:

Total remuneration of the Management Board in €	Total remuneration	
	2024	2025
Fixed remuneration and short-term variable remuneration	9,327,634	10,939,242
Total long-term variable share-based remuneration	7,000,438	12,906,956
of which		
2024-2027	7,000,438	-
2025-2028	-	6,850,181
(number of shares)	272,544	247,477
2026-2027	-	6,056,775
(number of shares)	-	210,528
Total remuneration	16,328,072	23,846,198

Further information on the long-term variable remuneration (LTI) can be found in the chapter → [F48] Share-Based Payments.

The remuneration paid to the Management Board members includes the remuneration for all mandates at Vonovia Group companies, subsidiaries and participating interests.

Remuneration of Former Management and Supervisory Board Members and Their Surviving Dependents

Total remuneration of former Management Board members and their surviving dependents amounts to € 6.2 million for the 2025 fiscal year (2024: € 0.4 million). This includes a severance payment in the amount of € 5.8 million (2024: € - million).

The defined benefit obligation (DBO) to former members of the Management Board and their surviving dependents amounts to € 16.3 million (2024: € 17.6 million).

No remuneration was granted to former members of the Supervisory Board or their surviving dependents for the 2025 fiscal year (2024: € - million).

There are no defined benefit obligations (DBO) to former members of the Supervisory Board or their surviving dependents.

50 Auditors' Fees

In the fiscal year, the following fees (including expenses and excluding VAT) have been recorded for the services rendered by the Group auditors PwC GmbH Wirtschaftsprüfungsgesellschaft and its network companies:

in € million	2024	2025
Audits	9.6	10.1
thereof network companies	0.8	0.8
Other confirmation services	1.2	1.3
thereof network companies	-	0.1
Other services	-	0.1
	10.8	11.4

The fee paid for auditing services performed by PwC GmbH Wirtschaftsprüfungsgesellschaft relates to the audit of the consolidated financial statements and annual financial statements of Vonovia SE, as well as to various audits of annual financial statements and a review of the subsidiaries included in the consolidated financial statements. The consolidated interim financial statements were reviewed and the financial statements were audited in accordance with audit standard IDW PS 490.

The fees for other confirmation services comprise all confirmation services that are not services relating to the audit and are not used in the context of the audit. These essentially include audits in accordance with Section 16 of the German Real Estate Agent and Property Developer Ordinance (MaBV) and business audits pursuant to ISAE 3000 relating to the non-financial report, reconciliations on the interest threshold, and various housing assistance reports. Other services include project audits related to transformation projects.

51 Declaration of Conformity with the German Corporate Governance Code

In January 2026, the Management Board and the Supervisory Board of Vonovia SE and Deutsche Wohnen SE issued a Declaration of Conformity with the recommendations of the German Corporate Governance Code in accordance with Section 161 of the German Stock Corporation Act (AktG) and made it permanently available on the [Vonovia](#) and [Deutsche Wohnen](#) websites.

Section (G): Additional Financial Management Disclosures

52 Additional Financial Instrument Disclosures

Measurement categories and classes:

in € million Carrying amounts
Dec. 31, 2025

Assets

Cash and cash equivalents	
Cash on hand and deposits at banking institutions	3,106.8
Commercial papers	150.0
Trade receivables	341.7
Financial assets	
Finance lease receivables	71.6
Loans to other investments	49.3
Other non-current loans	5.0
Other non-current loans to associates and joint ventures	92.8
Securities	322.9
Other investments	273.0
Derivative financial assets	
Cash flow hedges - no classification in accordance with IFRS 9	34.2
Call option on equity instruments	671.0
Stand-alone interest rate swaps and interest rate caps	41.8
Liabilities	
Trade payables	555.7
Bonds	24,674.7
Other non-derivative financial liabilities	17,955.6
Derivatives and put options	
Purchase price liabilities from put options/rights to reimbursement	343.3
Option component of the convertible bonds	79.4
Stand-alone interest rate swaps and interest rate caps	17.0
Cash flow hedges - no classification in accordance with IFRS 9	44.6
Lease liabilities	679.5
Liabilities from tenant financing	145.2
Liabilities to non-controlling interests	792.2

**Amounts recognized in balance sheet
in accordance with IFRS 9**

Amortized cost	Fair value affecting net income	Fair value recognized in equity without reclassification	Hedge accounting - no classification in accordance with IFRS 9	Amounts recognized in balance sheet in acc. with IFRS 16	Fair value Dec. 31, 2025	Fair value hierarchy level
3,106.8					3,106.8	n.a.
150.0					150.0	n.a.
341.7					341.7	n.a.
				71.6		n.a.
49.3					52.8	2
5.0					5.0	2
92.8					92.8	2
317.3		5.6			322.9	1
		273.0			273.0	3
	6.6		27.6		34.2	2
	671.0				671.0	3
	41.8				41.8	2
555.7					555.7	n.a.
24,674.7					22,879.9	1
17,955.6					17,252.2	2
343.3					314.9	3
	79.4				79.4	2
	17.0				17.0	2
	14.7		29.9		44.6	2
				679.5		n.a.
145.2					145.2	n.a.
792.2					792.2	n.a.

Measurement categories and classes:Carrying amounts
Dec. 31, 2024

in € million

Assets

Cash and cash equivalents	
Cash on hand and deposits at banking institutions	1,756.7
Trade receivables	584.6
Financial assets	
Finance lease receivables	77.1
Loans to other investments	49.7
Other non-current loans	5.8
Other non-current loans to associates and joint ventures	522.0
Securities	333.6
Other investments	271.6
Derivative financial assets	
Cash flow hedges - no classification in accordance with IFRS 9	20.7
Call option on equity instruments	731.0
Stand-alone interest rate swaps and interest rate caps	36.4

Liabilities

Trade payables	530.2
Bonds	24,410.7
Other non-derivative financial liabilities	18,240.3
Derivatives and put options	
Purchase price liabilities from put options/rights to reimbursement	311.2
Stand-alone interest rate swaps and interest rate caps	19.8
Cash flow hedges - no classification in accordance with IFRS 9	40.9
Lease liabilities	675.7
Liabilities from tenant financing	150.6
Liabilities to non-controlling interests	208.8

The section below provides information on the financial assets and financial liabilities not covered by IFRS 9:

- > Employee benefits in accordance with IAS 19: gross presentation of right to reimbursement arising from transferred pension obligations in the amount of € 1.6 million (December 31, 2024: € 2.0 million).
- > Amount by which the fair value of plan assets exceeds the corresponding obligation of € 1.8 million (December 31, 2024: € 1.7 million).
- > Provisions for pensions and similar obligations: € 449.9 million (December 31, 2024: € 499.8 million).

Amounts recognized in balance sheet
in accordance with IFRS 9

Amortized cost	Fair value affecting net income	Fair value recognized in equity without reclassification	Hedge accounting - no classification in accordance with IFRS 9	Amounts recognized in balance sheet in acc. with IFRS 16	Fair value Dec. 31, 2024	Fair value hierarchy level
1,756.7					1,756.7	n.a.
584.6					584.6	n.a.
				77.1		n.a.
49.7					55.0	2
5.8					5.8	2
522.0					522.0	2
327.2		6.4			333.6	1
		271.6			271.6	3
	-0.8		21.5		20.7	2
	731.0				731.0	3
	36.4				36.4	2
530.2					530.2	n.a.
24,410.7					22,317.8	1
18,240.3					17,417.4	2
311.2					232.2	3
	19.8				19.8	2
	9.9		31.0		40.9	2
				675.7		n.a.
150.6					150.6	n.a.
208.8					208.8	n.a.

The following table shows the assets and liabilities that are recognized in the balance sheet at fair value and their classification according to the fair value hierarchy:

in € million	Dec. 31, 2025	Level 1	Level 2	Level 3
Assets				
Investment properties	82,392.8			82,392.8
Financial assets				
Non-current securities	5.6	5.6		
Other investments	273.0			273.0
Assets held for sale				
Investment properties	385.2		385.2	
Derivative financial assets				
Cash flow hedges	34.2		34.2	
Call option on equity instruments	671.0			671.0
Stand-alone interest rate swaps and caps	41.8		41.8	
Liabilities				
Derivative financial liabilities				
Cash flow hedges	44.6		44.6	
Option component of the convertible bonds	79.4		79.4	
Stand-alone interest rate swaps and caps	17.0		17.0	

in € million	Dec. 31, 2024	Level 1	Level 2	Level 3
Assets				
Investment properties	78,343.1			78,343.1
Financial assets				
Non-current securities	6.4	6.4		
Other investments	271.6			271.6
Assets held for sale				
Investment properties	1,498.7		1,498.7	
Derivative financial assets				
Cash flow hedges	20.7		20.7	
Call option on equity instruments	731.0			731.0
Stand-alone interest rate swaps and caps	36.4		36.4	
Liabilities				
Derivative financial liabilities				
Cash flow hedges	40.8		40.8	
Stand-alone interest rate swaps and caps	19.8		19.8	

Accounting Policies

In general, Vonovia measures its investment properties on the basis of the discounted cash flow (DCF) methodology (Level 3). The material valuation parameters and valuation results can be found in chapter → [D27]

Investment Properties.

Investment properties intended for sale are recognized at the time of their transfer to assets held for sale at their new fair value, the agreed purchase price (Level 2).

Securities are generally measured using the quoted prices in active markets (Level 1).

All **investments in equity instruments** that do not relate to associates or call options to buy back shares (Level 3) are measured at fair value in other comprehensive income. The Group's primary aim is to hold its investments in equity instruments in the long term for strategic purposes. Measurement is at Level 3, as the share price of the relevant investments and the partly underlying cash flows are not directly observable. They are measured either directly via the share price or using a discounted cash flow model.

The fair value of the **bonds** listed on the market is calculated based on the market prices that apply on the reporting date (Level 1).

The fair value of the **other non-derivative financial liabilities** is calculated by means of a discounted cash flow (DCF) model. In addition to the tenor-specific EURIBOR/STIBOR rates (3M; 6M), Vonovia's own credit risk is also used here (Level 2).

For the measurement of **derivative financial instruments**, cash flows are first calculated and then discounted. In addition to the tenor-specific EURIBOR/STIBOR rates (3M; 6M), the respective credit risk is taken as a basis for discounting. Depending on the expected cash flows, either Vonovia's own credit risk or the counterparty risk is taken into account in the calculation.

As part of the valuation of the **cross-currency swaps**, the foreign currency cash flows (AUD, GBP, CHF, NOK, SEK) were converted to EUR using the EUR/foreign currency FX forward curve, after which all EUR cash flows are discounted using the 6M EURIBOR curve (Level 2).

The value of the **option components of the convertible bonds** is determined on the basis of the contractual terms of the convertible bonds using the binomial model. On the respective reporting date, the valuation is based on the implied volatility of the share, the remaining term as well as the current share price (Level 2).

The amount of the estimated **impairment loss on cash and cash equivalents** was calculated based on the losses expected over a period of twelve months.

Due to the current interest rate environment (and the return to more positive market values as a result), counterparty risk premiums were relevant for the interest rate swaps in the consolidated financial statements alongside Vonovia's own credit risk. As with Vonovia's own risk, they are derived from rates observable on the capital markets and ranged from 10 to 205 basis points, depending on the residual maturities. Vonovia's own risk premiums were trading at between 15 and 160 basis points on the same cut-off date, depending on the maturities. Regarding the positive market values of the cross currency swaps in CHF and SEK, a counterparty risk of between 15 and 80 basis points was taken into account. With regard to the negative market values of the cross currency swaps in GBP, NOK, AUD and SEK, a risk of between 50 and 125 basis points assumed by Vonovia itself was taken into account.

The fair values of the cash and cash equivalents, trade receivables and other financial receivables approximate their carrying amounts at the reporting date owing to their mainly short maturities. It was determined that the cash and cash equivalents have a low risk of default due to the external ratings and short residual maturities and that there is no need for any material impairment of cash and cash equivalents.

No financial instruments were reclassified to different hierarchy levels vis-à-vis the comparative period.

in € million	From subsequent measurement										Total financial result 2025	
	From interest	Income from other non-current loans	Measurement of call options	Dividends from other investments	Impairment losses	Expected credit loss: Other non-current loans to associates	Derecognized receivables	Derecognized liabilities	Financial result affecting income 2025	Measurement of cash flow hedges		Measurement of financial instruments categorized as equity instruments
2025												
Debt instruments carried at (amortized) cost	129.3	11.1			-27.6	-48.5	-11.1		53.2			53.2
Derivatives measured at FV through P&L	74.6		-60.0						14.6			14.6
Effective hedge accounting - no classification in accordance with IFRS 9										21.8		21.8
Equity instruments measured at FVOCI without reclassification				32.2					32.2		14.4	46.6
Financial liabilities measured at (amortized) cost	-914.9							0.9	-914.0			-914.0
	-711.0	11.1	-60.0	32.2	-27.6	-48.5	-11.1	0.9	-814.0	21.8	14.4	-777.8

in € million	From subsequent measurement										Total financial result 2024	
	From interest	Income from other non-current loans	Measurement of call options	Dividends from other investments	Impairment losses	Expected credit loss: Other non-current loans to associates	Derecognized receivables	Derecognized liabilities	Financial result affecting income 2024	Measurement of cash flow hedges		Measurement of financial instruments categorized as equity instruments
2024												
Debt instruments carried at (amortized) cost	87.1	17.2			-32.9	-375.2	4.3		-299.5			-299.5
Derivatives measured at FV through P&L	-20.8		-107.0						-127.8			-127.8
Effective hedge accounting - no classification in accordance with IFRS 9										11.2		11.2
Equity instruments measured at FVOCI without reclassification				32.2					32.2		23.7	55.9
Financial liabilities measured at (amortized) cost	-849.8							0.1	-849.7			-849.7
	-783.5	17.2	-107.0	32.2	-32.9	-375.2	4.3	0.1	-1,244.8	11.2	23.7	-1,209.9

53 Information on the Consolidated Statement of Cash Flows

Accounting Policies

The **statement of cash flows** shows how Vonovia's cash has changed during the reporting year as a result of cash inflows and outflows. In accordance with IAS 7 (Statement of Cash Flows), a distinction is made between changes in cash flow from operating activities, investing activities and financing activities.

The cash flow from operating activities is determined from the profit for the period using the indirect method, the profit for the period being adjusted for effects of transactions that are not cash-effective, any deferrals or accruals of past or future operating cash receipts or payments as well as items of income or expense associated with investing or financing cash flows.

The effects of changes in the scope of consolidation are shown separately. Therefore, direct comparison with the corresponding changes in the items of the consolidated balance sheet is not possible. The proceeds from the disposal of intangible assets, property, plant and equipment and investment properties are shown in cash flow from investing activities.

Exercising the IAS 7 option, interest received is shown under cash flow from investing activities and interest paid is shown under cash flow from financing activities.

Proceeds from dividends received and from operating leases are reported under cash flow from operating activities.

The item "Payments for investments in investment properties" includes in particular expenses for modernization measures.

Cash repayments of lease liabilities and interest payments from lease liabilities are reported under cash flow from financing activities.

Of the change in working capital of € 111.9 million (2024: € 332.1 million), € 138.3 million (2024: € 185.2 million) is attributable to Development to sell and Manage to Green projects. This portion is included in the reconciliation to operating free cash flow as a change in working capital for Development to sell/Manage to Green.

54 Financial Risk Management

In the course of its business activities, Vonovia is exposed to various financial risks. The Group-wide financial risk management system aims to identify any potentially negative impact on the financial position of the Group early on and take suitable measures to limit this impact. For the structure and organization of financial risk management, we refer to the management report (see → [Risk Management Structure and Instruments](#)). This system was implemented on the basis of Group guidelines, which were approved by the Management Board and which are continually reviewed. The risks associated with financial instruments and the corresponding risk management are described in detail as follows:

Market Risks

Currency Risks

Liquidity transfers from the German subgroup to Swedish subsidiaries are usually secured through the conclusion of foreign currency forwards. In addition, currency fluctuations are also expected to result from financing relationships. Two bonds issued by Vonovia SE denominated in Swedish krona in an amount of SEK 750.0 million each are currently outstanding. The currency risks associated with one of these bonds, the term of which will run until June 2026, have been partially reduced by a cross-currency swap with a nominal volume of SEK 350.0 million. A further bond with a volume of SEK 500.0 million was issued in September 2024. In June 2025, two bonds with a nominal amount of SEK 500 million each were issued. One of these bonds is a floating-rate bond, and the resulting currency and interest rate risk has been hedged in full by a cross-currency swap with the same nominal volume. The other bond has a fixed coupon, and the associated currency risk has been reduced using a cross-currency swap with a nominal volume of SEK 200 million. Based on the exchange rate as of December 31, 2025, a -5% change in the value of the Swedish krona against the euro would result in currency gains of € 7.5 million, while a change of +5% would result in a currency loss of € 6.8 million. In January 2024, Vonovia SE issued another bond of GBP 400.0 million. Vonovia SE also issued two bonds denominated in Swiss francs in 2024. The issue in February 2024 amounted to CHF 150.0 million. In August, a further

bond with a nominal volume of CHF 235.0 million was placed. Another foreign currency bond was issued on April 1, 2025, with a nominal amount of NOK 1.0 billion. Vonovia SE also issued an AUD 850.0 million bond in September 2025, which is split into two tranches of AUD 300.0 million and AUD 550.0 million. The cash-effective currency risks arising in these six cases were eliminated by the contracting of cross-currency swaps. Vonovia is subject to no further material currency risks in the scope of its usual business activities.

Interest Rate Risks

The investments measured at fair value are subject, in particular, to a price risk resulting from fluctuations in expected returns, market interest rates and expectations based on the operating business development of the investments. Other investments are long-term investments that are closely related to Vonovia's operating business areas. As a result, short-term realization of the price fluctuations cannot generally be assumed.

In the course of its business activities, Vonovia is exposed to cash-effective interest rate risks as a result of floating-rate debt as well as new and follow-on loans. Within this context, the interest markets are continually monitored by the Finance and Treasury department. Its observations are incorporated into the financing strategy.

As part of its financing strategy, Vonovia uses derivative financial instruments, in particular interest rate swaps and caps, to limit or manage interest rate risks. Vonovia's policies permit the use of derivatives only if they are associated with underlying assets or liabilities, contractual rights or obligations and planned, highly probable transactions.

A sensitivity analysis for cash flow hedges is provided under chapter → [\[G56\] Cash Flow Hedges and Stand-alone Hedging Instruments](#).

Other Risks

Vonovia also acts as an energy supply company through Vonovia Energie Service GmbH and Vonovia Energie GmbH. Contracts used for procurement and in the context of sales do not constitute financial instruments under IFRS 9 as a general rule due to the own use exemption. However, because the contracts used are managed in a comparable manner, this business area is also presented below. Due in particular to the current fluctuations in energy procurement conditions, there is a risk that planned energy procurement prices may not be realized. This indirectly results in the risk of the energy sales business becoming loss-making. Vonovia hedges against these risks with a broad range of risk management instruments, which, in addition to a structured multi-year procurement strategy and systematic risk monitoring, also offers the option of price adjustments during the year. This has significantly reduced market price risks in the current situation on the energy procurement markets.

For all material equity instruments categorized at FVOCI, a 5% increase (reduction) in the share price would have increased (reduced) total equity by € 12.8 million (€ -12.8 million) (December 31, 2024: € 11.8 million (€ -11.8 million)). With regard to the impact of the change in equity instruments at fair value in other comprehensive income during the reporting period, we refer to the statement of comprehensive income.

Credit Risks

Vonovia is exposed to a default risk resulting from the potential failure of a counterparty to fulfill its part of the contract. In order to minimize risks, financial transactions are generally only executed with banks and partners whose credit rating has been found by a rating agency to be at least equivalent to Vonovia's. These counterparties are assigned volume limits set by the Management Board. The counterparty risks are managed and monitored centrally by the Corporate Finance and Treasury department.

Liquidity Risks

The companies of Vonovia are financed by borrowed capital to a notable degree. Due to their high volume, the loans are in some cases exposed to a considerable refinancing risk. The liquidity risks arising from financing transactions with high volumes (volume risks) have become apparent in the financial sector, especially in the wake of the financial crisis. In order to limit these risks, Vonovia is in constant contact with many different market players, continuously monitors all financing options available on the capital and banking markets and uses these options in a targeted manner. Moreover, Deutsche Wohnen subjects its existing financings to an early review prior to the respective final maturity date in order to ensure refinancing.

Under the conditions of the capital market products issued and existing loan agreements, Vonovia is obliged to fulfill certain financial covenants such as the debt service coverage ratio, the debt-equity ratio or the share of unencumbered assets. If financial covenants are violated, the breach is not rectified within so-called cure periods and no mutually acceptable agreement can be reached with the lenders, the financing may be restructured and the cost structure changed. Should all commonly practiced solutions be unsuccessful, the lenders could call in the loan. The fulfillment of these financial covenants is continually monitored on the basis of current actual figures and budgetary accounting.

In order to ensure its ability to pay at all times, Vonovia has put a system-supported cash management system in place. This system monitors and optimizes Vonovia's cash flows on an ongoing basis and provides the Management Board with regular reports on the Group's current liquidity situation. Liquidity management is supplemented by short-term rolling, monthly liquidity planning for the current fiscal year, of which the Management Board is also promptly notified. In order to minimize credit risks, large amounts of cash on hand are avoided wherever possible. In the event that large reserves are necessary on a short-term basis due to pending investments or refinancing, these are distributed among various instruments and banking partners with good credit ratings.

The following table shows the forecast for undiscounted cash flows of the non-derivative financial liabilities and derivative financial instruments for the 2025 reporting year. The loan repayments shown for the following years contain only contractually fixed minimum repayment amounts:

in € million	Carrying amount as of Dec. 31, 2025	2026		2027		2028 to 2032		from 2033	
		Interest	Repayment	Interest	Repayment	Interest	Repayment	Interest	Repayment
Non-derivative financial liabilities									
Liabilities to banks	14,688.7	353.7	1,402.5	322.9	2,180.6	994.8	7,541.0	1,056.2	3,790.1
Liabilities to other creditors	27,677.5	510.0	2,660.8	467.0	2,620.8	1,888.9	13,648.5	1,446.3	8,789.0
Deferred interest from other non-derivative financial liabilities	264.1	264.1							
Lease liabilities	679.5	21.1	40.8	20.1	31.3	90.2	93.5	367.0	514.0
Financial liabilities from tenant financing	145.2		106.3		1.8		9.2		27.9
Derivative financial assets and liabilities									
Purchase price liabilities from put options/rights to reimbursement	343.3		243.9				46.9		52.5
Stand-alone interest rate swaps	-24.8	1.1		2.5		4.9		17.3	
Cash flow hedges (cross currency swaps) FX in €	8.3	62.2	31.1	61.5		265.3	639.0	122.0	860.8
Cash flow hedges (cross currency swaps) €		-70.0	-32.50	-69.5		-321.0	-650.6	-164.7	-860.7
Cash flow hedges (interest rate swaps)	10.5	8.5		5.7		5.7		-1.0	
Deferred interest from swaps	-8.3	-8.3							

in € million	Carrying amount as of Dec. 31, 2024	2025		2026		2027 to 2031		from 2032	
		Interest	Repayment	Interest	Repayment	Interest	Repayment	Interest	Repayment
Non-derivative financial liabilities									
Liabilities to banks	14,914.3	314.7	1,724.5	314.3	1,486.1	943.7	8,712.8	693.3	3,177.4
Liabilities to other creditors	27,464.6	217.6	3,206.2	418.1	2,574.1	1,516.6	12,593.2	1,226.7	8,966.0
Deferred interest from other non-derivative financial liabilities	272.1	272.1							
Lease liabilities	675.7	20.3	40.0	19.2	32.1	85.6	102.6	318.6	501.1
Financial liabilities from tenant financing	150.6		110.9		1.9		9.5		28.3
Derivative financial assets and liabilities									
Purchase price liabilities from put options/rights to reimbursement	311.2				33.1		63.2		214.9
Stand-alone interest rate swaps	-16.6	14.5		8.6		21.4		10.4	
Cash flow hedges (cross currency swaps) FX in €	4.6	38.9		38.2	31.1	171.6	407.2	105.9	465.1
Cash flow hedges (cross currency swaps) €		-36.8		-36.2	-30.6	-169.9	-410.8	-132.7	-481.2
Cash flow hedges (interest rate swaps)	21.0	-1.9		-2.8		-3.4			
Deferred interest from swaps	-5.4	-5.4							

Credit Facilities

Since November 2021, an agreement had been in place between Vonovia SE and a banking consortium led by Commerzbank AG for a syndicated credit facility with a volume of € 3,000.0 million. This credit line was replaced by a comparable syndicated credit facility with a volume of € 3,000.0 million, also led by Commerzbank AG, in July 2025. Drawdowns can be made in euros or Swedish krona under this agreement, which will end in 2030, with interest based on the EURIBOR or STIBOR, plus an additional margin. This credit line had not been used as of December 31, 2025.

A commercial paper master program with a total volume of € 3,000.0 million, in which Vonovia SE acts as the issuer, has also been in place since November 2021. No issues were outstanding as of December 31, 2025.

As of December 31, 2025, the total volume available under guarantee loan agreements in the Group as a whole amounted to € 405.0 million (December 31, 2024: € 305.0 million). A total of € 217.7 million (December 31, 2024: € 226.3 million) of this amount had been drawn down by the reporting date.

Revolving guarantee lender	Master agreement volume	Utilization 2025	Note
Commerzbank AG	€ 35.0 million	€ 20.0 million	
Atradius Kreditversicherung Vonovia SE	€ 90.0 million	€ 79.3 million	
Atradius Kreditversicherung Deutsche Wohnen SE	€ 20.0 million	€ 13.3 million	
Swiss Re International SE	€ 120.0 million	€ 60.3 million	
Berliner Volksbank eG	no framework	€ 0.1 million	project-specific development financing
Kreissparkasse Gelnhausen	no framework	€ 0.2 million	individual guarantees
Hypo Vereinsbank	no framework	€ 0.2 million	individual guarantees
VHV Allgemeine Versicherung AG	no framework	€ 0.2 million	framework agreement cancelled
Zurich Insurance Europe AG	€ 75.0 million	€ 11.2 million	
Euler Hermes	€ 50.0 million	€ 27.5 million	
UniCredit Bank Austria AG AT	€ 10.0 million	€ 5.4 million	
Raiffeisen Bank International AG AT	€ 5.0 million	-	

All in all, Vonovia has cash on hand and deposits at banking institutions of € 3,106.9 million as of the reporting date (December 31, 2024: € 1,756.7 million). The master credit agreements/the commercial paper program, together with the cash on hand, guarantee Vonovia's ability to pay at all times.

We refer to the information on financial risk management in the management report.

55 Capital Management

Vonovia's management aims to achieve a long-term increase in value in the interests of customers, employees and investors. Within this context, maintaining a degree of financial flexibility in order to be able to achieve strategic objectives is crucial. This is why Vonovia's capital management focuses on ensuring our investment grade rating. The priority is to ensure sufficient liquidity resources and maintain an efficient ratio between secured and non-secured capital components.

As part of the opportunities and risk management of Vonovia, the members of the Management Board are given monthly reports on the development of results and their potential effects on the capital structure.

The equity situation of the subsidiaries is regularly examined.

Vonovia's equity developed as follows:

in € million	Dec. 31, 2024	Dec. 31, 2025
Total equity	28,126.9	32,167.7
Total assets	90,236.3	93,255.3
Equity ratio	31.2%	34.5%

In order to protect itself against changes in exchange rates and interest rates, Vonovia regularly contracts derivative hedging transactions in the case of liabilities with variable interest rates or liabilities in foreign currencies. The Corporate Finance and Treasury department is responsible for implementing the approved financing strategy.

56 Cash Flow Hedges and Stand-alone Hedging Instruments

On the reporting date, the nominal volume of cash flow hedges held in euros amounts to € 1,412.9 million (December 31, 2024: € 764.0 million). Interest rates on hedging instruments are between 1.505% and 3.513% with original swap periods of between 2.0 and 20 years.

In connection with the issue of a floating rate 2NC1 bond in the amount of € 750.0 million, Vonovia concluded a corresponding interest rate swap simultaneously on April 14, 2025. After interest rate hedging, the coupon for one year is 2.89%.

The forward starting interest rate swap remaining from 2024 was settled in cash as of January 14, 2025 in line with the contractual terms. The bank reimbursed € 0.9 million.

In the reporting year, Vonovia SE also concluded a further five cross currency swaps (CCS), four of which were included in hedge accounting. Two hedging transactions relate to SEK, two to AUD and one to NOK. The nominal value hedged for what are now eight foreign currency transactions managed in hedge accounting corresponds to a volume of € 1,485.9 million as of December 31, 2025 (December 31, 2024: € 891.4 million). The CCS for two nominal values hedged in Swedish krona of SEK 200.0 million and SEK 350.0 million, which corresponds to a volume of around € 50.8 million (December 31, 2024: € 30.5 million), remained as stand-alone swaps.

With the exception of two transactions, the euro interest rate swaps with hedge accounting are reported with negative market values as of the reporting date.

For one hedging instrument that is maintained within what is known as passive hedge accounting, interest income of € 1.2 million was reclassified in the reporting year in line with the expected cash flows from the underlying hedged item (December 31, 2024: interest expenses of € 3.0 million). This reduced the value frozen in other comprehensive income to € 11.0 million (December 31, 2024: € 12.2 million).

All derivatives are included in netting agreements with the issuing banks. No economic or accounting offsetting was performed in the reporting year.

Key parameters of the interest rate swaps were as follows:

	Carrying amount Dec. 31, 2025	Balance sheet item including the hedging instrument	Face value	Beginning of term	End of term
in € million					
Floating-to-fixed hedge					
Hedged item			750.0	Apr. 14, 2025	Apr. 14, 2026
Interest rate swap	0.1	Derivatives	750.0	Apr. 14, 2025	Apr. 14, 2026
Floating-to-fixed hedge					
Hedged item			142.0	Mar. 1, 2022	Mar. 1, 2027
Interest rate swap	-2.1	Derivatives	142.0	Jul. 4, 2023	Mar. 1, 2027
Floating-to-fixed hedge					
Hedged item			156.0	Feb. 28, 2022	Mar. 1, 2027
Interest rate swap	-2.3	Derivatives	156.0	Jul. 4, 2023	Mar. 1, 2027
Floating-to-fixed hedge					
Hedged item			325.0	Feb. 28, 2022	Feb. 28, 2029
Interest rate swap	-10.9	Derivatives	325.0	Jul. 10, 2023	Feb. 28, 2029
Floating-to-fixed hedge					
Hedged item			39.9	Oct. 1, 2018	Nov. 30, 2038
Interest rate swaps	4.7	Derivatives	39.9	Oct. 1, 2018	Nov. 30, 2038

	Current average interest rate (incl. margin)	Changes in the value of the hedging instrument recognized in other comprehensive income	Ineffectiveness of the hedging instrument recognized in profit or loss	Profit or loss item including hedge ineffectiveness	Reporting year reclassification	Profit or loss item including the reclassification of the hedge	Change in fair value of the hedged item
		(+) Increase of equity (-) Decrease of equity	(+) Increase of equity (-) Decrease of equity				
	3 M EURIBOR margin 0.85%						-0.1
	2.036%	0.1	-	Interest expenses	-0.3	Interest expenses	
	3 M EURIBOR margin 0.6%						-1.7
	3.426%	1.7	-	Interest expenses	1.6	Interest expenses	
	6 M EURIBOR margin 0.6%						-1.7
	3.504%	1.7	-	Interest expenses	1.6	Interest expenses	
	6 M EURIBOR margin 0.7%						-4.8
	3.513%	4.8	-	Interest expenses	3.4	Interest expenses	
	3 M EURIBOR margin 1.32%						-1.4
	1.505%	0.6	0.8	Interest expenses	-0.3	Interest expenses	

Key parameters of the cross currency swaps were as follows:

	Face value million foreign cur- rency	Face value million €	Beginning of term	End of term	Interest rate foreign cur- rency	Interest rate €	Hedging rate foreign cur- rency/€
Cross Currency Swap GBP 200							
Hedged item	200.0	229.2	Jan. 18, 2024	Jan. 18, 2036	5.50%		
CCS	200.0	229.2	Jan. 18, 2024	Jan. 18, 2036		4.55%	1.1631
Cross Currency Swap GBP 200							
Hedged item	200.0	229.2	Jan. 18, 2024	Jan. 18, 2036	5.50%		
CCS	200.0	229.2	Jan. 18, 2024	Jan. 18, 2036		4.55%	1.1623
Cross Currency Swap CHF 150							
Hedged item	150.0	161.1	Feb. 14, 2024	Feb. 14, 2029	2.57%		
CCS	150.0	161.1	Feb. 14, 2024	Feb. 14, 2029		4.16%	1.0620
Cross Currency Swap CHF 235							
Hedged item	235.0	252.3	Aug. 26, 2024	Aug. 26, 2031	2.00%		
CCS	235.0	252.3	Aug. 26, 2024	Aug. 26, 2031		3.90%	1.0547
Cross Currency Swap NOK 1.000							
Hedged item	1,000.0	84.4	Apr. 1, 2025	Apr. 1, 2033	5.51%		
CCS	1,000.0	84.4	Apr. 1, 2025	Apr. 1, 2033		4.12%	11.3439
Cross Currency Swap SEK 500							
Hedged item	500.0	46.2	Jun. 13, 2025	Jun. 13, 2028	4.29%		
CCS	500.0	46.2	Jun. 13, 2025	Jun. 13, 2028		3.09%	10.9215
Cross Currency Swap AUD 300							
Hedged item	300.0	170.7	Sep. 3, 2025	Sep. 3, 2032	5.27%		
CCS	300.0	170.7	Sep. 3, 2025	Sep. 3, 2032		3.68%	1.7884
Cross Currency Swap AUD 550							
Hedged item	550.0	312.8	Sep. 3, 2025	Sep. 3, 2035	5.72%		
CCS	550.0	312.8	Sep. 3, 2025	Sep. 3, 2035		3.98%	1.7882

As of the reporting date, Deutsche Wohnen Group recognized 14 stand-alone interest rate swaps, five with a floor. The nominal value hedged came to € 749.0 million as of December 31, 2025 (December 31, 2024: € 848.8 million); three transactions result in a negative market value of € 5.3 million (December 31, 2024: € 7.9 million), while the positive market values of the other interest rate swaps total € 16.6 million (December 31, 2024: € 24.1 million).

The nominal volume hedged in relation to a current total of 15 stand-alone interest rate swaps at BUWOG came to € 609.2 million as of December 31, 2025 (December 31, 2024: € 559.5 million); positive market values totaling € 25.1 million

(December 31, 2024: € 11.5 million) were offset by negative market values totaling € 1.3 million (December 31, 2024: € 2.4 million).

On the reporting date, the Victoriahem Group recognized six stand-alone interest rate swaps, two of which were portfolio hedges. The nominal value hedged in Swedish krona came to € 825.5 million as of December 31, 2025 (December 31, 2024: € 845.9 million); positive market values totaling € 0.0 million (December 31, 2024: € 0.8 million) were offset by negative market values totaling € 10.2 million (December 31, 2024: € 9.1 million).

All in all, the positive market values of cash flow hedges from interest rate derivatives in the amount of € 4.8 million (December 31, 2024: € 3.4 million) were offset in the reporting year by negative market values of € 15.3 million (December 31, 2024: € 24.4 million).

In the case of the cross currency swaps, the positive market values of € 16.4 million (December 31, 2024: € 10.9 million) were offset by negative market values of € 24.6 million (December 31, 2024: € 15.5 million).

At the same time, positive market values from stand-alone interest rate derivatives were recognized in the amount of € 41.8 million (December 31, 2024: € 36.4 million) and were offset in the reporting year by negative market values of € 17.0 million (December 31, 2024: € 19.8 million).

The positive deferred interest balance across the board came to € 8.3 million in the reporting year (December 31, 2024: € 5.5 million).

In the reporting year, after allowing for deferred taxes, negative cumulative ineffectiveness for cash flow hedges amounted to € -0.3 million (2024: € 0.2 million), meaning that net interest deteriorated by € 0.5 million) (2024: € 0.5 million).

The designation of the cash flow hedges as hedging instruments is prospectively determined on the basis of a sensitivity analysis, retrospectively on the basis of the accumulated dollar offset method. The fair value changes of the hedged

items are determined on the basis of the hypothetical derivative method. In the reporting year – as in the prior year – the impact of default risk on the fair values is negligible and did not result in any adjustments of the balance sheet item.

The derivatives in the form of long-term call options to buy back shares, which were recognized in the previous year in the amount of € 731.0 million, were adjusted, with recognition in profit and loss, to € 671.0 million in the reporting year. For details on the call options, please refer to the chapter entitled → **[D28] Financial Assets**.

In May 2025, Vonovia placed two convertible bonds with a total volume of € 1,300 billion. The bonds, each worth € 650.0 million, will mature in May 2030 and May 2032. 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 debt capital. For accounting purposes, the conversion rights are separated from the debt transaction and measured separately as a derivative. The option components are reported under derivative financial liabilities. Upon initial recognition not affecting net income, the value of the derivative came to € 143.7 million. The value came to € 79.4 million as of December 31, 2025. The change in value was recognized affecting net income in the amount of € 64.3 million in interest expense from derivative measurement.

The impact of the cash flow hedges (after income taxes) on the development of other reserves is shown below:

in € million	As of Jan. 1	Changes in the period		Reclassification affecting net income		As of Dec. 31
		Changes in CCS	Other	Currency risk	Interest risk	
2025	-8.2	-1.9	2.9	10.9	3.1	6.8
2024	-20.1	3.8	21.5	-13.5	0.1	-8.2

The impact of the cash flow hedges (after income taxes) on total comprehensive income is shown below:

Cash Flow Hedges

in € million	2024	2025
Change in unrealized gains/losses	32.3	1.0
Taxes on the change in unrealized gains/losses	-7.0	0.0
Net realized gains/losses	-21.1	20.8
Taxes due to net realized gains/losses	7.7	-6.8
Total	11.9	15.0

On the basis of the valuation as of December 31, 2025, Vonovia used a sensitivity analysis for all swaps to determine the change in equity (after income taxes) given a parallel shift in the interest rate structure of 50 basis points in each case:

in € million	Change in equity		
	Other reserves not affecting net income	Income statement affecting net income	Total
2025			
+50 basis points	7.9	29.5	37.4
-50 basis points	-8.8	-29.8	-38.6
2024			
+50 basis points	11.3	29.8	41.1
-50 basis points	-11.5	-30.1	-41.6

A further sensitivity analysis for the CCS showed that a change in the foreign currency level of -0.5% (+0.5%) would lead, after allowance for deferred taxes, to a change in the other reserves not affecting net income of € -5.7 million (or € 5.5 million) (2024: € -2.7 million (or € 2.8 million)), while ineffectiveness affecting net income in the amount of € 0.0 million (or € -0.0 million) (2024: € 0.0 million (or € -0.6 million)) would result at the same time.

The conversion rights were also subjected to a sensitivity analysis in which we started by shifting the implicitly derived volatility by +/-100bps in each case, which would result in a change in equity affecting net income of € -4.1 million/€ +4.0 million, taking deferred taxes into account. The second step involved adjusting the share price as of December 31, 2025 by +5%/-5%, which would result in a change in equity affecting net income of € -9.0 million/€ +7.9 million, taking deferred taxes into account.

A final sensitivity analysis revealed that, for a minority of variable-rate loans not designated as hedges, a parallel shift in the interest structure of 50 basis points in each case would have an effect in the income statement of € 19.8 million (or € -19.8 million), as against an effect of € 15.9 million (or € -15.9 million) in the previous year.

57 Contingent Liabilities

Contingent liabilities exist for cases in which Vonovia SE and its subsidiaries give guarantees to various contractual counterparts. The terms are in many cases limited to an agreed time. In some cases, the term is unlimited.

Contingent liabilities of Vonovia are as follows:

in € million	Dec. 31, 2024	Dec. 31, 2025
Guarantees in connection with Development	248.0	267.7
Rent surety bonds	3.1	3.5
Other	3.4	1.0
	254.5	272.2

Vonovia is involved in a number of legal disputes resulting from normal business activities. In particular, these involve tenancy, construction and sales law disputes and, in individual cases, company law disputes (mainly following takeovers and structuring measures). None of the legal disputes, taken in isolation, will have any material effects on the net assets, financial position or results of operations of Vonovia.

58 Other Financial Obligations

Other financial obligations are as follows:

in € million	Dec. 31, 2024	Dec. 31, 2025
Other financial obligations		
Investment obligations	1,209.8	1,256.3
Commitments under purchase orders for modernization and new construction	486.6	623.4
IT service contracts	100.4	111.9
Obligations resulting from acquisition	1,052.0	77.0
Cable TV service contracts	2.9	-
Other	30.6	16.8
	2,882.3	2,085.4

The drop in purchase obligations is due to the purchase agreements concluded by Deutsche Wohnen in the 2024 and 2025 fiscal years to acquire land to build on and rental properties from the QUARTERBACK Immobilien Group. The total volume of the purchase agreements concluded came to around € 1.5 billion. As of December 31, 2025, there were purchase obligations vis-à-vis the QUARTERBACK Immobilien Group in the amount of € 77.0 million.

Bochum, March 16, 2026



Luka Mucic
(CEO)



Arnd Fittkau
(CRO)



Philip Grosse
(CFO)



Daniel Riedl
(CDO)



Ruth Werhahn
(CHRO)