FY-2023

LEG Immobilien SE

FY-2023 Results

11 March 2024

LEG

Disclaimer

While LEG Immobilien SE ("The Company") has taken all reasonable care to ensure that the facts stated in this presentation are accurate and that the opinions contained in it are fair and reasonable, this presentation is selective in nature and is intended to provide an introduction to, and an overview of the Company's business. Any opinions expressed in this presentation are subject to change without notice and neither the Company nor any other personis under any obligation to update or keep current the information contained in this presentation. Where this presentation quotes any information or statistics from any external sources, you should not interpret that the Company has adopted or endorsed such information or statistics as being accurate.

This presentation may contain forward-looking statements that are subject to risks and uncertainties, including those pertaining to the anticipated benefits to be realised from the proposals described herein. Forward-looking statements may include, in particular, statements about future events, future financial performance, plans, strategies, expectations, prospects, competitive environment, regulation, and supply and demand. The Company has based these forward-looking statements on its views and assumptions with respect to future events and financial performance. Actual financial performance could differ materially from that projected in the forward-looking statements due to the inherent uncertainty of estimates, forecasts and projections, and financial performance may be better or worse than anticipated. Given these uncertainties, readers should not put undue reliance on any forward-looking statements. The information contained in this presentation is subject to change without notice and the Company does not undertake any duty to update the information and forward-looking statements, and the estimates and assumptions associated with them, except to the extent required by applicable laws and regulations.

This presentation does not constitute an offer or invitation to purchase or sell any shares in the Company and neither this presentation or anything in it shall form the basis of, or be relied upon in connection with, any contract or commitment whatsoever.

Cash is King – Strategy pays out

AFFO of €181.2m above upper guidance level – strong operations – DPS24 of €2.45

Financials

- AFFO **+66.5%** to **€181.2m**
- Operating Cashflow **+15.1%** to **€447.9m**
- FFO I **–5.8%** to **€453.9m**
- Adj. EBITDA-Margin **80.6%**
- LTV **48.4%**
  - Debt @ **1.58%** for **6.2y**
- NTA p.s. **€126.57**

Operations

- Net cold rent **+4.4%**
- l-f-l rental growth **+4.0%**
- l-f-l vacancy **2.4%** (–30bps)

ESG

- **SBTi approved** in 2024
- Despite much lower investments CO_2 reduction of **~8,700t** realised vs. target of **4,000t**, as modernisations contributed **~2,700t** and nudging effects **~ 6,000t**
- CO_2-footprint expected to come down by **4%** to **27.3** CO_2ekg/sqm

FY-2023

4.9% property devaluation in H2-2023

Total devaluation of 11.9% in FY2023 – bottoming out expected

Resumption of dividend with DPS24 of €2.45

100% of AFFO – net disposal proceeds (€55m) to be retained

Resilient balance sheet – fully refinanced until mid 2025

LTV of 48.4% backed by strong financing structure

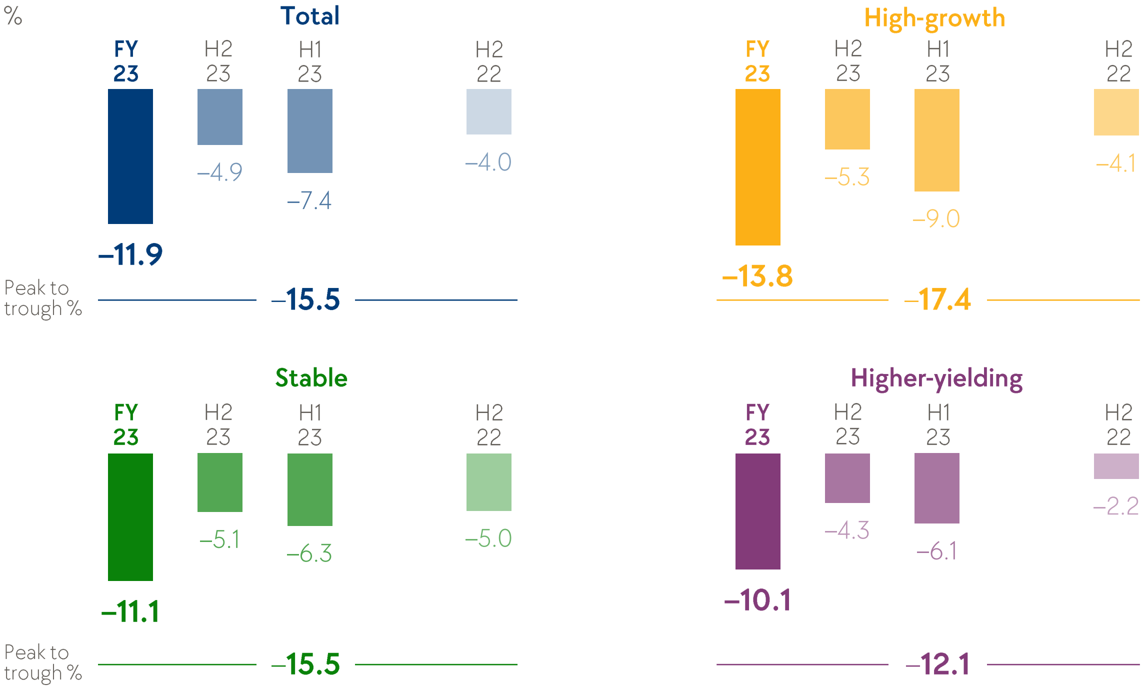
Guidance 2024 confirmed – midpoint +5% vs. 2023

€180 – 200m AFFO driven by strong fundamentals

Portfolio valuation FY-2023 – Breakdown of revaluation losses

Devaluation losing momentum

Valuation decline by markets l-f-l[1]



Highlights

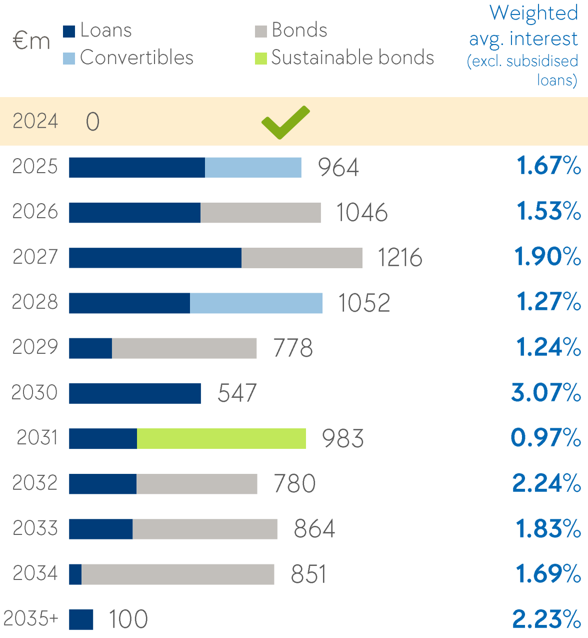
- Valuation adjustment of –**7.4**% in H1-2023 and –**4.9**% in H2-2023; total of –**11.9**% in FY-2023
- Transaction market in German residential real estate at lowest volume since 2010 (2023: €**5.2**bn)[2]
- Since peak in H1-2022 combined devaluation effect of c.**15.5**%
- Stronger devaluation effect in high-growth markets compared to higher-yielding markets
- Average object-specific discount rate increased to **4.7**% (FY-2022 **3.7**%), cap rate increased to **5.7**% (FY-2022 **5.2**%)

1 Property valuation with cut-off date as of 30 September 2023 and revaluation date as of 31 December 2023. 2 Source: BNP Real Estate for transactions >30 units.

Financial profile

2024 maturities refinanced at attractive terms – next maturities mid 2025

Pro forma maturities[1]



Average debt maturity

years

Average interest cost

%

Loan-to-value

%

Highlights

- No refinancings until mid of 2025 – cash at hand as well as RCF would cover all maturities until 01/2026
- Undrawn RCF's increased to **€750m** (3y maturity) (prev. €675m)/ CP-programme of **€600m**
- Strong liquidity of **>€400m** (as at 12/23)[2]
- Headroom of c. **23–24%** value decline regarding LTV and unencumbered asset test respectively
- Secured maturities in 2025 of **€564m** to be rolled forward or refinanced (first maturities mid 2025)
- Convertible of **€400m** due as of Sept 1, 2025
- Average debt maturity as at **12/23** was **6.2** years with average interest cost of **1.58%**
- Interest **hedging rate** of c.**94%**
- **LTV** of **48.4%** above medium-term target level of max. **45%**, but comfortably within thresholds for rating of Baa2 (stable)

1 Pro-forma as of 01/2024 after refinancing 100% of the 2024 maturities. 2 Cash and short-term deposits.

Guidance 2024 unchanged: AFFO in the range of €180m – €200m

LEG

Stronger rent growth and smart spending allows for higher cash generation

	Guidance 2024[1]
AFFO[2]	€**180**m – **200**m
Adj. EBITDA margin[3]	c. **77**%
l-f-l rent growth	**3.2**% – **3.4**%
Investments	c. **32**€/sqm
LTV	Medium-term target level max. **45**%
Dividend	100% AFFO as well as a part of the net proceeds from disposals
Disposals	Not reflected[1]

Environment	2024–2027	Installation and commissioning of **2,000** air-to-air heat pumps in 2027 in LEG's portfolio and in third-party portfolios
	2024	**4,000** tonnes CO_2 reduction from modernisation projects and customer behaviour change
Social	2024–2027	Acceleration of the processing time of total LEG tenant complaints by **10%** by 31 December 2027 based on the averaged processing time of resolved complaint tickets from March 2024 and September 2024
	2024	Use of **100** LEG staff hours to design, organise or implement intercultural projects until 31 December 2024
Governance	2024	**85**% of TSP employees, **99**% of employees in staff holding LEG group companies have completed the "IT Security" training until 31 December 2024

1 Guidance based on 167 k units. 2 Adjusted for capex financed in full by subsidised, long-term loans accounted for at fair value or at cost, these will be reported separately.
3 Based on the adjusted EBITDA definition effective since business year 2023, i.e. excluding maintenance (externally-procured services) and own work capitalised.

IR Contact

Investor Relations Team

For questions please use
ir@leg-se.com

Frank Kopfinger, CFA
Head of Investor Relations & Strategy

Tel: +49 (0) 211 4568 – 550
E-Mail: frank.kopfinger@leg-se.com

Elke Franzmeier
Corporate Access & Events

Tel: +49 (0) 211 4568 – 159
E-Mail: elke.franzmeier@leg-se.com

Karin Widenmann
Senior Manager Investor Relations

Tel: +49 (0) 211 4568 – 458
E-Mail: karin.widenmann@leg-se.com

Gordon Schönell, CIIA
Senior Manager Investor Relations

Tel: +49 (0) 211 4568 – 286
E-Mail: gordon.schoenell@leg-se.com

LEG Immobilien SE | Flughafenstraße 99 | 40474 Düsseldorf, Germany
E-Mail: ir@leg-se.com | Internet: www.leg-se.com