

Real Estate Monitor

PwC's Real Estate Institute

July 2025

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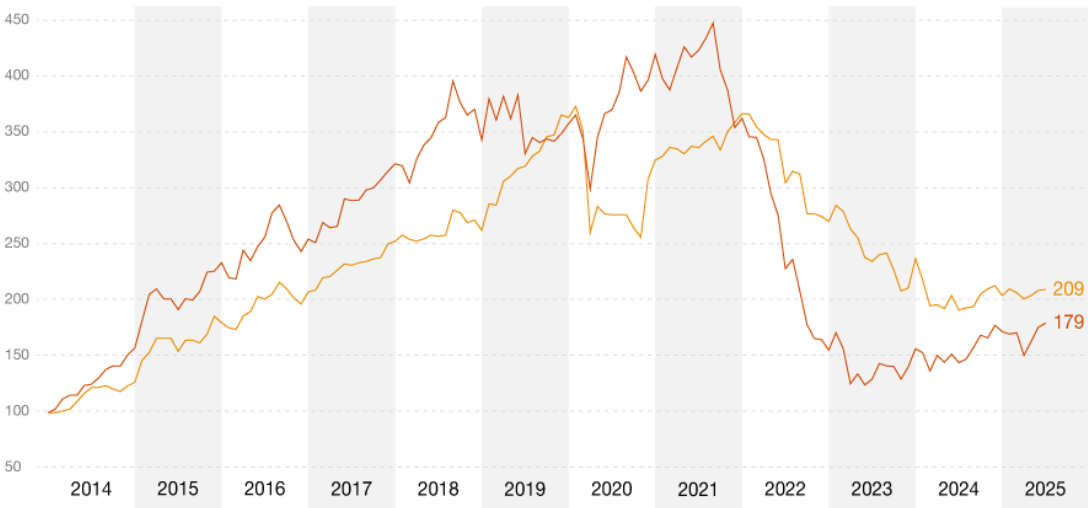
Despite difficult market environment: Residential continues recovery

Real Estate Monitor, July 2025

In June 2025, the PwC Real Estate Indices for residential and commercial property holders increased. While the index for residential property holders grew by +2.4% on average to 179 points, the index for commercial property holders rose by +0.5% during the same period, reaching 209 points.

Despite challenging market conditions, listed residential property holders are experiencing positive growth. The sector struggles with high construction costs and regulatory hurdles, such as the extended rental price cap ("Mietpreisbremse"), contributing to a slowdown in new builds. Meanwhile, interest rate dynamics provide favorable conditions for real estate stocks, with steady demand and constrained supply leading to further price increases in both residential and commercial segments. As a result, the competitive landscape remains intense, with investors closely monitoring valuation levels amidst these complexities.

PwC Real Estate Index – Germany (Jan 2014 – June 2025)



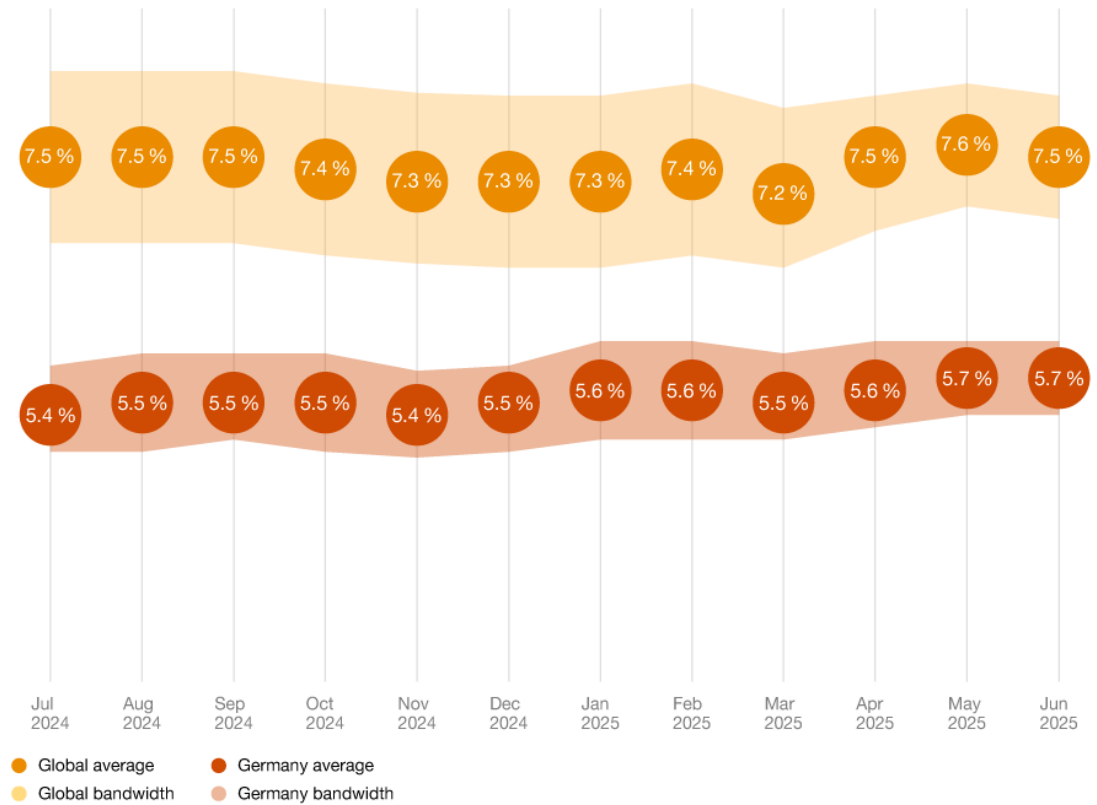
Performance (30 June 2025)

Index	YTD	1 Month	3 Month	6 Month	1 Year	2 Years	3 Years	5 Years
Commercial	2.3 %	0.5 %	3.9 %	2.3 %	8.6 %	-11.2 %	-31.4 %	-24.5 %
Residential	4.0 %	2.4 %	18.4 %	4.0 %	23.7 %	37.5 %	-21.6 %	-51.4 %

Source: PwC "Real Estate Monitor"

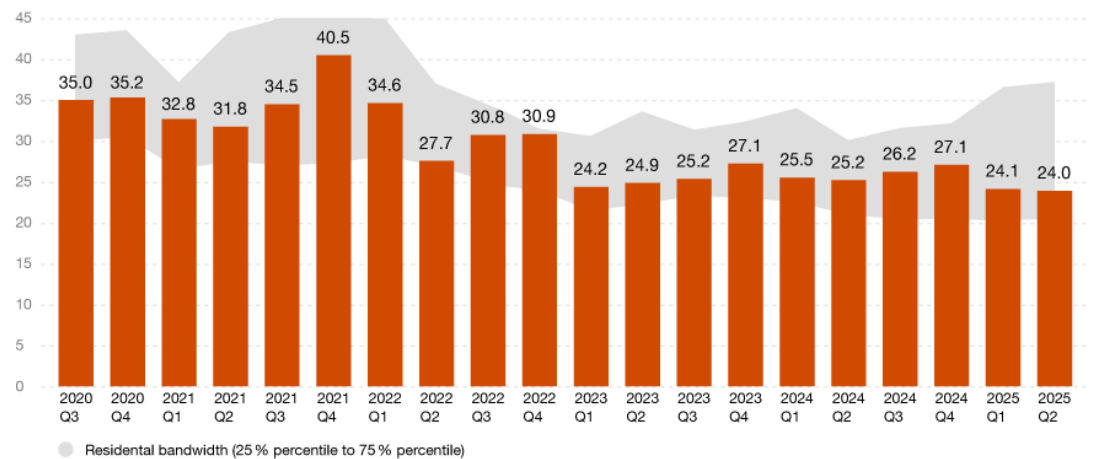
Stock price data per company within the respective peer group is collected using the S&P Capital IQ Data Idem „IQ_ClosePrice_Adj“. Capital IQ defines the Close Price as: The closing price of the day, calculated once per day after the market close. Close prices are adjusted for stock splits, cash dividends, rights offerings, and spin-offs. The underlying peer groups are revised and adjusted once per year on 31 December. New players on the German real estate market are thus identified and included, while delisted companies are excluded.

Weighted Average Cost of Capital (WACC)

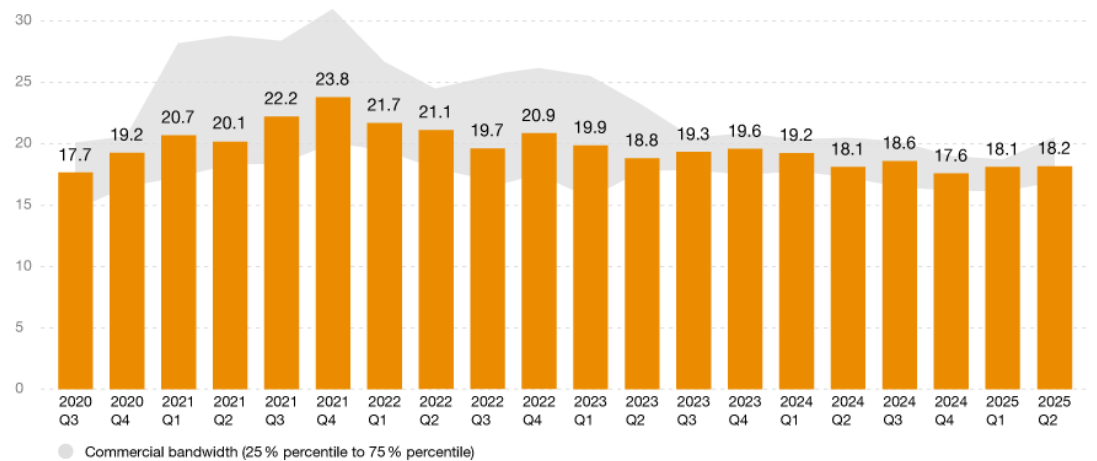


Source: PwC "Real Estate Monitor"

EBITDA Multiple – Residential Germany (per quarter)



EBITDA Multiple – Commercial Germany (per quarter)



Source: PwC "Real Estate Monitor"

Real Estate Monitor

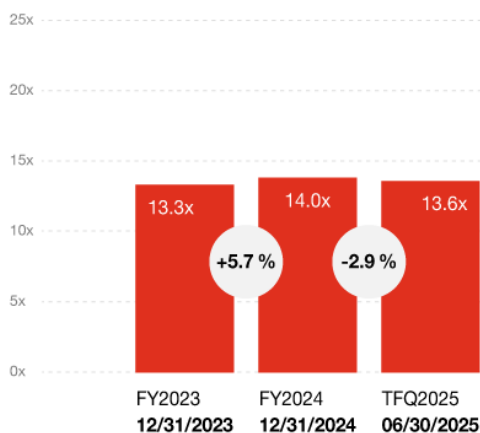
PwC's Real Estate Institute – Real Estate KPIs

Relative valuation level based on sector-specific key figures

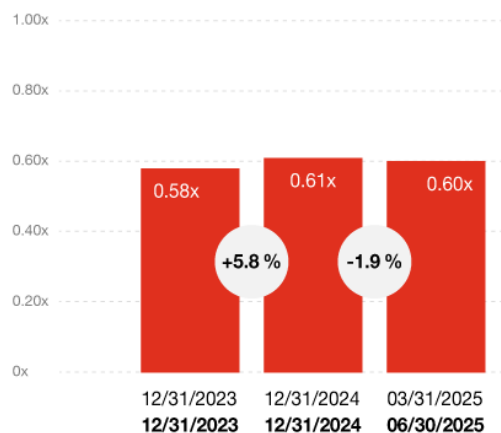
In order to gain insight into the changes in value of 19 major players in the German real estate market, we have analysed the sector-specific Real Estate KPIs FFO 1 and EPRA NTA from the financial periods FY2023, FY2024 and TFQ2025 (TFQ: Trailing Four Quarters). We have put the share prices as of the balance sheet dates 31 Dec 2023, 31 Dec 2024 and 30 Jun 2025 in relation to the above-mentioned key figures from the corresponding financial periods. The resulting average ratios by segment are shown in the figures below.

Sector-specific KPIs FFO 1 and EPRA NTA Residential

FFO 1 multiple

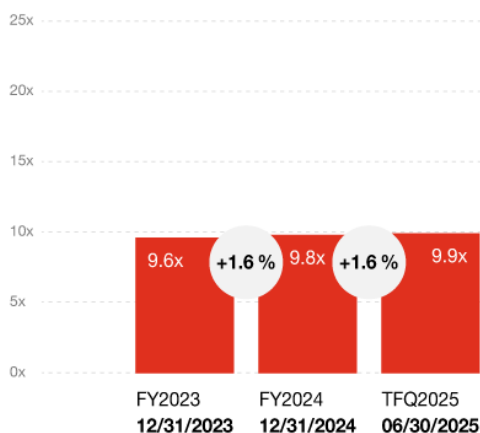


Price/EPRA NTA ratio

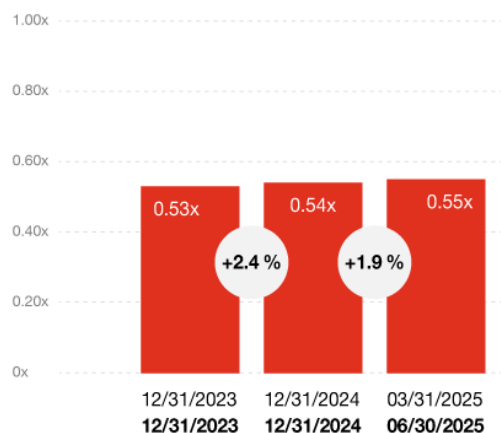


Sector-specific KPIs FFO 1 and EPRA NTA Commercial

FFO 1 multiple



Price/EPRA NTA ratio



FFO 1 multiples and Price/EPRA NTA ratios by segment

The table below shows the individual FFO 1 multiples and Price/EPRA NTA ratios of our peer group by segment. The key figures relate to the financial periods FY2023, FY2024 and TFQ2025 and the share prices as of 31 Dec 2023, 31 Dec 2024 and 30 Jun 2025.

Reading example: TAG Immobilien AG was valued by the market at 14.4x of its FFO 1 as of 31 Dec 2024, whereas on 30 Jun 2025, it was valued at 15.2x of its FFO 1.

Stock price as of KPI (FFO and NTA) as of	FFO 1 multiple			Price/EPRA NTA ratio		
	12/31/2023 FY2023	12/31/2024 FY2024	06/30/2025 TFQ2025	12/31/2023 12/31/2023	12/31/2024 12/31/2024	06/30/2025 03/31/2025
RESIDENTIAL						
Deutsche Wohnen SE	17.6x	18.2x	17.3x	0.56x	0.55x	0.57x
Grand City Properties SA	9.4x	10.8x	10.3x	0.43x	0.47x	0.45x
LEG Immobilien SE	12.9x	13.3x	11.9x	0.63x	0.65x	0.59x
Phoenix Spree Deutschland Limited				0.50x	0.58x	0.54x
TAG Immobilien AG	13.5x	14.4x	15.2x	0.72x	0.75x	0.77x
Vonovia SE	12.9x	13.4x	13.4x	0.61x	0.65x	0.66x
25%-Percentile	12.9x	13.3x	11.9x	0.52x	0.56x	0.55x
Average	13.3x	14.0x	13.6x	0.58x	0.61x	0.60x
75%-Percentile	13.5x	14.4x	15.2x	0.63x	0.65x	0.64x
COMMERCIAL						
alstria office REIT-AG	7.4x	16.9x	7.3x	0.40x	0.84x	0.35x
Aroundtown SA	8.2x	10.1x	10.8x	0.34x	0.39x	0.41x
Branicks Group AG	5.4x	3.6x	3.0x	0.28x	0.32x	0.29x
CA Immobilien Anlagen AG			18.5x			0.76x
DEFAMA Deutsche Fachmarkt AG	12.0x	13.4x	13.1x			
Deutsche EuroShop AG	10.1x	8.9x	10.1x	0.71x	0.63x	0.70x
Deutsche Konsum REIT-AG	3.9x	5.9x	5.8x	0.31x	0.35x	0.27x
Deutsche Real Estate AG	12.0x	7.9x	6.9x			
FCR Immobilien AG	17.0x	14.8x	16.8x			
Hamborner REIT AG	10.1x	9.9x	9.8x	0.68x	0.64x	0.60x
Sirius Real Estate Limited	13.4x	12.0x	14.1x	1.15x	0.86x	0.95x
VGP NV						0.96x
VIB Vermögen AG	6.3x	4.2x	3.0x	0.34x	0.28x	0.20x
25%-Percentile	6.9x	6.9x	6.6x	0.33x	0.34x	0.31x
Average	9.6x	9.8x	9.9x	0.53x	0.54x	0.55x
75%-Percentile	12.0x	12.7x	13.3x	0.69x	0.69x	0.75x

Source: PwC "Real Estate Monitor"

Valuation level (measured by RE KPIs)

Compared to the end of FY2024, Commercial's current valuation level (as of 30 Jun 2025) has decreased by +1.6% (FFO 1 multiple) and +1.9% (Price/EPRA NTA ratio). On the other hand, the current valuation level of Residential has increased by -2.9% (FFO 1 multiple) and -1.9% (Price/EPRA NTA ratio).

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