

# On Track

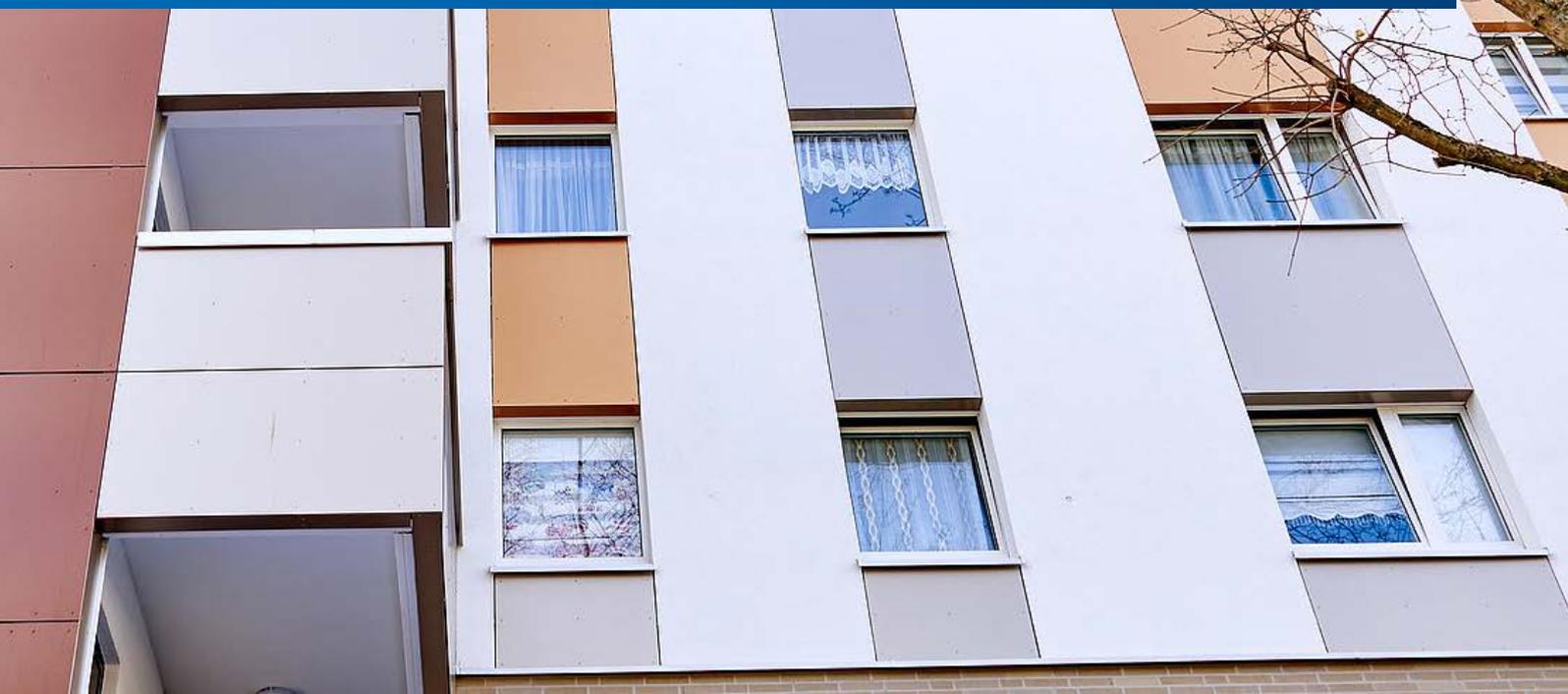


2024

Quarterly report as of 31 March

## Table of contents

3	Key figures Q1 2024	23	Selected Notes
4	Portfolio	23	1. Basic information on the Group
8	Analysis of net assets, financial position and results of operations	23	2. Interim consolidated financial statements
18	Risk and opportunity report	23	3. Accounting policies
18	Forecast report	23	4. Changes in the Group
		23	5. Assumptions and estimates
		23	6. Selected notes to the consolidated statement of financial position
19	Consolidated financial statements	27	7. Selected notes to the consolidated statement of comprehensive income
19	Consolidated statement of financial position	30	8. Notes on Group segment reporting
20	Consolidated statement of comprehensive income	34	9. Financial instruments
21	Statement of changes in consolidated equity	37	10. Related-party disclosures
22	Consolidated statement of cash flows	37	11. Other
		37	12. The Management Board and the Supervisory Board
		37	13. Supplementary Report
		38	Responsibility statement
		39	Financial calendar
		39	Contact details & imprint



## Key figures Q1 2024

Financial key figures		Q1 2024	Q1 2023	+/- %
Net cold rent	€ million	214.1	206.3	3.8
Net operating income (recurring)	€ million	171.1	161.4	6.0
EBITDA	€ million	130.9	131.2	-0.2
EBITDA adjusted	€ million	157.6	157.0	0.4
EBT	€ million	77.7	126.3	-38.4
Net profit or loss for the period	€ million	57.8	96.3	-39.9
FFO I	€ million	98.8	103.2	-4.3
FFO II	€ million	98.0	101.0	-3.0
AFFO	€ million	48.6	54.9	-11.5
AFFO per share	€	0.66	0.74	-11.5
Balance sheet key figures		31.03.2024	31.12.2023	+/- %/bp
Investment properties	€ million	18,164.5	18,101.8	0.3
Cash and cash equivalents	€ million	285.2	277.5	7.3
Equity	€ million	7,550.4	7,488.2	0.8
Total financing liabilities	€ million	9,369.2	9,375.8	-0.1
Current financing liabilities	€ million	443.5	445.7	-0.5
LTV	%	47.9	48.4	-50
Equity ratio	%	38.9	38.8	10
EPRA NTA, diluted	€ million	9,462.9	9,373.9	0.9
EPRA NTA per share, diluted	€	127.69	126.57	0.9
Other key figures		31.03.2024	31.03.2023	+/- %/bp
Number of residential units		165,953	166,987	-0.6
In-place rent	€/sqm	6.68	6.44	+3.8
In-place rent (I-f-I)	€/sqm	6.67	6.45	+3.5
EPRA vacancy rate	%	2.9	3.0	-10
EPRA vacancy rate (I-f-I)	%	2.5	2.8	-30

bp = basis points

## Portfolio

### Portfolio segmentation and housing stock

The LEG portfolio can be divided into three market clusters using a scoring system: high-growth markets, stable markets, and higher-yielding markets. The indicators for the scoring system are described in the annual report 2023. The portfolio is spread over around 240 locations, most of which are in LEG's home state of North Rhine-Westphalia. In addition, properties are held in the federal states of Lower Saxony, Bremen, Schleswig-Holstein, Hesse, Rhineland-Palatinate, and Baden-Wuerttemberg.

The property portfolio as of 31 March 2024 included 165,953 residential units, 1,509 commercial units and 46,673 garages and parking spaces. The average flat size was 63 square metres, and the average monthly in-place rent was EUR 6.68 per square metre.

### Operating performance

The actual in-place rent on a comparable portfolio basis (like-for-like) was EUR 6.67 per square metre and month on 31 March 2024. This corresponds to an increase of 3.5 % within one year. Rent table adjustments contributed 2.0 %, modernisations and new lettings 1.5 %. There is no cost rent adjustment for the rent-restricted portfolio in 2024.

Hence, rent growth in the first quarter of 2024 came from the free-financed units which account for 81 % of the portfolio. Here, the actual in-place rent rose by 4.1 % to EUR 6.99 per square metre (like-for-like) compared to the previous year. Within the free-financed portfolio, the high-growth markets recorded an increase of 4.3 % to EUR 8.06 per square metre (like-for-like). The actual in-place rent in the stable markets of the free-financed portfolio increased by an average of 4.2 % to EUR 6.69 per square metre (like-for-like). In the higher-yielding markets, the monthly in-place rent rose by 3.7 % to EUR 6.32 per square metre (like-for-like).

The average monthly rent in the rent-restricted portfolio only increased by 0.02 EUR to EUR 5.38 per square metre (like-for-like). The next cost rent adjustment will take place in 2026.

The EPRA vacancy rate on a like-for-like basis as at 31 March 2024 could be reduced even further by 30 basis points to 2.5 % (like-for-like) compared to the previous year's reporting date. The lowest vacancy rate was recorded in the high-growth markets at 1.6 %. In the stable markets, the EPRA vacancy rate was 2.4 % as at the reporting date, and in the higher-yielding markets it was 4.2% (always on a like-for-like basis).

## 5 PORTFOLIO

### • Portfolio segments – top 5 locations 31.03.2024

	31.03.2024					Change on a like-for-like basis	
	Number of LEG apartments	Share of LEG portfolio	Living space	In-place rent	EPRA vacancy rate	In-place-rent like-for-like	Vacancy rate like-for-like
		in %	in sqm	€ / sqm	in %	in %	basis points
<b>High-growth markets</b>	<b>49,847</b>	<b>30.0</b>	<b>3,282,463</b>	<b>7.52</b>	<b>1.7</b>	<b>3.7</b>	<b>- 40</b>
District of Mettmann	8,484	5.1	588,896	7.89	1.6	3.6	60
Dusseldorf	6,198	3.7	402,420	8.90	1.6	3.3	- 50
Muenster	6,154	3.7	410,486	7.48	0.7	4.8	- 20
Cologne	4,388	2.6	296,367	8.14	2.3	3.1	- 150
Aachen	2,430	1.5	164,255	5.81	2.4	1.9	40
Other locations	22,193	13.4	1,420,039	7.05	2.0	3.9	- 80
<b>Stable markets</b>	<b>66,674</b>	<b>40.2</b>	<b>4,264,207</b>	<b>6.43</b>	<b>3.0</b>	<b>3.5</b>	<b>- 20</b>
Dortmund	13,791	8.3	901,874	6.07	2.4	3.0	10
District of Unna	6,982	4.2	435,733	5.76	1.8	2.6	0
Moenchengladbach	6,431	3.9	407,583	6.84	1.3	3.9	10
Essen	3,658	2.2	235,274	6.60	4.1	2.9	130
Bielefeld	3,232	1.9	201,196	7.17	1.6	1.9	50
Other locations	32,580	19.6	2,082,547	6.55	3.8	4.0	- 60
<b>Higher yielding markets</b>	<b>49,432</b>	<b>29.8</b>	<b>2,981,575</b>	<b>6.10</b>	<b>4.5</b>	<b>3.3</b>	<b>10</b>
District of Recklinghausen	8,609	5.2	519,903	5.92	2.7	2.3	10
Gelsenkirchen	7,216	4.3	412,133	6.25	6.5	4.0	- 50
Wilhelmshaven	6,752	4.1	390,678	6.01	11.0	4.6	140
Duisburg	6,417	3.9	387,644	6.62	2.9	3.1	40
Hamm	4,797	2.9	287,290	6.01	1.4	2.4	- 20
Other locations	15,641	9.4	983,926	5.99	3.4	3.3	- 20
<b>Total</b>	<b>165,953</b>	<b>100.0</b>	<b>10,528,245</b>	<b>6.68</b>	<b>2.9</b>	<b>3.5</b>	<b>- 30</b>

### • Portfolio segments – top 5 locations 31.03.2023

	31.03.2023				
	Number of LEG apartments	Share of LEG portfolio	Living space	In-place rent	EPRA vacancy rate
		in %	in sqm	€ / sqm	in %
<b>High-growth markets</b>	<b>49,883</b>	<b>29.9</b>	<b>3,281,333</b>	<b>7.25</b>	<b>2.3</b>
District of Mettmann	8,505	5.1	590,775	7.62	1.0
Dusseldorf	6,137	3.7	397,649	8.61	2.2
Muenster	6,157	3.7	410,528	7.13	0.9
Cologne	4,388	2.6	296,367	7.89	3.7
Aachen	2,430	1.5	164,255	5.70	1.9
Other locations	22,266	13.3	1,421,759	6.79	3.0
<b>Stable markets</b>	<b>66,690</b>	<b>39.9</b>	<b>4,252,479</b>	<b>6.20</b>	<b>2.8</b>
Dortmund	13,840	8.3	904,474	5.89	2.3
District of Unna	6,916	4.1	430,400	5.61	1.8
Moenchengladbach	6,433	3.9	407,608	6.58	1.2
Essen	3,557	2.1	228,673	6.29	2.6
Bielefeld	3,234	1.9	201,155	7.03	1.2
Other locations	32,710	19.6	2,080,169	6.28	3.6
<b>Higher yielding markets</b>	<b>50,414</b>	<b>30.2</b>	<b>3,044,610</b>	<b>5.89</b>	<b>4.4</b>
District of Recklinghausen	9,025	5.4	549,049	5.73	2.6
Gelsenkirchen	7,249	4.3	414,682	6.01	7.1
Wilhelmshaven	6,842	4.1	396,159	5.75	9.9
Duisburg	6,420	3.8	387,923	6.42	2.4
Hamm	4,836	2.9	289,612	5.87	1.6
Other locations	16,042	9.6	1,007,186	5.79	3.8
<b>Total</b>	<b>166,987</b>	<b>100.0</b>	<b>10,578,422</b>	<b>6.44</b>	<b>3.0</b>

## 6 PORTFOLIO

### ● Performance of the LEG portfolio

	High-growth markets			Stable markets		
	31.03.2024	31.12.2023	31.03.2023	31.03.2024	31.12.2023	31.03.2023
<b>Subsidised residential units</b>						
Units	11,246	11,419	11,368	12,928	13,636	13,700
Area	sqm 770,138	781,348	777,421	868,740	922,563	926,775
In-place rent	€/sqm 5.76	5.77	5.72	5.31	5.26	5.22
EPRA vacancy rate	% 1.0	0.8	1.7	1.6	1.5	1.6
<b>Free-financed residential units</b>						
Units	38,601	38,509	38,515	53,746	53,077	52,990
Area	sqm 2,512,325	2,503,920	2,503,912	3,395,467	3,343,356	3,325,704
In-place rent	€/sqm 8.06	7.93	7.73	6.72	6.65	6.47
EPRA vacancy rate	% 1.9	1.8	2.4	3.3	3.5	3.0
<b>Total residential units</b>						
Units	49,847	49,928	49,883	66,674	66,713	66,690
Area	sqm 3,282,463	3,285,267	3,281,333	4,264,207	4,265,918	4,252,479
In-place rent	€/sqm 7.52	7.42	7.25	6.43	6.34	6.20
EPRA vacancy rate	% 1.7	1.6	2.3	3.0	3.2	2.8
<b>Higher yielding markets</b>						
<b>Total</b>						
	31.03.2024	31.12.2023	31.03.2023	31.03.2024	31.12.2023	31.03.2023
<b>Subsidised residential units</b>						
Units	6,676	7,065	7,065	30,850	32,120	32,133
Area	sqm 436,524	463,014	463,003	2,075,403	2,166,924	2,167,200
In-place rent	€/sqm 4.90	4.87	4.86	5.39	5.36	5.30
EPRA vacancy rate	% 1.9	1.9	1.7	1.4	1.3	1.6
<b>Free-financed residential units</b>						
Units	42,756	42,840	43,349	135,103	134,426	134,854
Area	sqm 2,545,051	2,550,074	2,581,607	8,452,843	8,397,350	8,411,223
In-place rent	€/sqm 6.32	6.22	6.08	7.00	6.91	6.75
EPRA vacancy rate	% 4.8	4.5	4.8	3.2	3.1	3.3
<b>Total residential units</b>						
Units	49,432	49,905	50,414	165,953	166,546	166,987
Area	sqm 2,981,575	3,013,088	3,044,610	10,528,245	10,564,274	10,578,422
In-place rent	€/sqm 6.10	6.01	5.89	6.68	6.59	6.44
EPRA vacancy rate	% 4.5	4.2	4.4	2.9	2.9	3.0
<b>Total commercial</b>						
Units				1,509	1,550	1,604
Area	sqm			278,003	284,824	275,930
<b>Total parking</b>						
Units				46,673	46,621	46,637
<b>Total others</b>						
Units				2,834	3,216	3,126

### Value development

The table below shows the distribution of assets by market segment. LEG had last revalued its portfolio as at 31 December 2023. The next revaluation will take place as at 30 June 2024.

The residential portfolio has a gross rental yield of 4.8 % and a rental multiple of 20.8, respectively, as at 31 March 2024. According to the EPRA definition, the valuation of the residential portfolio corresponds to a net initial yield of 3.8 %.

# 7

## PORTFOLIO

### Market segments

	Residential units	Residential assets	Share residential assets	Value/sqm	In-place rent multiplier	Commercial/ other assets	Total assets
31.03.2024		in € million <sup>1</sup>	in %	in €		in € million <sup>2</sup>	in € million
<b>High-growth markets</b>	<b>49,847</b>	<b>7,277</b>	<b>42</b>	<b>2,212</b>	<b>24,9x</b>	<b>330</b>	<b>7,607</b>
District of Mettmann	8,484	1,412	8	2,394	25,7x	33	1,445
Dusseldorf	6,198	1,162	7	2,860	27,2x	121	1,283
Muenster	6,154	1,034	6	2,507	28,2x	55	1,089
Cologne	4,388	786	5	2,639	27,7x	28	814
Aachen	2,430	262	2	1,585	23,3x	6	268
Other locations	22,193	2,621	15	1,849	22,2x	87	2,707
<b>Stable markets</b>	<b>66,674</b>	<b>6,478</b>	<b>38</b>	<b>1,514</b>	<b>20,1x</b>	<b>257</b>	<b>6,735</b>
Dortmund	13,791	1,478	9	1,631	22,9x	53	1,532
District of Unna	6,982	520	3	1,201	17,6x	22	542
Moenchengladbach	6,431	678	4	1,659	20,4x	15	693
Essen	3,658	373	2	1,575	20,7x	10	383
Bielefeld	3,232	360	2	1,780	21,0x	10	371
Other locations	32,580	3,069	18	1,467	19,3x	146	3,215
<b>Higher yielding markets</b>	<b>49,432</b>	<b>3,386</b>	<b>20</b>	<b>1,133</b>	<b>16,2x</b>	<b>92</b>	<b>3,478</b>
District of Recklinghausen	8,609	592	3	1,132	16,3x	19	610
Gelsenkirchen	7,216	436	3	1,053	14,9x	11	446
Wilhelmshaven	6,752	398	2	1,018	15,8x	7	406
Duisburg	6,417	526	3	1,360	17,6x	28	554
Hamm	4,797	344	2	1,194	16,8x	5	349
Other locations	15,641	1,091	6	1,107	15,9x	22	1,113
<b>Total</b>	<b>165,953</b>	<b>17,142</b>	<b>100</b>	<b>1,624</b>	<b>20,8x</b>	<b>678</b>	<b>17,820</b>
Leasehold and land values							254
<b>Balance sheet property valuation assets (IAS 40)</b>							<b>18,073</b>
Assets under construction (IAS 40)							91
Owner-occupied property (IAS 16)							83
Assets held for sale (IFRS 5)							46
<b>Balance sheet total</b>							<b>18,294</b>

<sup>1</sup> Excluding 464 residential units in commercial buildings; including 729 commercial units as well as several other units in mixed residential assets.

<sup>2</sup> Excluding 729 commercial units in mixed residential assets; including 464 residential units in commercial buildings, commercial, parking, other assets.

## Analysis of net assets, financial position and results of operations

Please see the glossary in the 2023 annual report for a definition of individual key figures and terms.

### Results of operations

#### • Condensed income statement

€ million	01.01. – 31.03.2024	01.01. – 31.03.2023
Net operating income	140.8	135.4
Net income from the disposal of investment properties	– 0.3	– 0.5
Net income from the remeasurement of investment properties	3.0	– 0.5
Net income from the disposal of real estate inventory	0.0	– 0.1
Net income from other services	0.4	7.8
Administrative and other expenses	– 16.9	– 15.2
Other income	0.0	0.0
<b>Operating earnings</b>	<b>127.0</b>	<b>126.9</b>
Interest income	4.1	1.1
Interest expenses	– 43.4	– 38.0
Net income from investment securities and other equity investments	– 7.6	35.6
Net income from the fair value measurement of derivatives	– 2.4	0.7
<b>Net finance earnings</b>	<b>– 49.3</b>	<b>– 0.6</b>
<b>Earnings before income taxes</b>	<b>77.7</b>	<b>126.3</b>
Income taxes	– 19.9	– 30.0
<b>Net profit or loss for the period</b>	<b>57.8</b>	<b>96.3</b>

Net operating income rose by 4.0 % in the reporting period. This development is essentially a result of the increase in net cold rents.

Adjusted EBITDA increased by 0.4 % from EUR 157.0 million to EUR 157.6 million. The adjusted EBITDA margin was 73.6 % in the reporting period (comparable period: 76.1 %).

The EUR 7.4 million decline in net income from other services is mainly due to the special effects of EUR 7.0 million from the sales of electricity produced by LEG in the same period of the previous year.

The decrease in net income from investment securities and other equity investments to EUR – 7.6 million results from the valuation of the investment in Brack Capital Properties N.V. at fair value.

In the reporting period, net income from the fair value measurement of derivatives primarily resulted from changes in the fair value of embedded derivatives from the convertible bonds of EUR – 2.3 million (comparable period: EUR 0.5 million).

The tax expense relates almost entirely to deferred taxes.

- Net operating income

€ million	01.01. – 31.03.2024	01.01. – 31.03.2023
Net cold rent	214.1	206.3
Profit from operating expenses	- 5.6	- 6.6
Maintenance for externally procured services	- 30.4	- 25.2
Personnel expenses (rental and lease)	- 30.4	- 26.6
Allowances on rent receivables	- 5.1	- 6.5
Depreciation and amortisation expenses	- 3.0	- 3.3
Others	1.2	- 2.7
<b>Net operating income</b>	<b>140.8</b>	<b>135.4</b>
<b>Net operating income margin (in %)</b>	<b>65.8</b>	<b>65.6</b>
Non-recurring special effects (rental and lease)	3.5	1.0
Depreciation and amortisation expenses	3.0	3.3
Maintenance for externally procured services	30.4	25.2
Subsidies recognised in profit or loss	- 3.9	-
Own work capitalised	- 2.7	- 3.5
<b>Net operating income (recurring)</b>	<b>171.1</b>	<b>161.4</b>
<b>Net operating income margin (recurring in %)</b>	<b>79.9</b>	<b>78.2</b>

In the reporting period, net operating income increased by EUR 5.4 million compared to the same period of the previous year. The main driver of this development is the increase in net cold rent of EUR 7.8 million. In-place rent per square metre on a like-for-like basis rose by 3.5 % year-on-year. In addition, the subsidies recognized in income led to an increase of EUR 3.9 million in the line item Others. This was offset by an increase of EUR 5.2 million in maintenance expenses for externally procured services and the EUR 3.8 million increase in personnel expenses from rental and lease due to tariff increases and additional inflation compensation bonuses granted.

The adjusted net operating income (NOI)-margin increased from 78.2 % to 79.9 % compared to the same period of the previous year.

- EPRA vacancy rate

€ million	31.03.2024	31.03.2023
Rental value of vacant space – like-for-like	24.7	25.1
Rental value of vacant space – total	28.5	27.9
Rental value of the whole portfolio – like-for-like	969.3	911.2
Rental value of the whole portfolio – total	977.5	921.1
<b>EPRA vacancy rate – like-for-like (in %)</b>	<b>2.5</b>	<b>2.8</b>
<b>EPRA vacancy rate – total (in %)</b>	<b>2.9</b>	<b>3.0</b>

The EPRA vacancy rate like-for-like decreased from 2.8 % to 2.5 % compared to 31 March 2023.

- EPRA Capex

€ million	01.01. – 31.03.2024	01.01. – 31.03.2023
Acquisitions	17.0	184.9
Development	1.6	4.6
Investments in investment properties	47.3	44.5
Thereof incremental lettable space	0.2	0.6
Thereof no incremental lettable space	47.1	0.0
<b>EPRA Capex</b>	<b>65.9</b>	<b>234.0</b>
Additions to/utilisation of provisions for capex	12.6	27.1
Additions to/utilisation of provisions for incidental purchase price costs	0.9	- 141.5
<b>Payments for investments in investment properties</b>	<b>79.4</b>	<b>119.6</b>

The presentation of EPRA capex breaks down the capitalisation of investments and reconciles them to the payments for investments in investment properties. Value-adding capital expenditure, consisting of development (new construction on own land in the amount of EUR 1.6 million) and modernisation work in investment property (EUR 47.3 million), declined by 0.4 % to EUR 48.9 million in the reporting period. As acquisitions also decreased from EUR 184.9 million to EUR 17.0 million and now only include pro rata payments for acquired project developments, EPRA Capex amounts to EUR 65.9 million in the reporting period (comparative period: EUR 234.0 million).

- Maintenance and modernisation

€ million	01.01. – 31.03.2024	01.01. – 31.03.2023
Maintenance expenses for externally procured services	- 30.4	- 25.2
Maintenance expenses provided internally	- 10.3	- 6.5
<b>Maintenance expenses</b>	<b>- 40.7</b>	<b>- 31.7</b>
Adjustments consolidation effects	1.7	0.2
<b>Maintenance expenses (adjusted)</b>	<b>- 39.0</b>	<b>- 31.5</b>
Investment in investment properties	- 51.5	- 49.1
Investment in property, plant and equipment	- 1.3	- 0.4
<b>Capital expenditure (Capex)</b>	<b>- 52.8</b>	<b>- 49.5</b>
Adjustments consolidation effects	2.6	1.2
<b>Capex (recurring)</b>	<b>- 50.2</b>	<b>- 48.3</b>
Adjustments (new construction on own land, own work capitalised, subsidies recognised in profit or loss)	7.2	8.2
<b>Capital expenditure (adjusted)</b>	<b>- 43.0</b>	<b>- 40.1</b>
<b>Total investment</b>	<b>- 93.5</b>	<b>- 81.2</b>
Adjustments (consolidation effects, new construction on own land, own work capitalised, subsidies recognised in profit or loss)	11.5	9.6
<b>Total investments (adjusted)</b>	<b>- 82.0</b>	<b>- 71.6</b>
Area of investment properties in million sqm	10.83	10.86
<b>Adjusted average investment per sqm (€)</b>	<b>7.58</b>	<b>6.59</b>
Thereof maintenance expenses per sqm (€)	3.61	2.90
Thereof capital expenditure per sqm (€)	3.97	3.69

Maintenance expenses of EUR 40.7 million and value-adding capital expenditure in investment property and property, plant and equipment of EUR 52.8 million resulted in total investment of EUR 93.5 million in the reporting period (comparative period: EUR 81.2 million). In addition to maintenance expenses of EUR 30.4 million (comparative period: EUR 25.2 million) for externally purchased services recognised in the statement of comprehensive income, maintenance expenses also include the intragroup maintenance expenses of EUR 10.3 million (comparative period: EUR 6.5 million). Investment in investment property, value-adding capital expenditure (capex) and capex (recurring) include expansion investments in the form of new construction activities on own land but not purchased project developments. Consolidation effects, investment for new construction activities on own land, own work capitalised and subsidies recognised in profit or loss of EUR 11.5 million (comparative period: EUR 9.6 million) in total were eliminated from total investment to calculate total investment per square metre. Adjusted total investment amounts to EUR 82.0 million and average total investment was EUR 7.58 (comparative period: EUR 6.59 million) per square metre in the reporting period. The adjusted capitalisation ratio declined to 52.4 % in the reporting period (comparative period: 56.0 %).

#### Net income from the disposal of investment properties

- Net income from the disposal of investment properties

€ million	01.01. – 31.03.2024	01.01. – 31.03.2023
Income from the disposal of investment properties	40.0	24.7
Carrying amount of the disposal of investment properties	- 40.0	- 24.9
Costs of sales of investment properties	- 0.3	- 0.3
<b>Net income from the disposal of investment properties</b>	<b>- 0.3</b>	<b>- 0.5</b>

Income from the disposal of investment properties amounted to EUR 40.0 million (comparative period: EUR 24.7 million) and essentially relates to one major block sales which contract was concluded in the 2023 financial year, but the transfer of ownership did not take place until the 2024 financial year.

# 11 ANALYSIS OF NET ASSETS, FINANCIAL POSITION AND RESULTS OF OPERATIONS

## Net income from the disposal of real estate inventory

The remaining real estate inventory held as at 31 March 2024 comprises EUR 0.1 million of land under development.

## Administrative and other expenses

### Administrative and other expenses

€ million	01.01. – 31.03.2024	01.01. – 31.03.2023
Other operating expenses	– 5.6	– 6.1
Personnel expenses (administration)	– 10.0	– 7.7
Purchased services	– 0.5	– 0.6
Depreciation and amortisation expenses	– 0.8	– 0.8
<b>Administrative and other expenses</b>	<b>– 16.9</b>	<b>– 15.2</b>
Depreciation and amortisation expenses	0.8	0.8
Non-recurring special effects (administration)	2.0	2.1
<b>Administrative and other expenses (recurring)</b>	<b>– 14.1</b>	<b>– 12.3</b>

The increase in personnel expenses is due to tariff increases and additional inflation compensation bonuses granted. As a result, adjusted administrative expenses increased by EUR 1.8 million in the first three months compared to the same period in the previous year.

## Net finance earnings

### Net finance earnings

€ million	01.01. – 31.03.2024	01.01. – 31.03.2023
Interest income	4.1	1.1
Interest expenses	– 43.4	– 38.0
<b>Net interest income</b>	<b>– 39.3</b>	<b>– 36.9</b>
Net income from investment securities and other equity investments	– 7.6	35.6
Net income from the fair value measurement of derivatives	– 2.4	0.7
<b>Net finance earnings</b>	<b>– 49.3</b>	<b>– 0.6</b>

Interest expenses increased in the first quarter 2024 compared to the same period in the previous year by EUR – 5.4 million to EUR – 43.4 million. The rise in interest expenses was mainly due to disbursements after the comparative period and a higher interest rate level.

Year-on-year the average interest rate rose to 1.59 % as at 31 March 2024 (1.35 % as at 31 March 2023) on an average term of 5.90 years (6.36 years as at 31 March 2023). The decrease in net income from investment securities and other equity investments to EUR – 7.6 million results from the valuation of the investment in Brack Capital Properties N.V. at fair value. The share price on the reporting date was EUR 58.33 (EUR 110.12 as at 31 March 2023).

In the reporting period, net income from the fair value measurement of derivatives resulted primarily from changes in the fair value of embedded derivatives from the convertible bond in the amount of EUR – 2.3 million (comparative period: EUR 0.5 million).

## Income tax expenses

### Income tax expenses

€ million	01.01. – 31.03.2024	01.01. – 31.03.2023
Current tax expenses	– 0.3	– 0.7
Deferred tax expenses	– 19.6	– 29.3
<b>Income tax expenses</b>	<b>– 19.9</b>	<b>– 30.0</b>

An effective Group tax rate of 22.5% was assumed in the reporting period in accordance with Group tax planning (comparative period: 20.7 %). The increase is mainly due to the discontinuation of the so-called extended trade tax reduction for four portfolio-holding Group companies.

## Reconciliation to AFFO

AFFO is one of the most important key financial performance indicators for Group management. LEG distinguishes between FFO I (excluding net income from the disposal of investment properties), FFO II (including net income from the disposal of investment properties) and AFFO (FFO I adjusted for capex). Please refer to the segment reporting for further disclosures.

Based on FFO I (after non-controlling interests), AFFO takes recurring capex measures (capex (recurring)) into account. Recurring capex measures are defined as capitalised costs from modernisation and maintenance measures as well as new construction activities on own land. When determining costs from modernisation and maintenance measures, consolidation effects due to internally procured services resulting from the elimination of intercompany profits are eliminated.

The calculation of AFFO, FFO I, and FFO II for the reporting and comparison period is as follows:

## 12 ANALYSIS OF NET ASSETS, FINANCIAL POSITION AND RESULTS OF OPERATIONS

### • Calculation of FFO I, FFO II und AFFO

€ million	01.01. – 31.03.2024	01.01. – 31.03.2023
Net cold rent	214.1	206.3
Profit from operating expenses	– 5.6	– 6.6
Personnel expenses (rental and lease)	– 30.4	– 26.6
Allowances on rent receivables	– 5.1	– 6.5
Other	– 5.4	– 6.2
Non-recurring special effects (rental and lease)	3.5	1.0
<b>Net operating income (recurring)</b>	<b>171.1</b>	<b>161.4</b>
<b>Net income from other services (recurring)</b>	<b>0.6</b>	<b>7.9</b>
Personnel expenses (administration)	– 10.0	– 7.7
Non-personnel operating costs	– 6.1	– 6.7
Non-recurring special effects (administration)	2.0	2.1
<b>Administrative expenses (recurring)</b>	<b>– 14.1</b>	<b>– 12.3</b>
<b>Other income (recurring)</b>	<b>0.0</b>	<b>0.0</b>
<b>EBITDA (adjusted)</b>	<b>157.6</b>	<b>157.0</b>
Cash interest expenses and income FFO I	– 34.5	– 31.3
Cash income taxes FFO I	– 0.1	– 0.2
Maintenance for externally procured services	– 30.4	– 25.2
Subsidies recognised in profit or loss	3.9	0.0
Own work capitalised	2.7	3.5
<b>FFO I (before adjustment of non-controlling interests)</b>	<b>99.2</b>	<b>103.8</b>
Adjustment of non-controlling interests	– 0.4	– 0.6
<b>FFO I (after adjustment of non-controlling interests)</b>	<b>98.8</b>	<b>103.2</b>
Net income from the disposal of investment properties (adjusted)	0.0	– 0.4
Cash income taxes FFO II	– 0.8	– 1.8
<b>FFO II (incl. disposal of investment properties)</b>	<b>98.0</b>	<b>101.0</b>
Capex (recurring)	– 50.2	– 48.3
<b>AFFO (Capex-adjusted FFO I)</b>	<b>48.6</b>	<b>54.9</b>

At EUR 48.6 million, AFFO in the reporting period was – 11.5 % lower than in the same period of the previous year (EUR 54.9 million). The decline in AFFO is due in particular to increased expenses for maintenance and interest as well as the non-occurrence of earnings from electricity produced by LEG.

## 13 ANALYSIS OF NET ASSETS, FINANCIAL POSITION AND RESULTS OF OPERATIONS

### EPRA earnings per share (EPS)

The following table shows earnings per share according to the best practice recommendations by EPRA (European Public Real Estate Association):

- EPRA earnings per share (EPS)

€ million	01.01. – 31.03.2024	01.01. – 31.03.2023
Net profit or loss for the period attributable to parent shareholders	57.1	95.2
Changes in value of investment properties	-3.0	0.5
Net income from the remeasurement of other equity investments	7.5	-35.7 <sup>1</sup>
Profits or losses on disposal of investment properties, development properties held for investment, other interests and sales of trading properties including impairment charges in respect of trading properties	0.3	0.6
Tax on profits or losses on disposals	0.8	1.8
Goodwill impairment	-	- <sup>1</sup>
Changes in fair value of financial instruments and associated close-out costs	2.4	-0.7
Acquisition costs on share deals and non-controlling joint venture interests	0.0	-
Deferred tax in respect of EPRA adjustments	-0.3	0.2
Refinancing expenses	0.0	0.0
Other non-cash effective interest expenses/ income	-0.1	-0.1 <sup>1</sup>
Non-controlling interests in respect of the above	0.7	0.7
<b>EPRA earnings</b>	<b>65.4</b>	<b>62.5 <sup>1</sup></b>
Weighted average number of shares outstanding	74,109,276	74,109,276
EPRA earnings per share (undiluted) in €	0.88	0.84 <sup>1</sup>
Potentially diluted shares	-	-
Interest coupon on convertible bond	-	-
Amortisation expenses convertible bond after taxes	-	-
<b>EPRA earnings (diluted)</b>	<b>65.4</b>	<b>62.5 <sup>1</sup></b>
Number of diluted shares	74,109,276	74,109,276
<b>EPRA earnings per share (diluted) in €</b>	<b>0.88</b>	<b>0.84 <sup>1</sup></b>

<sup>1</sup> Calculation method adapted

● Condensed statement of financial position

€ million	31.03.2024	31.12.2023
Investment properties	18,164.5	18,101.8
Prepayments for investment properties	–	0.0
Other non-current assets	555.7	559.0
Non-current assets	18,720.2	18,660.8
Receivables and other assets	380.9	287.4
Cash and cash equivalents	285.2	277.5
Current assets	666.1	564.9
Assets held for sale	46.2	77.9
<b>Total assets</b>	<b>19,432.5</b>	<b>19,303.6</b>
Equity	7,550.4	7,488.2
Non-current financial liabilities	8,925.7	8,930.1
Other non-current liabilities	2,123.3	2,110.2
Non-current liabilities	11,049.0	11,040.3
Current financial liabilities	443.5	445.7
Other current liabilities	389.6	329.4
Current liabilities	833.1	775.1
<b>Total equity and liabilities</b>	<b>19,432.5</b>	<b>19,303.6</b>

Investment properties increased primarily as a result of additions from acquisitions of EUR 17.0 million and capitalisation of modernisation measures of EUR 49.8 million.

The recognition of real estate tax expense as other inventories (EUR 22.5 million) for the remainder of the financial year and the deferral of prepaid operating costs of EUR 31.2 million and investments in short-term funds (EUR 56.4 million) as well as the decline in rent receivables (EUR 13.2 million) contributed significantly to the development of the receivables and other assets.

As at 31 March 2024, in addition to cash and cash equivalents of EUR 285.2 million, there were short-term funds of EUR 184.4 million.

Non-current and current financial liabilities decreased slightly by EUR 6.6 million compared to the previous reporting date.

While the increase in other non-current liabilities resulted in particular from the increase in deferred tax liabilities (EUR +19.7 million), within other current liabilities, trade payables (EUR +56.9 million) increased essentially due to deferred property tax and other operating costs.

## 15 ANALYSIS OF NET ASSETS, FINANCIAL POSITION AND RESULTS OF OPERATIONS

### EPRA Net Tangible Asset (EPRA NTA)

The EPRA NRV, NTA and NDV are relevant indicators for the real estate industry. LEG has defined the EPRA NTA as its primary key figure. The calculation system for the respective key figure can be found in the glossary of the Annual Report 2023.

LEG reports an EPRA NTA of EUR 9,462.9 million or EUR 127.69 per share as at 31 March 2024. In the calculation, deferred taxes on investment

property are adjusted by the amount attributable to planned property disposals by LEG. Incidental acquisition costs are not taken into account. The key figures are presented on a diluted basis only. As at 31 March 2024, no dilution effects from the convertible bonds are taken into account, as the share price does not exceed the current conversion prices as at the reporting date.

#### • EPRA NRV, EPRA NTA, EPRA NDV

€ million	31.03.2024 EPRA NRV	31.03.2024 EPRA NTA	31.03.2024 EPRA NDV	31.12.2023 EPRA NRV	31.12.2023 EPRA NTA	31.12.2023 EPRA NDV
<b>Equity attributable to shareholders of the parent company</b>	7,525.4	7,525.4	7,525.4	7,463.2	7,463.2	7,463.2
Hybrid instruments	28.5	28.5	28.5	28.5	28.5	28.5
<b>Diluted NAV at fair value</b>	<b>7,553.9</b>	<b>7,553.9</b>	<b>7,553.9</b>	<b>7,491.7</b>	<b>7,491.7</b>	<b>7,491.7</b>
Deferred tax in relation to fair value gains of IP and deferred tax on subsidised loans and financial derivatives	1,966.7	1,957.9	–	1,943.4	1,935.2	–
Fair value of financial instruments	– 44.3	– 44.3	–	– 42.0	– 42.0	–
Intangibles as per the IFRS balance sheet	–	– 4.6	–	–	– 5.0	–
Fair value of fixed interest rate debt	–	–	841.0	–	–	744.0
Deferred taxes of fixed interest rate debt	–	–	– 189.5	–	–	– 156.7
Estimated ancillary acquisition costs (real estate transfer tax) <sup>1</sup>	1,762.2	–	–	1,759.4	–	–
<b>NAV</b>	<b>11,238.5</b>	<b>9,462.9</b>	<b>8,205.4</b>	<b>11,152.5</b>	<b>9,379.9</b>	<b>8,079.0</b>
<b>Fully diluted number of shares</b>	<b>74,109,276</b>	<b>74,109,276</b>	<b>74,109,276</b>	<b>74,109,276</b>	<b>74,109,276</b>	<b>74,109,276</b>
<b>NAV per share</b>	<b>151.65</b>	<b>127.69</b>	<b>110.72</b>	<b>150.49</b>	<b>126.57</b>	<b>109.01</b>

<sup>1</sup> Taking into account the incidental acquisition costs would result in an EPRA NTA of €11,213.2 million or €151.31 per share (31 December 2023: €11,127.5 million or €150.15 per share).

### Loan to value ratio (LTV)

Net debt at the end of the reporting period has decreased compared with 31 December 2023. In addition, the increase in property assets contributed to a slightly lower loan to value ratio (LTV) of 47.9 % at the interim reporting date (31 December 2023: 48.4 %).

#### • LTV

€ million	31.03.2024	31.12.2023
Financing liabilities	9,369.2	9,375.8
Less lease liabilities IFRS 16 (not leasehold)	14.2	15.9
Less cash and cash equivalents	469.6	405.5
<b>Net financing liabilities</b>	<b>8,885.4</b>	<b>8,954.4</b>
Investment properties	18,164.5	18,101.8
Assets held for sale	46.2	77.9
Participation in other real estate companies	332.6	340.1
<b>Real estate assets</b>	<b>18,543.3</b>	<b>18,519.8</b>
<b>Loan to value ratio (LTV) in %</b>	<b>47.9</b>	<b>48.4</b>

## EPRA LTV

By contrast to LTV, hybrid debt instruments with equity components such as mandatory convertible bonds are treated as financial liabilities until the date of conversion. Financial liabilities are taken into account at their nominal amount, and cash and cash equivalents are defined in accordance with IFRS. Furthermore, net debt and net assets of joint

ventures and significant associates are included while significant non-controlling interests are eliminated.

Kommunale Haus und Wohnen GmbH and Beckumer Wohnungsgesellschaft mbH are included as material associates. Furthermore, Brack Capital Properties N. V. is taken into account for reasons of transparency, although it is not an associated company from LEG's perspective.

## ● EPRA LTV as at 31 March 2024

€ million	Group LTV	Associated companies	Non-controlling interests	Total
Borrowings from financial institutions	4,025.7	144.0	- 37.3	4,132.4
Hybrid financial instruments	950.0	-	-	950.0
Bonds	4,480.0	36.3	-	4,516.3
Net payables	-	27.3	-	27.3
Owner-occupied property (debt)	57.8	-	-	57.8
Excluding cash and cash equivalents	285.2	15.8	- 7.2	293.8
<b>Net financing liabilities</b>	<b>9,228.3</b>	<b>191.8</b>	<b>- 30.1</b>	<b>9,390.0</b>
Owner-occupied property	81.6	-	- 0.2	81.4
Investment properties	18,073.3	416.1	- 156.8	18,332.6
Properties held for sale	46.2	-	- 1.9	44.3
Properties under development	91.2	13.0	-	104.2
Intangibles	4.6	0.0	0.0	4.6
Net receivables	124.0	-	1.8	125.8
<b>Real estate assets</b>	<b>18,420.9</b>	<b>429.1</b>	<b>- 157.1</b>	<b>18,692.9</b>
<b>EPRA LTV</b>	<b>50.1</b>			<b>50.2</b>

## ● EPRA LTV as at 31 December 2023

€ million	Group LTV	Associated companies	Non-controlling interests	Total
Borrowings from financial institutions	4,027.3	144.9	- 38.0	4,134.2
Hybrid financial instruments	950.0	-	-	950.0
Bonds	4,480.0	37.9	-	4,517.9
Net payables	-	37.8	-	37.8
Owner-occupied property (debt)	57.8	-	-	57.8
Excluding cash and cash equivalents	277.5	22.3	- 5.9	293.9
<b>Net financing liabilities</b>	<b>9,237.6</b>	<b>198.3</b>	<b>- 32.1</b>	<b>9,403.8</b>
Owner-occupied property	82.8	-	- 0.2	82.6
Investment properties	18,026.2	435.3	- 156.3	18,305.2
Properties held for sale	77.9	17.9	- 2.9	92.9
Properties under development	75.5	2.2	0.0	77.7
Intangibles	5.0	0.0	0.0	5.0
Net receivables	103.5	-	1.3	104.8
<b>Real estate assets</b>	<b>18,370.9</b>	<b>455.4</b>	<b>- 158.1</b>	<b>18,668.2</b>
<b>EPRA LTV</b>	<b>50.3</b>			<b>50.4</b>

## Financial position

A net profit for the period of EUR 57.8 million was generated in the reporting period (comparative period: EUR 96.3 million). Equity amounted to EUR 7,550.4 million at the reporting date (31 December 2023: EUR 7,488.2 million). This corresponds to an equity ratio of 38.9 % (31 December 2023: 38.8 %).

A condensed form of the LEG's statement of cash flows for the reporting period is shown below:

### • Cash flow statement

€ million	01.01. – 31.03.2024	01.01. – 31.03.2023
Cash flow from operating activities	134.4	125.1
Cash flow from investing activities	– 111.9	– 137.8
Cash flow from financing activities	– 14.8	– 53.7
<b>Change in cash and cash equivalents</b>	<b>7.7</b>	<b>– 66.4</b>

Higher receipts from net cold rents had a positive impact on the net cash flow from operating activities in the reporting period.

Essentially, acquisitions and modernisation of the existing portfolio with payments of EUR – 79.4 million and the investments in short-term funds in the amount of EUR – 56.4 million contributed to the cash flow from investing activities in the amount of EUR – 111.9 million. This was offset by cash inflows from the sale of properties amounting to EUR 26.3 million.

In the first quarter of 2024, current repayments of bank loans (EUR – 23.7 million), the issuance of loans to third parties (EUR – 10.1 million) and opposing the borrowing of new loans of EUR 22.3 million are the main drivers for the cash flow from financing activities in the amount of EUR – 14.8 million.

LEG's solvency was ensured at all times in the reporting period.

## Risk and opportunity report

The risks and opportunities faced by LEG in its operating activities were described in detail in the annual report 2023. To date, no further

significant risks that would lead to a different assessment have arisen or become discernible in the fiscal year 2024.

## Forecast report

### Financial year 2024

Based on the business performance in the first three months of 2024, LEG believes it is well positioned overall to confirm its earnings targets for the financial year 2024. For more details, please refer to the forecast report in the annual report 2023 (page 68 et seq.).

In its reporting as at 30 September 2023 (Q3-2023), LEG also set out its ESG targets, which are a component of remuneration for the Management Board and senior management. The following ESG targets were set for the 2024 financial year:

#### ● Outlook 2024

AFFO	between EUR 180 million and EUR 200 million
Adjusted EBITDA margin	c. 77 %
LTV	medium-term target level max. 45 %
Like-for-like rental growth	3.2 % – 3.4 %
Investments	c. EUR 32 per sqm

#### ● ESG targets 2024

Environment	Reduction of 4,000 tonnes CO <sub>2</sub> through modernisation projects and changes in customer behaviour
Social	Use of 100 LEG employee hours to design, organise and implement intercultural projects by 31 December 2024
Governance	85 % of TSP employees and 99 % of all other employees of LEG Group companies to have completed IT security training by 31 December 2024

## Consolidated statement of financial position

### • Assets

€ million	31.03.2024	31.12.2023
<b>Non-current assets</b>	<b>18,720.2</b>	<b>18,660.8</b>
Investment properties	18,164.5	18,101.8
Property, plant and equipment	137.6	139.8
Intangible assets and goodwill	4.6	5.0
Investments in associates	13.9	13.9
Other financial assets	346.0	355.4
Receivables and other assets	15.3	5.2
Deferred tax assets	38.3	39.7
<b>Current assets</b>	<b>666.1</b>	<b>564.9</b>
Real estate inventory and other inventory	26.7	4.8
Receivables and other assets	343.2	272.8
Income tax receivables	11.0	9.8
Cash and cash equivalents	285.2	277.5
<b>Assets held for sale</b>	<b>46.2</b>	<b>77.9</b>
<b>Total assets</b>	<b>19,432.5</b>	<b>19,303.6</b>

### • Equity and liabilities

€ million	31.03.2024	31.12.2023
<b>Equity</b>	<b>7,550.4</b>	<b>7,488.2</b>
Share capital	74.1	74.1
Capital reserves	1,255.3	1,255.3
Cumulative other reserves	6,196.0	6,133.8
Equity attributable to shareholders of the parent company	7,525.4	7,463.2
Non-controlling interests	25.0	25.0
<b>Non-current liabilities</b>	<b>11,049.0</b>	<b>11,040.3</b>
Pension provisions	100.1	101.9
Other provisions	3.6	3.4
Financing liabilities	8,925.7	8,930.1
Other liabilities	84.7	89.6
Deferred tax liabilities	1,934.9	1,915.3
<b>Current liabilities</b>	<b>833.1</b>	<b>775.1</b>
Pension provisions	6.2	6.7
Other provisions	33.1	30.4
Financing liabilities	443.5	445.7
Other liabilities	342.6	284.3
Tax liabilities	7.7	8.0
<b>Total equity and liabilities</b>	<b>19,432.5</b>	<b>19,303.6</b>

## Consolidated statement of comprehensive income

- Consolidated statement of comprehensive income

€ million	01.01. – 31.03.2024	01.01. – 31.03.2023
<b>Net operating income</b>	<b>140.8</b>	<b>135.4</b>
Rental and lease income	324.8	312.4
Cost of sales in connection with rental and lease income	– 184.0	– 177.0
<b>Net income from the disposal of investment properties</b>	<b>– 0.3</b>	<b>– 0.5</b>
Income from the disposal of investment properties	40.0	24.7
Carrying amount of the disposal of investment properties	– 40.0	– 24.9
Cost of sales in connection with disposed investment properties	– 0.3	– 0.3
<b>Net income from the remeasurement of investment properties</b>	<b>3.0</b>	<b>– 0.5</b>
<b>Net income from the disposal of real estate inventory</b>	<b>0.0</b>	<b>– 0.1</b>
Income from the real estate inventory disposed of	–	–
Carrying amount of the real estate inventory disposed of	–	–
Costs of sales of the real estate inventory disposed of	0.0	– 0.1
<b>Net income from other services</b>	<b>0.4</b>	<b>7.8</b>
Income from other services	2.4	11.2
Expenses in connection with other services	– 2.0	– 3.4
<b>Administrative and other expenses</b>	<b>– 16.9</b>	<b>– 15.2</b>
<b>Other income</b>	<b>0.0</b>	<b>0.0</b>
<b>Operating earnings</b>	<b>127.0</b>	<b>126.9</b>
Interest income	4.1	1.1
Interest expenses	– 43.4	– 38.0
Net income from investment securities and other equity investments	– 7.6	35.6
Net income from the fair value measurement of derivatives	– 2.4	0.7
<b>Earnings before income taxes</b>	<b>77.7</b>	<b>126.3</b>
Income taxes	– 19.9	– 30.0
<b>Net profit or loss for the period</b>	<b>57.8</b>	<b>96.3</b>
<b>Change in amounts recognised directly in equity</b>	<b>4.6</b>	<b>– 4.1</b>
<b>Thereof recycling</b>		
<b>Fair value adjustment of interest rate derivatives in hedges</b>	<b>3.5</b>	<b>– 3.2</b>
Change in unrealised gains/losses	4.4	– 3.9
Income taxes on amounts recognised directly in equity	– 0.9	0.7
<b>Thereof non-recycling</b>		
<b>Obligations</b>	<b>1.1</b>	<b>– 0.9</b>
Change in unrealised gains/losses	1.6	– 1.3
Income taxes on amounts recognised directly in equity	– 0.5	0.4
<b>Total comprehensive income</b>	<b>62.4</b>	<b>92.2</b>
<b>Net profit or loss for the period attributable to:</b>		
Non-controlling interests	0.7	1.1
Parent shareholders	57.1	95.2
<b>Total comprehensive income attributable to:</b>		
Non-controlling interests	0.7	1.1
Parent shareholders	61.7	91.1
<b>Basic earnings per share in €</b>	<b>0.77</b>	<b>1.28</b>
<b>Diluted earnings per share in €</b>	<b>0.77</b>	<b>1.18</b>

## Statement of changes in consolidated equity

### • Consolidated statement of comprehensive income

€ million	Share capital	Capital reserves	Cumulative reserves			Equity attributable to shareholders of the Group	Non-controlling interests	Consolidated equity
			Revenue reserves	Actuarial gains and losses from the measurement of pension obligations	Fair value adjustment of interest derivatives in hedges			
<b>As of 01.01.2023</b>	<b>74.1</b>	<b>1,751.1</b>	<b>7,214.2</b>	<b>-16.4</b>	<b>35.6</b>	<b>9,058.6</b>	<b>25.3</b>	<b>9,083.9</b>
Net profit or loss for the period	–	–	95.2	–	–	95.2	1.1	96.3
Other comprehensive income	–	–	–	-0.9	-3.2	-4.1	0.0	-4.1
<b>Total comprehensive income</b>	<b>–</b>	<b>–</b>	<b>95.2</b>	<b>-0.9</b>	<b>-3.2</b>	<b>91.1</b>	<b>1.1</b>	<b>92.2</b>
Change in consolidated companies	–	–	–	–	–	–	–	–
Capital increase	–	–	–	–	–	–	–	–
Other	–	–	0.4	–	–	0.4	–	0.4
Withdrawals from reserves	–	–	–	–	–	–	-1.1	-1.1
Changes from put options	–	–	–	–	–	–	–	–
Distributions	–	–	–	–	–	–	–	–
<b>As of 31.03.2023</b>	<b>74.1</b>	<b>1,751.1</b>	<b>7,309.8</b>	<b>-17.3</b>	<b>32.4</b>	<b>9,150.1</b>	<b>25.3</b>	<b>9,175.4</b>
<b>As of 01.01.2024</b>	<b>74.1</b>	<b>1,255.3</b>	<b>6,143.1</b>	<b>-18.8</b>	<b>9.5</b>	<b>7,463.2</b>	<b>25.0</b>	<b>7,488.2</b>
Net profit/loss for the period	–	–	57.1	–	–	57.1	0.7	57.8
Other comprehensive income	–	–	–	1.1	3.5	4.6	0.0	4.6
<b>Total comprehensive income</b>	<b>–</b>	<b>–</b>	<b>57.1</b>	<b>1.1</b>	<b>3.5</b>	<b>61.7</b>	<b>0.7</b>	<b>62.4</b>
Change in consolidated companies/other	–	–	–	–	–	–	–	–
Capital increase	–	–	–	–	–	–	–	–
Other	–	–	0.5	–	–	0.5	–	0.5
Withdrawals from reserves	–	–	–	–	–	–	–	–
Changes from put options	–	–	–	–	–	–	–	–
Distributions	–	–	–	–	–	–	-0.7	-0.7
<b>As of 31.03.2024</b>	<b>74.1</b>	<b>1,255.3</b>	<b>6,200.7</b>	<b>-17.7</b>	<b>13.0</b>	<b>7,525.4</b>	<b>25.0</b>	<b>7,550.4</b>

## Consolidated statement of cash flows

- Consolidated statement of cash flows

€ million	01.01. – 31.03.2024	01.01. – 31.03.2023
<b>Operating earnings</b>	<b>127.0</b>	<b>126.9</b>
Depreciation on property, plant and equipment and amortisation on intangible assets	4.0	4.3
(Gains)/Losses from the measurement of investment properties	- 3.0	0.5
(Gains)/Losses from the disposal of assets held for sale and investment properties	-	0.3
(Decrease)/Increase in pension provisions and other non-current provisions	- 0.4	- 0.4
Other non-cash income and expenses	4.9	6.8
(Decrease)/Increase in receivables, inventories and other assets	- 42.1	- 47.4
Decrease/(Increase) in liabilities (not including financing liabilities) and provisions	79.9	66.7
Interest paid	- 38.3	- 32.5
Interest received	3.8	1.2
Received income from investments	0.0	0.0
Taxes received	0.3	0.0
Taxes paid	- 1.7	- 1.3
<b>Net cash from/(used in) operating activities</b>	<b>134.4</b>	<b>125.1</b>
<b>Cashflow from investing activities</b>		
Investments in investment properties	- 79.4	- 119.6
Proceeds from disposals of non-current assets held for sale and investment properties	26.3	16.4
Investments in intangible assets and property, plant and equipment	- 2.0	- 1.1
Investments in financial assets and other assets	- 56.4	- 30.0
Acquisition of shares in consolidated companies	- 0.4	- 3.5
<b>Net cash from/(used in) investing activities</b>	<b>- 111.9</b>	<b>- 137.8</b>
<b>Cash flow from financing activities</b>		
Borrowing of bank loans	22.3	2.3
Repayment of bank loans	- 23.7	- 52.1
Repayment of lease liabilities	- 2.6	- 3.5
Other payments	- 10.1	- 0.4
Distribution to non-controlling interests	- 0.7	-
<b>Net cash from/(used in) financing activities</b>	<b>- 14.8</b>	<b>- 53.7</b>
<b>Change in cash and cash equivalents</b>	<b>7.7</b>	<b>- 66.4</b>
Cash and cash equivalents at beginning of period	277.5	362.2
<b>Cash and cash equivalents at end of period</b>	<b>285.2</b>	<b>295.8</b>
<b>Composition of cash and cash equivalents</b>		
Cash in hand, bank balances	285.2	295.8
<b>Cash and cash equivalents at end of period</b>	<b>285.2</b>	<b>295.8</b>

## Selected Notes on the IFRS Interim Consolidated Financial statements as at 31 March 2024

### 1. Basic information on the Group

LEG Immobilien SE, and its subsidiaries and sub-subsidiaries, in particular LEG NRW GmbH, Dusseldorf, and its subsidiaries, collectively "LEG", are among the largest housing companies in Germany. On 31 March 2024, LEG held a portfolio of 167,462 (31 March 2023: 168,591) residential and commercial units (167,258 (31 March 2023: 168,347) units excluding IFRS 5 objects).

As an integrated property company, LEG engages in three core activities: the optimisation of the core business, the expansion of the value chain as well as consolidating the management platform.

The interim consolidated financial statements are prepared in euros. Unless stated otherwise, all figures have been rounded to millions of euros (EUR million). For technical reasons, tables and references can include rounded figures that differ from the exact mathematical values.

### 2. Interim consolidated financial statements

LEG Immobilien SE prepared the interim consolidated financial statements in accordance with the provisions of the International Financial Reporting Standards (IFRS) for interim reporting, as endorsed in the EU, and their interpretation by the International Financial Reporting Interpretations Committee (IFRIC). Based on the option under IAS 34.10, the notes to the financial statements were presented in a condensed form. The condensed interim consolidated financial statements have not been audited or subjected to an audit review.

LEG primarily generates income from the rental and letting of investment properties. Rental and lease business, in essence, is unaffected by seasonal influences.

### 3. Accounting policies

The accounting policies applied in the interim consolidated financial statements of LEG Immobilien SE are the same as those presented in the IFRS consolidated financial statements as of 31 December 2023. These interim consolidated financial statements as at 31 March 2024 should therefore be read in conjunction with the consolidated financial statements as at 31 December 2023.

LEG Immobilien SE has fully applied the new standards and interpretations that are mandatory from 1 January 2024. There were no effects on the net assets, financial position and results of operations.

### 4. Changes in the Group

There were no changes in the Group as at 31 March 2024.

### 5. Assumptions and estimates

The preparation of interim consolidated financial statements in accordance with IFRS requires assumptions and estimates to be made that affect the recognition of assets and liabilities, income and expenses and the disclosure of contingent liabilities. These assumptions and estimates particularly relate to the measurement of investment properties, the recognition and measurement of pension provisions, the recognition and measurement of other provisions, the measurement of financing liabilities, and the eligibility for recognition of deferred tax assets.

Although the management believes that the assumptions and estimates used are appropriate, any unforeseeable changes in these assumptions could impact the net assets, financial position and results of operations.

For further information, please refer to the consolidated financial statements as at 31 December 2023.

### 6. Selected notes to the consolidated statement of financial position

On 31 March 2024, LEG held 165,953 apartments and 1,509 commercial units in its portfolio (167,258 units excluding IFRS 5 objects).

Investment properties developed as follows in the financial year 2023 and in 2024 up to the reporting date of the interim consolidated financial statements:

● Investment properties as at 31.03.2024

€ million	Residential assets							Land values
	Total	High-growth markets	Stable markets	Higher yielding markets	Commercial assets	Parking and other assets	Leasehold	
<b>Carrying amount as of 01.01.2024</b>	<b>18,101.8</b>	<b>7,298.5</b>	<b>6,554.4</b>	<b>3,376.6</b>	<b>240.3</b>	<b>378.2</b>	<b>213.0</b>	<b>40.7</b>
Acquisitions	17.0	6.7	8.2	–	2.1	–	–	–
Other additions	49.8	15.9	20.2	12.3	1.2	–	0.3	–
Reclassified to assets held for sale	–7.1	–3.9	–0.2	–2.2	–0.6	–0.2	–	–
Reclassified from assets held for sale	–	–	–	–	–	–	–	–
Reclassified to property, plant and equipment	–	–	–	–	–	–	–	–
Reclassified from property, plant and equipment	–	–	–	–	–	–	–	–
Fair value adjustment	3.0	1.5	0.8	0.9	–	–	–0.2	–
Disposals	–	–	–	–	–	–	–	–
Reclassification	–	–	–	–1.2	1.2	–	–	–
<b>Carrying amount as of 31.03.2024</b>	<b>18,164.5</b>	<b>7,318.7</b>	<b>6,583.4</b>	<b>3,386.4</b>	<b>244.2</b>	<b>378.0</b>	<b>213.1</b>	<b>40.7</b>
<b>Fair value adjustment as of 31.03.2024 (in Euro million):</b>								<b>3.0</b>
– Hereupon as of 31.03.2024 in the portfolio:								2.7
– Hereupon as of 31.03.2024 disposed investment properties:								0.3

● Investment properties as at 31.12.2023

€ million	Residential assets							Land values
	Total	High growth markets	Stable markets	Higher yielding markets	Commercial assets	Parking and other assets	Leasehold	
<b>Carrying amount as of 01.01.2023</b>	<b>20,204.4</b>	<b>8,254.1</b>	<b>7,135.6</b>	<b>3,739.8</b>	<b>385.4</b>	<b>403.7</b>	<b>252.3</b>	<b>33.5</b>
Acquisitions	169.7	91.4	61.6	0.0	4.2	6.5	5.4	0.5
Other additions	268.5	86.7	102.7	57.8	3.8	1.0	–	16.4
Reclassified to assets held for sale	–121.1	–5.7	–23.7	–42.6	–41.1	–4.1	0.0	–3.9
Reclassified to property, plant and equipment	–10.0	–2.3	–1.1	–	–6.5	–0.1	–	–
Reclassified from property, plant and equipment	15.9	0.7	0.2	0.2	2.2	12.6	0.0	0.0
Fair value adjustment	–2,422.8	–1,143.3	–770.4	–376.3	–37.0	–45.2	–44.7	–5.8
Disposals	–2.8	–	–0.5	–2.3	–	–	–	–
Reclassification	–	16.9	50.0	0.0	–70.7	3.8	–	–
<b>Carrying amount as of 31.12.2023</b>	<b>18,101.8</b>	<b>7,298.5</b>	<b>6,554.4</b>	<b>3,376.6</b>	<b>240.3</b>	<b>378.2</b>	<b>213.0</b>	<b>40.7</b>
<b>Fair value adjustment as of 31.12.2023 (in Euro million):</b>								<b>–2,422.8</b>
– Hereupon as of 31.12.2023 in the portfolio:								–2,427.2
– Hereupon as of 31.12.2023 disposed investment properties:								4.4

Investment properties were remeasured most recently by LEG as of 31 December 2023. No further fair value adjustment was made as at 31 March 2024. With regard to the calculation methods and parameters, please refer to the consolidated financial statements as at 31 December 2023.

Significant market developments and measurement parameters affecting the market values of LEG are reviewed each quarter. If necessary, the property portfolio is revalued. As at 31 March 2024, the results of this review did not require any value adjustment. Currently, no significant transactions can be observed on the market that would call into question the long-term value of the real estate portfolio.

The table below show the measurement method used to determine the fair value of investment property and the material unobservable inputs used as of 31 December 2023:

- Information on material unobservable inputs on which measurement is based (Level 3)

31.12.2023	Gross asset value of investment property € million	Valuation technique <sup>2</sup>	Measurement parameters								
			Market rent residential/ commercial €/sqm/month			Maintenance cost residential/ commercial €/sqm/year			Administrative cost residential/ commercial €/unit		
			min	Ø	max	min	Ø	max	min	Ø	max
Residential assets											
High-growth markets	7,302	DCF	3.87	9.29	15.70	9.28	12.91	18.01	201	344	522
Stable markets	6,564	DCF	1.91	7.85	14.79	8.48	12.89	17.70	210	342	522
Higher-yielding markets	3,377	DCF	0.51	6.68	16.62	8.22	13.18	18.27	194	346	522
Commercial assets											
Leasehold	240	DCF	1.00	7.91	27.00	4.00	6.89	13.21	1	335	11.308
Garages, parking spaces and other units	378	DCF	0.00	0.00	0.00	38.72	82.14	100.88	44	44	45
Land values	28	Earnings/ reference value method	0.00	0.00	0.00	0.00	0.00	0.00	0	4	10
<b>Total portfolio (IAS 40)<sup>1</sup></b>	<b>18,102</b>	<b>DCF</b>	<b>0.51</b>	<b>7.79</b>	<b>27.00</b>	<b>4.00</b>	<b>19.86</b>	<b>100.88</b>	<b>0</b>	<b>314</b>	<b>11.308</b>

<sup>1</sup> Furthermore, there are assets held for sale (IFRS 5) of EUR 77.9 million at Level 2 of the fair value hierarchy as at 31 December 2023.

<sup>2</sup> Property portfolio as at 30 September 2023 as at measurement date 31 December 2023.

31.12.2023	Measurement parameters											
	Stabilised vacancy rate in %			Discount rate in %			Capitalisation rate in %			Forecast rent development in %		
	min	Ø	max	min	Ø	max	min	Ø	max	min	Ø	max
Residential assets												
High-growth markets	1.0	1.8	6.0	3.1	4.7	8.7	2.3	4.9	11.7	1.3	1.6	1.9
Stable markets	1.5	2.7	9.0	3.3	4.8	9.9	1.8	5.5	12.2	1.1	1.4	1.9
Higher-yielding markets	1.5	4.5	9.0	3.5	4.6	8.0	2.9	5.9	13.0	1.0	1.3	1.6
Commercial assets												
Leasehold	0.0	0.0	0.0	3.3	4.6	9.9	0.0	0.0	0.0	0.0	0.0	0.0
Garages, parking spaces and other units	0.0	0.0	0.0	4.2	4.7	6.1	3.0	7.5	12.7	1.0	1.4	1.9
Land values	0.0	0.0	0.0	4.1	4.6	5.0	3.8	9.2	12.2	1.0	1.2	1.5
<b>Total portfolio (IAS 40)<sup>1</sup></b>	<b>1.0</b>	<b>3.1</b>	<b>9.0</b>	<b>3.0</b>	<b>4.7</b>	<b>11.5</b>	<b>1.8</b>	<b>5.7</b>	<b>13.0</b>	<b>1.0</b>	<b>1.4</b>	<b>1.9</b>

<sup>1</sup> Furthermore, there are assets held for sale (IFRS 5) of EUR 77.9 million at Level 2 of the fair value hierarchy as at 31 December 2023.

In addition, LEG's portfolio still includes land and buildings accounted for in accordance with IAS 16.

- Right of use leases

€ million	31.03.2024	31.12.2023
Right of use buildings	1.3	1.4
Right of use technical equipment and machinery	8.4	9.0
Right of use operating and office equipment	4.4	4.5
<b>Property, plant and equipment</b>	<b>14.1</b>	<b>14.9</b>
Right of use software	0.4	0.4
<b>Intangible assets</b>	<b>0.4</b>	<b>0.4</b>
<b>Right of use leases</b>	<b>14.5</b>	<b>15.3</b>

Property, plant and equipment as well as intangible assets included right of use leases in the amount of EUR 14.5 million as of 31 March 2024. The right of use leases result from rented land and buildings, cars, heat contracting, metering and reporting technology, IT peripheral devices as well as software.

Cash and cash equivalents mainly consist of bank balances as well as money market funds.

In the reporting period right of uses in the amount of EUR 0.9 million have been added.

Changes in the components of consolidated equity are shown in the statement of changes in consolidated equity.

Financing liabilities are composed as follows:

- **Financing liabilities**

€ million	31.03.2024	31.12.2023
Financing liabilities from real estate financing	9,259.8	9,264.9
Financing liabilities from lease financing	109.4	110.9
<b>Financing liabilities</b>	<b>9,369.2</b>	<b>9,375.8</b>

Financing liabilities from property financing serve the financing of investment properties.

The consolidated financial statements of LEG Immobilien SE reported financial liabilities from real estate financing of EUR 9,259.8 million as at 31 March 2024. In the first quarter of 2024, loans in the amount of

EUR 22.3 million were valued. This was offset by scheduled and unscheduled repayments of EUR 23.7 million and the amortisation of transaction costs.

The financial liabilities from real estate financing include the following capital market instruments as at the reporting date:

- **Capital markets instruments as of 31.03.2024**

€ million	IFRS carrying amount	Nominal value
Convertible bond 2020/2028	534.7	550.0
Convertible bond 2017/2025	396.7	400.0
Bond 2023/2029	83.2	100.0
Bond 2023/2031	73.0	100.0
Bond 2022/2026	498.4	500.0
Bond 2022/2029	496.3	500.0
Bond 2022/2034	496.1	500.0
Bond 2021/2032	494.6	500.0
Bond 2021/2031	599.0	600.0
Bond 2021/2033	594.6	600.0
Bond 2019/2033	297.6	300.0
Bond 2019/2027	498.7	500.0

The convertible bonds were classified and recognised in full as debt due to the issuer's contractual cash settlement option. There are several embedded derivatives and derivatives that must be separated that are to be jointly regarded as a compound derivative and carried at fair value. The host debt instrument is recognised at amortised cost.

The change in financial liabilities from lease financing in the reporting period essentially results from the decrease in lease liabilities for measurement and reporting technology as well as buildings. For leases that have already been concluded and do not begin until after the balance sheet date, there will be possible future cash outflows of EUR 1.7 million.

Maturity of financing liabilities from real estate financing are composed as follows:

- **Maturity of financing liabilities from real estate financing**

€ million	Remaining term < 1 year	Remaining term > 1 to 5 years	Remaining term > 5 years	Total
31.03.2024	436.4	5,168.3	3,655.1	9,259.8
31.12.2023	438.5	4,450.7	4,375.7	9,264.9

The main driver for the change in the maturity distribution compared to 31 December 2023 is the remaining maturity of two corporate bonds,

which led to an increase in financial debt with a mid-term maturity and a corresponding decrease in financial debt with a long-term maturity.

## 7. Selected notes to the consolidated statement of comprehensive income

Net operating income is broken down as follows:

- **Net operating income**

€ million	01.01. – 31.03.2024	01.01. – 31.03.2023
Net cold rent	214.1	206.3
Profit from operating expenses	– 5.6	– 6.6
Maintenance for externally procured services	– 30.4	– 25.2
Personnel expenses (rental and lease)	– 30.4	– 26.6
Allowances on rent receivables	– 5.1	– 6.5
Depreciation and amortisation expenses	– 3.0	– 3.3
Others	1.2	– 2.7
<b>Net operating income</b>	<b>140.8</b>	<b>135.4</b>
<b>Net operating income margin (in %)</b>	<b>65.8</b>	<b>65.6</b>
Non-recurring special effects - rental and lease	3.5	1.0
Depreciation and amortisation expenses	3.0	3.3
Maintenance for externally procured services	30.4	25.2
Subsidies recognised in profit or loss	– 3.9	–
Own work capitalised	– 2.7	– 3.5
<b>Net operating income (recurring)</b>	<b>171.1</b>	<b>161.4</b>
<b>Net operating income margin (recurring in %)</b>	<b>79.9</b>	<b>78.2</b>

In the reporting period, net operating income increased by EUR 5.4 million compared to the same period of the previous year. The main driver of this development is the increase in net cold rent of EUR 7.8 million. In-place rent per square metre on a like-for-like basis rose by 3.5 % year-on-year. In addition, the subsidies recognized in income led to an increase of EUR 3.9 million in the line item Others. This was offset by an increase of EUR 5.2 million in maintenance expenses for externally procured services and the EUR 3.8 million increase in

personnel expenses from rental and lease due to tariff increases and additional inflation compensation bonuses granted.

The adjusted net operating income (NOI)-margin increased from 78.2 % to 79.9 % compared to the same period of the previous year.

In the reporting period the following depreciation expenses for right of use from leases were included.

- **Depreciation expenses of leases**

€ million	01.01. – 31.03.2024	01.01. – 31.03.2023
Right of use buildings	0.1	0.1
Right of use technical equipment and machinery	0.6	1.0
Right of use operating and office equipment	0.7	0.7
<b>Depreciation expenses of leases</b>	<b>1.4</b>	<b>1.8</b>

In the reporting period expenses of leases of a low-value asset of EUR 0.1 million were included in the net operating income (previous year: EUR 0.1 million).

Net income from the disposal of investment properties is composed as follows:

- **Net income from the disposal of investment properties**

€ million	01.01. – 31.03.2024	01.01. – 31.03.2023
Income from the disposal of investment properties	40.0	24.7
Carrying amount of the disposal of investment properties	– 40.0	– 24.9
Costs of sales of investment properties	– 0.3	– 0.3
<b>Net income from the disposal of investment properties</b>	<b>– 0.3</b>	<b>– 0.5</b>

## Administrative and other expenses

- **Administrative and other expenses**

€ million	01.01. – 31.03.2024	01.01. – 31.03.2023
Other operating expenses	– 5.6	– 6.1
Personnel expenses (administration)	– 10.0	– 7.7
Purchased services	– 0.5	– 0.6
Depreciation and amortisation	– 0.8	– 0.8
<b>Administrative and other expenses</b>	<b>– 16.9</b>	<b>– 15.2</b>
Depreciation and amortisation	0.8	0.8
Non-recurring special effects (administration)	2.0	2.1
<b>Administrative and other expenses (recurring)</b>	<b>– 14.1</b>	<b>– 12.3</b>

The increase in personnel expenses is due to tariff increases and additional inflation compensation bonuses granted. As a result, adjusted administrative expenses increased by EUR 1.8 million in the first three months compared to the same period in the previous year.

In the reporting period following depreciation expenses for right of use from leases are included.

- **Depreciation expenses of leases**

€ million	01.01. – 31.03.2024	01.01. – 31.03.2023
Right of use buildings	0.1	0.1
Right of use operating and office equipment	0.1	0.1
Right of use software	0.1	0.1
<b>Depreciation expenses of leases</b>	<b>0.3</b>	<b>0.3</b>

## Net interest income

Net interest income is composed as follows:

- **Interest income**

€ million	01.01. – 31.03.2024	01.01. – 31.03.2023
Interest income from bank balances	1.8	0.3
Interest income from loans	0.1	–
Other interest income	2.2	0.8
<b>Interest income</b>	<b>4.1</b>	<b>1.1</b>

Interest income increased by EUR 3.0 million to EUR 4.1 million compared to the same period of the previous year. The increase in interest income is mainly due to higher interest on cash investments.

- Interest expenses

€ million	01.01. – 31.03.2024	01.01. – 31.03.2023
Interest expenses from real estate financing	- 37.0	- 31.2
Interest expense from loan amortisation	- 4.3	- 4.7
Prepayment penalties	-	0.0
Interest expense from interest derivatives for real estate financing	-	0.0
Interest expense from change in pension provisions	- 0.8	- 0.9
Interest expense from interest on other assets and liabilities	0.0	0.0
Interest expenses from lease financing	- 0.6	- 0.6
Other interest expenses	- 0.7	- 0.6
<b>Interest expenses</b>	<b>- 43.4</b>	<b>- 38.0</b>

The increase in interest expenses by EUR – 5.4 million to EUR – 43.4 million is mainly due to the valuations after the comparative period and higher interest rate level.

### Income taxes

- Income tax expenses

€ million	01.01. – 31.03.2024	01.01. – 31.03.2023
Current tax expenses	- 0.3	- 0.7
Deferred tax expenses	- 19.6	- 29.3
<b>Income tax expenses</b>	<b>- 19.9</b>	<b>- 30.0</b>

An effective Group tax rate of 22.5% was assumed in the reporting period in accordance with Group tax planning (previous year: 20.7%). The increase is mainly due to the discontinuation of the so-called

extended trade tax reduction at four portfolio-holding Group companies.

### Earnings per share

Basic earnings per share are calculated by dividing the net profit for the period attributable to the shareholders by the average number of shares outstanding during the reporting period.

- Earnings per share (basic)

€ million	01.01. – 31.03.2024	01.01. – 31.03.2023
Net profit or loss attributable to shareholders in € million	57.1	95.2
Average numbers of shares outstanding	74,109,276	74,109,276
<b>Earnings per share (basic) in €</b>	<b>0.77</b>	<b>1.28</b>

- Earnings per share (diluted)

€ million	01.01. – 31.03.2024	01.01. – 31.03.2023
Net profit or loss attributable to shareholders in € million	57.1	95.2
Convertible bond coupon after taxes	1.1	1.1
Measurement of derivatives after taxes	10.1	- 0.5
Amortisation of the convertible bond after taxes	0.1	0.1
Net profit or loss for the period for diluted earnings per share	68.4	95.9
Average weighted number of shares outstanding	74,109,276	74,109,276
Number of potentially new shares in the event of exercise of conversion rights	7,112,329	7,112,329
Number of shares for diluted earnings per share	81,221,605	81,221,605
<b>Intermedia result in €</b>	<b>0.84</b>	<b>1.18</b>
<b>Diluted earnings per share in €</b>	<b>0.77</b>	<b>1.18</b>

As at 31 March 2024, LEG Immobilien SE had convertible bonds outstanding, which authorise the bearer to conversion into up to 7.1 million new ordinary shares.

Diluted earnings per share are calculated by increasing the average number of shares outstanding by the number of all potentially dilutive shares. The net profit/loss for the period is adjusted for the expenses no longer incurring for the interest coupon, the measurement of the embedded derivatives and the amortisation of the convertible bond and the resulting tax effect in the event of the conversion rights being exercised in full.

## 8. Notes on Group segment reporting

LEG has operated in only one segment since the 2016 financial year. It generates its revenue and holds its assets exclusively in Germany. In the financial year 2024, LEG did not generate sales of more than 10% of total reported sales with any customer.

In addition to the minimum disclosures required by IFRS 8, the company's key performance indicators are explained and presented below. These correspond to the management and reporting system used by LEG Immobilien SE for corporate management and provide a deeper insight into the economic performance of our company.

Internal reporting at LEG deviates from the IFRS accounting figures. LEG's internal reporting focuses in particular on the key performance indicators of AFFO I, the adjusted EBITDA margin and LTV, as well as the other key financial performance indicators figures for the housing industry of EPRA NTA and net cold rent. The alternative performance indicators presented below are not based on IFRS figures, with the exception of the comments on LTV.

### AFFO

AFFO is one of the most important key financial performance indicator for Group management. LEG distinguishes between FFO I (excluding net income from the disposal of investment properties), FFO II (including net income from the disposal of investment properties) and AFFO (FFO I adjusted for capex).

Based on FFO I (after non-controlling interests), AFFO takes recurring capex measures (capex (recurring)) into account. Recurring capex measures are defined as capitalised costs from modernisation and maintenance measures as well as new construction activities on own land. When determining costs from modernisation and maintenance measures, consolidation effects due to internally procured services resulting from the elimination of intercompany profits are eliminated.

## 31 CONSOLIDATED FINANCIAL STATEMENTS

The calculation of AFFO, FFO I, and FFO II for the reporting and comparison period is as follows:

### • Calculation of FFO I, FFO II und AFFO

€ million	01.01. – 31.03.2024	01.01. – 31.03.2023
Net cold rent	214.1	206.3
Profit from operating expenses	– 5.6	– 6.6
Personnel expenses (rental and lease)	– 30.4	– 26.6
Allowances on rent receivables	– 5.1	– 6.5
Other	– 5.4	– 6.2
Non-recurring special effects (rental and lease)	3.5	1.0
<b>Net operating income (recurring)</b>	<b>171.1</b>	<b>161.4</b>
<b>Net income from other services (recurring)</b>	<b>0.6</b>	<b>7.9</b>
Personnel expenses (administration)	– 10.0	– 7.7
Non-personnel operating costs	– 6.1	– 6.7
Non-recurring special effects (administration)	2.0	2.1
<b>Administrative expenses (recurring)</b>	<b>– 14.1</b>	<b>– 12.3</b>
Other income	0.0	0.0
<b>EBITDA (adjusted)</b>	<b>157.6</b>	<b>157.0</b>
Cash interest expenses and income FFO I	– 34.5	– 31.3
Cash income taxes FFO I	– 0.1	– 0.2
Maintenance for externally procured services	– 30.4	– 25.2
Subsidies recognised in profit or loss	3.9	0.0
Own work capitalised	2.7	3.5
<b>FFO I (before adjustment of non-controlling interests)</b>	<b>99.2</b>	<b>103.8</b>
Adjustment of non-controlling interests	– 0.4	– 0.6
<b>FFO I (after adjustment of non-controlling interests)</b>	<b>98.8</b>	<b>103.2</b>
Net income from the disposal of investment properties (adjusted)	0.0	– 0.4
Cash income taxes FFO II	– 0.8	– 1.8
<b>FFO II (incl. disposal of investment properties)</b>	<b>98.0</b>	<b>101.0</b>
Capex (recurring)	– 50.2	– 48.3
<b>AFFO (Capex-adjusted FFO I)</b>	<b>48.6</b>	<b>54.9</b>

EBITDA is adjusted for non-recurring effects to ensure comparability with previous periods. Adjustments are made for all items that are not attributable to operations in the period and that have a not insignificant effect on EBITDA. These special effects of a non-recurring nature include

project costs for business model and process optimisation, personnel matters, acquisition and integration costs, capital market financing and M&A activities as well as other atypical matters. These are composed as follows:

### • Special one-off effects

€ million	01.01. – 31.03.2024	01.01. – 31.03.2023
Project costs to optimise the business model and processes	0.3	1.0
Staff related costs	4.3	0.6
Acquisition and integration related costs	0.6	0.6
Capital market financing and M&A activities	0.1	0.2
Other atypical matters	0.2	0.7
<b>Special one-off effects</b>	<b>5.5</b>	<b>3.1</b>

EBITDA adjusted for these special items is further adjusted for cash interest income and expenses, cash taxes, maintenance expenses for

externally procured services, subsidies recognised in income, own work capitalised and non-controlling interests in FFO I.

Cash interest expenses are composed as follows:

• Cash interest expenses

€ million	01.01. – 31.03.2024	01.01. – 31.03.2023
Interest expense reported in income statement	43.4	38.0 <sup>1</sup>
Interest expense related to loan amortisation	-4.3	-4.7
Interest costs related to the accretion of other assets/liabilities	0.0	0.0
Interest expenses related to changes in pension provisions	-0.8	-0.9
Other interest expenses	0.0	0.0
<b>Cash effective interest expense (gross)</b>	<b>38.3</b>	<b>32.4 <sup>1</sup></b>
Cash effective interest income	3.8	1.1
<b>Cash effective interest expense (net)</b>	<b>34.5</b>	<b>31.3 <sup>1</sup></b>

<sup>1</sup> Value of comparative period adjusted.

**EPRA Net Tangible Asset (EPRA NTA)**

The EPRA NRV, NTA and NDV are relevant indicators for the real estate industry. LEG has defined the EPRA NTA as its primary key figure. Another relevant key financial indicator is EPRA NTA per share. The calculation system for the respective key figures can be found in the glossary of the 2023 annual report.

LEG reports an EPRA NTA of EUR 9,462.9 million or EUR 127.69 per share as at 31 March 2024. In the calculation, deferred taxes on investment

property are adjusted by the amount attributable to planned property disposals by LEG. Incidental acquisition costs are not taken into account. The key figures are presented on a diluted basis only. As at 31 March 2024, no dilution effects from the convertible bonds are taken into account, as the share price does not exceed the current conversion prices as at the reporting date.

• EPRA NRV, EPRA NTA, EPRA NDV

€ million	31.03.2024 EPRA NRV	31.03.2024 EPRA NTA	31.03.2024 EPRA NDV	31.12.2023 EPRA NRV	31.12.2023 EPRA NTA	31.12.2023 EPRA NDV
Equity attributable to shareholders of the parent company	7,525.4	7,525.4	7,525.4	7,463.2	7,463.2	7,463.2
Hybrid instruments	28.5	28.5	28.5	28.5	28.5	28.5
<b>Diluted NAV at fair value</b>	<b>7,553.9</b>	<b>7,553.9</b>	<b>7,553.9</b>	<b>7,491.7</b>	<b>7,491.7</b>	<b>7,491.7</b>
Deferred tax in relation to fair value gains of IP and deferred tax on subsidised loans and financial derivatives	1,966.7	1,957.9	–	1,943.4	1,935.2	–
Fair value of financial instruments	-44.3	-44.3	–	-42.0	-42.0	–
Intangibles as per the IFRS balance sheet	–	-4.6	–	–	-5.0	–
Fair value of fixed interest rate debt	–	–	841.0	–	–	744.0
Deferred taxes of fixed interest rate debt	–	–	-189.5	–	–	-156.7
Estimated ancillary acquisition costs (real estate transfer tax) <sup>1</sup>	1,762.2	–	–	1,759.4	–	–
<b>NAV</b>	<b>11,238.5</b>	<b>9,462.9</b>	<b>8,205.4</b>	<b>11,152.5</b>	<b>9,379.9</b>	<b>8,079.0</b>
Fully diluted number of shares	74,109,276	74,109,276	74,109,276	74,109,276	74,109,276	74,109,276
<b>NAV per share</b>	<b>151.65</b>	<b>127.69</b>	<b>110.72</b>	<b>150.49</b>	<b>126.57</b>	<b>109.01</b>

<sup>1</sup> Taking into account the incidental acquisition costs would result in an EPRA NTA of €11,213.2 million or €151.31 per share (31 December 2023: €11,127.5 million or €150.15 per share).

LEG's calculation of EPRA NTA is based on the Best Practice Recommendations of the European Public Real Estate Association (EPRA).

The purchase price obligations from share deals recognised as liabilities are shown as effects from the exercise of options, convertible bonds and other rights to equity amounting to EUR 28.5 million.

Deferred taxes resulting from the measurement of investment property and from the measurement of publicly subsidised loans as well as the measurement of derivatives are adjusted in the amount of the equity

impact. Deferred taxes relating to the planned sales programme are not taken into account in the determination of the EPRA NTA. These amount to a total of EUR 1,957.9 million as at 31 March 2024.

Effects of the fair value measurement of derivative financial instruments are also eliminated in calculating the EPRA NTA. If these effects from the measurement of derivatives relate to the equity value calculated in the "Hybrid instruments" item, these are not included in "Fair value of financial instruments". As at 31 March 2024, these effects total EUR -44.3 million.

In addition, all recognised intangible assets are eliminated. As at 31 March 2024 these totalled EUR 4.6 million.

The estimated incidental acquisition costs are calculated on the basis of the net market values of the property portfolio. In accordance with the property portfolios in the various federal states, real estate transfer tax is taken into account. In addition, brokerage courtage and notary fees are applied in determining the estimated incidental acquisition costs.

#### Loan to value ratio (LTV)

Net debt at the end of the reporting period has decreased compared with 31 December 2023. In addition, the increase in property assets contributed to a slightly lower loan to value ratio (LTV) of 47.9 % at the interim reporting date (31 December 2023: 48.4 %).

#### • LTV

€ million	31.03.2024	31.12.2023
Financing liabilities	9,369.2	9,375.8
Less lease liabilities IFRS 16 (not leasehold)	14.2	15.9
Less cash and cash equivalents	469.6	405.5
<b>Net financing liabilities</b>	<b>8,885.4</b>	<b>8,954.4</b>
Investment properties	18,164.5	18,101.8
Assets held for sale	46.2	77.9
Participation in other real estate companies	332.6	340.1
<b>Real estate assets</b>	<b>18,543.3</b>	<b>18,519.8</b>
<b>Loan to value ratio (LTV) in %</b>	<b>47.9</b>	<b>48.4</b>

#### Maintenance and modernisation

The maintenance expenses from the perspective of the companies that hold properties consist of maintenance expenses for externally purchased services and maintenance expenses purchased internally by the service companies of LEG. Value-adding capital expenditure includes investment in investment property and in property, plant and equipment. Investment in investment property, value-adding capital

expenditure (capex) and capex (recurring) include expansion investments in the form of new construction activities by LEG but not purchased project developments. Consolidation effects, investment for new construction work by LEG, own work capitalised and subsidies recognised in profit or loss are eliminated from total investment when calculating total investment per square metre.

- Maintenance and modernisation

€ million	01.01. – 31.03.2024	01.01. – 31.03.2023
Maintenance expenses for externally procured services	- 30.4	- 25.2
Maintenance expenses provided internally	- 10.3	- 6.5
<b>Maintenance expenses</b>	<b>- 40.7</b>	<b>- 31.7</b>
Adjustments consolidation effects	1.7	0.2
<b>Maintenance expenses (adjusted)</b>	<b>- 39.0</b>	<b>- 31.5</b>
Investment in investment properties	- 51.5	- 49.1
Investment in property, plant and equipment	- 1.3	- 0.4
<b>Capital expenditure (Capex)</b>	<b>- 52.8</b>	<b>- 49.5</b>
Adjustments consolidation effects	2.6	1.2
<b>Capex (recurring)</b>	<b>- 50.2</b>	<b>- 48.3</b>
Adjustments (new construction, own work capitalised, subsidies recognised in profit or loss)	7.2	8.2
<b>Capital expenditure (adjusted)</b>	<b>- 43.0</b>	<b>- 40.1</b>
<b>Total investment</b>	<b>- 93.5</b>	<b>- 81.2</b>
Adjustments (consolidation effects, new construction on own land, own work capitalised, subsidies recognised in profit or loss)	11.5	9.6
<b>Total investments (adjusted)</b>	<b>- 82.0</b>	<b>- 71.6</b>
Area of investment properties in million sqm	10.83	10.86
<b>Adjusted average investment per sqm (€)</b>	<b>7.58</b>	<b>6.59</b>
Thereof maintenance expenses per sqm (€)	3.61	2.90
Thereof capital expenditure per sqm (€)	3.97	3.69

## 9. Financial instruments

The table below shows the financial assets and liabilities broken down by measurement category and class. Receivables and liabilities from finance leases and derivatives used as hedging instruments are included even though they are not assigned to an IFRS 9 measurement category. With respect to reconciliation, non-financial assets and non-financing liabilities are also included although they are not covered by IFRS 7.

The fair values of financial instruments are determined on the basis of corresponding market values or measurement methods. For cash and cash equivalents and other short-term primary financial instruments, the fair value is approximately the same as the carrying amount at the end of the respective reporting period.

For non-current receivables, other assets and liabilities, the fair value is calculated on the basis of the forecast cash flows, applying the reference interest rates as of the end of the reporting period. The fair values of derivative financial instruments are determined based on the benchmark interest rates in place as of the reporting date.

For financial instruments at fair value, the discounted cash flow method is used to determine fair value using corresponding quoted market prices, with individual credit ratings and other market conditions being taken into account in the form of standard credit and liquidity spreads when calculating present value. If no quoted market prices are available, the fair value is calculated using standard measurement methods applying instrument-specific market parameters.

When calculating the fair value of derivative financial instruments, the input parameters for the valuation models are the relevant market prices and interest rates observed as of the end of the reporting period, which are obtained from recognised external sources. The derivatives are therefore attributable to Level 2 of the fair value hierarchy as defined in IFRS 13.72 ff (measurement on the basis of observable inputs).

Both the Group's own risk and the counterparty risk were taken into account in the calculation of the fair value of derivatives in accordance with IFRS 13.

- Classes of financial instruments for financial assets and liabilities as at 31.03.2024

€ million	Carrying amounts as per statement of financial position 31.03.2024	Measurement (IFRS 9)		Measurement (IFRS 16)	Fair value 31.03.2024
		(Amortised) Costs	Fair value through profit and loss		
<b>Assets</b>					
<b>Other financial assets</b>	<b>346.0</b>				<b>346.0</b>
Hedge accounting derivatives	23.8				23.8
AC	1.0	1.0			1.0
FVtPL	321.2		321.2		321.2
<b>Receivables and other assets</b>	<b>358.4</b>				<b>358.4</b>
AC	306.3	306.3			306.3
Other non-financial assets	52.1				52.1
<b>Cash and cash equivalents</b>	<b>285.2</b>				<b>285.2</b>
AC	285.2	285.2			285.2
<b>Total</b>	<b>989.6</b>	<b>592.5</b>	<b>321.2</b>		<b>989.6</b>
<b>Of which IFRS 9 measurement categories</b>					
AC	592.5	592.5			592.5
FVtPL	321.2		321.2		321.2
<b>Liabilities</b>					
<b>Financial liabilities</b>	<b>- 9,369.1</b>				<b>- 8,418.8</b>
FLAC	- 9,259.8	- 9,259.8			- 8,418.8
Liabilities from lease financing	- 109.3			- 109.3	
<b>Other liabilities</b>	<b>- 427.3</b>				<b>- 427.1</b>
FLAC	- 206.9	- 206.9			- 206.7
Derivatives HFT	- 10.2		- 10.2		- 10.2
Hedge accounting derivatives	- 7.2				- 7.2
Other non-financial liabilities	- 203.0				- 203.0
<b>Total</b>	<b>- 9,796.4</b>	<b>- 9,466.7</b>	<b>- 10.2</b>	<b>- 109.3</b>	<b>- 8,845.9</b>
<b>Of which IFRS 9 measurement categories</b>					
FLAC	- 9,466.7	- 9,466.7			- 8,625.5
Derivatives HFT	- 10.2		- 10.2		- 10.2

AC = Amortised cost

HFT = Held for trading

FVtPL = Fair Value through profit and loss

FLAC = Financial Liabilities at amortised costs

• **Classes of financial instruments for financial assets and liabilities as at 31.12.2023**

€ million	Carrying amounts as per statement of financial position 31.12.2023	Measurement (IFRS 9)		Measurement (IFRS 16)	Fair value 31.12.2023
		(Amortised) Costs	Fair value through profit and loss		
<b>Assets</b>					
<b>Other financial assets</b>	<b>355.5</b>				<b>355.5</b>
Hedge accounting derivatives	25.7				25.7
AC	0.9	0.9			0.9
FVtPL	328.9		328.9		328.9
<b>Receivables and other assets</b>	<b>277.9</b>				<b>–</b>
AC	245.6	245.6			245.6
Other non-financial assets	32.3				32.3
<b>Cash and cash equivalents</b>	<b>277.5</b>				<b>277.5</b>
AC	277.5	277.5			277.5
<b>Total</b>	<b>910.9</b>	<b>524.0</b>	<b>328.9</b>		<b>633.0</b>
<b>Of which IFRS 9 measurement categories</b>					
AC	524.0	524.0			524.0
FVtPL	328.9		328.9		328.9
<b>Liabilities</b>					
<b>Financial liabilities</b>	<b>– 9,375.8</b>				<b>– 8,521.0</b>
FLAC	– 9,264.9	– 9,264.9			– 8,521.0
Liabilities from lease financing	– 110.9			– 110.9	
<b>Other liabilities</b>	<b>– 373.9</b>				<b>– 214.8</b>
FLAC	– 159.1	– 159.1			–
Derivatives HFT	– 7.9		– 7.9		– 7.9
Hedge accounting derivatives	– 13.6				– 13.6
Other non-financial liabilities	– 193.3				– 193.3
<b>Total</b>	<b>– 9,749.7</b>	<b>– 9,424.0</b>	<b>– 7.9</b>	<b>– 110.9</b>	<b>– 8,735.8</b>
<b>Of which IFRS 9 measurement categories</b>					
FLAC	– 9,424.0	– 9,424.0			– 8,521.0
Derivatives HFT	– 7.9		– 7.9		– 7.9

AC = Amortised cost  
HFT = Held for trading  
FVtPL = Fair Value through profit and loss  
FLAC = Financial Liabilities at amortised costs

As at 31 March 2024, the fair value of a shareholding amounts to EUR 160.8 million (31 December 2023: EUR 168,3 million). The change compared to the previous reporting date amounts to EUR 7.5 million, of which EUR 7.5 million was recognised in profit or loss. This participation is allocated to Level 1 of the measurement hierarchy, as there is an active market for the shares.

The fair value of the other investments in the amount of EUR 160.4 million was last calculated as at 31 December 2023 using DCF procedures as there are no quoted prices in an active market for the relevant investments. The fair value calculated using valuation models is allocated to Level 3 of the IFRS 13 measurement hierarchy. Allocation to Level 3 takes place based on valuation models with inputs not observed on a market. The other companies continue to be measured using the simplified income capitalisation approach. The main model parameter in the simplified income capitalisation approach is the capitalisation rate of 7.1 %. The fair value of the portfolio companies is determined on the basis of the property values of the respective companies. The property values are determined on the basis of offer

prices from a market database. The 25 % percentile of the offer prices was selected for the valuation.

The stress test of the relevant valuation parameters for the other companies was carried out as at 31 December 2023 by increasing or decreasing the capitalisation rate by 50 basis points and for the real estate companies by using the 10 % percentile or median of the offer prices. The stress test of these parameters results in a reduction in the fair value to EUR 100.3 million when using the 10 % percentile and increasing the capitalisation rate by 50 basis points and an increase in the fair value to EUR 210.1 million when using the median and reducing the capitalisation rate by 50 basis points.

## 10. Related-party disclosures

Please see the IFRS consolidated financial statements as at 31 December 2023 for the presentation of the IFRS 2 programmes for long-term incentive Management Board agreements.

## 11. Other

There were no changes with regard to contingent liabilities in comparison to 31 December 2023.

## 12. The Management Board and the Supervisory Board

There were no changes to the composition of the Management Board and the Supervisory Board as at 31 March 2024 compared with the disclosures as at 31 December 2023.

## 13. Supplementary Report

There were no significant events after the end of the interim reporting period on 31 March 2024.

Dusseldorf, 15 May 2024

LEG Immobilien SE  
The Management Board

Lars von Lackum  
(CEO)

Dr Kathrin Köhling  
(CFO)

Dr Volker Wiegel  
(COO)

## Responsibility statement

“To the best of our knowledge, and in accordance with the applicable accounting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and results of operations of LEG, and the quarterly report includes a fair review of the

development and performance of the business and the position of LEG, together with a description of the principal opportunities and risks associated with the expected development of LEG.”

Dusseldorf, 15 May 2024

LEG Immobilien SE

The Management Board

**Lars von Lackum**  
(CEO)

**Dr Kathrin Köhling**  
(CFO)

**Dr Volker Wiegel**  
(COO)

## Financial calendar

### • LEG financial calendar 2024

Annual General Meeting	23 May
Release of Quarterly Report Q2 as of 30 June 2024	9 August
Release of Quarterly Statement Q3 as of 30 September 2024	8 November

For additional dates see our [website](#).

## Contact details & imprint

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The quarterly report as of 31 March 2024 is also available in German. In case of doubt, the German version takes precedence.

