leg-se.com

Smart.Simple.Efficient.

2025

Quarterly report as of 31 March

Table of contents

Key figures Q1 2025

Financial key figures		Q1 2025	Q1 2024	+/– %
Net cold rent	€ million	229.5	214.1	+7.2 %
Net operating income (recurring)	€ million	186.0	171.1	+8.7 %
EBITDA	€ million	277.3	130.9	+111.8 %
EBITDA (adjusted)	€ million	173.4	157.6	+10.0 %
EBT	€ million	266.9	77.7	+243.5 %
Net profit or loss for the period	€ million	243.2	57.8	+320.8 %
FFO I	€ million	114.3	98.8	+15.7 %
FFO II	€ million	112.4	98.0	+14.7 %
AFFO	€ million	62.3	48.6	+28.2 %
AFFO per share	€	0.84	0.66	+27.3 %

Balance sheet key figures		31.03.2025	31.12.2024	+/– %/BP
Investment properties	€ million	18,892.4	17,853.3	+5.8 %
Cash and cash equivalents	€ million	831.6	914.3	-9.0 %
Equity	€ million	7,726.6	7,396.5	+4.5 %
Total financing liabilities	€ million	10,122.5	9,718.6	+4.2 %
Net debt	€ million	9,245.2	8,756.9	+5.6 %
LTV	%	48.4	47.9	+50 BP
Equity ratio	%	37.8	37.8	+/-0 %
EPRA NTA, diluted	€ million	9,565.1	9,375.4	+2.0 %
EPRA NTA per share, diluted	€	128.44	125.90	+2.0 %

Other key figures		31.03.2025	31.03.2024	+/– %/BP
Number of residential units		171,734	165,953	+3.5 %
In-place rent	€/sqm	6.89	6.67	+3.2 %
In-place rent (l-f-l)	€/sqm	6.87	6.67	+3.0 %
EPRA vacancy rate	%	2.6	2.9	-30 BP
EPRA vacancy rate (l-f-l)	%	2.4	2.6	-20 BP

BP = Basis Points

Portfolio

Housing stock

On 31 March 2025, LEG's portfolio consisted of 171,734 residential units as well as 1,625 commercial units and 50,303 garages and parking spaces. The average living space per apartment was 63 square metres (sqm) with an average rent of EUR 6.89 per sqm and month.

Operating performance

On a like-for-like basis, the in-place rent on 31 March 2025 was EUR 6.87 per sqm and month. This corresponds to an increase of 3.0 % compared to the previous year's reporting date.

The rental growth resulted from the free-financed segment which accounts for 83 % of the portfolio. Here, the actual in-place rent rose by 3.5 % year-on-year to EUR 7.22 per sqm (like-for-like). Within the free-financed portfolio, the high-growth markets recorded an increase of 3.2 % to EUR 8.32 per sqm (like-for-like). In the stable markets of the free-financed portfolio, the in-place rent rose the most by an average of 4.1 % to EUR 6.95 per sqm (like-for-like). The higher-yielding markets recorded an increase in monthly rents of 3.0 % to EUR 6.50 per sqm metre (like-for-like).

In the segment of the rent-restricted units, which make up 17 % of the portfolio, the next regular adjustment of the cost rent will take place in 2026. On 31 March 2025, the average monthly in-place was EUR 5.38 per sqm (like-for-like).

The EPRA vacancy rate on a like-for-like basis was reduced by a further 20 basis points to 2.4 % as at 31 March 2025 compared to the previous year's reporting date. The high-growth markets recorded the lowest vacancy rate at 1.3 %. In the stable markets, the EPRA vacancy rate was 2.3 % and in the higher-yielding markets 4.3 % (always on a like-for-like basis).

Portfolio segments – top 5 locations

	31.03.2025					Change on a like-for-like basis	
	Number of LEG apartments	Share of LEG-Portfolio in %	Living space in sqm	In-place-rent €/sqm	EPRA vacancy rate in %	In-place-rent like-for-like in %	Vacancy rate like-for-like Basis points
High-growth markets	**51,878**	**30.2**	**3,399,232**	**7.72**	**1.6**	**2.7**	**– 10**
District of Mettmann	9,188	5.4	636,140	7.96	1.2	2.6	– 50
Dusseldorf	6,342	3.7	411,973	9.09	1.3	3.1	– 30
Muenster	6,144	3.6	409,348	7.62	0.7	2.1	10
Cologne	4,220	2.5	283,563	8.26	2.3	2.4	10
Kiel	3,204	1.9	181,637	7.47	2.5	4.2	100
Other locations	22,780	13.3	1,476,570	7.18	1.8	3.0	– 10
Stable markets	**69,248**	**40.3**	**4,404,491**	**6.67**	**2.5**	**3.5**	**– 50**
Dortmund	14,646	8.5	943,830	6.33	2.3	3.3	– 10
District of Unna	6,973	4.1	435,357	6.03	2.3	4.9	– 90
Moenchengladbach	6,429	3.7	407,419	7.13	1.2	4.3	0
Essen	4,070	2.4	258,543	6.71	2.9	2.2	– 130
Bielefeld	3,229	1.9	200,987	7.37	1.5	3.1	– 10
Other locations	33,901	19.7	2,158,355	6.79	3.0	3.4	– 70
Higher-yielding markets	**50,608**	**29.5**	**3,054,103**	**6.26**	**4.6**	**2.7**	**10**
District of Recklinghausen	8,182	4.8	491,512	6.06	2.0	1.7	– 70
Gelsenkirchen	7,511	4.4	430,480	6.47	6.4	3.9	– 20
Duisburg	7,048	4.1	423,054	6.77	2.7	2.4	– 20
Wilhelmshaven	6,669	3.9	385,503	6.11	10.5	1.6	– 20
Hamm	4,795	2.8	287,165	6.12	2.0	2.1	60
Other locations	16,403	9.6	1,036,389	6.16	3.6	3.2	10
Total	**171,734**	**100.0**	**10,857,825**	**6.89**	**2.6**	**3.0**	**– 20**

	31.03.2024				
	Number of LEG apartments	Share of LEG-Portfolio in %	Living space in sqm	In-place-rent €/sqm	EPRA vacancy rate in %
High-growth markets	**49,847**	**30.0**	**3,282,463**	**7.51**	**1.7**
District of Mettmann	8,484	5.1	588,896	7.89	1.6
Dusseldorf	6,198	3.7	402,420	8.88	1.6
Muenster	6,154	3.7	410,486	7.46	0.7
Cologne	4,388	2.6	296,367	8.13	2.3
Kiel	2,303	1.4	119,674	7.06	1.8
Other locations	22,320	13.4	1,464,621	6.90	2.1
Stable markets	**66,674**	**40.2**	**4,264,207**	**6.42**	**3.0**
Dortmund	13,791	8.3	901,874	6.06	2.4
District of Unna	6,982	4.2	435,733	5.75	2.8
Moenchengladbach	6,431	3.9	407,583	6.84	1.3
Essen	3,658	2.2	235,274	6.57	4.1
Bielefeld	3,232	1.9	201,196	7.15	1.6
Other locations	32,580	19.6	2,082,547	6.55	3.8
Higher-yielding markets	**49,431**	**29.8**	**2,981,496**	**6.10**	**4.5**
District of Recklinghausen	8,609	5.2	519,903	5.92	2.4
Gelsenkirchen	7,216	4.3	412,133	6.25	6.5
Duisburg	6,417	3.9	387,644	6.60	2.9
Wilhelmshaven	6,752	4.1	390,678	6.01	11.0
Hamm	4,797	2.9	287,290	5.99	1.4
Other locations	15,641	9.4	983,926	5.99	3.4
Total	**165,952**	**100.0**	**10,528,166**	**6.67**	**2.9**

Performance of the LEG portfolio

		High-growth markets		Stable markets		Higher-yielding markets		Total	
		31.03.2025	31.03.2024	31.03.2025	31.03.2024	31.03.2025	31.03.2024	31.03.2025	31.03.2024
Subsidised residential units									
Units		11,069	11,246	12,032	12,928	6,729	6,676	**29,830**	**30,850**
Area	sqm	756,818	770,138	808,151	868,740	445,743	436,524	**2,010,712**	**2,075,403**
In-place rent	€/sqm	5.80	5.76	5.33	5.31	4.91	4.90	**5.41**	**5.37**
EPRA vacancy rate	%	0.8	1.0	1.7	1.6	2.1	1.9	**1.4**	**1.4**
Free-financed residential units									
Units		40,809	38,601	57,216	53,746	43,879	42,756	**141,904**	**135,103**
Area	sqm	2,642,414	2,512,325	3,596,339	3,395,467	2,608,361	2,545,051	**8,847,114**	**8,452,843**
In-place rent	€/sqm	8.27	8.06	6.97	6.72	6.50	6.32	**7.23**	**7.01**
EPRA vacancy rate	%	1.7	1.9	2.6	3.3	4.8	4.8	**2.8**	**3.2**
Total residential units									
Units		51,878	49,847	69,248	66,674	50,608	49,432	**171,734**	**165,953**
Area	sqm	3,399,232	3,282,463	4,404,491	4,264,207	3,054,103	2,981,575	**10,857,825**	**10,528,245**
In-place rent	€/sqm	7.72	7.52	6.67	6.43	6.26	6.10	**6.89**	**6.67**
EPRA vacancy rate	%	1.6	1.7	2.5	3.0	4.6	4.5	**2.6**	**2.9**
Total commercial									
Units								**1,625**	**1,509**
Area	sqm							**292,339**	**278,003**
Total parking									
Units								**50,303**	**46,673**
Total others									
Units								**3,679**	**2,834**

Value development

The table below shows the distribution of assets by market segment. LEG had last carried out a revaluation of its portfolio on a regular basis as of 31 December 2024. The next revaluation will be as of 30 June 2025. The residential portfolio as of 31 March has a gross rental yield of 5.0 % and a rental multiple of 20.2 respectively. According to the EPRA definition, the valuation of the portfolio corresponds to a net initial yield of 3.8 %.

Market segments

31.03.2025	Residential units	Residential assets[1] in € million	Share residential assets in %	Value/sqm in €	In-place rent multiplier	Commercial/ other assets[2] in € million	Total assets in € million
High-growth markets	**51,878**	**7,549**	**43**	**2,216**	**24.2x**	**348**	**7,897**
District of Mettmann	9,188	1,469	8	2,305	24.4x	63	1,532
Dusseldorf	6,342	1,203	7	2,895	26.8x	108	1,310
Muenster	6,144	1,029	6	2,502	27.4x	44	1,073
Cologne	4,220	774	4	2,716	28.0x	24	798
Kiel	3,204	298	2	1,635	18.7x	7	304
Other locations	22,320	2,776	16	1,881	22.1x	103	2,879
Stable markets	**69,248**	**6,714**	**38**	**1,520**	**19.4x**	**268**	**6,981**
Dortmund	14,646	1,561	9	1,646	22.1x	55	1,616
District of Unna	6,973	521	3	1,204	16.9x	24	545
Moenchengladbach	6,429	681	4	1,666	19.6x	16	697
Essen	4,070	397	2	1,531	19.4x	12	408
Bielefeld	3,229	372	2	1,840	21.1x	11	383
Other locations	33,901	3,183	18	1,468	18.5x	149	3,332
Higher-yielding markets	**50,608**	**3,462**	**20**	**1,131**	**15.7x**	**105**	**3,567**
District of Recklinghausen	8,182	564	3	1,139	16.1x	18	582
Gelsenkirchen	7,511	454	3	1,053	14.4x	12	465
Duisburg	7,048	569	3	1,345	17.0x	31	600
Wilhelmshaven	6,669	395	3	1,022	15.5x	7	401
Hamm	4,795	341	2	1,186	16.4x	6	347
Other locations	16,403	1,141	6	1,099	15.4x	31	1,172
Total	**171,734**	**17,724**	**100**	**1,628**	**20.2x**	**721**	**18,445**
Land values							148
Leasehold (IAS 40)							188
Assets under construction (IAS 40)							112
Balance sheet investment property assets (IAS 40)							**18,892**

[1] Excluding 457 residential units in commercial buildings; including 722 commercial units as well as several other units in mixed residential assets.
[2] Excluding 722 commercial units in mixed residential assets; including 457 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 2024 annual report for a definition of individual key figures and terms.

Results of operations

Condensed income statement € million	01.01. – 31.03.2025	01.01. – 31.03.2024
Net operating income	160.1	140.8
Net income from the disposal of investment properties	-1.5	-0.3
Net income from the remeasurement of investment properties	0.9	3.0
Net income from the disposal of real estate inventory	-0.1	0.0
Net income from other services	1.2	0.4
Administrative and other expenses	-18.0	-16.9
Other income	129.4	0.0
Operating earnings	**272.0**	**127.0**
Interest income	5.4	4.1
Interest expenses	-59.5	-43.4
Net income from investment securities and other equity investments	0.0	-7.6
Net income from the fair value measurement of derivatives	49.0	-2.4
Net finance earnings	**-5.1**	**-49.3**
Earnings before income taxes	**266.9**	**77.7**
Income taxes	-23.7	-19.9
Net profit or loss for the period	**243.2**	**57.8**

Net operating income rose by 13.7 % in the reporting period. This development is essentially a result of the increase in net cold rents by EUR 15.4 million, which is partly due to the acquisition of the shares in BCP (EUR +12.3 million). On the other hand, the in-place rent per square metre on a like-for-like basis rose by 3.0 % year-on-year (EUR +7.1 million). This was offset by the disposal of sales (EUR -4.0 million).

Adjusted EBITDA increased by 10.0 % from EUR 157.6 million to EUR 173.4 million. The adjusted EBITDA margin was 75.6 % in the reporting period (comparable period: 73.6 %).

Other income includes the badwill resulting from the acquisition of the shares in Brack Capital Properties N.V. (BCP).

The increase in net income from investment securities and other equity investments by EUR 7.6 million compared to the same period of the previous year resulted from the valuation of the investment in BCP at fair value in the same period of the previous year, whereas it is now fully consolidated.

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 55.5 million (comparable period: EUR -2.3 million).

The tax expense relates almost entirely to deferred taxes.

1. Net rental and lease income

Net rental and lease income € million	01.01. – 31.03.2025	01.01. – 31.03.2024
Net cold rent	229.5	214.1
Net income from operating costs	-7.3	-5.6
Maintenance for externally procured services	-27.9	-30.4
Personnel expenses (rental and lease)	-28.9	-30.4
Allowances on rent receivables	-5.9	-5.1
Depreciation and amortisation expenses	-3.6	-3.0
Others	4.2	1.2
Net operating income	**160.1**	**140.8**
Net operating income margin (in %)	**69.8**	**65.8**
Non-recurring special effects (rental and lease)	1.8	3.5
Depreciation and amortisation expenses	3.6	3.0
Maintenance for externally procured services	27.9	30.4
Subsidies recognised in profit or loss	-3.0	-3.9
Own work capitalised	-4.4	-2.7
Net operating income (recurring)	**186.0**	**171.1**
Net operating income margin (recurring) (in %)	**81.0**	**79.9**

In the reporting period, net operating income increased by EUR 19.3 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 15.4 million, which is partly due to the acquisition of the shares in BCP (EUR +12.3 million). On the other hand, the in-place rent per square metre on a like-for-like basis rose by 3.0 % year-on-year (EUR +7.1 million). This was offset by the disposal of sales (EUR -4.0 million).

The adjusted net operating income (NOI)-margin increased from 79.9 % to 81.0 % compared to the same period of the previous year.

EPRA vacancy rate € million	31.03.2025	31.03.2024
Rental value of vacant space - like-for-like	24.7	25.2
Rental value of vacant space - total	28.5	28.5
Rental value of the whole portfolio - like-for-like	1,021.7	953.6
Rental value of the whole portfolio - total	1,078.1	977.5
EPRA vacancy rate - like-for-like (in %)	**2.4**	**2.6**
EPRA vacancy rate - total (in %)	**2.6**	**2.9**

The EPRA vacancy rate, which compares lost rental income due to vacancy to potential rental income at full occupancy based on market rents as of the current reporting date, was reduced on a like-for-like basis from 2.6 % to 2.4 % as at 31 March 2025 compared to the same period of the previous year.

The EPRA Capex presentation breaks down the capitalisations of investments and leads to the cash outflows for investments in investment properties. The capitalised modernisations as value-enhancing measures in investment properties have decreased by 0.4 % to EUR 48.7 million in the financial year under review, broken down into Development (new construction activities on own land amounting to EUR 1.0 million) and modernisations in investment properties (EUR 47.7 million). At the same time, acquisitions increased from EUR 17.0 million to EUR 999.3 million mainly due to the acquisition of the shares in BCP, as they include the investment properties acquired. The EPRA Capex amounted to EUR 1,048.0 million in the reporting period (comparative period: EUR 65.9 million).

EPRA Capex € million	01.01. – 31.03.2025	01.01. – 31.03.2024
Acquisitions	999.3	17.0
Development	1.0	1.6
Investments in investment properties	47.7	47.3
thereof incremental lettable space	0.0	0.2
thereof no incremental lettable space	47.7	47.1
EPRA Capex	**1,048.0**	**65.9**
Correction for acquisitions within the meaning of IFRS 3	-997.7	0.0
Change in provisions for capex	-5.8	12.6
Change in provisions for incidental purchase price costs and change in prepayments on investment property	12.1	0.9
Payments for investments in investment properties	**56.6**	**79.4**

Maintenance expenses of EUR -42.1 million and value-adding capital expenditure in investment property and property, plant and equipment of EUR -54.9 million resulted in total investment of EUR -97.0 million in the reporting period (comparative period: EUR -93.5 million). In addition to the maintenance expenses of EUR -27.9 million (comparative period: EUR -30.4 million) for externally purchased services recognised in the statement of comprehensive income, maintenance expenses also include the intragroup maintenance expenses of EUR -14.2 million (comparative period: EUR -10.3 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. For the calculation of total investments per square metre, Consolidation effects, investment for new construction activities on own land, own work capitalised and subsidies recognised in profit or loss amounting to a total of EUR 12.6 million (comparative period: EUR 11.5 million) have been eliminated from the total investment. Adjusted, total investments were EUR -84.4 million and average total investments per square metre were EUR 7.51 (comparative period: EUR 7.58) in the reporting period. The adjusted capitalisation ratio increased to 53.3 % in the reporting period (comparative period: 52.4 %).

Maintenance and modernisation € million	01.01. – 31.03.2025	01.01. – 31.03.2024
Maintenance expenses for externally procured services	-27.9	-30.4
Maintenance expenses provided internally	-14.2	-10.3
Maintenance expenses	**-42.1**	**-40.7**
Adjustments consolidation effects	2.7	1.7
Maintenance expenses (adjusted)	**-39.4**	**-39.0**
Investment in investment properties	-51.5	-51.5
Investment in property, plant and equipment	-3.4	-1.30
Capital expenditure (Capex)	**-54.9**	**-52.8**
Adjustments Consolidation effects	2.9	2.6
Capex (recurring)	**-52.0**	**-50.2**
Adjustments (new construction on own land, own work capitalised, subsidies recognised in profit or loss)	7.0	7.2
Capital expenditure (adjusted)	**-45.0**	**-43.0**
Total investment	**-97.0**	**-93.5**
Adjustments (consolidation effects, new construction on own land, own work capitalised, subsidies recognised in profit or loss)	12.6	11.5
Total investments (adjusted)	**-84.4**	**-82.0**
Area of investment properties in million sqm	11.24	**10.8**
Adjusted average investment per sqm (€)	**7.51**	**7.58**
thereof maintenance expenses per sqm (€)	3.51	3.61
thereof capital expenditure per sqm (€)	4.00	3.97

2. Net income from the disposal of investment properties

Net income from the disposal of investment properties € million	01.01. – 31.03.2025	01.01. – 31.03.2024
Income from the disposal of investment properties	125.2	40.0
Carrying amount of the disposal of investment properties	-126.1	-40.0
Costs of sales of investment properties	-0.6	-0.3
Net income from the disposal of investment properties	**-1.5**	**-0.3**

Income from the disposal of investment properties amounted to EUR 125.2 million (comparative period: EUR 40.0 million) and mainly relate to three major block sales whose contracts were concluded in the 2024 financial year, but the transfer of ownership did not take place until the 2025 financial year.

3. Net income from the disposal of real estate inventory

The remaining real estate inventory held as at 31 March 2025 comprises EUR 0.1 million of land under development.

4. Administrative and other expenses

Administrative and other expenses € million	01.01. – 31.03.2025	01.01. – 31.03.2024
Other operating expenses	-5.1	-5.6
Personnel expenses (administration)	-10.8	-10.0
Purchased services	-0.6	-0.5
Depreciation and amortisation expenses	-1.5	-0.8
Administrative and other expenses	**-18.0**	**-16.9**
Depreciation and amortisation expenses	1.5	0.8
Non-recurring special effects (administration)	2.4	2.0
Administrative and other expenses (recurring)	**-14.2**	**-14.1**

The increase in personnel expenses is due to tariff increases. Adjusted administrative expenses nevertheless increased only slightly by EUR 0.1 million in the first three months compared to the same period of the previous year.

5. Net finance earnings

Net finance earnings € million	01.01.– 31.03.2025	01.01.– 31.03.2024
Interest income	5.4	4.1
Interest expenses	-59.5	-43.4
Net interest income	**-54.1**	**-39.3**
Net income from investment securities and other equity investments	0.0	-7.6
Net income from the fair value measurement of derivatives	49.0	-2.4
Net finance earnings	**-5.1**	**-49.3**

Interest expenses increased in the first quarter 2025 compared to the same period in the previous year by EUR -16.1 million to EUR -59.5 million. The rise in interest expenses was mainly due to the purchase of BCP as well as the disbursements of loans and capital market instruments after the comparative period.

Year-on-year the average interest rate decreased to 1.55 % as at 31 March 2025 (1.59 % as at 31 March 2024) on an average term of 5.60 years (5.90 years as at 31 March 2024).

The increase in net income from investment securities and other equity investments by EUR 7.6 million compared to the same period of the previous year resulted from the valuation of the investment in Brack Capital Properties N.V. at fair value in same period of the previous year, whereas it is now fully consolidated.

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 bonds in the amount of EUR 55.5 million (comparative period: EUR -2.3 million).

6. Income tax expenses

Income taxes € million	01.01. – 31.03.2025	01.01. – 31.03.2024
Current tax expenses	-1.3	-0.3
Deferred tax expenses	-22.4	-19.6
Income taxes	**-23.7**	**-19.9**

An effective Group tax rate of 22.8 % was assumed in the reporting period in accordance with Group tax planning (previous year: 22.5 %).

The Group has applied the temporary exemption from the accounting requirements for deferred taxes in IAS 12 published by the IASB in May 2023. Accordingly, no deferred taxes are reported in relation to income taxes under the Pillar Two rules, and no related information has been disclosed.

Under the German Act on Global Minimum Taxation (German Minimum Taxation Act), Germany adopted the Pillar Two rules into its national tax law effective 1 January 2024. This law requires businesses to pay top-up tax on profits taxed at a low rate upwards of a certain amount. This applies to enterprise groups whose revenue has reached a level of EUR 750.0 million in at least two of the four preceding financial years. However, a five-year exemption is intended for enterprise groups with minor international activities. Such an activity exists if the corporate group has business units in no more than six tax jurisdictions and the total value of all tangible assets of business units located outside the reference tax jurisdiction does not exceed EUR 50.0 million.

From 2025, the LEG Group generally falls within the scope of the Minimum Tax Act and is subject to taxation under Section 1 of the Minimum Tax Act. There are currently no indications that a minimum tax will be incurred.

7. Reconciliation to AFFO

One of the most important financial performance indicators for Group management is the AFFO. LEG distinguishes between FFO I (not including earnings from the disposal of investment property), FFO II (including earnings from the disposal of investment property) and AFFO (FFO I adjusted for capex). For further explanations, reference ismade to the segment reporting in the notes.

At the end of the 2025 financial year, investment income from Green Ventures from the respective financial year will be recognised in the reconciliation from EBITDA (adjusted) to FFO I (before non-controlling interests). The Green Ventures comprise the companies Renowate GmbH, dekarbo GmbH and Efficient Residential Heating GmbH (termios).

Starting from FFO I (after non-controlling interests), AFFO takes recurring capex into account. Recurring capex measures are defined as capitalised costs from modernisation and maintenance measures as well as new construction activities on own land. In determining the production costs from modernisation and maintenance measures, consolidation effects resulting from self-performed services, which arise from the elimination of intercompany profits, are eliminated. (For presentation, please refer to the table on maintenance and modernisation).

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

Calculation of FFO I, FFO II and AFFO € million	01.01. – 31.03.2025	01.01. – 31.03.2024
Net cold rent	229.5	214.1
Profit from operating expenses	-7.3	-5.6
Personnel expenses (rental and lease)	-28.9	-30.4
Allowances on rent receivables	-5.9	-5.1
Other	-3.2	-5.4
Non-recurring special effects (rental and lease)	1.8	3.5
Net operating income (recurring)	**186.0**	**171.1**
Net income from other services (recurring)	**1.4**	**0.6**
Personnel expenses (administration)	-10.8	-10.0
Non-personnel operating costs	-5.8	-6.1
Non-recurring special effects (administration)	2.4	2.0
Administrative expenses (recurring)	**-14.2**	**-14.1**
Other income (recurring)	**0.2**	**0.0**
EBITDA (adjusted)	**173.4**	**157.6**
Cash interest expenses and income FFO I	-37.3	-34.5
Cash income taxes FFO I	-0.8	-0.1
Maintenance for externally procured services	-27.9	-30.4
Subsidies recognised in profit or loss	3.0	3.9
Own work capitalised	4.4	2.7
FFO I (before adjustment of non-controlling interests)	**114.8**	**99.2**
Adjustment of non-controlling interests	-0.5	-0.4
FFO I (after adjustment of non-controlling interests)	**114.3**	**98.8**
Net income from the disposal of investment properties (adjusted)	-1.5	0.0
Cash income taxes FFO II	-0.4	-0.8
FFO II (incl. disposal of investment properties)	**112.4**	**98.0**
Capex (recurring)	**-52.0**	**-50.2**
AFFO (Capex-adjusted FFO I)	**62.3**	**48.6**

At EUR 62.3 million, AFFO in the reporting period was 28.2 % higher than in the same period of the previous year (EUR 48.6 million). The increase in AFFO is mainly due to higher net operating income.

8. 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. – 31.03.2025	01.01. – 31.03.2024
Net profit or loss for the period attributable to parent shareholders	240.2	57.1
Changes in value of investment properties	-0.9	-3.0
Net income from the measurement of other financial assets and other investments	–	7.5
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	1.6	0.3
Tax on profits or losses on disposals	0.3	0.8
Badwill / Goodwill impairment	-129.2	–
Changes in fair value of financial instruments and associated close-out costs	-49.0	2.4
Acquisition costs on share deals and non-controlling joint venture interests	0.0	–
Deferred tax in respect of EPRA adjustments	-1.3	-0.3
Refinancing expenses	13.2	0.0
Other interest expenses	0.5	-0.1
Non-controlling interests in respect of the above	-1.7	0.7
EPRA EARNINGS	**73.7**	**65.4**
Weighted average number of shares outstanding	74,469,665	74,109,276
EPRA earnings per share (undiluted) in €	0.99	0.88
Potentially diluted shares	–	–
Interest coupon on convertible bond	–	–
Amortisation expenses convertible bond after taxes	–	–
EPRA EARNINGS (DILUTED)	**73.7**	**65.4**
Number of diluted shares	74,469,665	74,109,276
EPRA EARNINGS PER SHARE (DILUTED) IN €	**0.99**	**0.88**

9. Consolidated statement of financial position

Condensed statement of financial position € million	31.03.2025	31.12.2024
Investment properties	18,892.4	17,853.3
Other non-current assets	435.7	529.9
Non-current assets	19,328.1	18,383.2
Receivables and other assets	595.7	754.1
Cash and cash equivalents	477.3	306.9
Current assets	1,073.0	1,061.0
Assets held for sale	37.8	141.0
Total assets	**20,438.9**	**19,585.2**
Equity	7,726.6	7,396.5
Non-current financial liabilities	7,445.5	7,796.6
Other non-current liabilities	2,188.7	2,115.0
Non-current liabilities	9,634.2	9,911.6
Current financial liabilities	2,677.0	1,922.0
Other current liabilities	401.1	355.1
Current liabilities	3,078.1	2,277.1
Total equity and liabilities	**20,438.9**	**19,585.2**

Investment properties increased primarily as a result of additions from BCP acquisition in the amount of EUR 997.7 million and capitalisation of modernisation measures of EUR 48.7 million.

The other non-current assets are mainly reduced by the shares in the BCP Group (EUR 124.1 million) already recognized as at 31 December 2024.

The recognition of real estate tax expense as other inventories (EUR 22.5 million) for the remainder of the financial year, the deferral of prepaid operating costs of EUR 56.8 million and the increase in income tax receivables (EUR 9.9 million) and in the opposite direction the reduction in investments in short-term deposits (EUR 253.0 million) contributed significantly to the development of the receivables and other assets.

As at 31 March 2025, cash and cash equivalents (EUR 477.3 million) and the short-term deposits included in receivables and other assets (EUR 354.3 million) totalled EUR 831.6 million.

Non-current and current financial liabilities increased by EUR 406.1 million compared to the previous reporting date, mainly due to the issue of a corporate bond (EUR 295.8 million) and loans taken over (EUR 177.3 million), in consideration of scheduled and unscheduled repayments (EUR 70.1 million).

While the increase in other non-current liabilities resulted in particular from the increase in deferred tax liabilities (EUR 82.1 million), trade payables (EUR 55.4 million) within other current liabilities increased essentially due to deferred property tax and other operating costs.

The maturity profile, based on the contractually defined or agreed maturities of the financial liabilities, is as follows as at 31 March 2025:

Contractually agreed remaining term of financial liabilities from real estate financing € million	Remaining term < 1 year	Remaining term > 1 to 5 years	Remaining term > 5 years	Total
31.03.2025	1,479.3	3,637.0	4,865.8	**9,982.1**
31.12.2024	727.7	4,222.2	4,626.2	**9,576.1**

10. EPRA Net Tangible Asset (EPRA NTA)

EPRA NRV, -NTA and -NDV are relevant indicators for the real estate industry. LEG has defined 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 2024.

LEG reports an EPRA NTA of EUR 9,565.1 million or EUR 128.44 per share as at 31 March 2025. 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 2025, 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	31.03.2025 EPRA NRV	31.03.2025 EPRA NTA	31.03.2025 EPRA NDV	31.12.2024 EPRA NRV	31.12.2024 EPRA NTA	31.12.2024 EPRA NDV
Equity attributable to shareholders of the parent company	**7,599.1**	**7,599.1**	**7,599.1**	**7,371.5**	**7,371.5**	**7,371.5**
Hybrid instruments	29.2	29.2	29.2	29.2	29.2	29.2
Diluted NAV at fair value	**7,628.3**	**7,628.3**	**7,628.3**	**7,400.7**	**7,400.7**	**7,400.7**
Deferred tax in relation to fair value gains of IP and deferred tax on subsidised loans and financial derivatives	2,043.6	2,034.9	–	2,034.8	2,025.7	–
Fair value of financial instruments	-92.9	-92.9	–	-44.8	-44.8	–
Intangibles as per the IFRS balance sheet	–	-5.2	–	–	-6.2	–
Fair value of fixed interest rate debt	–	–	410.0	–	–	383.7
Deferred taxes of fixed interest rate debt	–	–	-93.7	–	–	-168.6
Estimated ancillary acquisition costs (real estate transfer tax)	1,819.5	–	–	1,721.4	–	–
NAV	**11,398.5**	**9,565.1**	**7,944.6**	**11,112.1**	**9,375.4**	**7,615.8**
Fully diluted number of shares	**74,469,665**	**74,469,665**	**74,469,665**	**74,469,665**	**74,469,665**	**74,469,665**
NAV per share	**153.06**	**128.44**	**106.68**	**149.22**	**125.90**	**102.27**

11. Loan to value ratio (LTV)

Net debt at the end of the reporting period has increased compared with 31 December 2024. The lower relative increase in property assets resulted in a slightly higher loan-to-value ratio (LTV) of 48.4 % at the interim reporting date (31 December 2024: 47.9 %).

Loan to value ratio € million	31.03.2025	31.12.2024
Financing liabilities	10,122.5	9,718.6
Less lease liabilities IFRS 16 (not leasehold)	45.7	47.4
Less cash and cash equivalents	831.6	914.3
Net financing liabilities	**9,245.2**	**8,756.9**
Investment properties	18,892.4	17,853.3
Assets held for sale	37.8	141.0
Participations in other housing companies	174.6	298.7
Real estate assets	**19,104.8**	**18,293.0**
Loan to value ratio (LTV) in %	**48.4**	**47.9**

EPRA LTV

Compared to the LTV, hybrid financial instruments with an equity component, such as mandatory convertible bonds, are treated as financial liabilities until the point of conversion. The financial liabilities are considered at their nominal amount, and cash and cash equivalents are in accordance with the definition under IFRS. Therefore, short-term deposits in the amount of EUR 354.3 million (31 December 2024: EUR 607.4 million) are not included in the numerator. Furthermore, net debt and net assets of joint ventures and significant associated companies are included, while significant non-controlling interests are excluded.

The significant associated companies included are Kommunale Haus und Wohnen GmbH and Beckumer Wohnungsgesellschaft mbH as asset-holding companies. Furthermore, BCP was included as at 31 December 2024 for transparency reasons, although it is not considered an associated company from LEG's perspective. With completion of the share purchase on 3 January 2025, BCP has been fully consolidated and is included in the Group LTV as at 31 March 2025.

EPRA LTV as at 31 March 2025 € million	Group LTV	Associated companies	Non-controlling interests	Total
Borrowings from financial institutions	3,689.6	22.9	-52.9	3,659.6
Hybrid financial instruments	1,650.0	–	–	1,650.0
Bonds	4,980.0	–	-0.1	4,979.9
Net payables	–	2.8	–	2.8
Owner-occupied property (debt)	4.0	–	–	4.0
Excluding cash and cash equivalents	477.3	1.8	-12.2	466.9
Net financing liabilities	**9,846.3**	**23.9**	**-40.8**	**9,829.4**
Owner-occupied property	85.5	–	-0.5	85.0
Investments properties	18,780.9	33.6	-313.5	18,501.0
Properties held for sale	37.8	–	-0.2	37.6
Properties under development	111.5	1.6	–	113.1
Intangibles	5.2	0.0	0.0	5.2
Net receivables	212.6	–	8.5	221.1
Real estate assets	**19,233.5**	**35.2**	**-305.7**	**18,963.0**
EPRA LTV	**51.2**			**51.8**

EPRA LTV as at 31 December 2024 € million	Group LTV	Associated companies	Non-controlling interests	Total
Borrowings from financial institutions	3,571.6	143.0	-23.7	3,690.9
Hybrid financial instruments	1,650.0	–	-0.1	1,649.9
Bonds	4,680.0	58.9	–	4,738.9
Net payables	–	2.8	–	2.8
Owner-occupied property (debt)	4.0	–	–	4.0
Excluding cash and cash equivalents	306.9	1.8	-5.5	303.2
Net financing liabilities	**9,598.7**	**202.9**	**-18.3**	**9,783.3**
Owner-occupied property	84.8	–	-0.3	84.5
Investments properties	17,743.5	410.9	-157.8	17,996.6
Properties held for sale	141.0	9.0	-0.8	149.2
Properties under development	109.9	1.6	–	111.5
Intangibles	6.2	0.0	0.0	6.2
Net receivables	526.2	1.8	3.5	531.5
Real estate assets	**18,611.6**	**423.3**	**-155.4**	**18,879.5**
EPRA LTV	**51.6**			**51.8**

12. Financial position

A net profit for the period of EUR 243.2 million was generated in the reporting period (comparative period: EUR 57.8 million). Equity amounted to EUR 7,726.6 million at the reporting date (31 December 2024: EUR 7,396.5 million). This corresponds to an equity ratio of 37.8 % (31 December 2024: 37.8 %).

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

Statement of cash flows € million	01.01. – 31.03.2025	01.01. – 31.03.2024
Cash flow from operating activities	110.3	134.4
Cash flow from investing activities	222.9	-111.9
Cash flow from financing activities	-162.8	-14.8
Change in cash and cash equivalents	**170.4**	**7.7**

In the first quarter of 2025, higher payments from operating and material costs compared to the same period of the previous year had a negative impact on cash flow from operating activities.

Essentially, acquisitions and modernisation of the existing portfolio with payments of EUR 56.6 million and the investment in additional BCP shares of EUR 184.0 million (less acquired cash and cash equivalents of EUR 75.4 million) contribute to the cash flow from investing activities of EUR 222.9 million. This was offset by cash inflows from the sale of properties amounting to EUR 122.9 million and the investment of short-term deposits of EUR 253.0 million.

In the first quarter of 2025, current repayments of bank loans (EUR -206.2 million) and the redemption of a bond taken over through the BCP purchase (EUR -229.3 million) as well as the issue of a new corporate bond (EUR 293.5 million) and the granting of loans to third parties (EUR -16.0 million) were the main drivers for the cash flow from financing activities in the amount of EUR -162.8 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 2024 annual report. To date, no further significant risks that would lead to a different assessment of the current period have arisen or become discernible in the fiscal year 2025.

Forecast

Based on the development in the first three months 2025, LEG considers itself well positioned overall to confirm its targets for the 2025 financial year. For detailed explanations of the forecast, please refer to p. 70 et seq. of the 2024 annual report.

Outlook 2025

AFFO	in the range of EUR 205 million to EUR 225 million
Adjusted EBITDA margin	c. 76 %
LTV	Medium-term target level max. 45 %
Like-for-like rental growth	3.4 % – 3.6 %
Total investments (adjusted)	> EUR 35 per sqm
Environmental target	Saving 6,000 tonnes of CO_2

Consolidated statement of financial position

Assets € million	31.03.2025	31.12.2024
Non-current assets	**19,328.1**	**18,383.2**
Investment properties	18,892.4	17,853.3
Property, plant and equipment	178.1	177.3
Intangible assets and goodwill	5.2	6.2
Investments in associates	23.6	23.5
Other financial assets	179.2	300.3
Receivables and other assets	38.3	10.3
Deferred tax assets	11.3	12.3
Current assets	**1,073.0**	**1,061.0**
Real estate inventory and other inventory	26.7	5.0
Receivables and other assets	545.0	734.9
Income tax receivables	24.0	14.2
Cash and cash equivalents	477.3	306.9
Assets held for sale	**37.8**	**141.0**
Total assets	**20,438.9**	**19,585.2**

Equity and liabilities € million	31.03.2025	31.12.2024
Equity	**7,726.6**	**7,396.5**
Share capital	74.5	74.5
Capital reserves	1,283.3	1,283.3
Cumulative other reserves	6,241.3	6,013.7
Equity attributable to shareholders of the parent company	7,599.1	7,371.5
Non-controlling interests	127.5	25.0
Non-current liabilities	**9,634.2**	**9,911.6**
Pension provisions	93.6	96.0
Other provisions	4.5	4.2
Financing liabilities	7,445.5	7,796.6
Other liabilities	70.1	76.3
Deferred tax liabilities	2,020.5	1,938.5
Current liabilities	**3,078.1**	**2,277.1**
Pension provisions	6.3	6.8
Other provisions	27.1	27.8
Financing liabilities	2,677.0	1,922.0
Other liabilities	358.3	312.2
Tax liabilities	9.4	8.3
Total equity and liabilities	**20,438.9**	**19,585.2**

Consolidated statement of comprehensive income

€ million	01.01. – 31.03.2025	01.01. – 31.03.2024
Net operating income	**160.1**	**140.8**
Rental and lease income	340.7	324.8
Cost of sales in connection with rental and lease income	-180.6	-184.0
Net income from the disposal of investment properties	**-1.5**	**-0.3**
Income from the disposal of investment properties	125.2	40.0
Carrying amount of the disposal of investment properties	-126.1	-40.0
Cost of sales in connection with disposed investment properties	-0.6	-0.3
Net income from the remeasurement of investment properties	**0.9**	**3.0**
Net income from the disposal of real estate inventory	**-0.1**	**0.0**
Income from real estate inventory disposed of	–	–
Carrying amount of real estate inventory disposed of	–	–
Costs of sales of real estate inventory disposed of	-0.1	0.0
Net income from other services	**1.2**	**0.4**
Income from other services	2.9	2.4
Expenses in connection with other services	-1.7	-2.0
Administrative and other expenses	**-18.0**	**-16.9**
Other income	**129.4**	**0.0**
Operating earnings	**272.0**	**127.0**
Interest income	5.4	4.1
Interest expenses	-59.5	-43.4
Net income from investment securities and other equity investments	0.0	-7.6
Net income from the fair value measurement of derivatives	49.0	-2.4
Earnings before income taxes	**266.9**	**77.7**
Income taxes	-23.7	-19.9
Net profit or loss for the period	**243.2**	**57.8**
Change in amounts recognised directly in equity	3.0	4.6
Thereof recycling		
Fair value adjustment of interest rate derivatives in hedges	**1.5**	**3.5**
Change in unrealised gains/losses	1.9	4.4
Income taxes on amounts recognised directly in equity	-0.4	-0.9
Thereof non-recycling obligations	**1.5**	**1.1**
Change in unrealised gains/losses	2.2	1.6
Income taxes on amounts recognised directly in equity	-0.7	-0.5
Total comprehensive income	**246.2**	**62.4**
Net profit or loss for the period attributable to:		
Non-controlling interests	0.7	0.7
Parent shareholders	242.5	57.1
Total comprehensive income attributable to:		
Non-controlling interests	0.7	0.7
Parent shareholders	245.5	61.7
Basic earnings per share in €	**3.26**	**0.77**
Diluted earnings per share in €	**2.20**	**0.77**

Statement of changes in consolidated equity

€ million	Share capital	Capital reserves	Revenue reserves	Cumulative other reserves: Actuarial gains and losses from the measurement of pension obligations	Cumulative other reserves: Fair value adjustment of interest derivatives in hedges	Equity attributable to shareholders of the Group	Non-controlling interests	Consolidated equity
As of 01.01.2024	**74.1**	**1,255.3**	**6,143.1**	**-18.8**	**9.5**	**7,463.2**	**25.0**	**7,488.2**
Net profit or 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
Total comprehensive income	**–**	**–**	**57.1**	**1.1**	**3.5**	**61.7**	**0.7**	**62.4**
Change in consolidated companies	–	–	–	–	–	–	–	–
Capital increase	–	–	–	–	–	–	–	–
Other	–	–	0.5	–	–	0.5	–	0.5
Withdrawals from reserves	–	–	–	–	–	–	–	–
Transactions with minority shareholders	–	–	–	–	–	–	–	–
Distributions	–	–	–	–	–	–	-0.7	-0.7
As of 31.03.2024	**74.1**	**1,255.3**	**6,200.7**	**-17.7**	**13.0**	**7,525.4**	**25.0**	**7,550.4**
As of 01.01.2025	**74.5**	**1,283.3**	**6,029.3**	**-16.8**	**1.2**	**7,371.5**	**25.0**	**7,396.5**
Net profit/loss for the period	–	–	242.5	–	–	242.5	0.7	243.2
Other comprehensive income	–	–	–	1.5	1.5	3.0	0.0	3.0
Total comprehensive income	**–**	**–**	**242.5**	**1.5**	**1.5**	**245.5**	**0.7**	**246.2**
Change in consolidated companies/other	–	–	–	–	–	–	69.2	69.2
Capital increase	–	–	–	–	–	–	–	–
Other	–	–	0.4	–	–	0.4	–	0.4
Withdrawals from reserves	–	–	–	–	–	–	-0.7	-0.7
Transactions with minority shareholders	–	–	-18.3	–	–	-18.3	33.3	15.0
Distributions	–	–	–	–	–	–	–	–
As of 31.03.2025	**74.5**	**1,283.3**	**6,253.9**	**-15.3**	**2.7**	**7,599.1**	**127.5**	**7,726.6**

Consolidated statement of cash flows

€ million	01.01.-31.03.2025	01.01.-31.03.2024
Operating earnings	**272.0**	**127.0**
Depreciation on property, plant and equipment and amortisation on intangible assets	5.3	4.0
(Gains)/Losses from the measurement of investment properties	-0.9	-3.0
(Gains)/Losses from the disposal of assets held for sale and investment properties	0.9	–
(Gains)/Losses from the disposal of intangible assets and property, plant and equipment	-0.2	0.0
(Decrease)/Increase in pension provisions and other non-current provisions	-0.4	-0.4
Other non-cash income and expenses	-125.7	4.9
(Decrease)/Increase in receivables, inventories and other assets	-27.8	-42.1
Decrease/(Increase) in liabilities (not including financing liabilities) and provisions	26.7	79.9
Interest paid	-42.6	-38.3
Interest received	5.3	3.8
Taxes received	0.2	0.3
Taxes paid	-2.5	-1.7
Net cash from/(used in) operating activities	**110.3**	**134.4**
Cashflow from investing activities		
Investments in investment properties	-56.6	-79.4
Proceeds from disposals of non-current assets held for sale and investment properties	122.9	26.3
Investments in intangible assets and property, plant and equipment	-2.5	-2.0
Proceeds from disposals of intangible assets and property, plant and equipment	0.4	0.0
Investments in financial assets and other assets	253.0	-56.4
Investments in associates	-0.1	–
Acquisition of shares in consolidated companies	-109.2	-0.4
Proceeds from disposals of shares in consolidated companies	15.0	–
Net cash from/(used in) investing activities	**222.9**	**-111.9**
Cash flow from financing activities		
Borrowing of bank loans	–	22.3
Repayment of bank loans	-206.2	-23.7
Issue of corporate bonds	293.5	–
Repayment of corporate bonds	-229.3	–
Repayment of lease liabilities	-3.5	-2.6
Other payments	-16.0	-10.1
Distribution to non-controlling interest	-1.3	-0.7
Net cash from/(used in) financing activities	**-162.8**	**-14.8**
Change in cash and cash equivalents	**170.4**	**7.7**
Cash and cash equivalents at beginning of period	306.9	277.5
Cash and cash equivalents at end of period	**477.3**	**285.2**
Composition of cash and cash equivalents		
Cash in hand, bank balances	477.3	285.2
Cash and cash equivalents at end of period	**477.3**	**285.2**

Selected notes on the IFRS interim consolidated financial statement as at 31 March 2025

1. Basic information on the Group

LEG Immobilien SE, Düsseldorf, and its subsidiaries and sub-subsidiaries, in particular LEG NRW GmbH, Düsseldorf, and its subsidiaries, collectively "LEG", are among the largest housing companies in Germany. On 31 March 2025, LEG held a portfolio of 173,359 (31 March 2024: 167,462) residential and commercial units (173,050 (31 March 2024: 167,258) 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 repositioning 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 2024. These interim consolidated financial statements as at 31 March 2025 should therefore be read in conjunction with the consolidated financial statements as at 31 December 2024.

LEG Immobilien SE has fully applied the new standards and interpretations that are mandatory from 1 January 2025. There were no effects on the net assets, financial position and results of operations.

4. Changes in the Group

LEG has held 35.52 % of the shares in Brack Capital Properties N.V. (BCP) since 2021/2022. On 4 November 2024, a purchase agreement was concluded for a further 52.68 % of the shares in BCP. With completion of the share purchase agreement on 3 January 2025, LEG increased its stake in BCP to 88.2 %.

The acquisition of BCP and thus indirectly the investments in the companies listed in Appendix I was treated as a business combination within the meaning of IFRS 3 with the transfer of the shares on 3 January 2025, as significant business processes were acquired. The initial consolidation of these companies therefore took place on 3 January 2025.

Please refer to the consolidated financial statements as at 31 December 2024 for the provisional purchase price allocation of the company acquisition. No adjustments were made as at 31 March 2025.

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 2024.

6. Selected notes to the consolidated statement of financial position

On 31 March 2025, LEG held 171,734 apartments and 1,625 commercial units in its portfolio (173,050 units excluding IFRS 5 objects).

Investment properties developed as follows in the financial year 2024 and in 2025 up to the reporting date of the interim consolidated financial statements:

Investment properties

		Residential assets						
€ million	Total	High-growth markets	Stable markets	Higher-yielding markets	Commercial assets	Parking + other assets	Leasehold	Land values
Carrying amount as of 01.01.2025	**17,853.3**	**7,161.1**	**6,464.7**	**3,319.5**	**303.8**	**371.9**	**187.9**	**44.4**
Acquisitions	999.3	422.7	297.0	130.3	14.8	31.4	-	103.1
Other additions	51.8	14.8	18.8	14.2	3.7	0.1	0.0	0.1
Reclassified to assets held for sale	-13.9	-5.3	-2.1	-2.0	-4.5	0.0	0.0	-
Reclassified from assets held for sale	1.0	-	1.0	-	-	-	-	-
Reclassified to property, plant and equipment	-	-	-	-	-	-	-	-
Reclassified from property, plant and equipment	0.0	-	-	0.0	-	-	-	-
Fair value adjustment	0.9	0.2	-0.3	0.4	0.9	-0.3	0.0	-
Reclassification	-	-	-	0.0	-	0.0	-	-
Carrying amount as of 31.03.2025	**18,892.4**	**7,593.5**	**6,779.1**	**3,462.4**	**318.7**	**403.1**	**187.9**	**147.6**

Fair value adjustment as of 31.03.2025 (in EUR million):	**0.9**
- hereupon 31.03.2025 in the portfolio:	0.9
- hereupon as of 31.03.2025 disposed investment properties:	0.0

Investment properties

		Residential assets						
€ million	Total	High-growth markets	Stable markets	Higher-yielding markets	Commercial assets	Parking + other assets	Leasehold	Land values
Carrying amount as of 01.01.2024	**18,101.8**	**7,298.5**	**6,554.4**	**3,376.6**	**240.3**	**378.2**	**213.0**	**40.7**
Acquisitions	51.4	22.1	25.0	-	4.3	0.0	-	0.0
Other additions	244.8	78.4	97.3	60.0	7.6	0.3	1.2	0.0
Reclassified to assets held for sale	-347.6	-173.7	-95.5	-51.4	-11.1	-14.8	-0.8	-0.3
Reclassified from assets held for sale	29.6	-	-	-	25.8	1.9	-	1.9
Reclassified to property, plant and equipment	-1.7	-	-	-0.1	-1.6	-	0.0	-
Reclassified from property, plant and equipment	0.3	0.1	-	0.1	-	0.2	-	-
Fair value adjustment	-225.3	-64.3	-68.1	-65.7	-9.9	6.2	-25.6	2.1
Reclassification	-	0.0	-48.4	-	48.4	-0.1	0.1	-
Carrying amount as of 31.12.2024	**17,853.3**	**7,161.1**	**6,464.7**	**3,319.5**	**303.8**	**371.9**	**187.9**	**44.4**

Fair value adjustment 31.03.2024 (in EUR million):	**-225.3**
- hereupon 31.03.2024 in the portfolio:	-232.9
- hereupon as of 31.03.2024 disposed investment properties:	7.6

Investment properties were remeasured most recently by LEG as of 31 December 2024. No further fair value adjustment was made as at 31 March 2025. With regard to the calculation methods and parameters, please refer to the consolidated financial statements as at 31 December 2024.

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 2025, 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 acquisitions mainly relate to the real estate portfolio acquired as part of the purchase of shares in BCP. The acquisition is treated as a business combination within the meaning of IFRS 3.

The table below shows the measurement method used to determine the fair value of investment property and the material unobservable inputs used as of 31 December 2024:

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

31.12.2024			Measurement parameters								
			Market rent residential/ commercial €/sqm/month			Maintenance cost residential/ commercial €/sqm/year			Administrative cost residential/ commercial €/unit		
	Gross asset value of investment property € million	Valuation technique[2]	min	avg	max	min	avg	max	min	avg	max
Residential assets											
High-growth markets	7,161	DCF	4.04	9.55	17.48	5.60	13.00	18.00	141	347	528
Stable markets	6,465	DCF	1.89	8.25	16.93	7.90	13.00	17.90	205	345	528
Higher-yielding markets	3,319	DCF	1.56	7.05	10.68	6.80	13.30	17.80	173	350	528
Commercial assets	304	DCF	1.00	7.97	27.00	4.00	6.90	13.40	1	316	11,308
Leasehold	188	DCF	0.00	0.00	0.00	0.00	0.00	0.00	0	0	0
Garages, parking spaces and other units	372	DCF	0.00	0.00	0.00	39.00	83.20	102.50	45	45	46
Land values	44	Earnings/ reference value method	0.00	0.00	0.00	0.00	0.00	0.00	0	0	0
Total portfolio (IAS 40)[1]	17,853	DCF	1.00	8.15	27.00	4.00	20.00	102.50	0	317	11,308

[1] Furthermore, there are assets held for sale (IFRS 5) of EUR 141.0 million at Level 2 of the fair value hierarchy as at 31 December 2024.
[2] Property portfolio as at 30 September 2024 as at measurement date 31 December 2024.

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

31.12.2024	Stabilised vacancy rate in %			Discount rate in %			Capitalisation rate in %			Forecast rent development in %		
	min	avg	max	min	avg	max	min	avg	max	min	avg	max
Residential assets												
High-growth markets	1.0	1.7	6.0	3.3	4.9	11.2	2.5	5.1	12.1	1.3	1.6	2.0
Stable markets	1.5	2.6	7.0	2.6	5.3	11.5	2.1	5.7	12.2	1.2	1.5	1.9
Higher-yielding markets	1.5	4.4	9.0	1.6	5.0	12.1	3.1	5.9	13.2	1.1	1.4	1.7
Commercial assets	1.0	2.3	8.0	3.0	6.9	11.5	3.2	7.5	11.8	1.2	1.6	1.9
Leasehold	0.0	0.0	0.0	3.5	4.8	9.5	3.5	6.2	12.9	0.0	0.0	0.0
Garages, parking spaces and other units	0.0	0.0	0.0	4.0	5.1	7.5	3.5	8.0	13.5	0.0	0.0	0.0
Land values	0.0	0.0	0.0	3.7	5.1	6.1	10.9	11.4	12.2	0.0	0.0	0.0
Total portfolio (IAS 40) [1]	1.0	3.0	9.0	1.6	5.1	12.1	2.1	5.9	13.5	1.1	1.5	2.0

Measurement parameters

[1] Furthermore, there are assets held for sale (IFRS 5) of EUR 141.0 million at Level 2 of the fair value hierarchy as at 31 December 2024.

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

Right of use leases € million	31.03.2025	31.12. 2024
Right of use buildings	1.3	1.5
Right of use technical equipment and machinery	37.0	37.9
Right of use operating and office equipment	6.8	6.1
Property, plant and equipment	**45.1**	**45.5**
Right of use software	0.6	1.2
Intangible assets	**0.6**	**1.2**
Right of use leases	**45.7**	**46.7**

Property, plant and equipment as well as intangible assets included right of use leases in the amount of EUR 45.7 million as of 31 March 2025 (comparison period: EUR 46.7 million). The right of uses leases result from rented land and buildings, cars, heat contracting, metering and reporting technology, IT peripheral devices as well as software. In the reporting period right of uses in the amount of EUR 1.5 million have been added.

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

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	31.03.2025	31.12.2024
Financing liabilities from real estate financing	9,982.1	9,576.1
Financing liabilities from lease financing	140.4	142.5
Financing liabilities	**10,122.5**	**9,718.6**

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 9,982.1 million as at 31 March 2025. In the first quarter of 2025, a bond in the amount of EUR 300.0 million (IFRS carrying amount: EUR 295.8 million) was valued. The purchase of the BCP increased financial liabilities by EUR 188.1 million (IFRS carrying amount: EUR 177.3 million). This was offset primarily by scheduled and unscheduled repayments of EUR 70.1 million.

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

Capital market instruments as of 31.03.2025 € million	IFRS carrying amount	Nominal value
Convertible bond 2024/2030	659.0	700.0
Convertible bond 2020/2028	538.4	550.0
Convertible bond 2017/2025	399.2	400.0
Bond 2025/2035	295.8	300.0
Bond 2022/2029	674.3	700.0
Bond 2022/2026	499.5	500.0
Bond 2022/2034	496.6	500.0
Bond 2021/2033	676.7	700.0
Bond 2021/2031	675.8	700.0
Bond 2021/2032	495.3	500.0
Bond 2019/2034	298.0	300.0
Bond 2019/2027	499.4	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 software. 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 1.1 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
31.03.2025	2,667.6	3,076.5	4,238.0	**9,982.1**
31.12.2024	1,912.1	3,660.9	4,003.1	**9,576.1**

The main driver for the change in the maturity distribution compared to 31 December 2024 is the residual term of a corporate bond that fell to less than one year as at 31 March 2025, which led to an increase in financial liabilities with a short-term maturity and a corresponding reduction in financial liabilities with a mid-term maturity. Furthermore, the valuation of a corporate bond essentially increases the mid-term and long-term maturities. The takeover of BCP's financial liabilities mainly increased the mid-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. – 31.03.2025	01.01. – 31.03.2024
Net cold rent	229.5	214.1
Profit from operating expenses	-7.3	-5.6
Maintenance for externally procured services	-27.9	-30.4
Personnel expenses (rental and lease)	-28.9	-30.4
Allowances on rent receivables	-5.9	-5.1
Depreciation and amortisation expenses	-3.6	-3.0
Other	4.2	1.2
Net operating income	**160.1**	**140.8**
Net operating income margin (in %)	**69.8**	**65.8**
Non-recurring special effects (rental and lease)	1.8	3.5
Depreciation and amortisation expenses	3.6	3.0
Maintenance for externally procured services	27.9	30.4
Subsidies recognised in profit or loss	-3.0	-3.9
Own work capitalised	-4.4	-2.7
Net operating income (recurring)	**186.0**	**171.1**
Net operating income margin (recurring) (in %)	**81.0**	**79.9**

In the reporting period, net operating income increased by EUR 19.3 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 15.4 million, which is partly due to the acquisition of the shares in BCP (+EUR 12.3 million). On the other hand, the in-place rent per square metre on a like-for-like basis rose by 3.0 % (+EUR 7.1 million) year-on-year. This was offset by the disposal of sales (EUR -4.0 million).

The adjusted net operating income (NOI)-margin increased from 79.9 % to 81.0 % 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 expense of leases € million	01.01. – 31.03.2025	01.01. – 31.03.2024
Right of use buildings	0.1	0.1
Right of use technical equipment and machinery	1.0	0.6
Right of use operating and office equipment	0.7	0.7
Depreciation expense of leases	**1.8**	**1.4**

In the reporting period expenses of leases of a low-value asset of EUR 0.3 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. – 31.03.2025	01.01. – 31.03.2024
Income from the disposal of investment	125.2	40.0
Carrying amount of the disposal of investment properties	-126.1	-40.0
Costs of sales of investment properties	-0.6	-0.3
Net income from the disposal of investment properties	**-1.5**	**-0.3**

Administrative and other expenses

Administrative and other expenses € million	01.01. – 31.03.2025	01.01. – 31.03.2024
Other operating expenses	-5.1	-5.6
Personnel expenses	-10.8	-10.0
Purchased services	-0.6	-0.5
Depreciation and amortisation expenses	-1.5	-0.8
Administrative and other expenses	**-18.0**	**-16.9**
Depreciation and amortisation expenses	1.5	0.8
Non-recurring special effects (administration)	2.4	2.0
Administrative and other expenses (recurring)	**-14.2**	**-14.1**

The increase in personnel expenses is due to tariff increases. Adjusted administrative expenses nevertheless increased only slightly by EUR 0.1 million in the first three months compared to the same period of the previous year.

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

Depreciation expense of leases € million	01.01.- 31.03.2025	01.01.- 31.03.2024
Right of use buildings	0.1	0.1
Right of use operating and office equipment	0.1	0.1
Right of use Software	0.6	0.1
Depreciation expense of leases	**0.8**	**0.3**

Net interest income

Net interest income is composed as follows:

Interest income € million	01.01. – 31.03.2025	01.01. – 31.03.2024
Interest income from bank balances	3.3	1.8
Interest income from loans	–	0.1
Other interest income	2.1	2.2
Interest income	**5.4**	**4.1**

Interest income increased by EUR 1.3 million to EUR 5.4 million compared to the same period of the previous year. The increase in interest income is mainly due to the higher volume of cash investments.

Interest expenses € million	01.01. – 31.03.2025	01.01. – 31.03.2024
Interest expenses from real estate and bond financing	-41.1	-37.0
Interest expense from loan amortisation	1.0	-4.3
Prepayment penalty	-13.2	0.0
Interest expense from interest derivatives for real estate financing	-0.2	–
Interest expense from change in pension provisions	-0.9	-0.8
Interest expense from interest on other assets and liabilities	0.0	0.0
Interest expenses from lease financing	-0.7	-0.6
Other interest expenses	-4.4	-0.7
Interest expenses	**-59.5**	**-43.4**

The increase in interest expenses by EUR -16.1 million to EUR -59.5 million is mainly due to the financing of the purchase of BCP as well as the valuations of loans and capital market instruments after the comparative period. The change in interest expenses from loan amortisation and prepayment penalties is mainly due to the repayment of loans and capital market instruments as part of the purchase of BCP.

Income taxes

Income taxes € million	01.01. – 31.03.2025	01.01. – 31.03.2024
Current tax expenses	-1.3	-0.3
Deferred tax expenses	-22.4	-19.6
Income taxes	**-23.7**	**-19.9**

An effective Group tax rate of 22.8 % was assumed in the reporting period in accordance with Group tax planning (previous year: 22.5 %).

The Group has applied the temporary exemption from the accounting requirements for deferred taxes in IAS 12 published by the IASB in May 2023. Accordingly, no deferred taxes are reported in relation to income taxes under the Pillar Two rules, and no related information has been disclosed.

Under the German Act on Global Minimum Taxation (German Minimum Taxation Act), Germany adopted the Pillar Two rules into its national tax law effective 1 January 2024. This law requires businesses to pay top-up tax on profits taxed at a low rate upwards of a certain amount. This applies to enterprise groups whose revenue has reached a level of EUR 750.0 million in at least two of the four preceding financial years. However, a five-year exemption is intended for enterprise groups with minor international activities. Such an activity exists if the corporate group has business units in no more than six tax jurisdictions and the total value of all tangible assets of business units located outside the reference tax jurisdiction does not exceed EUR 50.0 million.

From 2025, the LEG Group generally falls within the scope of the Minimum Tax Act and is subject to taxation under Section 1 of the Minimum Tax Act. There are currently no indications that a minimum tax will be incurred.

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 according to IAS 33		
Earnings per share (basic)	01.01. – 31.03.2025	01.01. – 31.03.2024
Net profit or loss attributable to shareholders in € million	242.5	57.1
Average numbers of shares outstanding	74,469,665	74,109,276
Earnings per share (basic) in €	**3.26**	**0.77**
Earnings per share (diluted)	01.01. – 31.03.2025	01.01. – 31.03.2024
Net profit or loss attributable to shareholders in € million	242.5	57.1
Convertible bond coupon after taxes	2.5	1.1
Measurement of derivatives after taxes	-55.5	10.1
Amortisation of the convertible bonds after taxes	3.2	0.1
Net profit or loss for the period for diluted earnings per share	192.7	68.4
Average weighted number of shares outstanding	74,469,665	74,109,276
Number of potentially new shares in the event of exercise of conversion rights	13,071,052	7,112,329.0
Number of shares for diluted earnings per share	87,540,717	81,221,605
Intermedia result in €	**2.20**	**0.84**
Diluted earnings per share in €	**2.20**	**0.77**

As at 31 March 2025, LEG Immobilien SE had convertible bonds outstanding, which authorise the bearer to conversion into up to 13.1 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 2025, LEG did not generate sales of more than 10 % of total reported sales with any customer.

In addition to the minimum disclosures required in IFRS 8, the key performance indicators of the company are explained and presented below. These correspond to the management and reporting system that LEG Immobilien SE uses for corporate management and offer a deeper insight into the economic performance of the company.

Internal reporting at LEG deviates from the IFRS accounting figures. LEG focuses its internal reporting primarily on the most significant performance figures: AFFO, adjusted EBITDA margin, and LTV, as well as additional financial metrics such as EPRA NTA and net cold rent as key residential property figures. The alternative performance indicators presented below are not based on IFRS figures, with the exception of the comments on LTV.

Reconciliation to AFFO

One of the most important financial performance indicators for Group management is the AFFO. LEG distinguishes between FFO I (not including net income from the disposal of investment property), FFO II (including net income from the disposal of investment property) and AFFO (FFO I adjusted for capex).

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

Calculation of FFO I, FFO II and AFFO € million	01.01.- 31.03.2025	01.01.- 31.03.2024
Net cold rent	229.5	214.1
Profit from operating expenses	-7.3	-5.6
Personnel expenses (rental and lease)	-28.9	-30.4
Allowances on rent receivables	-5.9	-5.1
Other	-3.2	-5.4
Non-recurring special effects (rental and lease)	1.8	3.5
Net operating income (recurring)	**186.0**	**171.1**
Net income from other services (recurring)	**1.4**	**0.6**
Personnel expenses (administration)	-10.8	-10.0
Non-personnel operating costs	-5.8	-6.1
Non-recurring special effects (administration)	2.4	2.0
Administrative expenses (recurring)	**-14.2**	**-14.1**
Other income (recurring)	**0.2**	**0.0**
EBITDA (adjusted)	**173.4**	**157.6**
Cash interest expenses and income FFO I	-37.3	-34.5
Cash income taxes FFO I	-0.8	-0.1
Maintenance for externally procured services	-27.9	-30.4
Subsidies recognised in profit or loss	3.0	3.9
Own work capitalised	4.4	2.7
FFO I (before adjustment of non-controlling interests)	**114.8**	**99.2**
Adjustment of non-controlling interests	-0.5	-0.4
FFO I (after adjustment of non-controlling interests)	**114.3**	**98.8**
Net income from the disposal of investment properties (adjusted)	-1.5	0.0
Cash income taxes FFO II	-0.4	-0.8
FFO II (incl. disposal of investment properties)	**112.4**	**98.0**
Capex (recurring)	**-52.0**	**-50.2**
AFFO (Capex-adjusted FFO I)	**62.3**	**48.6**

EBITDA is adjusted for non-recurring items to ensure comparability with previous periods. All matters that are not attributable to the period from an operational perspective and have a significant impact on EBITDA are adjusted. These one-off special effects include project costs for business model and process optimisation, personnel-related 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. – 31.03.2025	01.01. – 31.03.2024
Project costs to optimise the business model and processes	1.0	0.3
Staff related costs	2.7	4.3
Acquisition and integration related costs	0.0	0.6
Capital market financing and M&A activities	0.5	0.1
Other atypical matters	-129.2	0.2
Special one-off effects	**-125.0**	**5.5**

The other atypical items mainly comprise the badwill resulting from the acquisition of the shares in BCP.

The EBITDA adjusted for these special effects is further adjusted for cash-effective interest expenses and income, cash-effective income taxes, maintenance expenses for externally sourced services, subsidies recognised in profit or loss, own work capitalised, and minority interests in FFO I.

At the end of the 2025 financial year, investment income from green ventures from the respective financial year will be recognised in the reconciliation from EBITDA (adjusted) to FFO I (before non-controlling interests). The green ventures comprise the companies Renowate GmbH, dekarbo GmbH and Efficient Residential Heating GmbH (termios).

Cash interest expenses are composed as follows:

Cash interest expenses € million	01.01. – 31.03.2025	01.01. – 31.03.2024
Interest expense reported in income statement	59.5	43.4
Interest expense related to loan amortisation	1.0	-4.3
Interest costs related to the accretion of other assets/liabilities	0.0	0.0
Interest expenses related to changes in pension provisions	-0.9	-0.8
Other interest expenses	-17.0	0.0
Cash effective interest expense (gross)	**42.6**	**38.3**
Cash effective interest income	5.3	3.8
Cash effective interest expense (net)	**37.3**	**34.5**

Finally, AFFO, starting from FFO I (after non-controlling interests), takes into account recurring Capex measures (Capex (recurring)). Recurring capex measures are defined as capitalised costs from modernisation and maintenance measures as well as new construction activities on own land. When calculating the production costs from modernisation and maintenance measures, consolidation effects resulting from self-performed services, which arise from the elimination of intercompany profits, are eliminated.

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 figures can be found in the glossary of the 2024 annual report.

LEG reports an EPRA NTA of EUR 9,565.1 million or EUR 128.44 per share as at 31 March 2025. 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 2025, 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	31.03.2025 EPRA NRV	31.03.2025 EPRA NTA	31.03.2025 EPRA NDV	31.12.2024 EPRA NRV	31.12.2024 EPRA NTA	31.12.2024 EPRA NDV
Equity attributable to shareholders of the parent company	**7,599.1**	**7,599.1**	**7,599.1**	**7,371.5**	**7,371.5**	**7,371.5**
Hybrid instruments	29.2	29.2	29.2	29.2	29.2	29.2
Diluted NAV at fair value	**7,628.3**	**7,628.3**	**7,628.3**	**7,400.7**	**7,400.7**	**7,400.7**
Deferred tax in relation to fair value gains of IP and deferred tax on subsidised loans and financial derivatives	2,043.6	2,034.9	–	2,034.8	2,025.7	–
Fair value of financial instruments	-92.9	-92.9	–	-44.8	-44.8	–
Intangibles as per the IFRS balance sheet	–	-5.2	–	–	-6.2	–
Fair value of fixed interest rate debt	–	–	410.0	–	–	383.7
Deferred taxes of fixed interest rate debt	–	–	-93.7	–	–	-168.6
Estimated ancillary acquisition costs (real estate transfer tax)	1,819.5	–	–	1,721.4	–	–
NAV	**11,398.5**	**9,565.1**	**7,944.6**	**11,112.1**	**9,375.4**	**7,615.8**
Fully diluted number of shares	**74,469,665**	**74,469,665**	**74,469,665**	**74,469,665**	**74,469,665**	**74,469,665**
NAV per share	**153.06**	**128.44**	**106.68**	**149.22**	**125.90**	**102.27**

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

Effects from the exercise of options, convertible bonds, and other equity rights amounting to EUR 29.2 million are reported as recognised purchase price obligations from share deals.

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. Deferred taxes relation to fair value gains of investment property, subsidised loans and financial derivatives amount to a total of EUR 2,034.9 million as at 31 March 2025.

The effects of the fair value measurement of derivative financial instruments are also eliminated in the calculation of EPRA NTA. If these effects from the valuation of derivatives relate to the equity value determined in the position "Hybrid instruments", they are not considered in the position "Fair value of financial instruments". As at 31 March 2025, these effects total EUR -92.9 million.

In addition, all recognised intangible assets are eliminated. As at 31 March 2025 these totalled EUR 5.2 million.

The estimated acquisition-related costs are calculated based on the net market values of the property portfolio. The real estate transfer tax is considered according to the property holdings in the various federal states. In addition, broker commissions and notary fees are included in the calculation of the estimated acquisition-related costs.

Loan-to-value ratio (LTV)

Net debt at the end of the reporting period has increased compared with 31 December 2024. The lower relative increase in property assets resulted in a slightly higher loan-to-value ratio (LTV) of 48.4 % at the interim reporting date (31 December 2024: 47.9 %).

Loan to value ratio		
€ million	31.03.2025	31.12.2024
Financing liabilities	10,122.5	9,718.6
Less lease liabilities IFRS 16 (not leasehold)	45.7	47.4
Less cash and cash equivalents	831.6	914.3
Net financing liabilities	**9,245.2**	**8,756.9**
Investment properties	18,892.4	17,853.3
Assets held for sale	37.8	141.0
Participations in other housing companies	174.6	298.7
Real estate assets	**19,104.8**	**18,293.0**
Loan to value ratio (LTV) in %	**48.4**	**47.9**

Maintenance and modernisation

The maintenance expenses from the perspective of the asset-holding companies consist of maintenance expenses for externally sourced services and internally provided maintenance work carried out by LEG's service companies. For capitalised modernisations classified as value-enhancing measures, investments in investment properties and tangible assets are taken into account. 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. For the calculation of adjusted total investments per square metre, consolidation effects, investments in new construction on own land, own work capitalised, and subsidies recognised in profit or loss have been eliminated from the total investments.

Maintenance and modernisation	01.01. –	01.01. –
€ million	31.03.2025	31.03.2024
Maintenance expenses for externally procured services	-27.9	-30.4
Maintenance expenses provided internally	-14.2	-10.3
Maintenance expenses	**-42.1**	**-40.7**
Adjustments consolidation effects	2.7	1.7
Maintenance expenses (adjusted)	**-39.4**	**-39.0**
Investment in investment properties	-51.5	-51.5
Investment in property, plant and equipment	-3.4	-1.3
Capital expenditure (Capex)	**-54.9**	**-52.8**
Adjustments consolidation effects	2.9	2.6
Capex (recurring)	**-52.0**	**-50.2**
Adjustments (new construction on own land, own work capitalised, subsidies recognised in profit or loss)	7.0	7.2
Capital expenditure (adjusted)	**-45.0**	**-43.0**
Total investment	**-97.0**	**-93.5**
Adjustments (consolidation effects, new construction on own land, own work capitalised, subsidies recognised in profit or loss)	12.6	11.5
Total investments (adjusted)	**-84.4**	**-82.0**
Area of investment properties in million sqm	11.24	**10.8**
Adjusted average investment per sqm (€)	**7.51**	**7.58**
thereof maintenance expenses per sqm (€)	3.51	3.61
thereof capital expenditure per sqm (€)	4.00	3.97

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 2025

€ million	Carrying amounts as per statement of financial position 31.03.2025	Measurement (IFRS 9) Amortised cost	Measurement (IFRS 9) Fair value through profit or loss	Measurement (IFRS 16)	Fair value 31.03.2025
Assets					
Other financial assets	**179.2**				**179.2**
Hedge accounting derivatives	11.8				11.8
AC	4.5	4.5			4.5
FVtPL	162.9		162.9		162.9
Receivables and other assets	**583.3**				**521.7**
AC	521.7	521.7			521.7
Other non-financial assets	61.6				–
Cash and cash equivalents	**477.3**				**477.3**
AC	477.3	477.3			477.3
TOTAL	**1,239.8**	**1,003.5**	**162.9**		**1,178.2**
Of which IFRS 9 measurement categories					
AC	1,003.5	1,003.5			1,003.5
FVtPL	162.9		162.9		–
Liabilities					
Financial liabilities	**-10,122.5**				**-9,572.0**
FLAC	-9,982.1	-9,982.1			-9,572.0
Liabilities from lease financing	-140.4			-140.4	
Other liabilities	**-428.4**				**-189.6**
FLAC	-181.4	-181.4			-181.4
Derivatives HFT	-0.2		-0.2		-0.2
Hedge accounting derivatives	-8.0				-8.0
Other non-financial liabilities	-238.8				–
TOTAL	**-10,550.9**	**-10,163.5**	**-0.2**	**-140.4**	**-9,761.6**
Of which IFRS 9 measurement categories					
FLAC	-10,163.5	-10,163.5			-9,753.4
Derivatives HFT	-0.2		-0.2		-0.2

AC = Amortised Cost
HFT = Held for Trading
FVtPL = Fair Value through profit and loss
FLAC = Financial Liabilities at amortized Cost

Classes of financial instruments for financial assets and liabilities 2024

		Measurement (IFRS 9)		Measurement (IFRS 16)	
€ million	Carrying amounts as per statement of financial position 31.12.2024	Amortised cost	Fair value through profit or loss		Fair value 31.12.2024
Assets					
Other financial assets	**300.3**				**300.3**
Hedge accounting derivatives	12.8				12.8
AC	0.5	0.5			0.5
FVtPL	287.0		287.0		287.0
Receivables and other assets	**745.2**				**708.2**
AC	708.2	708.2			708.2
Other non-financial assets	37.0				–
Cash and cash equivalents	**306.9**				**306.9**
AC	306.9	306.9			306.9
TOTAL	**1,352.4**	**1,015.6**	**287.0**		**1,315.4**
Of which IFRS 9 measurement categories					
AC	1,015.6	1,015.6			1,015.6
FVtPL	287.0		287.0		–
Liabilities					
Financial liabilities	**-9,718.6**				**-9,192.0**
FLAC	-9,576.1	-9,576.1			-9,192.0
Liabilities from lease financing	-142.5			-142.5	
Other liabilities	**-388.5**				**-235.3**
FLAC	-169.2	-169.2			-169.2
Derivatives HFT	-55.5		-55.5		-55.5
Hedge accounting derivatives	-10.6				-10.6
Other non-financial liabilities	-153.2				–
TOTAL	**-10,107.1**	**-9,745.3**	**-55.5**	**-142.5**	**-9,427.3**
Of which IFRS 9 measurement categories					
FLAC	-9,745.3	-9,745.3			-9,361.2
Derivatives HFT	-55.5		-55.5		-55.5

AC = Amortised Cost

FLAC = Financial Liabilities at amortized Cost

HFT = Held for Trading

FVtPL = Fair Value through profit and loss

As at 31 December 2024, the fair value of the equity investment in BCP amounted to EUR 124.1 million. This investment is classified as Level 2 in the fair value hierarchy, as no reliable price can be determined on the basis of the stock market price. The valuation of the shares is therefore based on the conditions of the acquisition of the shares in BCP (EUR 45 per share). With completion of the share acquisition on 3 January 2025, BCP and its subsidiaries have been fully consolidated.

The fair value of the other investments in the amount of EUR 162.9 million was last calculated as at 31 December 2024 using accepted valuation methodologies as there are no quoted prices on an active market for the corresponding investments. The fair value calculated using valuation models is allocated to Level 3 of the IFRS 13 measurement hierarchy. They are allocated to Level 3 on account of the use of inputs not observed on a market in the measurement model. The other companies are valued using the simplified capitalised earnings value method. The main model parameter in the simplified capitalised earnings value method is the capitalisation interest rate of 8.8 %. 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 is carried out as at 31 December 2024 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 124.7 million when using the 10 % percentile and increasing the capitalisation interest rate by 50 basis points and an increase in the fair value to EUR 221.9 million when using the median and reducing the capitalisation interest rate by 50 basis points.

10. Related-party disclosures

Please see the IFRS consolidated financial statements as at 31 December 2024 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 2024.

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 2025 compared with the disclosures as at 31 December 2024.

13. Supplementary Report

On 25 March 2025, LEG submitted a public tender offer for all outstanding shares in BCP. Following the expiry of the tender offer and the subsequent squeeze-out and delisting process, LEG has held 100 % of the shares in BCP since 23 April 2025.

There were no other significant events after the end of the interim reporting period on 31 March 2025.

Dusseldorf, 13 May 2025

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 net assets, 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, 13 May 2025

LEG Immobilien SE

The Management Board

Lars von Lackum	**Dr. Kathrin Köhling**	**Dr. Volker Wiegel**
(CEO)	(CFO)	(COO)

Appendix I

The following companies were consolidated for the first time as part of the acquisition of shares in BCP as at 3 January 2025:

COMPANIES CONSOLIDATED FOR THE FIRST TIME AS OF 3 JANUARY 2025
Brack Capital Properties N.V. (BCP)
Brack German Properties B.V. (BGP)
Brack Capital Germany (Netherlands) XLV B.V. (FinCo)
Brack Capital Beta B.V.
S.I.B Capital future markets Inc.
Brack Capital (Düsseldorf Rossstr.) BV
Brack Capital (Chemnitz) BV
Brack Capital (Alfa) BV
Brack Capital (Delta) BV
Brack Capital (Epsilon) BV
Brack Capital (Kassel) GmbH & Co Immobilien KG
Brack Capital (Witten) GmbH & Co Immobilien KG
Brack Capital (Düsseldorf Schanzenstr.) BV
Brack Capital (Hamburg) BV
Brack Capital Bad Kreuznach B.V.
Brack Capital (Neubrandenburg) BV
Brack Capital (Ludwigsfelde) BV
Brack Capital (Remscheid) BV
BCRE Dortmund Wohnen B.V.
BCRE Duisburg Wohnen B.V.
BCRE Essen Wohnen B.V.
Brack Capital (Gelsenkirchen) GmbH & Co. Immobilien KG
Brack Capital (Oberhausen) GmbH
Brack Capital Germany (Netherlands) LIII B.V.
Brack Capital Germany (Netherlands) LI B.V.
Brack Capital Germany (Netherlands) XIX B.V.
Brack Capital Germany (Netherlands) XLI B.V.
Brack Capital Germany (Netherlands) XLII B.V.
Brack Capital Germany (Netherlands) XLIV B.V.
Brack Capital Germany (Netherlands) XLIX B.V.
Brack Capital Germany (Netherlands) XLVII B.V.
Brack Capital Germany (Netherlands) XXI B.V.
Brack Capital Germany (Netherlands) XXX B.V.
Brack Capital Germany (Netherlands) XXXI B.V.
Brack Capital Germany (Netherlands) XXXIX B.V.
Brack Capital Germany (Netherlands) XXXV B.V.
Brack Capital Germany (Netherlands) XXXVII B.V.
Brack Capital Germany (Netherlands) XXXVIII B.V.
Brack Capital Germany (Netherlands) XXVI B.V.
Brack Capital Germany (Netherlands) LV B.V.
BCP Invest Rostock B.V.
BCP Invest Celle B.V.
BCP Invest Castrop B.V.
Brack Capital Halle I GmbH
Brack Capital Halle II GmbH
Brack Capital Halle III GmbH
Brack Capital Halle IV GmbH

Brack Capital Halle V GmbH
Brack Capital Leipzig I GmbH
Brack Capital Leipzig II GmbH
Brack Capital Leipzig III GmbH
Brack Capital Leipzig IV GmbH
Brack Capital Leipzig V GmbH
Brack Capital Leipzig VI GmbH
Brack Capital Magdeburg I GmbH
Brack Capital Magdeburg II GmbH
Brack Capital Magdeburg III GmbH
Brack Capital Magdeburg IV GmbH
Brack Capital Magdeburg V GmbH
Brack Capital Magdeburg VI GmbH
Grafental GmbH & Co. KG
Grafental Verwaltungs GmbH
Grafental Mitte B.V.
Graniak Leipzig Real Estate GmbH & Co. KG
BCRE Leipzig Residenz am Zoo GmbH
Investpartner GmbH
Parkblick GmbH & Co. KG (Grafenberg)
Grafental am Wald GmbH
Glasmacherviertel GmbH & Co. KG (Gerresheim)
Glasmacherviertel Verwaltungs GmbH
Brack Capital Patros GmbH
Brack Capital Germany (Netherlands) XXIII B.V.
Brack Capital (Wuppertal) BV
Brack Capital Germany (Netherlands) XII B.V.
Brack Capital Germany (Netherlands) XVIII B.V.
Brack Capital Germany (Netherlands) XXV B.V.
Brack Capital (Gelsenkirchen) BV
Brack Capital Kassel Hafenstr. GmbH
Brack Capital (Kassel I) BV
Brack Capital (Eta) BV
Brack Capital Witten GmbH
Brack Capital Germany (Netherlands) XLVI B.V.
Brack Capital (Lambda) BV
Brack Capital (Leipzig) BV
BCRE Theta B.V.
Brack Capital Germany (Netherlands) XXII B.V.
Brack Capital Germany (Netherlands) XL B.V.
Brack Capital Germany (Netherlands) XLVIII B.V.
Brack Capital Wuppertal GmbH
Brack Capital Germany (Netherlands) LII B.V.
Brack Capital Germany (Netherlands) XVII B.V.
RT Facility Management GmbH & Co. KG
RT Facility Management (Germany) GmbH

Financial calendar 2025

Annual General Meeting	28 May
Release of Quarterly Report Q2 as of 30 June 2025	7 August
Release of Quarterly Statement as of 30 September 2025	12 November

For additional dates see our **Website**.

Contact details & imprint

Publisher

LEG Immobilien SE
Flughafenstraße 99
D-40474 Dusseldorf
www.leg-se.com

Contact

Investor Relations
Frank Kopfinger
ir@leg-se.com

The quaterly report as of 31 March 2025 is also available in German. In case of doubt, the German version takes precedence.

LEG Immobilien SE
Flughafenstrasse 99
D – 40474 Dusseldorf
Tel. + 49 (0) 2 11 45 68 - 0
ir@leg-se.com
www.leg-se.com