LEG Immobilien AG

Company Presentation

November 2020

Disclaimer

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

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

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

Agenda

Agenda

Affordable housing in Germany – Made in NRW

Aachen

Bremen

Düsseldorf

Duisburg

Hamm

Minden

Münster

Osnabrück

Ratingen

Remscheid

Siegburg

Solingen

Affordable housing in Germany – Made in NRW

German residential pure play

- Pure Play: Residential + Germany
- Focus NRW (~92% of assets), no. 1 in NRW
- Market cap ~€8.4bn, 100% tradeable shares

Social Responsibility

- 400,000 tenants/145,000 apartments
- Average rent per unit ~€380 per month/€5.91 per sqm
- ~25% social housing (rent-restricted)

Conservative balance sheet

- Loan to value 36.4%, pro forma LTV ~40%[1]
- Ø financing cost 1.35%, Ø maturity 7.7 years
- Beta 0.75 (5y vs. EuroStoxx 600)

Attractive Return

- Dividend 2019 €3.60, ~2.9%[2]
- CAGR since IPO 2013: both NAV, dividend + ~13% p.a.
- Gross yield properties ~5% (on €12.7 bn assets)

1 Taking the ~6,400 units acquisition from June with transfer of ownership by end of October as well as the linked cash outflows into account.
2 Closing price of €124.94 on 30.10.2020.

Higher guidance 2020 and new 2021 guidance
Margin expansion story set to continue

LEG gewohnt gut.

	2020	NEW 2021 Guidance	Drivers/Comments
FFO I	~€380m (prev. €375 – 380m)	€410m – 420m	2021 to benefit from 2020 acquisitions and rental growth
l-f-l rent growth	~2.3%	~3.0%	Including postponed effects from 2020
l-f-l vacancy	Slightly decreasing	–	No longer an explicit target as vacancy is close to structural level
EBITDA margin	~74%	~75%	Scale effects + services business
Investments	~38 – 40€/sqm	~40 – 42€/sqm	Excl. new construction, backlog acquisitions
LTV	40 – 43%	40 – 43%	Preserve strong financial basis
Dividend	70% of FFO I	70% of FFO I	Confirm attractive pay-out. Depending on market condition also as scrip dividend
Acquisition ambition	>7,000 units	Not reflected in guidance ~7,000 units	Focus on affordable living in Germany

Further improving our ESG profile

ESG	2016	2017	2018	2019	2020	
MSCI ESG Rating	A	AA	AA	AA	AA	
SUSTAINALYTICS (a Morningstar company) ESG Rating				20.1	10.4	Top 2% global coverage Top 4% global real estate sector
EPRA (European Public Real Estate Association) sBPR Award			EPRA sBPR BRONZE	EPRA sBPR SILVER	EPRA sBPR GOLD	
GRESB Real Estate ESG Rating				52	52	No.1 among peer group based on Public Disclosure Assessment
DAX ESG Index					DAX 50 ESG	
MSCI ESG Indices					MSCI EAFE Choice ESG Screened Index MSCI World Custom ESG Climate Series MSCI OFI Revenue Weighted Global ESG Index	

Agenda

PURE LEG PLAY

Strong performance – FFO I Guidance 2020 narrowed and positive outlook for 2021

Financials

- FFO I +14.5% to €296.7m
- EBITDA-Margin 77.5%
- LTV 36.4%/pro forma LTV ~40%[1]
  - 7.7y for 1.35%
- NAV ps €115.21

Operations

- Net cold rent +5.6%
- L-f-l rental growth +2.3%
- L-f-l vacancy 3.1% (-50bps)
- Acquisition of Fischbach Services to scale apartment renovation capacities

ESG

- EPRA Gold award and Sustainalytics upgrade
- CO2 Accounting – well on track
- Initiated Germany's first real-world laboratory for serial modernisation
- Corona bonus for all employees to recognize performance

Strong performance in 9M-2020

Guidance narrowed to upper end of ~€380m for FY 2020

Minimal Corona effect YTD

Strong financial profile maintained – in line with strategy

Further growth ahead: FY 2021 guidance of €410m – 420m

1 Pro forma LTV - taking the remaining ~6,400 units acquisition as well as the linked cash outflows into account.

Key figures 9M-2020

Operating results		9M-2020	9M-2019	%/bp
Net cold rent	€m	464.5	439.8	5.6
Net rental and lease income	€m	365.7	340.2	7.5
EBITDA adjusted	€m	360.2	330.5	9.0
FFO I	€m	296.7	259.1	14.5
FFO I per share	€	4.25	4.09	3.9
FFO II	€m	295.5	255.9	15.5
EBITDA margin (adj.)	%	77.5	75.1	240 bp
FFO I margin	%	63.9	59.6	580 bp
Portfolio		30.09.2020	30.09.2019	+/- %/bp
Residential units	number	138,601	133,806	3.6
In-place rent (l-f-l)	€/sqm	5.93	5.79	2.3
Capex	€m	202.7	136.5	48.5
Maintenance	€m	60.1	58.4	2.9
EPRA vacancy rate (l-f-l)	%	3.1	3.6	-50 bp
Balance sheet		30.09.2020	31.12.2019	+/- %/bp
Investment properties	€m	13,222.2	12,031.1	9.9
Cash and cash equivalents	€m	848.8	451.2	88.1
Equity	€m	6,677.6	5,933.9	12.5
Total financing liabilities	€m	5,728.8	5,053.9	13.4
Current financing liabilities	€m	487.3	197.1	147.2
Net debt	€m	4,850.5	4,570.8	6.1
LTV	%	36.4	37.7	-130 bp
LTV adjusted[1]	%	~40%		
Equity ratio	%	45.8	45.9	-10 bp
Adj. EPRA NAV, diluted	€m	8,702.6	7,273.0	19.7
Adj. EPRA NAV per share, diluted	€	115.21	105.39	9.3

1 Taking the remaining ~6,400 units acquisition into account.

COVID-19 update: Effects remain minimal – up to now no effects from second wave

LEG gewohnt gut.

Impact on rental growth: ~50bps

- Voluntary suspension of Mietspiegel rent increases: ~20bps
  → Resumed in Q3/ effective in Q4
- Postponement of modernisation measures in H1: ~30bps

Deferral of rents

- <1% of units
- Minor liquidity effect with <€1m

Shift towards digital on operations

- Virtual and full self-serviced viewings for prospective tenants
- Enabling employees to work from home up to 100%

Acquisitions

- Markets see ongoing demand from active and new investors. Low yields fuel demand.

Positive letting performance

- Improving level of new lettings throughout Q3 shows demand for affordable product
- Lower number of terminations drives additionally positive performance
- Vacancy rate nearing structural low

Capex spending

- Investment push to make use of lowered VAT and available craftsmen capacities
- Focus on turn cost measures to realize additional value potential

Balance sheet/ financing

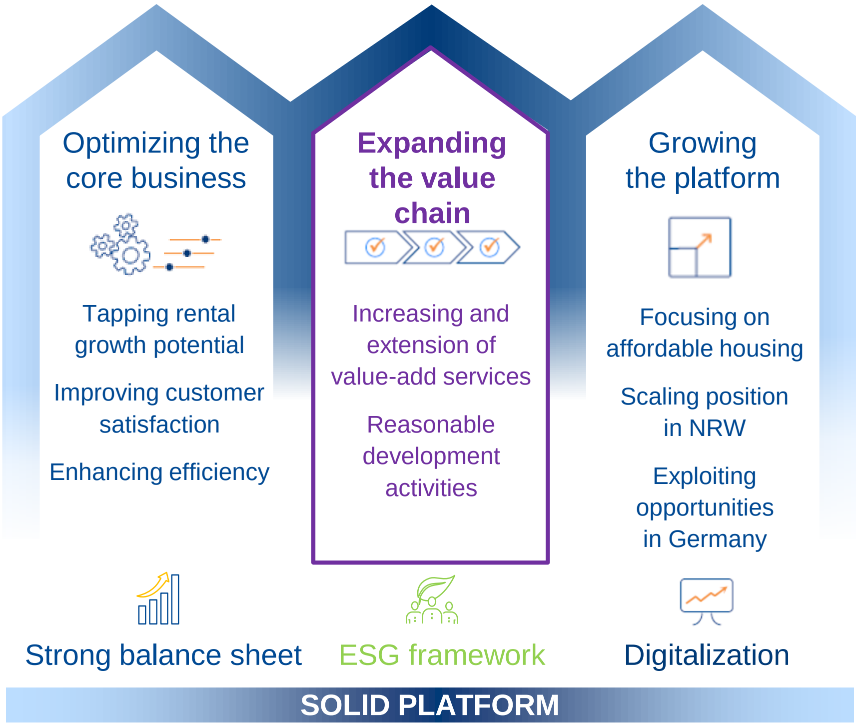
- Successful placement of €823m equity/convertible to finance portfolio acquisitions and preserve strong balance sheet
- Strong liquidity position with cash at hand ~€300m and ~€400m in RCF[1]

1 Post cash outflows in November for ~6,400 units acquisition announced in June.

Unchanged vs. H1 update

Q3 2020: We act in line with our strategy – acquisition of Fischbach Services

Our strategy



Expanding the value chain

- Overall a focussed approach – no intention to insource everything
- Acquisition of Fischbach Services to smartly position along the value chain with special focus on apartment renovation capacitites
- Integration as fourth pillar of our services offering as LWS Plus
- Scalable business

Fischbach Services to become LWS Plus
Scalable business model

Company background

- Project management company specialized on managing the renovation of vacant apartments
- Currently conducting 25% of LEG's renovation of vacant apartments
- Scalable, efficient and proven and highly digitalized platform
- Low personal intensity with only 25 employees, managing approx. 80 contractors

Transaction details

- LEG purchased 100% of Fischbach Services GmbH per 01.10.2020, wholly owned subsidiary of Fischbach Holding GmbH
- Contractual framework ensures commitment of founders, management, staff and contractors for the coming years

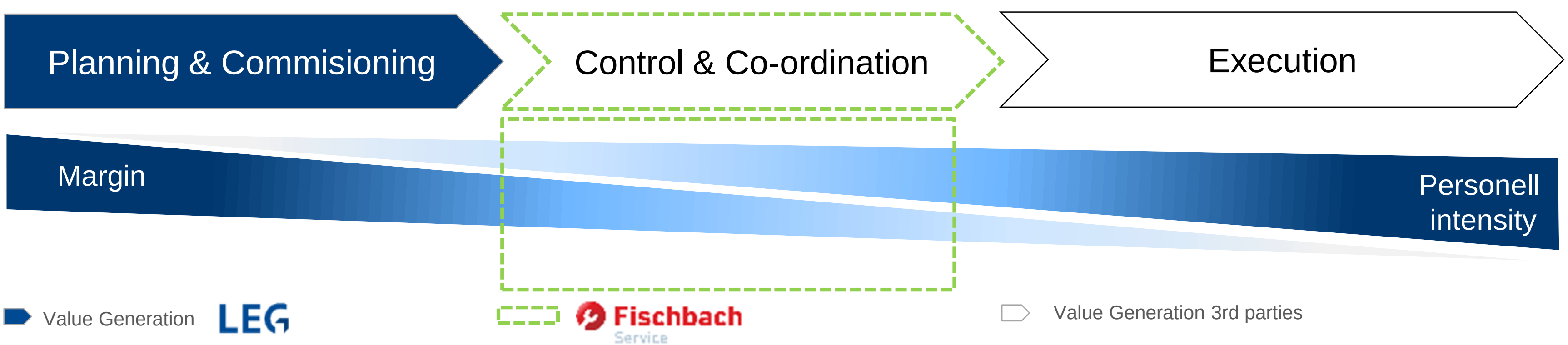
Rationale for LEG

- Goal is to scale business to conduct 75% of LEG's renovation of vacant apartments through Fischbach in the medium-term
- Access to attractive margin part of value chain without requirement to add craftsmen to payroll
- Faster / better quality renovation to reduce duration of vacancies

Financials

- EBITDA contribution[1] of ~€5m for 2021
- EBITDA-margin effect[1] on Group level of +100bps
- Future growth primarily fuels positive cash effect and will not be transparent in Group KPI due to consolidation

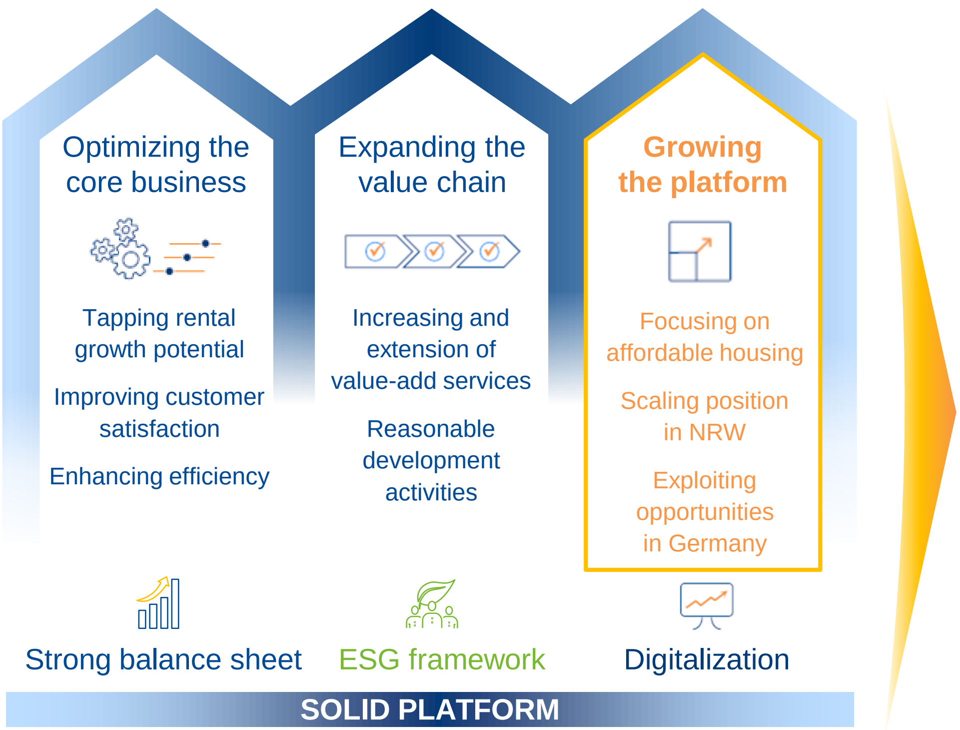
Significant margin contribution due to attractive position at the value chain



1 Expected FY 2021 effect; for accounting effects see slide no.37 in Appendix.

Q2 2020: We act in line with our our strategy Bigger portfolio acquisition in June 2020

Our strategy



Growing the platform

- LEG to focus on German residential
- LEG as best owner for affordable living assets
- Disciplined execution along our growth stategy:
  - NRW acquisitions to add to scale immediately
  - Growth outside NRW in adjacent states:
    - Entry via orange and green markets
    - At least 1,000 units per location for margin efficient growth

Source: Company presentation.

Portfolio acquisitions in June 2020: Offering up-side potential

LEG gewohnt gut.

Residential Portfolio	Total price	GAV/ sqm	Region	# of units	In-place rent/sqm	Vacancy rate	LEG market cluster[1]	Net cold rent p.a	Multiple	FFO p.a.	Transfer
Portfolio 1			Rhine-Neckar	1,964	€6.11	1.7%	High growth/Stable				
			Brunswick	1,533	€5.83	3.6%	High growth				
			Koblenz region	1,504	€5.53	1.3%	Stable				
			Hanover/ Laatzen	1,215	€5.94	2.2%	High growth				
			Cologne	164	€8.90	10.8%	High growth	€30.2m			1 Nov[4]
Portfolio 2			Flensburg	1,075	€5.79	3.0%	Stable	€4.9m			1 Aug
Total 1+2	€767m	€1,540		7,455	~€5.92	~2.6%	High growth/Stable (55%/45%)	€35.1m	21.9x	€21m	
vs. LEG on l-f-l basis[2]		€1,664			~€6.20	~2.5%			22.5x		

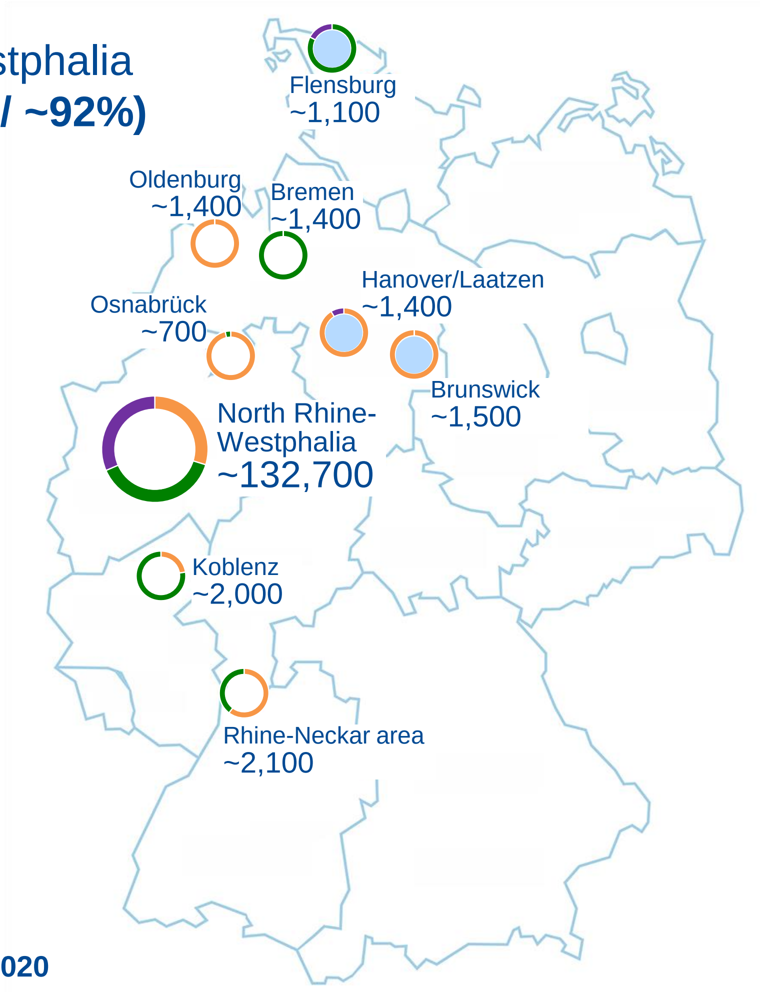
Key value drivers

- Modernisation
- Rent increases
- ~1/3 of portfolio 1 subsidised and coming off restriction over time[3]

1 LEG clusters its markets into high growth, stable and higher yielding markets.
2 Based on LEG KPI's as of 30 June 2020 and assuming same portfolio split of 55% high growth and 45% stable markets.
3 See also slide 34 for more information on the subsidised units.
4 Expected.

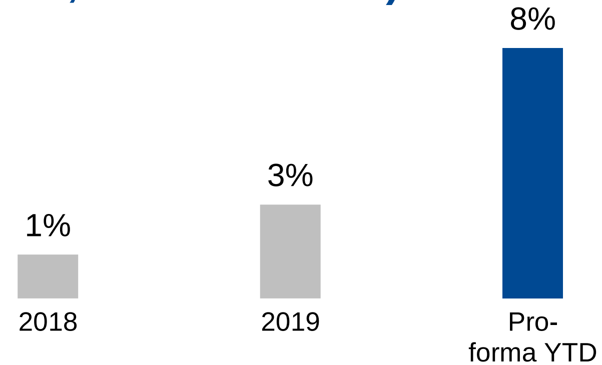
Portfolio overview

North Rhine-Westphalia
(~132,700 units / ~92%)



- High-Growth
- Stable
- Higher-Yielding
- Acquisitions June 2020

Outside North Rhine-Westphalia[1]
(~12,000 units / ~8%)



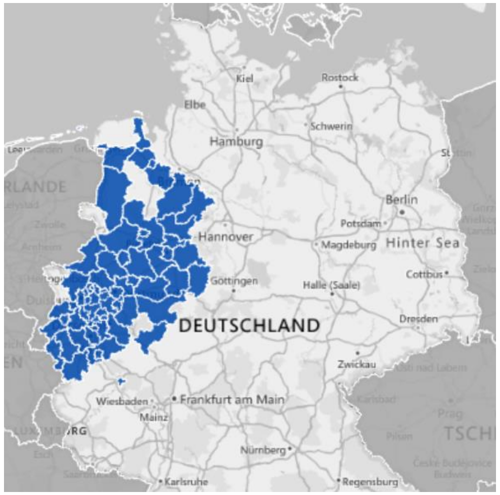
Growth along our investment criteria

- Asset class affordable living ✓
- Entry via orange and green markets ✓
- >1,000 units per location ✓

1 as of November 2020.

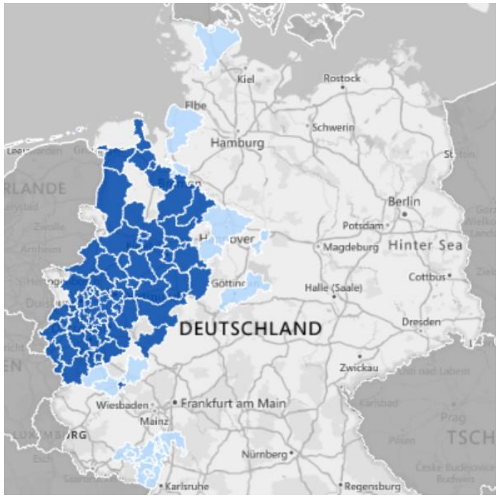
Portfolio acquisitions in June 2020: Significantly increasing our addressable market

LEG 30 June 2019



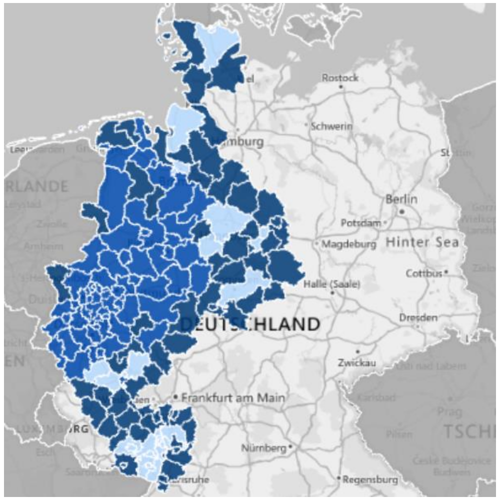
Inhabitants: **19.5m**
No. of households: **9.4m**

LEG 30 June 2020
+ June 2020 acquisitions



24.5m (+26%)
12.2m (+30%)

LEG 30 June 2020
+ June 2020 acquisitions
+ neighbouring districts



35m (+78%)
17m (+82%)

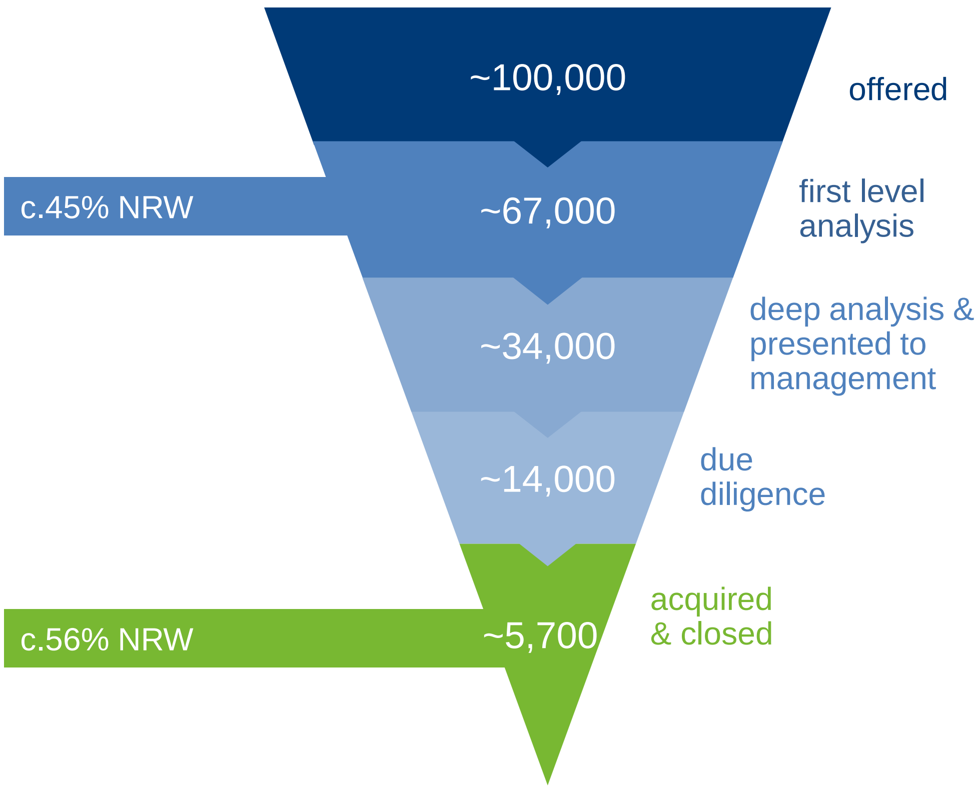
Source: Bing maps, TomTom, here, company data.

Acquisitions: Growth focused on affordable living in NRW ans adjacent states

LEG gewohnt gut.

Regional split Share NRW

Deal funnel 2019
(units)



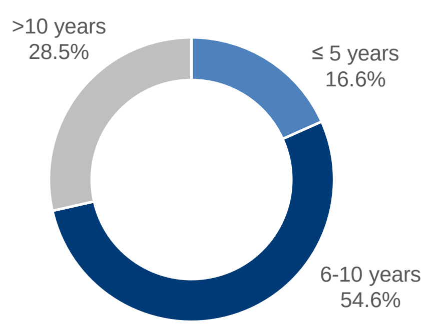
Target markets	Rationale
Focus on NRW as no.1	Market insight/ Cost advantages
Additionally B-/ C-city locations in adjacent German states (min. ~1,000 units per location)	Leveraging our market access & platform
Focus affordable housing	Sticking to our standardized processes, expertise and social responsibility

Refinancing of subsidised loans lifting value

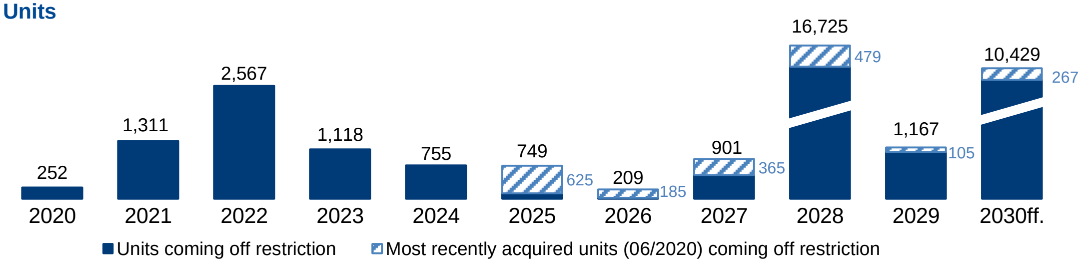
Rent potential subsidised units

- Until 2028, around **25,000 units[1] will come off rent restriction**
- Units show **significant upside to market rents**
- The **economic upside can theoretically be realised the year after restrictions expire,** subject to general legal and other restrictions[5]

Around 70% of units[1] to come off restriction until 2028

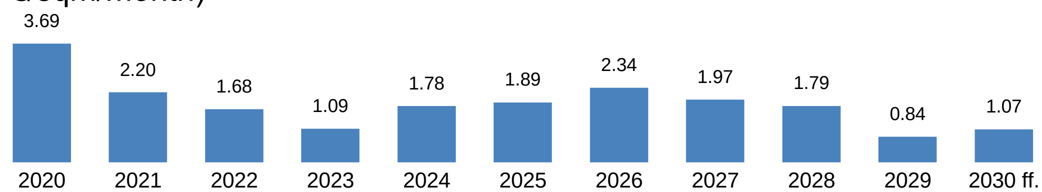


Number of units[1] coming off restriction and rent upside



Spread to market rent

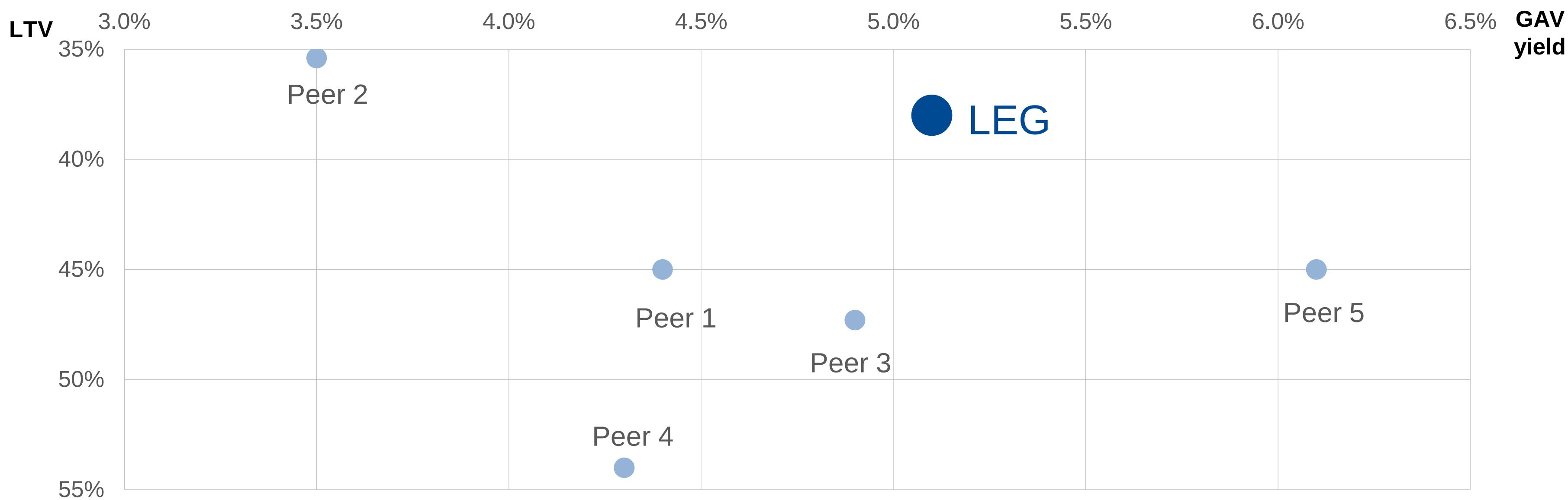
(in €/sqm/month)



	≤ 5 years[3]	6 – 10 years[3]	> 10 years[3]
In-place rent	€4.73	€5.00	€4.90
Market rent[2]	€6.53	€6.74	€5.97
Upside potential[4]	38%	35%	22%
Upside potential p.a.[4]	€9.0m	€24.9m	€9.0m

1 Pro forma number of units including ~7,500 units acquired in June 2020; total transfer of ownership expected for Q4 2020.
2 Employed by CBRE as indicator of an average rent value that could theoretically be achieved, not implying that an adjustment of the in-place rent to the market rent is feasible, as stringent legal and contractual restrictions regarding rent increases exist.
3 ≤5 years = 2020-2024; 6-10 years = 2025-2029; >10 years = 2030ff.
4 Rent upside is defined as the difference between LEG in-place rent and market rent (defined in footnote 2).
5 For example rent increase cap of 15% or 20% for three years.

Pure play with unique risk/return profile …



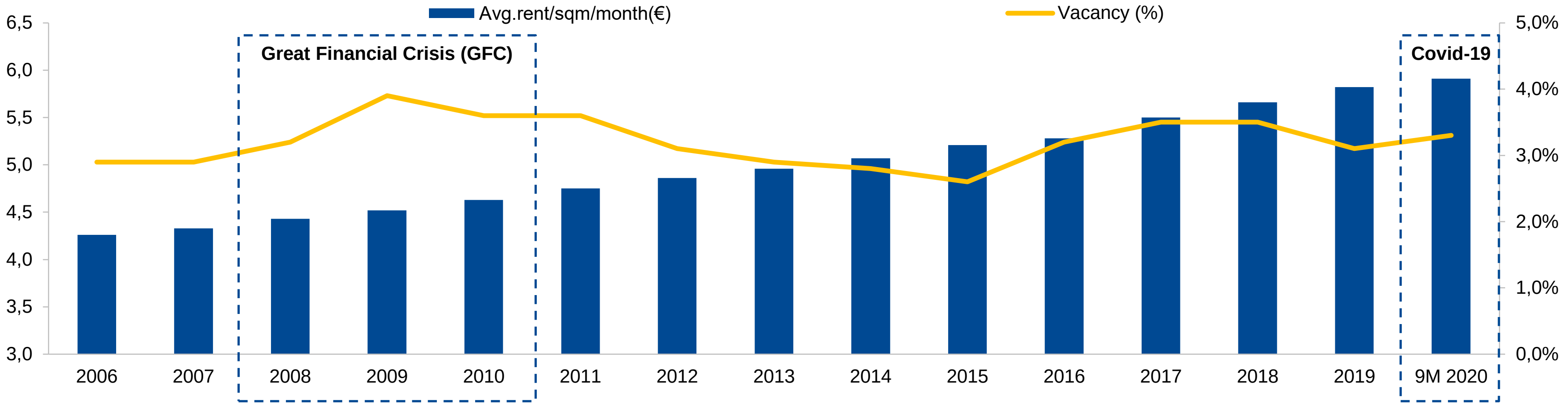
Additional layers of complexity

	German residential	International residential	Other real estate classes	Development	Berlin exposure
LEG	■				
Peer 1	■	■		■	■
Peer 2	■		■	■	■
Peer 3	■	■			■
Peer 4	■			■	■
Peer 5	■	■		■	

Source: Company information as reported as of FY19, incl. hybrid debt. Peers comprise ADO/Adler, Deutsche Wohnen, Grand City Properties, TAG, Vonovia.

… and a resilient business model with a strong track record

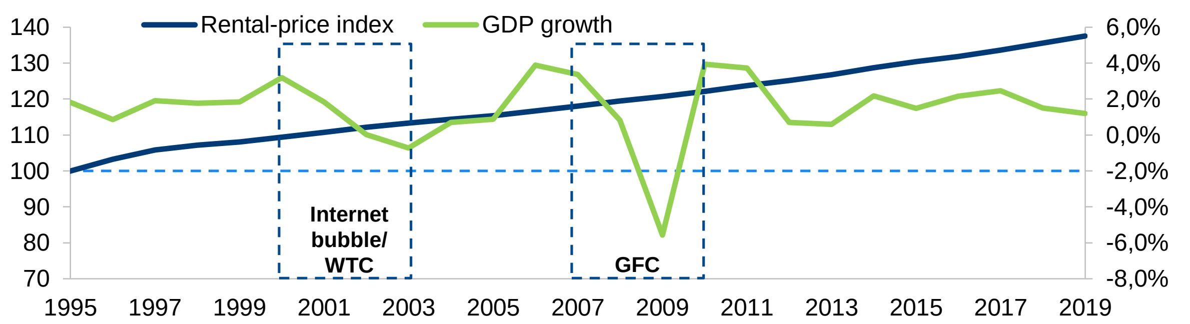
LEG not materially affected during the GFC and Covid-19



LEG well positioned

- Non-cyclical business model
- LEG's attractive rent level of €5.91/sqm is key to provide affordable living to our tenants
- C. 25% of units subsidised
- German social system provides several strong layers of social security

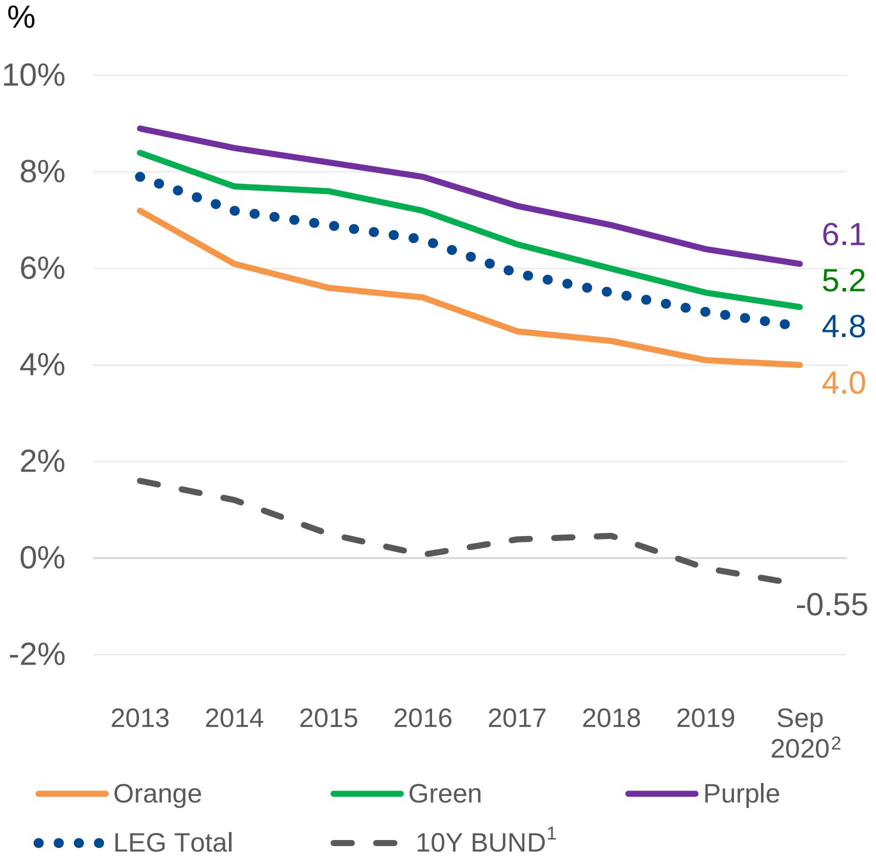
Resilience of German residential during the last economic crises



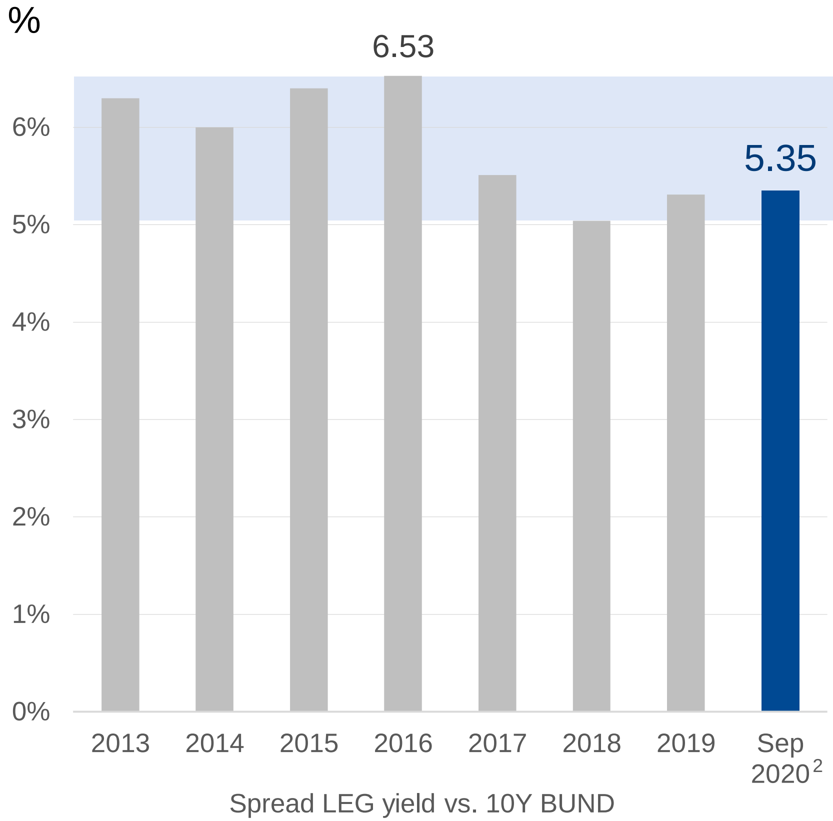
Source: Company information, Federal Statistical Office – Residential Rental Price Index.

… offering attractive yields in a low/no yield environment; stable spread over 10year BUND

Gross yield LEG vs. BUND



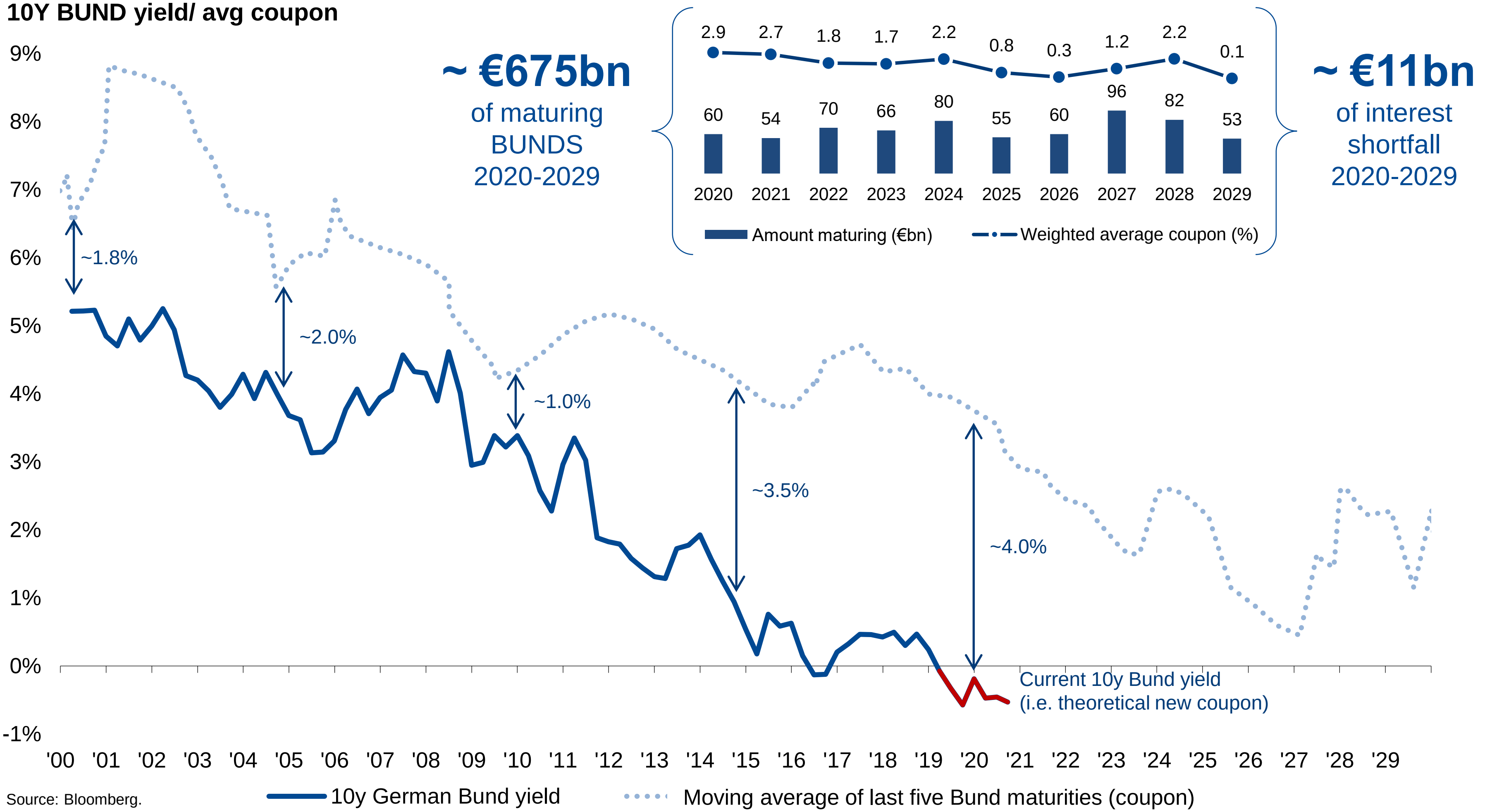
Stable spread over 10y BUND



1 Annual average.
2 30 September 2020.

Hunt for yield to continue as BUNDS only offer negative yields and interest income will diminish

10Y BUND yield/ avg coupon



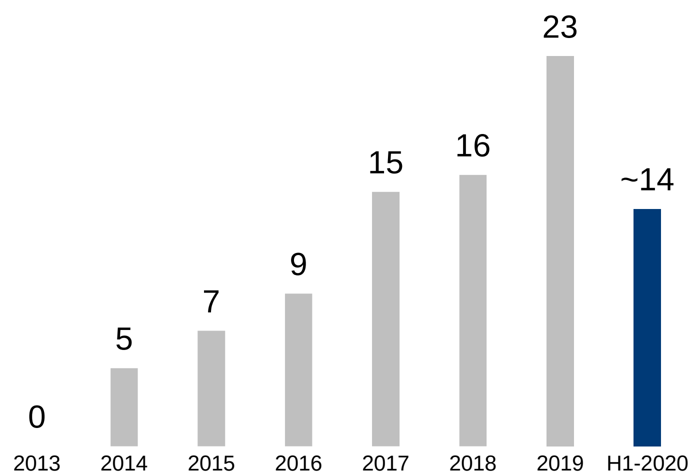
Source: Bloomberg.

Value-added services: Leveraging LEG‘s customer base to expand the value chain

LEG gewohnt gut.

Strong FFO contribution – Services

€m



NAV per share from services of
€ 5.3 – 8.0[1]
Not reflected in Group NAV

LEG WohnService	LEG EnergieService	LEG TechnikService
Partner vodafone	**Partner** innogy, lekker, uniper	**Partner** B&O
Cooperation	**Cooperation**	**Joint venture (51%)**
Multimedia: TV, internet and telephone	Electricity, heating, gas, metering	Small repair work, craftsmen services
Launch January 2014	Launch March 2015	Launch January 2017
Further roll-out of our media service offering in 2019 contributed >€1m to the FFO growth	Acquisition of outstanding 49% share in 2019 Successful cooperation with energy supplier to market electricity and gas 98% of new tenancies make use of green electricity offering	Increased our FTE’s by 31 (+10%) in order to better and faster serve our tenants

1 FY 2019; based on 4% - 6% discount rate.

Digitisation: Opportunities across all of LEG's strategic pillows

LEG is headed towards a leading position as a driver of innovation

Greatest digital achievements

- **Accounting Robot** in Receivables Management increases customer satisfaction as employees focus on customer need instead of repetitive bookkeeping-tasks
- Success with **tenant app**, **tenant portal** and **digital lease agreements**
- Streamlining **internal processes in maintenance** and repair to reduce costs

Current development

- Substituting written form by phone service to increase customer satisfaction
- **No more phone queues** as we call our customers back on demand
- **Monitoring water quality** in our apartment houses continuously and automatically through IoT increasing tenant safety and reducing costs

Digitisation in the long run

- Further **automation** of processes
- Development of ecosystems with **strategic partners** to increase customer satisfaction and retention
- Development of **value-add services** (disruptive topics)

LEG's innovation management approach

Internal scope

- Corporate culture supporting constant development / innovation
- State-of-the-art processes
- Collaboration and communication

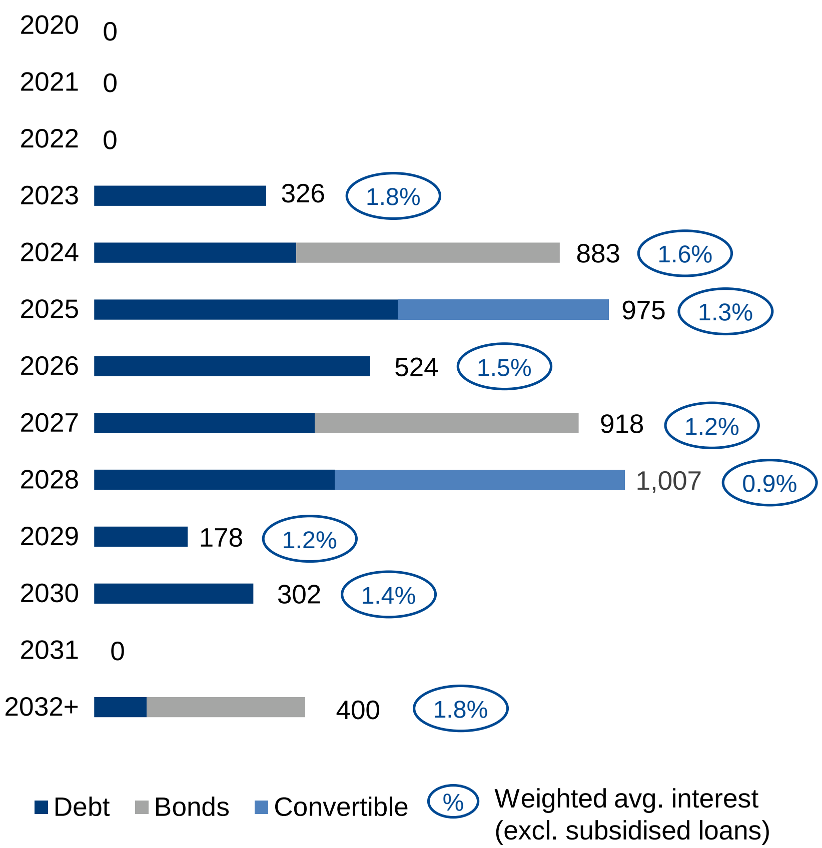
External scope

- Innovative services and business models
- Extensive network
- Alliances and strategic partnerships
- Transferable innovations and best practices

Strong financial profile

Maturity profile

€m



9M highlights

- Successful implementation of scrip dividend resulting in a reduced dividend payment by €84.6m
- No significant maturities until 2023
- Strong liquidity as of end of October with ~€300m cash at hand and ~€400m RCF's[1]

Average debt maturity (years)

Average interest costs

Loan-to-value

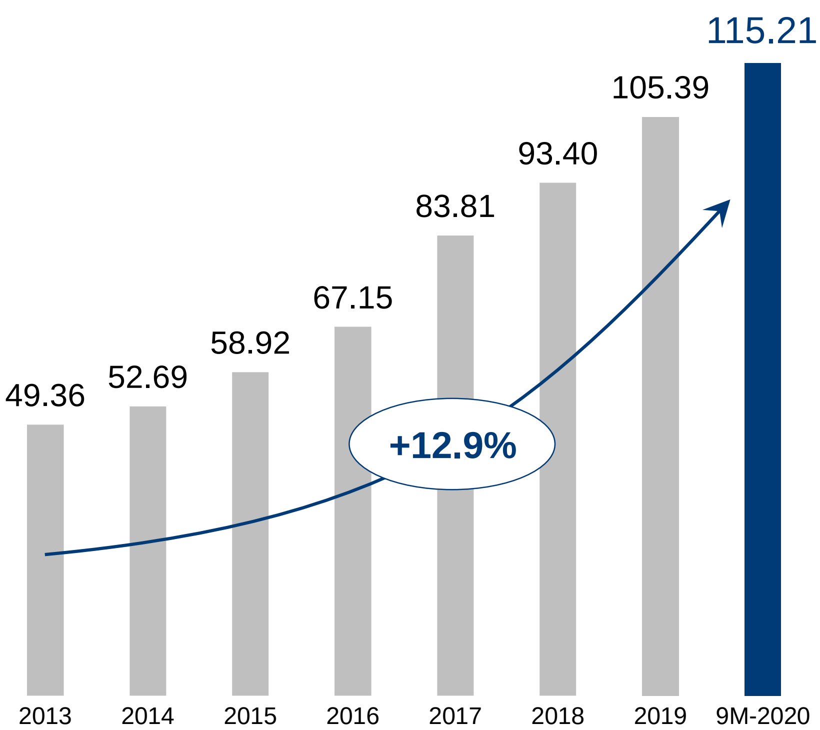
1 Taking the ~6,400 units acquisition from June with transfer of ownership by end of October as well as the linked cash outflows into account.

Agenda

Generating Attractive Shareholder Returns

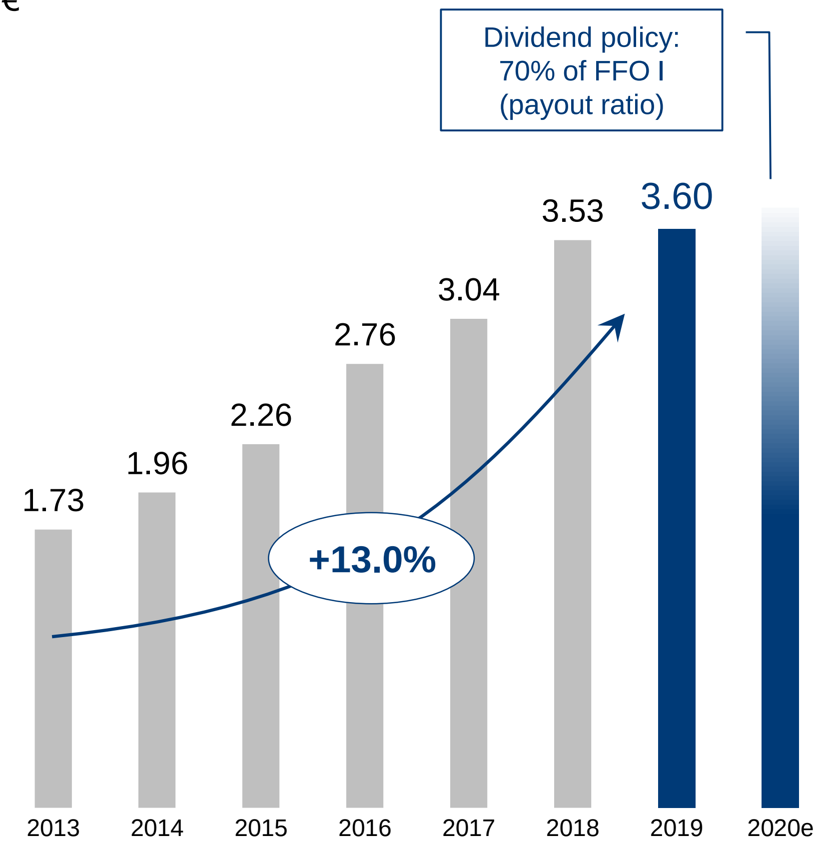
NAV per share

€, excl. goodwill



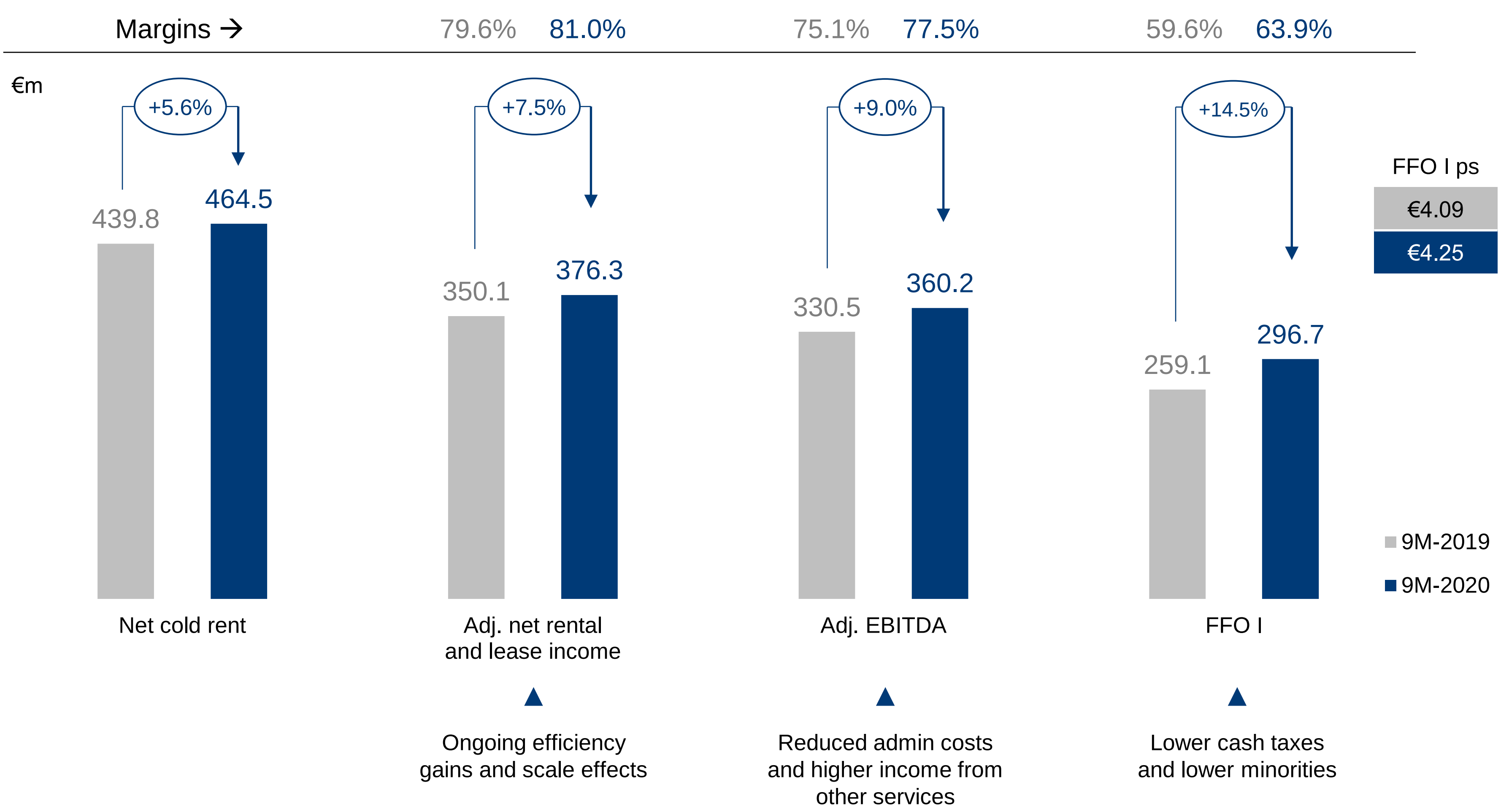
Dividend per share

€



CAGR

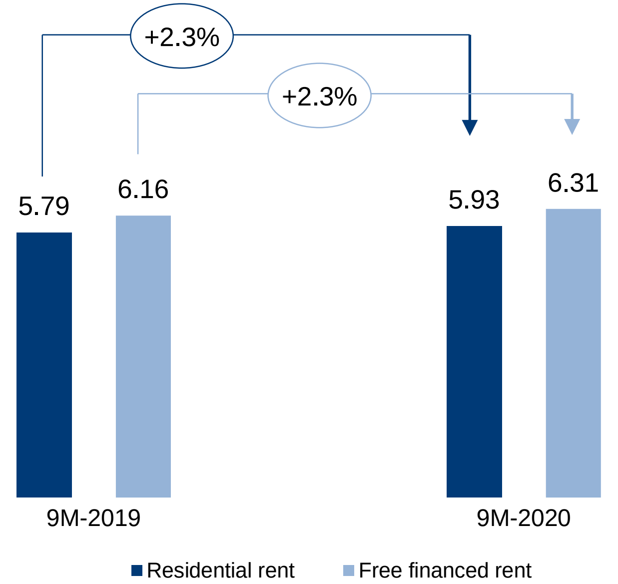
Margin expansion story continues



+2.3% l-f-l rental growth in 9M 2020

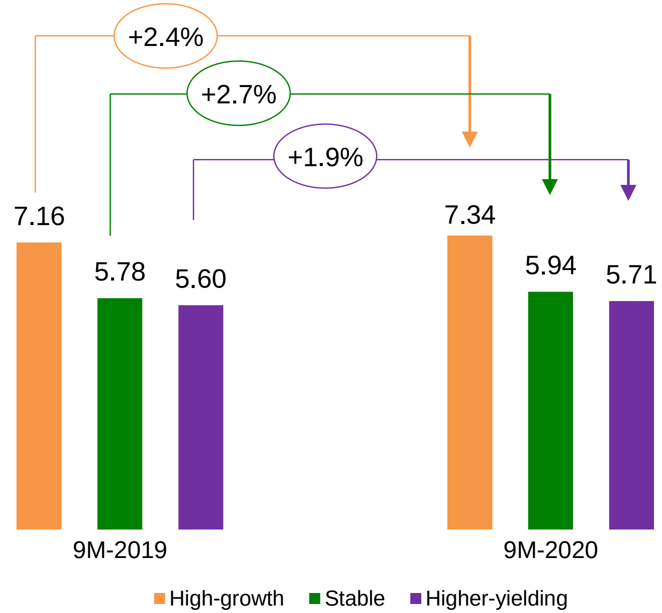
L-f-l rent development

(€/sqm/month)



L-f-l free financed rent development

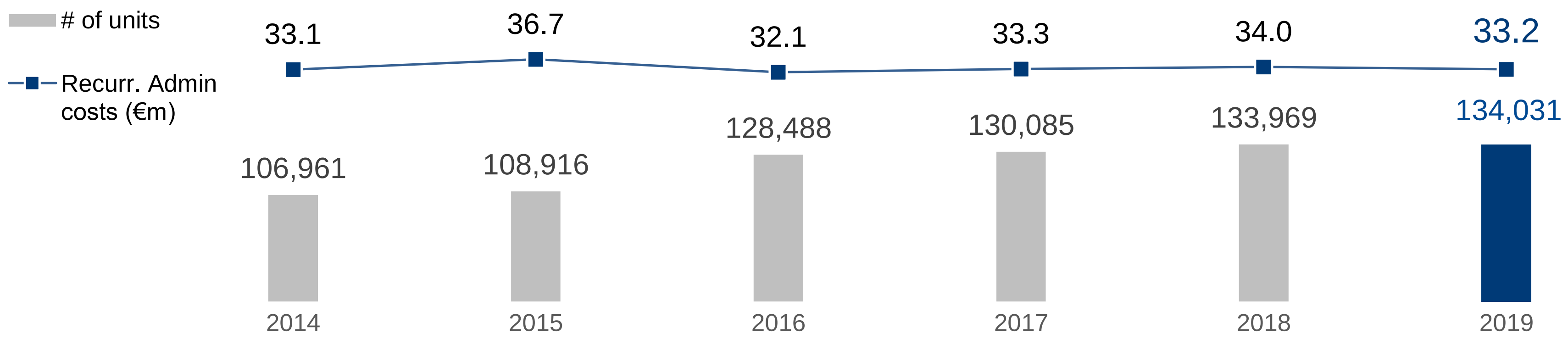
(€/sqm/month)



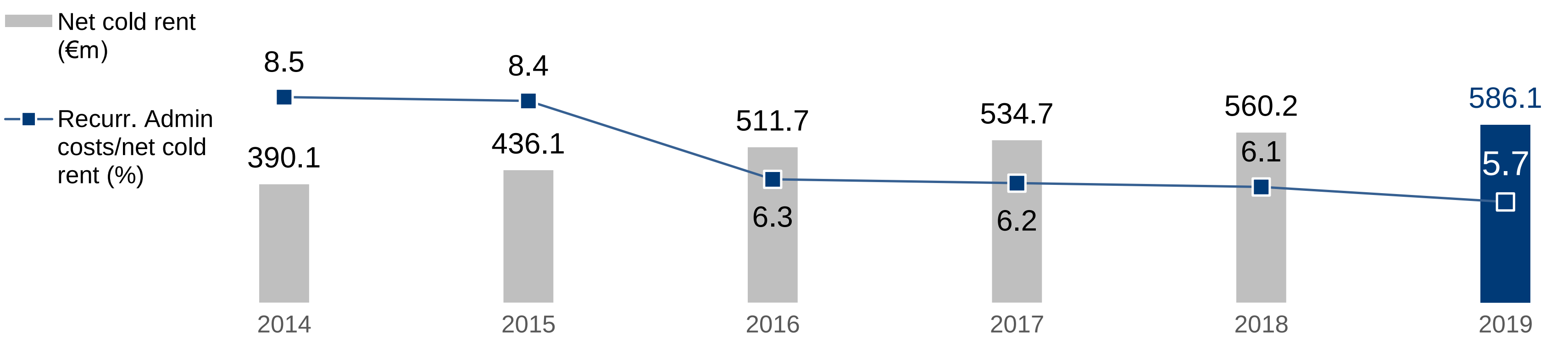
- Performance of free financed units demonstrates strong underlying fundamentals
- Some negative effects from Corona due to Mietspiegel rent increase suspension and postponed modernisation projects
- Rent restricted units: +2.0% year-on-year (like-for-like) due to cost rent adjustment in January 2020
- High exposure to structural growth markets and respective commuter belts support strong performance

Acquisitions: Discipline and strong management skills drive efficiency gains

Strong volume growth at decreasing overhead cost …

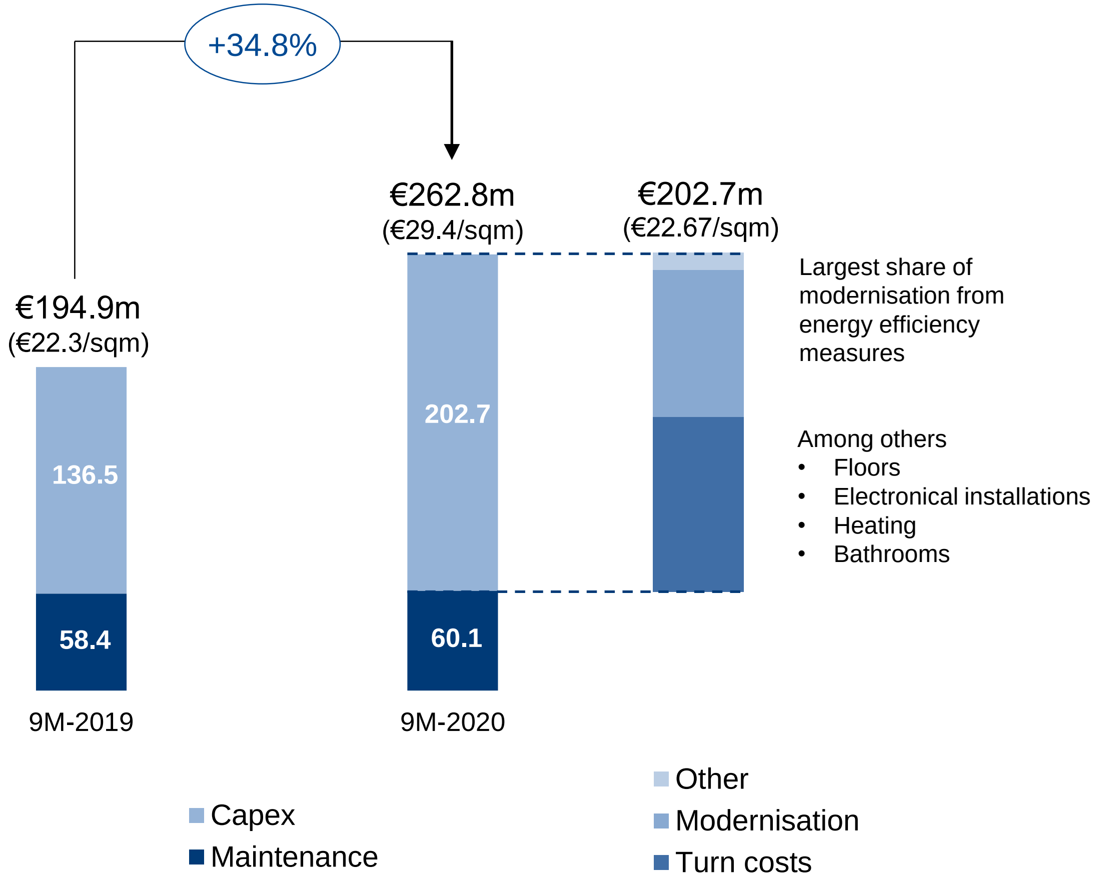


… leads to a significant drop of the administrative costs ratio



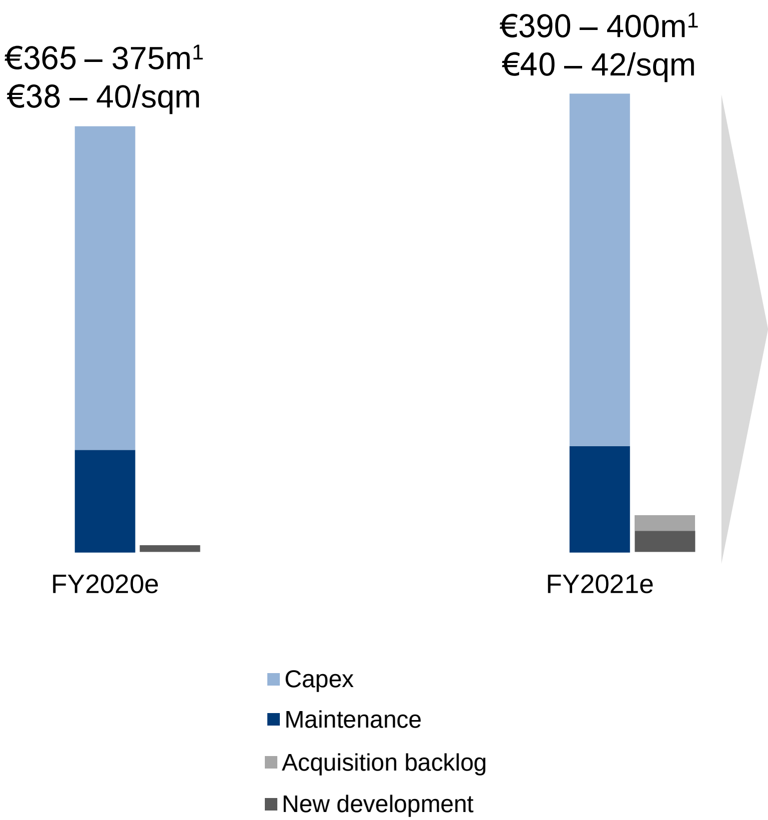
Agenda

Capex & maintenance
Ongoing focus on growth and energy efficiency

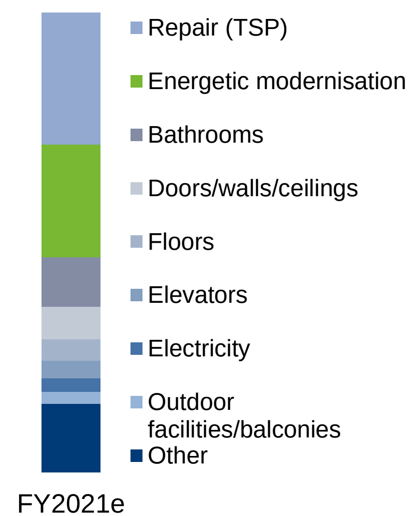


- Investments **increased c.35%** year-over-year due to strong increase in line with value enhancing capex
- Benefitting from available capacities and low VAT
- 9M increase mainly driven by energy efficient modernisation as well as value-enhancing turn-cost spending

Total portfolio related expenditures – breakdown



Split across types of expenditures



Split across markets and segments

1 Capex + Maintenance

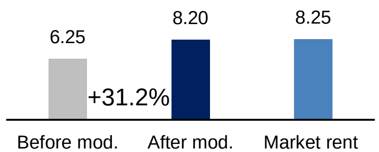
Operating performance

Increased investments in modernisation and energy efficiency measures translate into strong returns

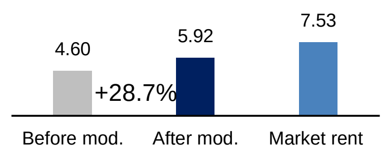
	Monheim	Dortmund	Herne
Market	High-growth	Stable	Higher-yielding
# of units	1,963	415	56
Total sqm	134,022	30,263	3,565
Year(s) of construction	1967 – 1971	1967	1962
Mod. start/completion[1]	2014 - 2021	2015 - 2018	2019 - 2020

Rent development[2] (€/sqm)

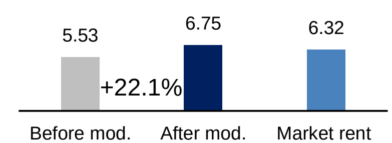
Monheim



Dortmund



Herne



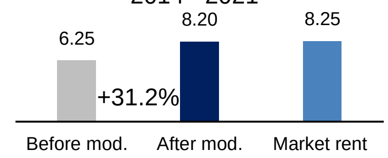
	Monheim		Dortmund		Herne	
Total investment[3]	€60.3m		€10.2m		€1.7m	
Share of modernisation	66%		60%		72%	
Yield total vs. mod.[4]	5.3%	8.1%	4.7%	7.9%	3.0%	4.2%
Modernisation and maintenance measures	E.g. thermal insulation composite system, windows, roof renewal with insulation, balconies renovation, cellar ceiling insulation, staircase paint		E.g. thermal insulation composite system, dismantling asbestos facade, windows, balconies, bell systems, fire protection doors, elevator system, intercom system		E.g. thermal insulation composite system, top floor ceiling insulation attic ceiling insulation, windows, balconies, house entrance doors, canopies, cellar exits	
Average reduction of energy demand p.a. after modernisation[5]	-40% ✓		-46% ✓		-45% ✓	

1 With the exception of the Herne project, all modernisation projects include several residential properties with staggered start and end dates over the specified period.
2 Square meter prices across all projects; market rent = median, offer rents for new lettings from 01.10. to 30.09.2020, excluding subsidised units and new buildings, including LEG's own offers.
3 Including investments for modernisation, maintenance and repair.
4 Statistical initial yield; spread of rent income after and before modernisation in relation to total investment or investment for modernisation; target yield for Monheim project as not all projects have yet been completed.
5 Calculated values.

Example 1: 1,963 modernised units in Monheim

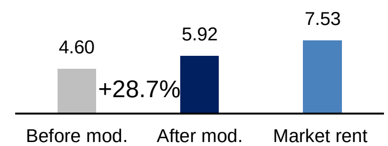
"Here in Monheim, LEG has invested many millions of euros to modernise the Berlin district over the past few years. We are of course delighted that the company is realising its largest project so far here. We have been working well together for many years on the stepwise development of this particular district – with great success."

Mayor of Monheim
Daniel Zimmermann

Market	High-growth
# of units	1,963
Total sqm	134,022
Year(s) of construction	1967 – 1971
Mod. start/completion[1]	2014 - 2021
Rent development[2] (€/sqm)	
Total investment[3]	€60.3m
Share of modernisation	66%
Yield total vs. mod.[4]	5.3% / 8.1%
Modernisation and maintenance measures	E.g. thermal insulation composite system, windows, roof renewal with insulation, balconies renovation, cellar ceiling insulation, staircase paint
Average reduction of energy demand p.a. after modernisation[5]	-40% ✓

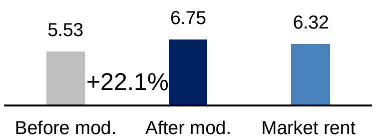
1 With the exception of the Herne project, all modernisation projects include several residential properties with staggered start and end dates over the specified period.
2 Square meter prices across all projects; market rent = median, offer rents for new lettings from 01.10. to 30.09.2020, excluding subsidised units and new buildings, including LEG's own offers.
3 Including investments for modernisation, maintenance and repair.
4 Statistical initial yield; spread of rent income after and before modernisation in relation to total investment or investment for modernisation; target yield for Monheim project as not all projects have yet been completed.
5 Calculated values.

Example 2: 415 modernised units in Dortmund

Market	**Stable**
# of units	415
Total sqm	30,263
Year(s) of construction	1967
Mod. start/completion[1]	2015 - 2018
Rent development[2] (€/sqm)	
Total investment[3]	€10.2m
Share of modernisation	60%
Yield total vs. mod.[4]	4.7% / 7.9%
Modernisation and maintenance measures	E.g. thermal insulation composite system, dismantling asbestos facade, windows, balconies, bell systems, fire protection doors, elevator system, intercom system
Average reduction of energy demand p.a. after modernisation[5]	-46%

1 With the exception of the Herne project, all modernisation projects include several residential properties with staggered start and end dates over the specified period.
2 Square meter prices across all projects; market rent = median, offer rents for new lettings from 01.10. to 30.09.2020, excluding subsidised units and new buildings, including LEG's own offers.
3 Including investments for modernisation, maintenance and repair.
4 Statistical initial yield; spread of rent income after and before modernisation in relation to total investment or investment for modernisation; target yield for Monheim project as not all projects have yet been completed.
5 Calculated values.

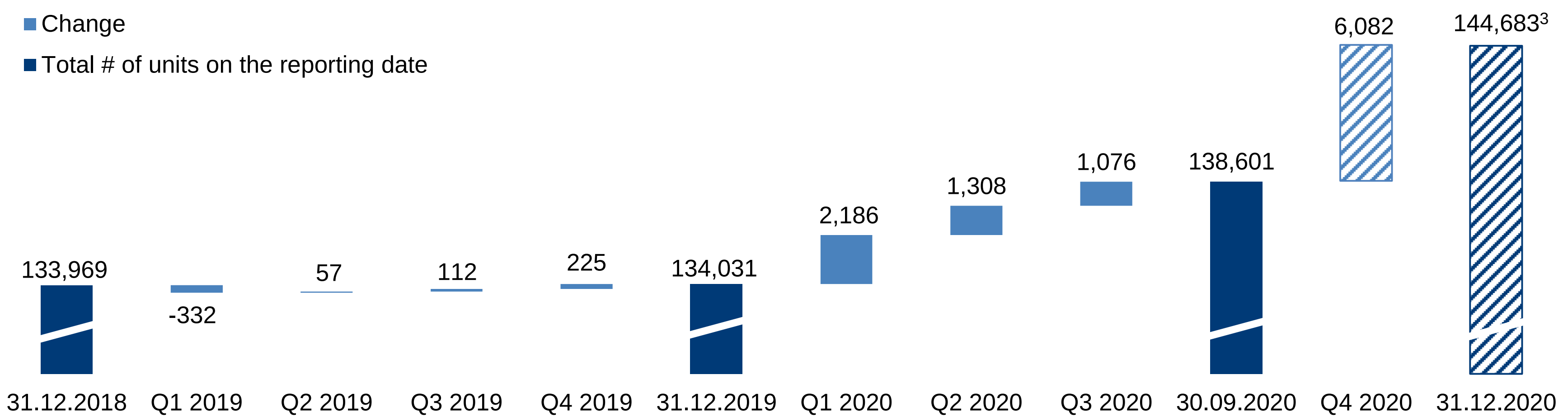
Example 3: 56 modernised units in Herne

Market	Higher-yielding	
# of units	56	
Total sqm	3,565	
Year(s) of construction	1962	
Mod. start/completion[1]	2019 - 2020	
Rent development[2] (€/sqm)		
Total investment[3]	€1.7m	
Share of modernisation	72%	
Yield total vs. mod.[4]	3.0%	4.2%
Modernisation and maintenance measures	E.g. thermal insulation composite system, top floor ceiling insulation attic ceiling insulation, windows, balconies, house entrance doors, canopies, cellar exits	
Average reduction of energy demand p.a. after modernisation[5]	-45% ✓	

1 With the exception of the Herne project, all modernisation projects include several residential properties with staggered start and end dates over the specified period.
2 Square meter prices across all projects; market rent = median, offer rents for new lettings from 01.10. to 30.09.2020, excluding subsidised units and new buildings, including LEG's own offers.
3 Including investments for modernisation, maintenance and repair.
4 Statistical initial yield; spread of rent income after and before modernisation in relation to total investment or investment for modernisation; target yield for Monheim project as not all projects have yet been completed.
5 Calculated values.

Agenda

Portfolio transactions: Based on date of transfer of ownership[1,2]



	31.12.2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	31.12.2019	Q1 2020	Q2 2020	Q3 2020	30.09.2020	Q4 2020	31.12.2020
Acquisitions	0	146	181	3,205	**3,532**	2,361	1,509	1,122	**4,992**	6,380	**11,372**	
Locations / State [4]		NRW	NRW	NRW Bremen (HB) Godingen (LS) Hanover (LS) Oldenburg (LS) Salzgitter (LS)		NRW	NRW Kaiserslautern (RP)	NRW Flensburg (SH)		NRW Brunswick (LS) Hanover (LS) Koblenz (RP) Rhine-Neckar (RP/BW)		
Divestments	332	89	69	2,980	**3,470**	175	201	46	**422**	298	**720**	
Change	-332	57	112	225	**62**	2,186	1,308	1,076	**4,570**	6,082	**10,652**	

1 Residential units.
2 Note: The date of the transaction announcement and the transfer of ownership are usually several months apart. The number of units may therefore differ from other disclosures, depending on the data basis.
3 Pro-forma number of residential units including ~7,500 units acquired in June 2020, total transfer of ownership expected for Q4 2020. Subject to change should additional acquisitions and/or disposals occur.
4 BW = Baden-Wurttemberg, HB = Bremen, LS = Lower Saxony, NRW = North Rhine-Westphalia, RP = Rhineland-Palatinate, SH = Schleswig-Holstein.

Portfolio valuation: With €1,440/sqm @4.8% gross yield still at attractive levels in absolute and relative terms

LEG gewohnt gut.

Market segment	Residential Units	GAV Residential Assets (€m)	GAV/ sqm (€)	Gross yield	In-Place Rent Multiple	Market Multiples[1]	GAV Commercial/ Other (€m)	Total GAV (€m)
High-Growth Markets	41,918	5,612	2,001	4.0%	25.2x	21.4x	252	5,864
Stable Markets	54,203	4,404	1,284	5.2%	19.3x	17.1x	141	4,545
Higher-Yielding Markets	42,360	2,676	1,036	6.1%	16.5x	15.0x	86	2,762
Total Portfolio[2]	138,601	12,692	1,440	4.8%	20.7x	18.2x	478	13,171

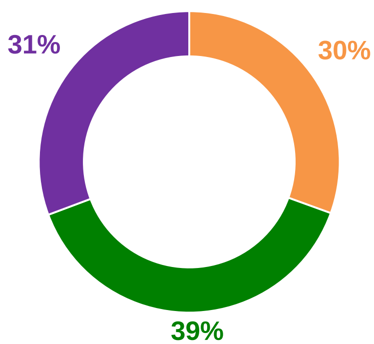
1 Estimated rental values as of 30 June 2020.
2 Incl. 120 units intended for disposal.

Well-balanced portfolio with significant growth potential

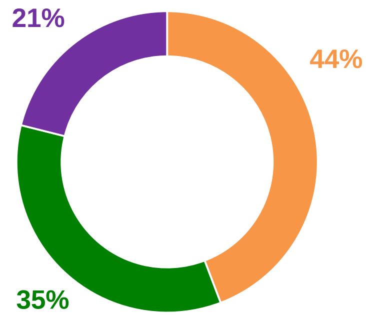
gewohnt gut.

30.09.2020
By Market

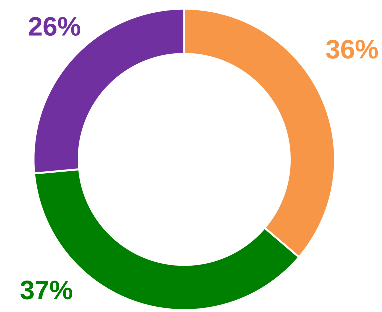
Units



Gross Asset Value

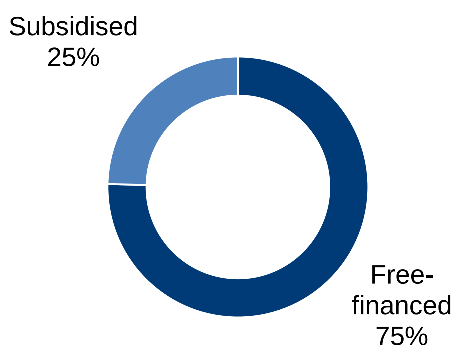


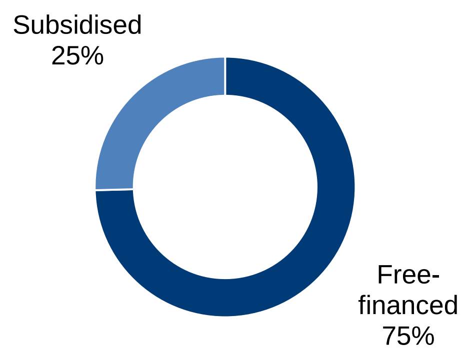
Rental Income

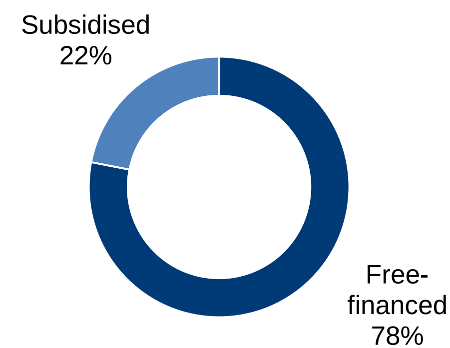


High Growth Markets Stable Markets Higher Yielding Markets

Restricted vs. unrestricted

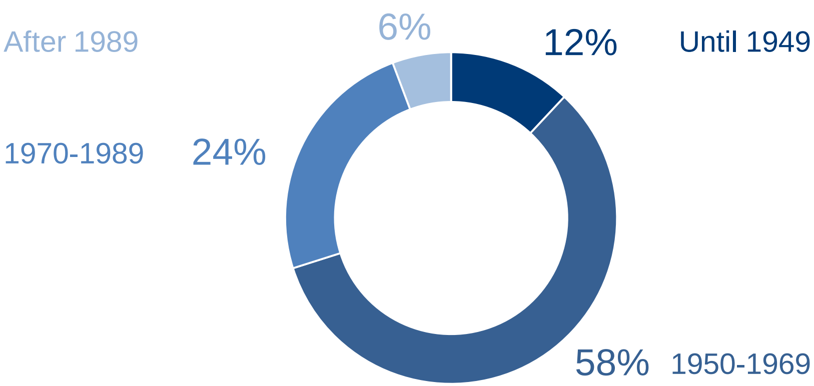




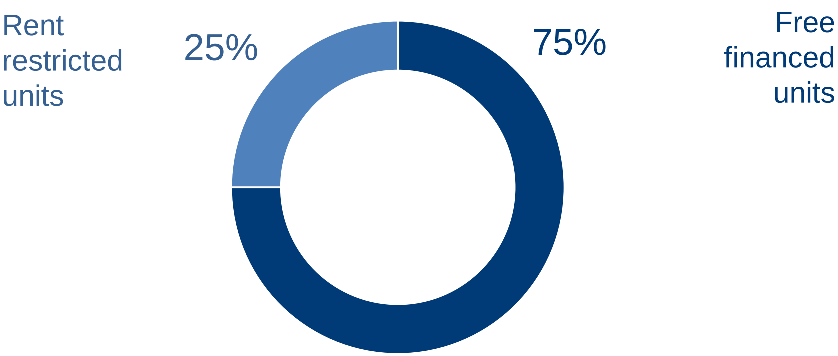


Portfolio structure

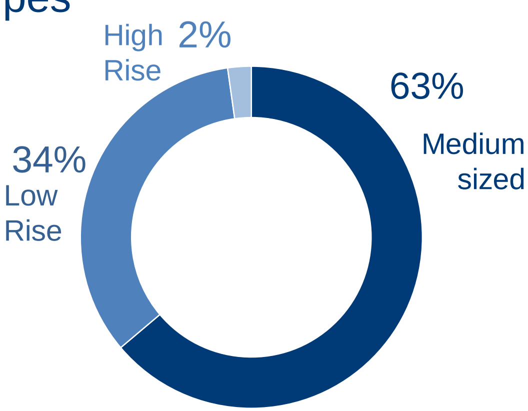
Construction Years



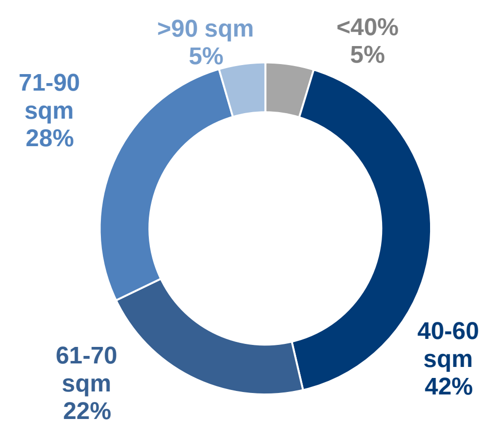
Free Financed / Rent Restricted Units



Building Types[1]



Apartment Size[2]



1 Based on number of buildings. Buildings are measured by entrances.
2 Refers to housing only.

Unlocking value potential through construction on own land

Total pipeline

- Total pipeline of c.1,000 units, yield on cost >4.5%
- Target: 500 new build units per year from 2023[1)]

Münster

- Four buildings with 51 units in Münster: seizing value potential through densification on vacant plots of own land
- Construction cost €7.7m or c.€2,200/sqm; IPR around €13/sqm
- Respecting the environment and responding to demographic changes

Hilden (Greater Düsseldorf)

- Construction of 3 buildings with 38 apartments completed in May 2020
- Respecting the environment and responding to demographic changes

Cologne (Höhenhaus)

- 43 buildings with c. 200 units will be replaced by 400 units
- Approx. 30% of apartments will be subsidised or price-demanded units, resulting in varying levels of in-place rent
- Will include a kindergarten and be responsive to aging tenants

www.leg-wohnen.de/Gartensiedlung

New construction in Hilden

1 250 new build units + acquisition of 250 new build units.

Continued shortage of affordable housing: Replacement costs significantly exceed LEG asset values

Residential replacement costs of the LEG portfolio

- Minimum replacement cost for **new-built product at c. €2,700 per sqm[2]**
- The portfolio of **affordable living product is de facto irreplaceable** at comparable cost base
- At **~€2,700 minimum replacement cost for a comparable new product**, the **company's in-place yield** of **4.8%** would **imply a rent/sqm requirement of c. €12/sqm[1]**, which is **not feasible to achieve in the affordable living segment**

LEG's portfolio is conservatively valued at €1,440/sqm,
a valuation level below Germany-wide replacement cost for new stock, offering attractive yield

Source: Company information
1 9M-2020; theoretical rent/sqm based on 4.8% yield of LEG.
2 LEG estimates, minimum standard, excl. land.

Agenda

Social responsibility - What we have done so far

LEG gewohnt gut.

Creation of an organisational and reporting structure

- Management Board bears overall responsibility
- Top decision-maker Management Board: Lars von Lackum, CEO
- Responsible Supervisory Board member: Stefan Jütte
- Steering Committee for strategic decisions and pooling of the activities includes the Heads of key divisions/functions
- Dedicated sustainability department
- Sustainability Officers/Data Owners in various departments for monitoring the achievement of goals and for data collection
- Sustainability Manager as interface
- New committee established in 2019 working on the achievement of climate targets

Disclosure and assessments

- Annual Sustainability Reports 2017 - 2019 based on GRI standard and including EPRA Sustainability Performance Measures
- Participation in GRESB Real Estate Assessment
- EPRA Gold Award in 2020
- Significantly improved Sustainalytics Rating

EPRA sBPR GOLD

GRESB REAL ESTATE

SUSTAINALYTICS a Morningstar company

Environmental commitment

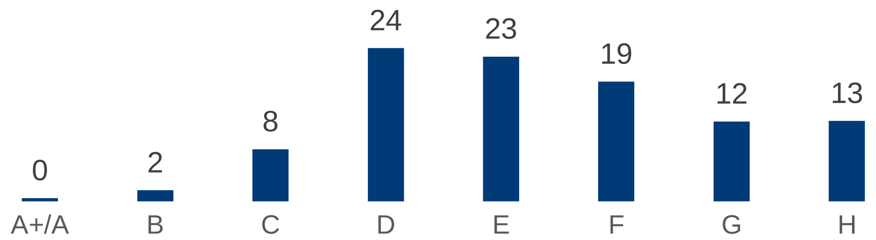
LEG set itself measurable and publicly communicated targets for the energetic improvement of the portfolio and reports on their achievement in its sustainability reports

Environmental targets

- Energy efficient modernisation of more than 15% of our portfolio i.e. 3% p.a. on average from 2017-2021
- Thereby reducing the number of residential buildings in energy efficiency classes G and H by more than 20%
- Increasing tenants' awareness (consumption transparency through utility and heating cost invoicing; tenants' manual)

LEG residential portfolio by energy efficiency classes

(in %, FY 2019)



In 2019, potential reduction of another c.5,400 metric tons of CO_2 achieved

Social commitment

DEIN ZUHAUSE HILFT Stiftung

Tenants

- Offering attractive housing at affordable rents
- Cooperation with professional partners for housing-related services or offers (multimedia, green electricity at attractive prices)
- Annual inspections of all buildings to ensure tenants' health, safety and well-being
- Socially oriented neighbourhood and integration management
- Numerous tenant events
- Monitoring of tenant satisfaction
- Customer advisory council
- LEG Tenant Foundation for short-term financial assistance
- New €16m foundation for sustainable social work

Employees

- Vocational training and professional development
- Charta of Diversity signed (www.charta-der-vielfalt.de)
- Gender equality and reconciliation of work and family (audit certificate, www.berufundfamilie.de)
- Transparent remuneration structures (own collective bargaining agreement)
- Occupational health management (e.g. health and safety checks, preventive measures, training)
- Regular surveys on employee satisfaction (www.greatplacetowork.de)

Suppliers

- Suppliers Code of Conduct

Social commitment during the crisis

DEIN ZUHAUSE HILFT Stiftung

LEG gewohnt gut.

Coronavirus crisis: LEG's voluntary 10-point paper (21 March 2020) and additional measures

Support and protection for tenants

- Temporary suspension of rent increases in line with Mietspiegel
- No termination of rental agreements, no evictions
- Supporting of small business/commercial tenants

Social initiatives

- Special offers for system-relevant professionals
- €1m for corona aid measures through foundation („Your home helps“)
- Organisation of neighbourhood assistance
- Commitment to homeless people

Protection of employees

- Work from home to provide safety and flexibility for employees and their families
- Protection gear for employees
- Benefits for employees during times of closed schools and nursery schools

Legal amendment on federal level

- Tenants cannot be evicted if they are not able to pay their rents for April-June 2020 due to the coronavirus crisis
- Deferral until June 2022 at the latest; interests (4%) can be charged

Corporate Governance

Corporate Governance Code

- Compliance with the German Corporate Governance Code
- Member of the Corporate Governance Institute of the German Real Estate Association

Board Structure

- Two-tier structure of Management Board and Supervisory Board
- Supervisory Board 100% independent
- Diversity concept for Management and Supervisory Board
- *Further information: cf. LEG Annual Report*

Compliance Management System

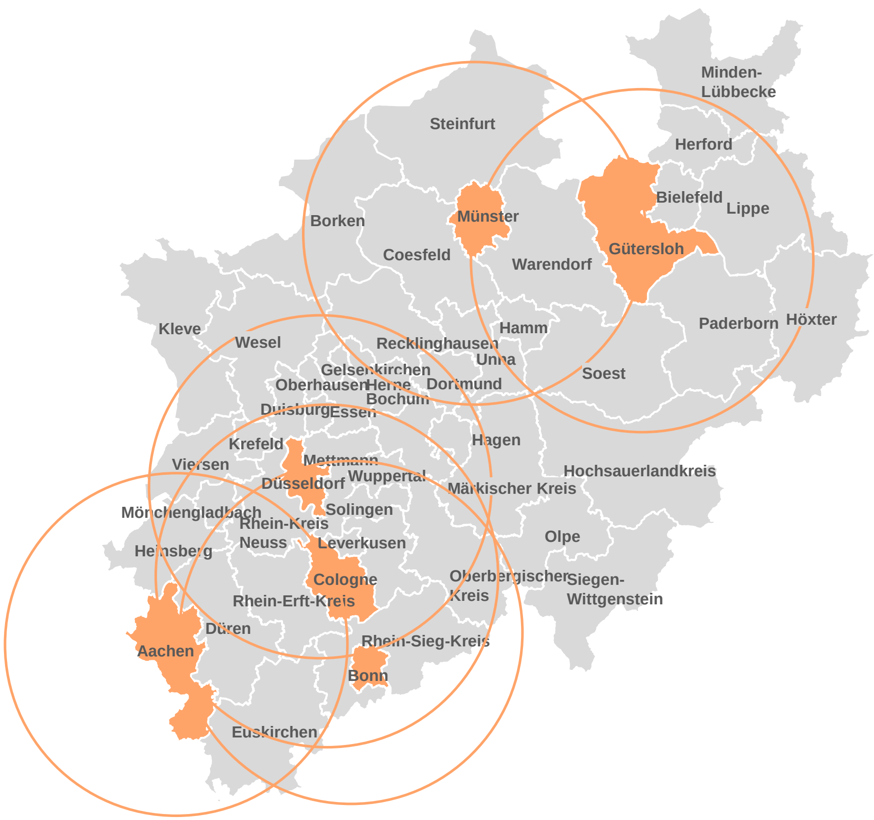
- Certified Compliance Management System
- Focus on fair and responsible business, competition regulation, data protection, tax compliance, capital market and product compliance
- Code of Conduct (as part of employment contracts and supplier contracts)
- Training of all employees, dedicated Intranet page and compliance manual
- Whistleblower system for employees and third parties
- Compliance Officer, Anti-Corruption Officer and external ombudsman

Agenda

Portfolio highly exposed to structural growth markets

LEG
gewohnt gut.

Geographic reach of growth cities
(60 km radius)



Key data

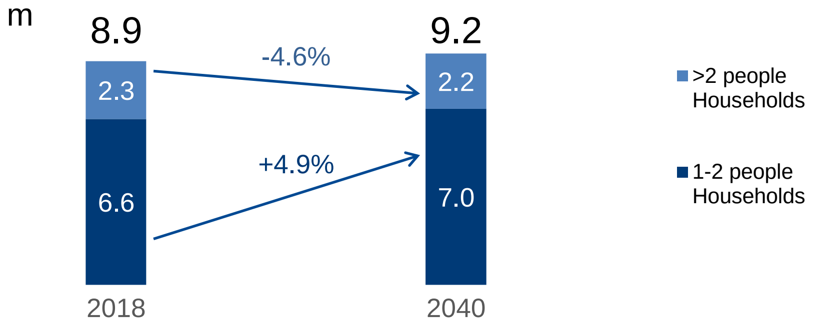
- Approx. **89% of LEG's portfolio** is located in the **catchment area of growth cities** (60 km) and around **64%** in the **commuter belts** (60 km) **of Düsseldorf and Cologne**, the most populous cities in NRW
- **Many principal university cities are located in NRW**, e.g. Aachen, Bochum, Bonn, Cologne, Dortmund, Düsseldorf and Münster

North-Rhine Westphalia (NRW)

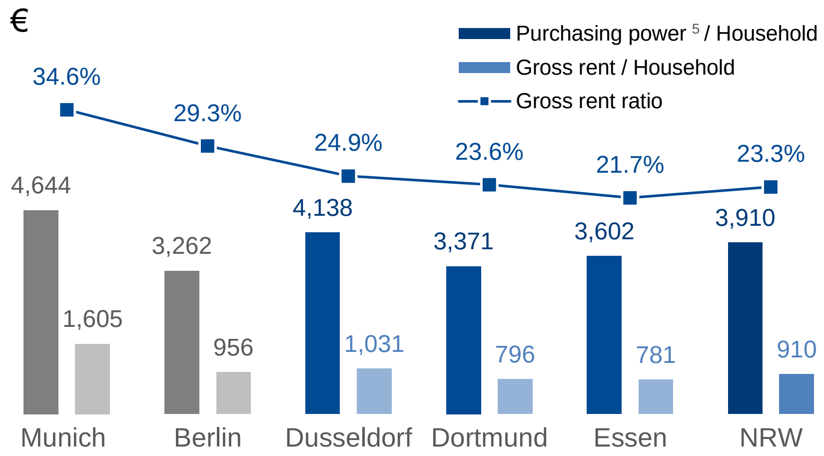
Favourable demograhics

- **Key metropolitan area in Germany, and one of the largest areas in Europe** (17.9m[2] inhabitants in 2018)
- **Highest population density[3] – key advantage for efficient property management**
- **Low unemployment rate** (average of 6.5%[3])
- Average growth of **1-2 person households** of 4.9%[1] expected in NRW (2018 – 2040). Process driven by decrease of average household size
- **Low home ownership** of approx. 44%[4] in NRW in 2019 (42%[4] in Germany) provides for **consistent demand**
- **High affordability** (on average 23.3% of household purchase power spent on gross rent)
- **High demand for affordable living product:** Approx. 40% of households with income of less than €2,000[4] per month in 2019
- **Beneficiary from immigration** thanks to liquid labour market and balanced mix of industries

NRW household growth 2018 – 2040[1]



High affordability

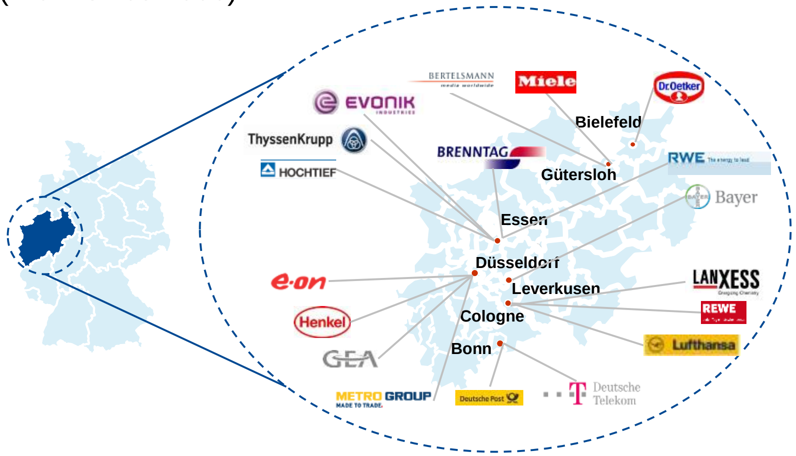


1 IT.NRW based on micro census 2011 and population extrapolation as of 01.01.2018.
2 IT.NRW (2019).
3 Federal Statistical Office (2019).
4 Statista.com (2018).
5 Net income pre tax and social insurance contributions and including received transfer payments.

North-Rhine Westphalia (NRW)

Favourable economic climate

- **Germany's economic powerhouse** generating approx. 21% of German GDP
- **About one third** of the **largest companies in Germany** are **based in NRW**
- **Centrally located** in Europe, excellent infrastructure and a **key transport hub** (with multiple airports, dense railway system, motorway network and waterways)
- **Robust labour market** with decreasing rate of unemployment (-40% since 2006)



Leading positions in important industries

Direct investments: #1 in Germany for foreign investors
- 29.2% of direct investments in Germany

Chemicals: #1 in Germany, #5 in Europe (sales)
- NRW generates 30.8% of German sales

Biotechnology: #1 in Europe, #9 worldwide (patents)
- Highest number of biotech patent applications in Europe
- NRW generates 44.4% of German sales

Microsystems Technology: top position
- 28% of all German players are located in NRW with focuses in Aachen, Cologne/Bonn, Münster, and Dortmund as a hotspot

Nanotechnology: top position in Germany and Europe
- More than 200 companies, thereof 50 large companies
- 220 institutes (of which 9 Fraunhofer, 3 Max Planck and universities)

Mobile communication: #1 in Germany
- NRW companies account for 83% of the German mobile communication market

Education: 6 of 10 largest universities located in NRW[2)]
- e.g. RWTH Aachen, one of the largest technical universities in Europe, renowned for engineering, IT and natural sciences

Agenda

PURE LEG PLAY

FFO calculation

€m	9M-2020	9M-2019
Net cold rent	464.5	439.8
Profit from operating expenses	-1.2	-0.9
Maintenance (externally-procured services)	-37.4	-36.9
Staff costs	-53.7	-48.8
Allowances on rent receivables	-5.6	-5.8
Other	6.5	-0.3
Non-recurring project costs (rental and lease)	3.2	2.9
Recurring net rental and lease income	**376.3**	**350.0**
Recurring net income from other services	**6.6**	**3.4**
Staff costs	-16.0	-24.4
Non-staff operating costs	-13.6	-10.9
Non-recurring project costs (admin.)	6.9	12.0
Recurring administrative expenses	**-22.7**	**-23.3**
Other income and expenses	**0.0**	**0.4**
Adjusted EBITDA	**360.2**	**330.5**
Cash interest expenses and income	-59.7	-58.4
Cash income taxes from rental and lease	-2.0	-10.0
FFO I (including non-controlling interests)	**298.5**	**262.1**
Non-controlling interests	-1.8	-3.0
FFO I (excluding non-controlling interests)	**296.7**	**259.1**
FFO II (including disposal of investment property)	**295.5**	**255.9**
Capex-adjusted FFO I (AFFO)	**94.0**	**122.6**

- +€24.7m YOY/+5.6%

- Growth in staff costs mainly due to increased tariff and additional FTE's (operations and craftsmen services)

- Adj. NRI increased by +€26.3m YOY (+7.5%)

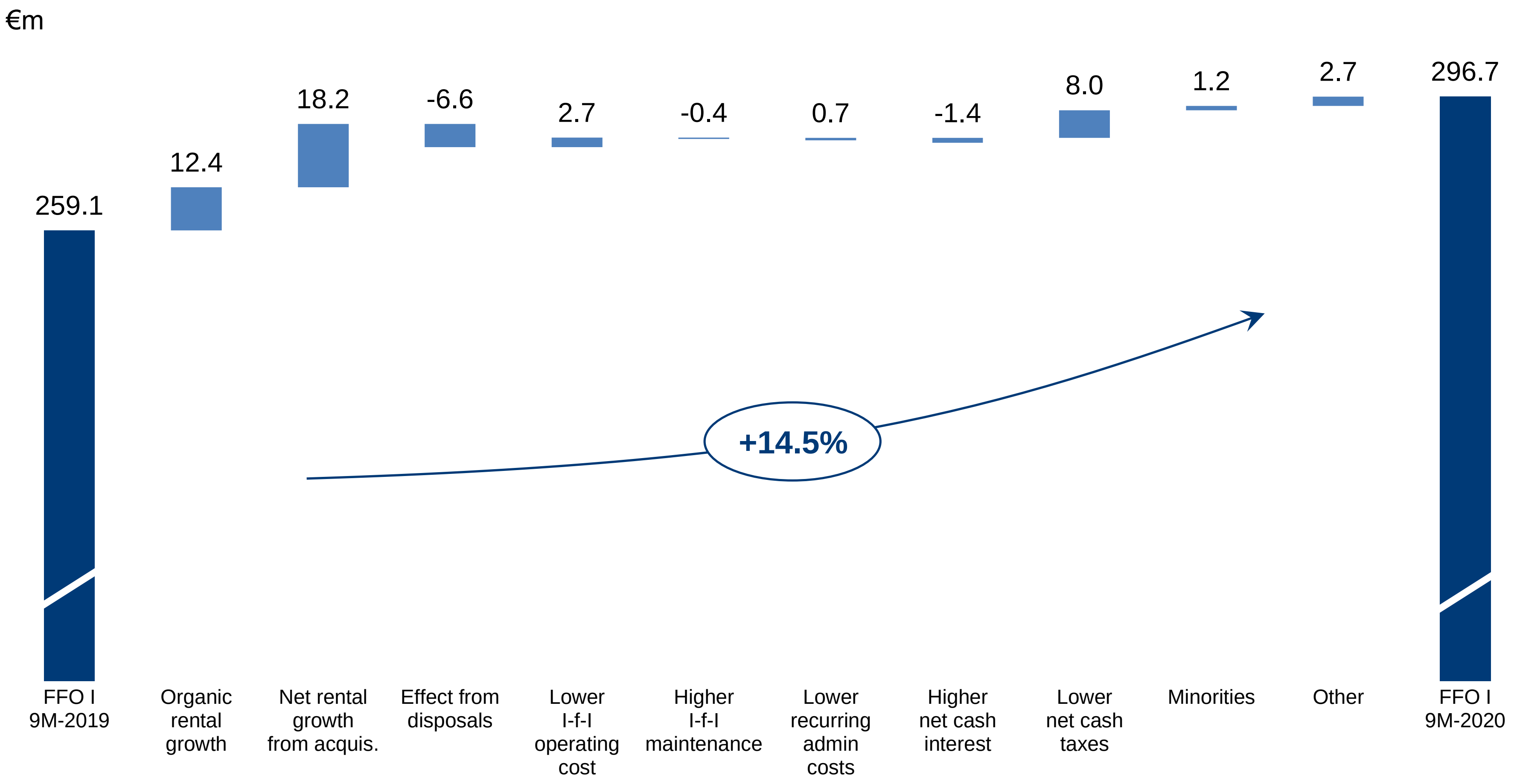
- Staff costs impacted by one-time payments in 2019

- Admin. cost slightly reduced

- EBITDA increased by +€29.7m YOY (+9.0%)

- Nearly stable interest costs (average costs in Q3-2020: 1.35% vs. 1.64% in Q3-2019) despite higher debt volume

FFO bridge 9M-2020: Increase of +€37.6m (+14.5%)



Income statement

€m	9M-2020	9M-2019
Net rental and lease income	365.7	340.2
Net income from the disposal of investment property	-0.8	-0.8
Net income from the valuation of investment property	593.3	551.6
Net income from the disposal of real estate inventory	-2.3	-2.0
Net income from other services	4.2	1.5
Administrative and other expenses	-32.6	-38.0
Other income	0.1	0.4
Operating earnings	**927.6**	**852.9**
Net finance costs	**-112.9**	**-182.0**
Earnings before income taxes	**814.7**	**670.9**
Income tax expenses	**-158.6**	**-182.0**
Consolidated net profit	**656.1**	**488.9**

- Higher rental income +€24.7m YOY/+5.6%

- Recurring admin. costs reduced

- Net income from fair value measurement of derivatives -€43.7m (9M-2019: -€91.3m)
- Slight increase of cash interests (€59.7m; +€1.3m YOY) due to rising debt volume

- Cash taxes FFO I -€2.9m, cash taxes from disposals -€0.9m

Balance sheet

€m	30.09.2020	31.12.2019
Investment property	13,222.2	12,031.1
Other non-current assets	350.5	322.7
Non-current assets	**13,572.7**	**12,353.8**
Receivables and other assets	128.9	89.6
Cash and cash equivalents	848.8	451.2
Current assets	**977.7**	**540.8**
Assets held for sale	33.7	25.2
Total Assets	**14,584.1**	**12,919.8**
Equity	**6,677.6**	**5,933.9**
Non-current financing liabilities	5,241.5	4,856.8
Other non-current liabilities	1,878.8	1,654.2
Non-current liabilities	**7,120.3**	**6,511.0**
Current financing liabilities	487.3	197.1
Other current liabilities	298.9	277.8
Current liabilities	**786.2**	**474.9**
Total Equity and Liabilities	**14,584.1**	**12,919.8**

- Revaluation €593.3m
- Acquisitions €431.5m
- Capex, additions €203.5m

- Cash flow from operating activities €240.5m
- Investing activities -€607.9m
- Financing activities €765.0m
  - Issue of convertible bond €544.0m
  - Capital increase €269.6m
  - Borrowing of bank loans €258.4m
  - Repayment of loans -€173.5m
  - Cash dividend -€172.4m

LTV

€m	30.09.2020	31.12.2019
Financial liabilities	5,728.8	5,053.9
Excluding lease liabilities (IFRS 16)	29.5	31.8
Cash & cash equivalents	848.8	451.2
Net Debt	**4,850.5**	**4,570.8**
Investment properties	13,222.2	12,031.1
Properties held for sale	33.7	25.2
Prepayments for investment properties	69.7	53.5
Property values	**13,325.6**	**12,109.8**
Loan to Value (LTV) in %	**36.4**	**37.7**
Pro forma LTV in %[1]	**~40.0**	**37.7**

- Strong balance sheet with LTV of 36.4%
- Pro forma LTV (including payment of acquisitions) of around 40%

1 Taking the remaining ~6,400 units acquisition into account.

EPRA-Net Asset Value

€m	30.09.2020	31.12.2019
Equity (excl. minority interests)	**6,653.1**	**5,909.9**
Effect of exercising options, convertibles and other rights	444.9	26.1
NAV	**7,098.0**	**5,936.0**
Fair value measurement of derivative financial instruments	120.2	84.0
Deferred taxes[1]	1,567.4	1,336.4
EPRA-NAV	**8,785.6**	**7,356.4**
Number of shares fully-diluted incl. convertible (m)	75,534	69.010
EPRA-NAV per share in €	**116.31**	**106.60**
Goodwill resulting from synergies	83.0	83.4
Adjusted EPRA-NAV (excl. goodwill)	**8,702.6**	**7,273.0**
Adjusted EPRA-NAV per share in €	**115.21**	**105.39**

- €593.3m revaluation
- €354.1m capital increase
- €257.0m dividend payment (of which €84.6m in shares)

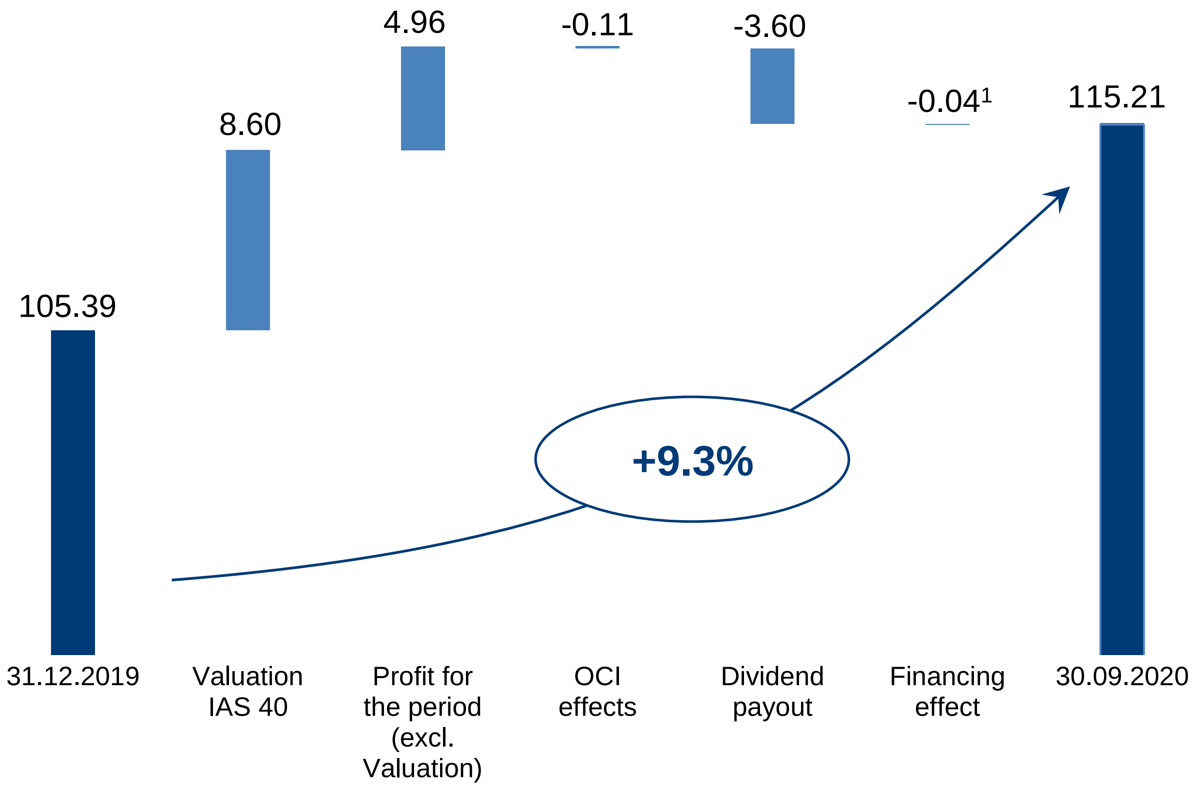
- Including €418.8m positive equity effect from 2017/2025 convertible bond ("in the money"[2]) and €15.4m negative equity accounting effect

- Gross yield of 4.8% (thereof free financed portfolio: 5.0%) and value per sqm (€1,440) still reflect decent gap to recent portfolio transactions
- Value of services business not included in NAV
  - Scenario: additional value approx. €5.30 - €8.00 per share (FY 2019; discount rate of 4.0% - 6.0%)

1 And goodwill resulting from deferred taxes on EPRA-adjustments.
2 As of 30 September 2020 the share price of €121.80 is higher than the current conversion price (€116.34) of the 2017/2025 convertible bond. Therefore, the effects in the NAV reconciliation are shown as dilutive (3,438,349 dilutive shares).

EPRA Net Asset Value of €115.21 per share

Adj. EPRA NAV ps (in €)



- Profit and revaluation gains as the key drivers for NAV uplift in 9M 2020
- Minor effects from OCI and the capital increase

1 Effects from capital increase (€-0.14 per share) and 2017/2025 convertible bond (in the money; €+0.10 per share).

Fischbach to become new contributor to our services business as LWS Plus

LEG WohnService	LEG EnergieService	LEG TechnikService	LEG LWS Plus
Partner	**Partner**	**Partner**	former
vodafone	innogy, lekker, uniper	B&O	Fischbach Service
Cooperation	**Cooperation**	**Joint venture (51%)**	**100% entity**
Multimedia: TV, internet and telephone	Electricity, heating, gas, metering	Small repair work, craftsmen services	General contractor services
Launch January 2014	Launch March 2015	Launch January 2017	Acquisition October 2020

Group P&L effect of LWS Plus (formerly Fischbach)

€m	2019	Annual effect 2021 LEG LWS Plus	
Net cold rent	586.1		
Profit from operating expenses	-2.8		
Maintenance (externally-procured services)	-61.0		
Staff costs	-68.2	- €5-6m	Lower staff costs from internalization/ capitalization of costs
Allowances on rent receivables	-7.9		
Other	-1.3		
Non-recurring project costs (rental and lease)	8.3		
Recurring net rental and lease income	**453.2**	+ €5-6m	Improved income
Recurring net income from other services	**6.0**		
Staff costs	-30.1		
Non-staff operating costs	-32.6		
Non-recurring project costs (admin.)	29.5		
Recurring administrative expenses	**-33.2**		
Other income and expenses	**0.5**		
Adjusted EBITDA	**426.5**	+ €5-6m	Improved EBITDA / EBITDA-Margin + ~100bps
Cash interest expenses and income	-78.7		
Cash income taxes from rental and lease	-2.8		
FFO I (including non-controlling interests)	**345.0**	+ €4-5m	Cash tax effect of ~€1m
Non-controlling interests	-3.7		
FFO I (excluding non-controlling interests)	**341.3**	+ €4-5m	Improved FFO

Market clustering based on LEG's methodology

Key indicator

1. Rental level[1]
2. Vacancy level[2]
3. Socio demographic ranking[3]
4. Future attractiveness[4]

Weighting

Scoring based on local districts[5]

Relative comparison of rental levels

Relative comparison of vacancy levels

~30 indicators like demographics, labour market, wealth etc.

>20 indicators from demographics, economy, education, family friendliness

LEG Scoring

High-growth markets

Stable markets

Higher-yielding markets

Source: Company information

Notes: [1] Empirica; [2] CBRE; [3] Prognos Institut; [4] Berlin Institut; [5] Based on 401 local districts in Germany

Agenda

Management Team complete since July 2020

Lars von Lackum
CEO

- Strategy, M&A, Organisation and Digitisation
- Legal and Human Resources
  - Management & Supervisory Board Office
  - Legal, Compliance and Internal Audit
  - Human Resources
- Corporate Communications
- Acquisition
- New construction
- IT

With LEG since 2019

Susanne Schröter-Crossan
CFO

- Investor Relations
- Finance & Treasury
- Controlling & Risk Management
- Portfolio Management
- Accounting & Taxes

With LEG since 2020

Dr. Volker Wiegel
COO

- Asset and Property-Management
  - Commercial Management
  - Neighbourhood Management
  - Property Management
  - Modernisation
  - Central Procurement
  - Receivables Management
  - Rent Management
  - Operating Expenses Management
- TechnikServicePlus GmbH
- EnergieServicePlus GmbH

With LEG since 2013

New remuneration system for the Management Board

Effective 1 January 2021

year 1 | year 2 | year 3 | year 4

Share of target remuneration

35% - 45%	Fixed components	▪ Basic remuneration ▪ Fringe benefits ▪ Pension entitlement
20% - 30%	STI	▪ 40% net rental and lease income ▪ 40% funds from operations I (FFO I) ▪ 20% ESG targets
30% - 40%	LTI	▪ 40% absolute total shareholder return ▪ 40% share price development vs. EPRA Germany ▪ 20% ESG targets
	Transaction bonus	▪ Acquisition of min. 7,500 units to max. 30,000 units ▪ Bonus from €68,950/100,000 (CEO) to €866,000/1,256,000 ▪ Payout: ⅓ after end of FY and ⅔ after 3 years depending on achievement of business plan (50% FFO I + 50% result from renting and leasing)

Max. remuneration

CEO
€4.3m

Board member
€2.9m

Malus/ Clawback

Partial or complete reduction or reclaim of variable remuneration possible

Share retention obligation

Purchase of LEG shares equivalent to a gross basic salary within 4 years

Agenda

Ongoing political discussion but small impacts on LEG

Topic	Description	Impact on LEG
Mietspiegel (reference rent)	▪ Agreement on change of reference period from 4 to 6 years	Marginal impact on rent growth.
Modernisation	▪ Reduction of modernization charge from 11% to 8% ▪ Rent increase max. €3 per sqm over a period of six years (rents below €7 per sqm: limitation to max. €2 per sqm)	LEG only slightly affected due to pursuit of less aggressive modernization approach.
Reletting	▪ Mandatory disclosure of previous tenant's rent	No impact on LEG.
Mietpreisbremse (rental break)	▪ Only applicable for re-letting in tense markets, number of tense markets reduced to 18 cities in NRW from 1 July 2020	No material changes for LEG.
Share deals	▪ Ongoing discussion on reform of the land transfer tax (Grunderwerbsteuer) includes lowering the threshold from 95 to 90% and increasing the holding period from 5 to 10 years (which makes share deals less profitable)	LEG does not expect significant effects (only for PE deals).

Outside NRW

Topic	Description	Impact on LEG
Berlin rental freeze	▪ It is expected that the Federal Constitutional Court will declare the rent freeze in Berlin unconstitutional ▪ No risk of spill over into NRW	No impact on LEG. NRW government disapproves of this instrument.

Basics

Free financed units

Existing contracts

- Rent increase by max. **20%** (**15% cap in tense markets[2]**) **within 3 years**; benchmark**: local reference rent[1]**
- After **modernization**: annual rent can be increased by **8% of modernization costs**; limit: €3 per sqm (rent/sqm/month > €7) or €2 per sqm (rent/sqm/month < €7) over 6 years

New contracts

- Markets without rental cap: no regulation
- In tense markets[2] the rental break **(Mietpreisbremse)** applies: increase of **max. 10% on local reference rent[1]**

New **NRW Tenant Protection Law** effective from July 2020 reduces number of tense markets to 18 cities[2]

Rent restricted units

Cost rent adjustment

- Every third year (i.e., 2017, 2020, 2023)
- After full repayment of the underlying subsidised loan, the residential unit gets out of rent restriction and regular code applies
- In the case of early repayment, rent restriction continues for another 10 years (tenant protection); then regular code applies

Advantages of early repayment

- Earlier transition of subsidised unit into free financed segment
- Immediate positive valuation effect (DCF model)

1 Based on rent table (Mietspiegel)
2 In NRW, 18 cities were identified as tense markets, especially Düsseldorf, Cologne and Greater Cologne area, Bonn, Münster.

Agenda

PURE LEG PLAY

A well-developed social security system ensures a fair standard of living in Germany

Statutory five-pillar insurance system

Health	Care	Pension	Unemployment	Accident
Prevention	Support in case of (long-term) care	Old-age pension	Unemployment benefit	Prevention
Early detection		Survivor's pension	Employment services	Rehabilitation
Treatment		Disability pension	Vocational training	Injury pension
Rehabilitation		Vocational rehabilitation		Death benefit
Sick pay				
Parental benefit				

Principles of solidarity

COVID-19: Extended state protection for tenants in case of financial shortage, unemployment, illness or old age

LEG gewohnt gut.

Unemployment Benefit I („ALG I“)	Unemployment Benefit II („ALG II“)	Social Assistance („Sozialhilfe“)	Housing Benefit („Wohngeld“)
Paid by national umemployment fund (monthly contribution by employers and employees)	Tax-funded welfare benefit for people capable of work between 15 and retirement age	Tax-funded benefit to protect from poverty and social exclusion for securing a subsistence minimum	State subsidy towards housing costs for people with low incomes
Benefit upon completion of the qualifying period: at least 12 months of compulsory insurance employment within the last 30 months (can be added up)	<u>Coverage:</u> Cost-of-living assistance Education package Additional expenditure Non-recurring assistance Housing costs: rent, heating, water, sewage	<u>Coverage:</u> Cost-of-living assistence Income support in old age Income support in the event of reduced earning capacity Assistance towards healthcare and towards long-term care Assistence in overcoming special social difficulties Assistence in other circumstances	Provided as rent support for tenants and as mortgage and home up-keep support for owner-occupiers
Benefit based on 60% or 67% of the net salary (Ø 12 months)	<u>Defined flat sizes and rent caps according to household size:</u> e.g. max. 65 sqm for 2-person household, max. €555 (incl. cold additional costs) for flat in Düsseldorf (as of 01.01.2018)	For individuals without entitle-ment under other insurance and welfare systems	Eligibility criteria are the number of houshold members, the amount of rent or mortgage payment and the total monthly income (fixed limits on total monthly income by rent levels)
Max. duration of entitlement between 6 and 24 months (depending on age)			Not granted to persons entitled to ALG II and Social Assistance

Social Protection Packages (Covid-19)

Unemployment Benefit I („ALG I“)	Unemployment Benefit II („ALG II“) / Social Assistance („Sozialhilfe“)	Housing Benefit („Wohngeld“)
<u>03/2020 – 03/2021</u> Automatic one-off extension of the grant period by three months for those whose entitlement would end in the meantime	<u>03/2020 – 03/2021</u> Simplified application process (no personal visit required) Suspension of financial background check (assets and property) Recognition of actual rent and heating costs Simplified consideration of income in case of provisional decision	<u>03/2020 – 03/2021</u> Simplified consideration of income in case of provisional decision

COVID-19: Extended state support for the labour market to keep our tenants employed and solvent

LEG gewohnt gut.

Short-time work (“Kurzarbeit”)

Prevention of dismissals in case of temporary loss of work by keeping workers employed

Federal Employment Agency pays short-time work compensation

Loss of work must be for economic reasons, temporary, unpreventable

Entitlement period is 12 months, extendable up to 24 months (by legal decree)

Compensation amount is based on 60% or 67% of net income

Microcredit („Mikrokredit“)

Microcredit Fund Germany provides funds of between €1,000 and €25,000 for small and micro enterprises and helps entrepre-neurs to set up their own business

Conditions:
The interest rate is 7.9%
Closing fee of €100 per loan
Maturity period of up to 4 years
References or guarantees from the personal or business environment

Insolvency payment („Insolvenzgeld“)

Protection of entitled employees, e.g. due to termination of business activity of a company, against loss of earnings for a limited period

Work performance is usually provided in advance, employer pays only after a fixed period

Federal Employment Agency pays the salary (incl. social security contributions) for 3 months of employment prior to the insolvency

Payment is financed from the funds of the insolvency levy, which is raised monthly by the employers

Minimum wage („Mindestlohn“)

Statutory since 01.01.2015
Protection from low wages, ensuring fair competition

Gross amount is €9.35 (as of 01.01.2020)

Applies to employees >18 or those who have completed vocational training (also in case of internship)

Long-term unemployed persons do not have to be paid the minimum wage for the first 6 months

Failure is subject to fines of up to €500,000

Social Protection Packages (Covid-19)

03/2020 – 12/2021
No accumulation of minus hours
Staggered increase of compen-sation (to 70%/77% and 80%/87%)
Additional earning opportunities

03/2020 – 11/2020
Liquidity increased to €40,000
Payments suspension for 8 months
New loans with a grace period of up to 8 months

03/2020 – 12/2020
Suspension of obligation to file for insolvency (three-week deadline)
Limited liability of the management
New loans ≠ insolvency prolongation

Minimum Wage Law

Previous recommendation of the Minimum Wage Commission:
Wage increase in stages reaching €10.45 until 01.07.2022
(increase is under discussion)

Agenda

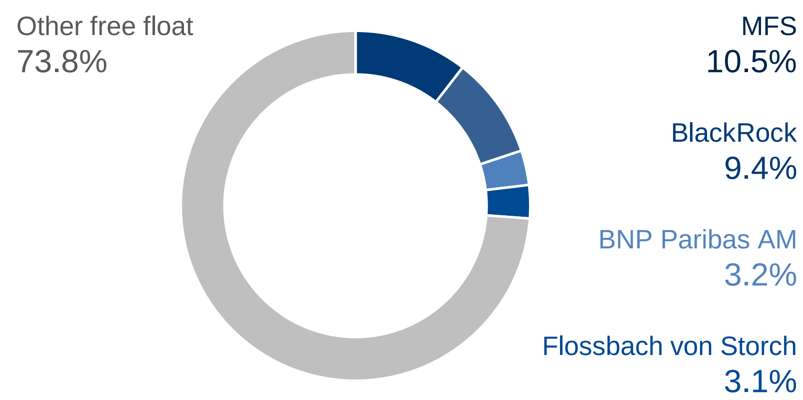
PURE LEG PLAY

LEG share information

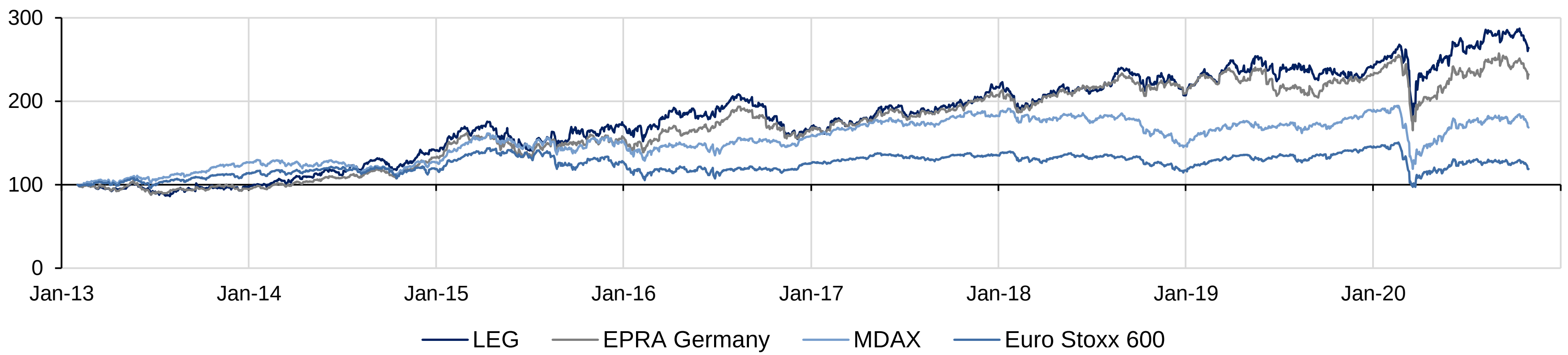
Basic data

- Market segment: Prime Standard
- Stock Exchange: Frankfurt
- Total no. of shares: 72,095,943 (16.09.2020)
- Ticker symbol: LEG
- ISIN: DE000LEG1110
- Indices: MDAX, FTSE EPRA/NAREIT, GPR 250, Stoxx Europe 600, DAX 50 ESG, i.a. MSCI Europe ex UK, MSCI World ex USA, MSCI World Custom ESG Climate Series
- Weighting: MDAX 3.42% (30.09.2020)
  EPRA 3.81% (30.09.2020)

Shareholder structure[1]

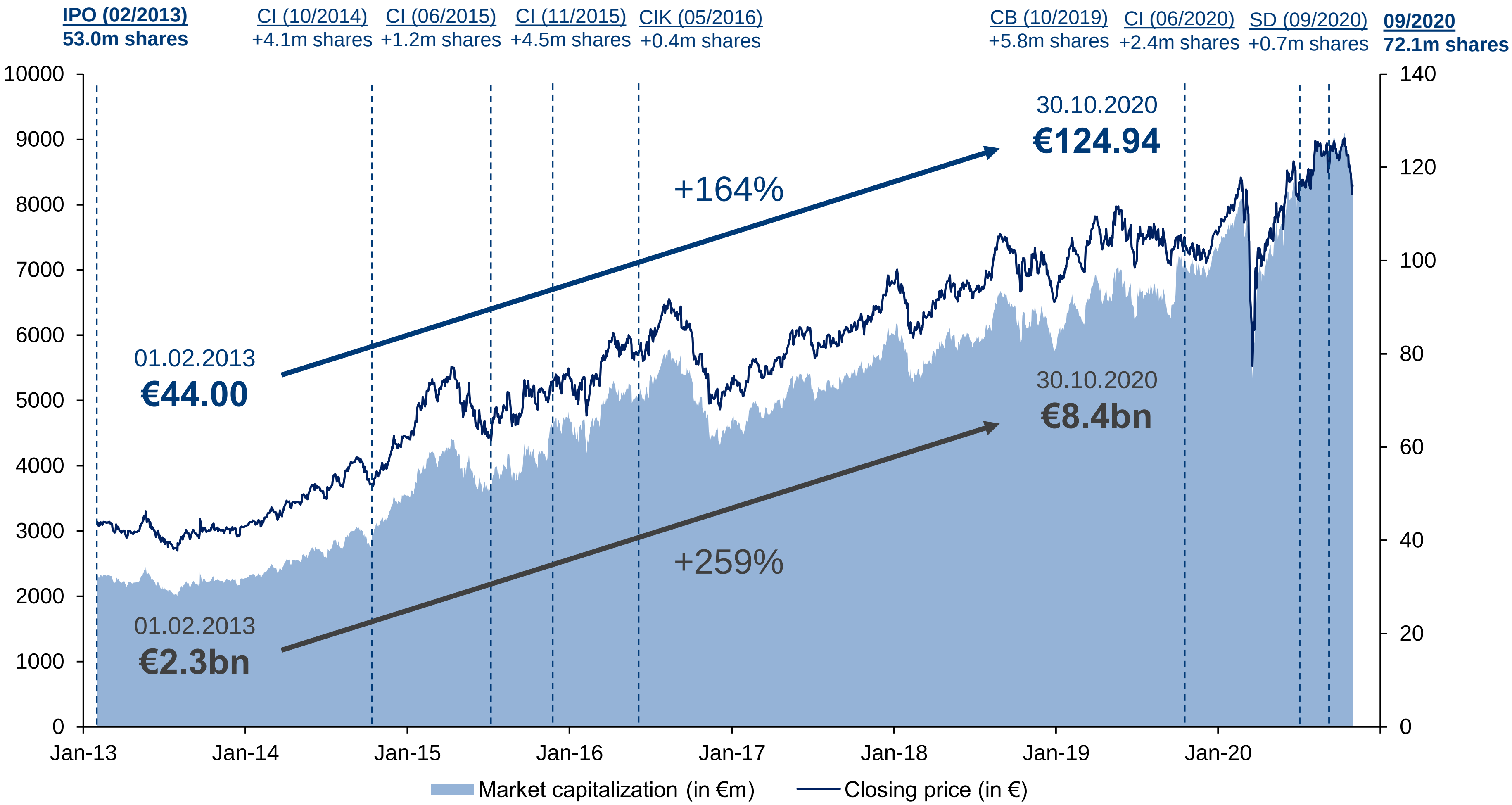


Share (30.10.2020; indexed; in %; 01.02.2013 = 100)



1 Shareholdings according to voting rights notifications; as of 16.11.2020.

Sustainable increase in share price and market capitalisation since IPO



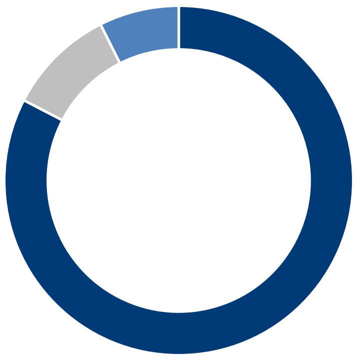
IPO = Initial Public Offering; CI = capital increase; CIK = capital increase in kind; CB = convertible bond; SD = stock dividend

LEG additional creditor information

Unsecured financing covenants

Covenant	Threshold	30.09.2020
Consolidated Adjusted EBITDA / Net Cash Interest	≥1.8x	5.7x
Unencumbered Assets / Unsecured Financial Indebtedness	≥125%	237%
Net Financial Indebtedness / Total Assets	≤60%	34%
Secured Financial Indebtedness / Total Assets	≤45%	21%

Financing mix



Ratings (Moody's)

Type	Rating	Outlook
Long Term Rating	Baa1	Stable
Short Term Rating	P-2	Stable

Key financial ratios

	30.09.2020	30.09.2019
Net debt / EBITDA	10.6x	9.8x
LTV	36.4%	36.3%

Capital market financing
Corporate bonds

	2017/2024	2019/2027	2019/2034
Issue Size	€500m	€500m	€300m
Term / Maturity Date	7 years / 23 January 2024	8 years / 28 November 2027	15 years / 28 November 2034
Coupon	1.250 % p.a. (annual payment)	0.875 % p.a. (annual payment)	1.625 % p.a. (annual payment)
Issue Price	99.409 %	99.356 %	98.649 %
Financial Covenants	• Net financial debt/ total assets ≤ 60% • Secured financial debt/ total assets ≤ 45% • Unencumbered assets/ unsecured financial debt ≥ 125% • Adj. EBITDA/ net cash interest ≥ 1.8 x		
ISIN	XS1554456613	DE000A254P51	DE000A254P69
WKN	A2E4W8	A254P5	A254P6

Capital market financing
Convertible bonds

	2017/2025	2020/2028
Issue Size	€400m	€550m
Term/ Maturity Date	8 years/ 1 September 2025	8 years/ 30 June 2028
Coupon	0.875% p.a. (semi-annual payment: 1 March, 1 September)	0.4% p.a. (semi-annual payment: 15 January, 15 July)
# of shares	3,438,349	3,546,869
Initial Conversion Price	€118.4692	€155.2500
Adjusted Conversion Price	€116.3349 (as of 4 September 2020)	€155.0663 (as of 7 September 2020)
Issuer Call	From 22 September 2022, if LEG share price >130% of the then applicable conversion price	From 5 August 2025, if LEG share price >130% of the then applicable conversion price
ISIN	DE000A2GSDH2	DE000A289T23
WKN	A2GSDH	A289T2

Financial calendar

Date	Report/Event	Venue/Note
2020		
12.11.2020	Quarterly Statement Q3 as of 30 September 2020	Release
24.11.2020	Roadshow, Deutsche Bank	Virtual
26.11.2020	Real Estate Paris Seminar, Berenberg	Virtual
01. - 02.12.2020	Global Real Estate Conference, UBS	Virtual
02.12.2020	Convertible Bond Conference, Unicredit	Virtual
04.12.2020	Roadshow Scandinavia, Berenberg	Virtual
07.12.2020	Roadshow Canada, Credit Suisse	Virtual
09.12.2020	Real Estate Conference, HSBC	Virtual
2021		
10.03.2021	Annual Report 2020	Release
11.05.2021	Quarterly Statement Q1 as of 31 March 2021	Release
10.08.2021	Quarterly Report Q2 as of 30 June 2021	Release
10.11.2021	Quarterly Statement Q3 as of 30 September 2021	Release

Investor Relations Contact

Frank Kopfinger, CFA

Head of Investor Relations & Strategy

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

Elke Franzmeier

Assistant Investor Relations & Strategy

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

Karin Widenmann

Senior Manager Investor Relations

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

Julia Pschribülla

Senior Manager Investor Relations

Tel: +49 (0) 211 4568-286
E-Mail: julia.pschribuella@leg.ag

LEG Immobilien AG I Hans-Boeckler-Str. 38 I 40476 Düsseldorf, Germany
Phone: +49 (0) 211 4568-400 I Fax: +49 (0) 211 4568-22 204 I E-Mail: ir@leg.ag I Internet: www.leg.ag