

On Track

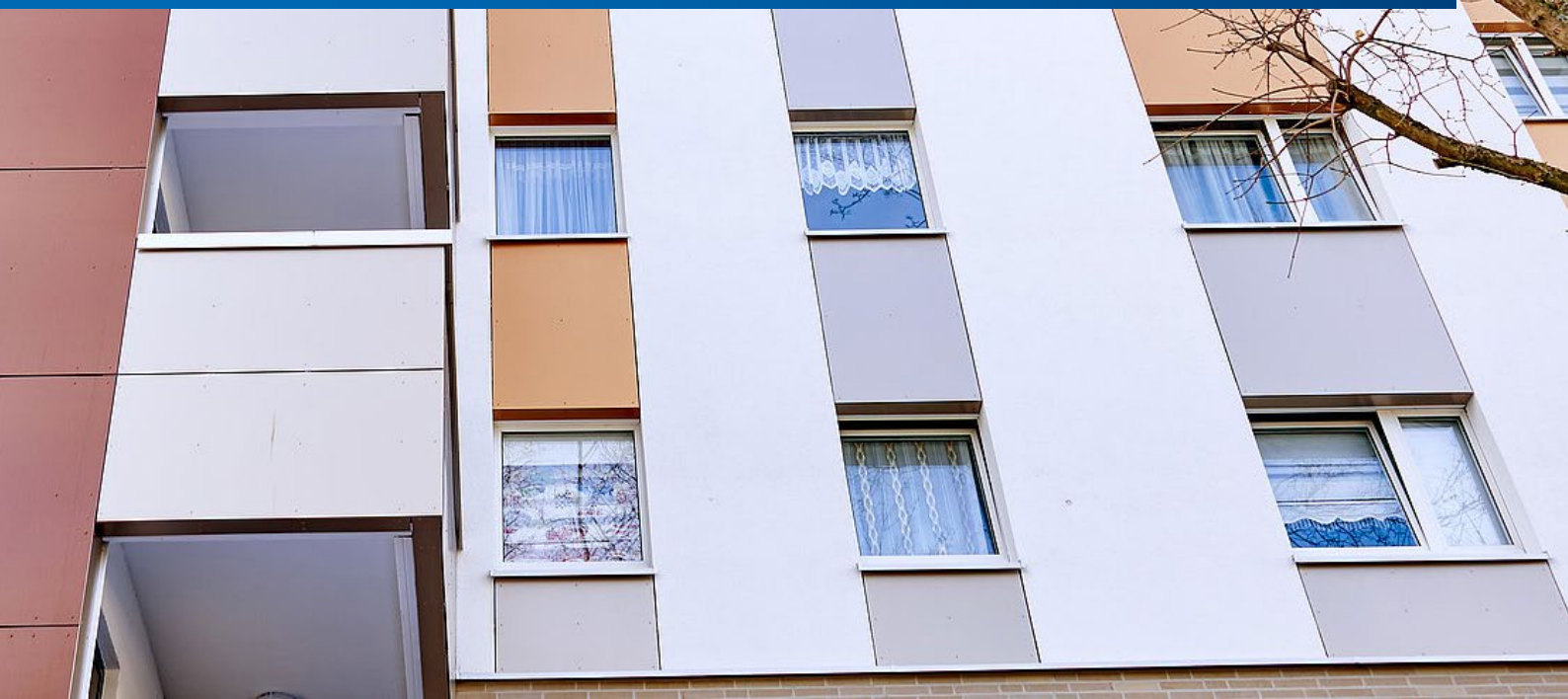


2024

Quarterly report as of 30 June

Table of content

3	Key figures Q2 2024	23	Selected Notes
4	Portfolio	23	1. Basic information on the Group
8	Analysis of net assets, financial position and results of operations	23	2. Interim consolidated financial statements
18	Risk and opportunity report	23	3. Accounting policies
18	Forecast report	23	4. Changes in the Group
		23	5. Assumptions and estimates
19	Consolidated financial statements	24	6. Selected notes to the consolidated statement of financial position
19	Consolidated statement of financial position	30	7. Selected notes to the consolidated statement of comprehensive income
20	Consolidated statement of comprehensive income	32	8. Notes on Group segment reporting
21	Statement of changes in consolidated equity	35	9. Financial instruments
22	Consolidated statement of cash flows	38	10. Related-party disclosures
		38	11. Other
		38	12. The Management Board and the Supervisory Board
		38	13. Supplementary Report
		39	Responsibility statement
		40	Financial calendar
		40	Contact details & imprint



Key figures Q2 2024

Financial key figures		Q2 2023			01.01. – 30.06.2024		01.01. – 30.06.2023	
		Q2 2024		+/- %			+/- %	
Net cold rent	€ million	213.8	208.0	2.8	427.9	414.3	3.3	
Net operating income (recurring)	€ million	179.1	178.0	0.6	350.2	339.4	3.2	
EBITDA	€ million	-146.8	-1,342.4	-89.1	-15.9	-1,211.2	-98.7	
EBITDA (adjusted)	€ million	166.3	178.2	-6.7	323.9	335.2	-3.4	
EBT	€ million	188.7	-1,421.3	-113.3	-111.0	-1,295.0	-91.4	
Net profit or loss for the period	€ million	-143.3	-1,124.4	-87.3	-85.5	-1,028.1	-91.7	
FFO I	€ million	119.1	122.8	-3.0	217.9	226.0	-3.6	
FFO II	€ million	118.6	121.7	-2.5	216.6	222.7	-2.7	
AFFO	€ million	61.1	63.7	-4.1	109.7	118.6	-7.5	
AFFO per share	€	0.82	0.86	-4.7	1.48	1.60	-7.5	

Balance sheet key figures		30.06.2024	31.12.2023	+/- %/BP
Investment properties	€ million	17,745.7	18,101.8	-2.0
Cash and cash equivalents	€ million	225.6	277.5	-18.7
Equity	€ million	7,260.2	7,488.2	-3.0
Total financing liabilities	€ million	9,328.8	9,375.8	-0.5
Current financing liabilities	€ million	1,355.1	1,371.4 ¹	-1.2
LTV	%	49.0	48.4	60
Equity ratio	%	38.1	38.8	-70
EPRA NTA, diluted	€ million	9,129.2	9,379.9	-2.7
EPRA NTA per share, diluted	€	122.59	126.57	-3.1

Other key figures		30.06.2024	30.06.2023	+/- %/BP
Number of residential units		165,823	166,890	-0.6
In-place rent	€/sqm	6.73	6.53	3.1
In-place rent (I-f-I)	€/sqm	6.72	6.53	2.9
EPRA vacancy rate	%	2.8	3.0	-20
EPRA vacancy rate (I-f-I)	%	2.5	2.6	-10

BP = Basis Points

¹ Previous year adapted

Portfolio

Portfolio segmentation and housing stock

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

The property portfolio as of 30 June 2024 included 165,823 residential units, 1,504 commercial units and 46,677 garages and parking spaces. The average flat size was 63 square metres, and the average monthly in-place rent was EUR 6.73 per square metre.

Operating performance

The actual in-place rent on a comparable portfolio basis (like-for-like) was EUR 6.72 per square metre and month on 30 June 2024. This corresponds to an increase of 2.9 % compared to previous year's reporting date. Rent table adjustments contributed 1.4 %, modernisations and new lettings 1.5 %.

Rental growth came from the free-financed units which account for 81 % of the portfolio. Here, the in-place rent rose by 3.4 % to EUR 7.06 per square metre (like-for-like) compared to the previous year. Within the free-financed portfolio, the high-growth markets recorded an increase of 3.6 % to EUR 8.15 per square metre (like-for-like). The in-place rent in the stable markets of the free-financed portfolio, too, increased by an average of 3.6 % to EUR 6.77 per square metre (like-for-like). In the higher-yielding markets, the monthly in-place rent rose by 2.8 % to EUR 6.36 per square metre (like-for-like).

In the segment of rent-restricted units, which account for 19 % of the portfolio, the next regular cost rent adjustment will take place in 2026. Thus, the average monthly rent rose only slightly by EUR 0.01 to EUR 5.37 (like-for-like) compared to the previous year.

The EPRA vacancy rate on a like-for-like basis as at 30 June 2024 could be reduced further by 10 basis points to 2.5 % (like-for-like) compared to the previous year's reporting date. The lowest vacancy rate was recorded in the high-growth markets at 1.5 %. In the stable markets, the EPRA vacancy rate was 2.2 % on average as at the reporting date, and in the higher-yielding markets it was 4.3 % (always on a like-for-like basis).

5 PORTFOLIO

● Portfolio segments – top 5 locations 30.06.2024

	30.06.2024					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	49,789	30.0	3,278,944	7.56	1.7	3.0	- 30
District of Mettmann	8,480	5.1	588,663	7.93	1.4	2.9	50
Dusseldorf	6,198	3.7	402,420	8.95	1.5	2.7	- 110
Muenster	6,154	3.7	410,486	7.50	0.8	4.5	20
Cologne	4,388	2.6	296,367	8.19	2.4	2.2	- 40
Aachen	2,430	1.5	164,255	5.83	2.5	1.2	70
Other locations	22,139	13.4	1,416,752	7.10	2.0	3.0	- 50
Stable markets	66,672	40.2	4,264,109	6.50	2.7	3.0	- 20
Dortmund	13,790	8.3	901,852	6.20	2.3	3.4	0
District of Unna	6,981	4.2	435,867	5.80	2.0	2.2	- 50
Moenchengladbach	6,431	3.9	407,541	6.92	1.0	3.6	- 10
Essen	3,658	2.2	235,232	6.66	3.5	2.6	50
Bielefeld	3,232	1.9	201,196	7.20	1.4	1.6	40
Other locations	32,580	19.6	2,082,420	6.61	3.4	3.0	- 30
Higher-yielding markets	49,362	29.8	2,977,808	6.14	4.4	2.5	0
District of Recklinghausen	8,596	5.2	518,940	5.94	2.9	1.6	50
Gelsenkirchen	7,218	4.4	412,291	6.31	6.5	2.9	- 20
Wilhelmshaven	6,733	4.1	389,716	6.04	10.7	3.7	20
Duisburg	6,417	3.9	387,644	6.65	2.6	2.5	30
Hamm	4,797	2.9	287,290	6.03	2.3	1.3	20
Other locations	15,601	9.4	981,927	6.04	3.1	2.7	- 50
Total	165,823	100.0	10,520,861	6.73	2.8	2.9	- 10

● Portfolio segments – top 5 locations 30.06.2023

	30.06.2023				
	Number of LEG apartments	Share of LEG portfolio in %	Living space in sqm	In-place rent €/sqm	EPRA vacancy rate in %
High-growth markets	49,942	29.9	3,286,244	7.34	2.0
District of Mettmann	8,505	5.1	590,775	7.70	0.9
Dusseldorf	6,203	3.7	402,676	8,72	2.6
Muenster	6,154	3.7	410,486	7,18	0.5
Cologne	4,388	2.6	296,367	8.01	3.1
Aachen	2,430	1.5	164,255	5.76	1.8
Other locations	22,262	13.3	1,421,685	6.90	2.5
Stable markets	66,754	40.0	4,257,360	6.29	2.8
Dortmund	13,840	8.3	904,474	5.99	2.2
District of Unna	6,982	4.2	435,362	5.68	2.5
Moenchengladbach	6,433	3.9	407,597	6.68	1.3
Essen	3,557	2.1	228,673	6.36	3.2
Bielefeld	3,233	1.9	201,155	7.08	1.1
Other locations	32,709	19.6	2,080,099	6.38	3.6
Higher-yielding markets	50,194	30.1	3,031,403	5.97	4.6
District of Recklinghausen	9,025	5.4	549,082	5.78	2.4
Gelsenkirchen	7,249	4.3	414,665	6.13	7.0
Wilhelmshaven	6,837	4.1	395,831	5.83	10.8
Duisburg	6,420	3.8	387,923	6.49	2.3
Hamm	4,827	2.9	289,070	5.95	2.2
Other locations	15,836	9.5	994,833	5.88	3.8
Total	166,890	100.0	10,575,006	6.53	3.0

6 PORTFOLIO

● Performance of the LEG portfolio

	High-growth markets			Stable markets		
	30.06.2024	31.03.2024	30.06.2023	30.06.2024	31.03.2024	30.06.2023
Subsidised residential units						
Units	11,223	11,246	11,419	12,928	12,928	13,761
Area	sqm 768,728	770,138	781,317	868,740	868,740	931,416
In-place rent	€/sqm 5.75	5.76	5.76	5.32	5.31	5.25
EPRA vacancy rate	% 1.2	1.0	1.6	1.6	1.6	2.0
Free-financed residential units						
Units	38,566	38,601	38,523	53,744	53,746	52,993
Area	sqm 2,510,216	2,512,325	2,504,927	3,395,369	3,395,467	3,325,943
In-place rent	€/sqm 8.12	8.06	7.84	6.81	6.72	6.58
EPRA vacancy rate	% 1.8	1.9	2.1	2.9	3.3	3.0
Total residential units						
Units	49,789	49,847	49,942	66,672	66,674	66,754
Area	sqm 3,278,944	3,282,463	3,286,244	4,264,109	4,264,207	4,257,360
In-place rent	€/sqm 7.56	7.52	7.34	6.50	6.43	6.29
EPRA vacancy rate	% 1.7	1.7	2.0	2.7	3.0	2.8
Higher-yielding markets						
Total						
	30.06.2024	31.03.2024	30.06.2023	30.06.2024	31.03.2024	30.06.2023
Subsidised residential units						
Units	6,676	6,676	7,066	30,827	30,850	32,246
Area	sqm 436,687	436,524	463,080	2,074,155	2,075,403	2,175,814
In-place rent	€/sqm 4.90	4.90	4.88	5.39	5.39	5.35
EPRA vacancy rate	% 1.9	1.9	1.9	1.5	1.4	1.8
Free-financed residential units						
Units	42,686	42,756	43,128	134,996	135,103	134,644
Area	sqm 2,541,121	2,545,051	2,568,322	8,446,706	8,452,843	8,399,193
In-place rent	€/sqm 6.36	6.32	6.18	7.07	7.00	6.84
EPRA vacancy rate	% 4.7	4.8	4.9	3.0	3.2	3.2
Total residential units						
Units	49,362	49,432	50,194	165,823	165,953	166,890
Area	sqm 2,977,808	2,981,575	3,031,403	10,520,861	10,528,245	10,575,006
In-place rent	€/sqm 6.14	6.10	5.97	6.73	6.68	6.53
EPRA vacancy rate	% 4.4	4.5	4.6	2.8	2.9	3.0
Total commercial						
Units				1,504	1,509	1,596
Area	sqm			276,763	278,003	275,283
Total parking						
Units				46,677	46,673	46,674
Total others						
Units				2,901	2,834	3,137

Value development

The table below shows the distribution of assets by market segment. LEG regularly revalued its portfolio as of 30 June 2024. The residential portfolio now has a gross rental yield of 4.9 % and a rental multiple of

20.4, respectively. According to the EPRA definition, the valuation of the residential portfolio corresponds to a net initial yield of 4.0 %.

- Market segments

	Residential units ¹	Residential assets ²	Share residential assets	Value/sqm	In-place rent multiplier	Commercial/ other assets ³	Total assets
		in € million	in %	in €		in € million	in € million
30.06.2024							
High-growth markets	49,789	7,103	42	2,202	24.6x	295	7,398
District of Mettmann	8,480	1,398	8	2,371	25.3x	31	1,429
Dusseldorf	6,198	1,114	7	2,799	26.7x	94	1,207
Muenster	6,154	1,023	6	2,481	27.9x	53	1,076
Cologne	4,388	790	5	2,651	27.7x	25	815
Aachen	2,430	256	2	1,547	22.8x	7	263
Other locations	22,139	2,522	15	1,851	22.0x	85	2,607
Stable markets	66,672	6,346	38	1,491	19.6x	246	6,592
Dortmund	13,790	1,464	9	1,630	22.4x	51	1,515
District of Unna	6,981	515	3	1,190	17.4x	23	539
Moenchengladbach	6,431	670	4	1,639	19.8x	14	684
Essen	3,658	344	2	1,495	19.7x	9	353
Bielefeld	3,232	355	2	1,757	20.6x	10	366
Other locations	32,580	2,998	18	1,439	18.7x	138	3,135
Higher-yielding markets	49,362	3,323	20	1,122	15.9x	90	3,413
District of Recklinghausen	8,596	579	3	1,108	15.9x	18	598
Gelsenkirchen	7,218	421	3	1,017	14.3x	11	432
Wilhelmshaven	6,733	393	2	1,011	15.5x	6	399
Duisburg	6,417	524	3	1,355	17.4x	28	552
Hamm	4,797	343	2	1,190	16.8x	5	348
Other locations	15,601	1,063	6	1,105	15.7x	22	1,085
Total	165,823	16,772	100	1,606	20.4x	631	17,403
Leasehold and land values							233
Balance sheet property valuation assets (IAS 40)							17,636
Assets under construction (IAS 40)							109
Owner-occupied property (IAS 16)							82
Assets held for sale (IFRS 5)							229
Balance sheet total							18,057

¹ Including 1,645 residential units categorised as 'assets held for sale (IFRS 5)' or 'owner-occupied property (IAS 16)'.

² Excluding 456 residential units in commercial buildings; including 726 commercial units as well as several other units in mixed residential assets.

³ Excluding 726 commercial units in mixed residential assets; including 456 residential units in commercial buildings, commercial, parking, other assets.

Analysis of net assets, financial position and results of operations

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

Results of operations

• Condensed income statement

€ million	Q2 2024	Q2 2023	01.01. – 30.06.2024	01.01. – 30.06.2023
Net operating income	162.3	151.6	303.1	286.9
Net income from the disposal of investment properties	- 1.1	- 0.4	- 1.4	- 0.9
Net income from the remeasurement of investment properties	- 296.3	- 1,495.6	- 293.4	- 1,496.1
Net income from the disposal of real estate inventory	- 0.1	0.0	- 0.1	- 0.1
Net income from other services	- 1.1	9.4	- 0.6	17.2
Administrative and other expenses	- 14.9	- 13.5	- 31.8	- 28.7
Other income	0.2	0.0	0.2	0.1
Operating earnings	- 151.0	- 1,348.5	- 24.0	- 1,221.6
Interest income	5.5	2.1	9.6	3.2
Interest expenses	- 46.3	- 39.2	- 89.7	- 77.2
Net income from investment securities and other equity investments	- 1.8	- 35.9	- 9.4	- 0.3
Net income from the fair value measurement of derivatives	4.9	0.2	2.5	0.9
Net finance earnings	- 37.7	- 72.8	- 87.0	- 73.4
Earnings before income taxes	- 188.7	- 1,421.3	- 111.0	- 1,295.0
Income taxes	45.4	296.9	25.5	266.9
Net profit or loss for the period	- 143.3	- 1,124.4	- 85.5	- 1,028.1

Net operating income rose by 5.6 % in the reporting period. This development is essentially a result of the increase in net cold rents.

Adjusted EBITDA decreased by -3.4 % from EUR 335.2 million to EUR 323.9 million. The adjusted EBITDA margin was 75.7 % in the reporting period (comparative period: 80.9 %).

The EUR - 17.8 million decline in net income from other services is mainly due to the special effects from the sale of electricity produced by LEG in the same period of the previous year.

The decrease in net income from investment securities and other equity investments to EUR - 9.4 million essentially results from the valuation of the investment in Brack Capital Properties N.V. at fair value.

The net income from the remeasurement of investment properties amounted to EUR - 293.4 million (comparative period: EUR - 1,496.1 million).

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 2.6 million (comparative period: EUR 0.5 million).

The tax income is almost entirely attributable to the reversal of deferred taxes.

• Net operating income

€ million	Q2 2024	Q2 2023	01.01. – 30.06.2024	01.01. – 30.06.2023
Net cold rent	213.8	208.0	427.9	414.3
Profit from operating expenses	- 5.1	- 3.2	- 10.7	- 9.8
Maintenance for externally procured services	- 19.8	- 22.4	- 50.2	- 47.6
Personnel expenses (rental and lease)	- 27.1	- 26.0 ¹	- 57.5	- 52.6
Allowances on rent receivables	- 2.8	- 3.2	- 7.9	- 9.7
Depreciation and amortisation expenses	- 3.3	- 5.2	- 6.3	- 8.6 ¹
Others	6.6	3.6 ¹	7.8	0.9 ¹
Net operating income	162.3	151.6	303.1	286.9
Net operating income margin (in %)	75.9	72.9	70.8	69.2
Non-recurring special effects (rental and lease)	0.8	1.2	4.3	2.2
Depreciation and amortisation expenses	3.3	5.2	6.3	8.6 ¹
Maintenance for externally procured services	19.8	22.4	50.2	47.6
Subsidies recognised in profit or loss	- 3.5	-	- 7.4	-
Own work capitalised	- 3.6	- 2.4	- 6.3	- 5.9
Net operating income (recurring)	179.1	178.0	350.2	339.4
Net operating income margin (recurring in %)	83.8	85.6	81.8	81.9

¹ Previous year's figure adjusted

In the reporting period, net operating income increased by EUR 16.2 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 13.6 million. In-place rent per square metre on a like-for-like basis rose by 2.9 % year-on-year. In addition, the subsidies recognized in profit or loss led to an increase of EUR 6.9 million in the line item Others. This was offset by an increase of EUR 2.6 million in maintenance expenses for externally procured services and an increase of EUR 4.9 million in personnel expenses from rental and lease due to tariff increases and additional inflation compensation bonuses granted.

The adjusted net operating income (NOI)-margin decreased insignificantly from 81.9 % to 81.8 % compared to the same period of the previous year.

• EPRA vacancy rate

€ million	30.06.2024	30.06.2023
Rental value of vacant space – like-for-like	23.8	24.0
Rental value of vacant space – total	27.1	27.6
Rental value of the whole portfolio – like-for-like	962.1	906.5
Rental value of the whole portfolio – total	978.7	924.9
EPRA vacancy rate – like-for-like (in %)	2.5	2.6
EPRA vacancy rate – total (in %)	2.8	3.0

The EPRA vacancy rate like-for-like could be decreased from 2.6 % to 2.5 % compared to the same period of the previous year.

• EPRA Capex

€ million	01.01. – 30.06.2024	01.01. – 30.06.2023
Acquisitions	32.8	124.6
Development	5.7	10.9
Investments in investment properties	99.5	98.0
Thereof incremental lettable space	0.2	1.1
Thereof no incremental lettable space	99.3	96.9
EPRA Capex	138.0	233.5
Additions to/utilisation of provisions for capex	9.3	29.7
Additions to/utilisation of provisions for incidental purchase price costs	1.9	- 61.0
Payments for investments in investment properties	149.2	202.2

The presentation of EPRA Capex breaks down the capitalisation of investments and reconciles them to the payments for modernisation in investment properties. Value-adding capital expenditure, consisting of development (new construction on own land in the amount of EUR 5.7 million) and modernisation work in investment property (EUR 99.5 million), declined by 3.4 % to EUR 105.2 million in the reporting period. As acquisitions also decreased from EUR 124.6 million to EUR 32.8 million and now only include pro rata payments for acquired project developments, EPRA Capex amounts to EUR 138.0 million in the reporting period (comparative period: EUR 233.5 million).

10 ANALYSIS OF NET ASSETS, FINANCIAL POSITION AND RESULTS OF OPERATIONS

● Maintenance and modernisation

€ million	Q2 2024	Q2 2023	01.01. – 30.06.2024	01.01. – 30.06.2023
Maintenance expenses for externally procured services	- 19.8	- 22.4	- 50.2	- 47.6
Maintenance expenses provided internally	- 18.4	- 11.1	- 28.7	- 17.6
Maintenance expenses	- 38.2	- 33.5	- 78.9	- 65.2
Adjustments consolidation effects	2.2	0.4	3.9	0.6
Maintenance expenses (adjusted)	- 36.0	- 33.1	- 75.0	- 64.6
Investment in investment properties	- 59.8	- 59.8	- 111.3	- 108.9
Investment in property, plant and equipment	- 1.7	- 1.1	- 3.0	- 1.5
Capital expenditure (Capex)	- 61.5	- 60.9	- 114.3	- 110.4
Adjustments consolidation effects	3.5	1.8	6.1	3.0
Capex (recurring)	- 58.0	- 59.1	- 108.2	- 107.4
Adjustments (new construction on own land, own work capitalised, subsidies recognised in profit or loss)	9.3	11.0	16.6	19.2
Capital expenditure (adjusted)	- 48.7	- 48.1	- 91.6	- 88.2
Total investment	- 99.7	- 94.4	- 193.2	- 175.6
Adjustments (consolidation effects, new construction on own land, own work capitalised, subsidies recognised in profit or loss)	15.0	13.2	26.6	22.8
Total investments (adjusted)	- 84.7	- 81.2	- 166.6	- 152.8
Area of investment properties in million sqm	10.80	10.85	10.81	10.85
Adjusted average investment per sqm (€)	7.84	7.48	15.41	14.08
Thereof maintenance expenses per sqm (€)	3.33	3.05	6.94	5.95
Thereof capital expenditure per sqm (€)	4.51	4.43	8.47	8.13

Maintenance expenses of EUR – 78.9 million and value-adding capital expenditure in investment property and property, plant and equipment of EUR – 114.3 million resulted in total investment of EUR – 193.2 million in the reporting period (comparative period: EUR – 175.6 million). In addition to the maintenance expenses of EUR – 50.2 million (comparative period: EUR – 47.6 million) for externally purchased services recognised in the statement of comprehensive income, maintenance expenses also include the intragroup maintenance expenses of EUR – 28.7 million (comparative period: EUR – 17.6 million). Investment in investment property, value-adding capital expenditure (capex) and capex (recurring) include expansion investments in the form of new construction activities on own land but not purchased project developments.

Consolidation effects, investment for new construction activities on own land, own work capitalised and subsidies recognised in profit or loss of EUR 26.6 million (comparative period: EUR 22.8 million) in total were eliminated from total investment to calculate total investment per square metre. Adjusted total investments amounted to EUR – 166.6 million and adjusted average investment per square metre was EUR 15.41 in the reporting period (comparative period: EUR 14.08 million). The adjusted capitalisation ratio declined to 55.0 % in the reporting period (comparative period: 57.7 %).

Net income from the disposal of investment properties

• Net income from the disposal of investment properties

€ million	Q2 2024	Q2 2023	01.01. – 30.06.2024	01.01. – 30.06.2023
Income from the disposal of investment properties	11.3	13.9	51.3	38.5
Carrying amount of the disposal of investment properties	– 11.3	– 13.9	– 51.3	– 38.8
Costs of sales of investment properties	– 1.1	– 0.4	– 1.4	– 0.6
Net income from the disposal of investment properties	– 1.1	– 0.4	– 1.4	– 0.9

Income from the disposal of investment properties amounted to EUR 51.3 million (comparative period: EUR 38.5 million) and essentially relates to one major block sales the contract of which was concluded in the 2023 financial year with the transfer of ownership taking place in the 2024 financial year.

Net income from remeasurement of investment properties

Net income from remeasurement of investment properties amounted to EUR – 293.4 million in the reporting period (comparative period: EUR – 1,496.1 million). Based on the property portfolio as at the beginning of the financial year (including the remeasured acquisitions (only contain expiring new construction measures)), this corresponds to a decrease of – 1.6 % (comparative period: EUR – 7.4 %). The average value of investment properties (incl. IFRS 5 objects) was EUR 1,606 per square metre as at 30 June 2024 including acquisitions (only contain expiring new construction measures) (31 December 2023: EUR 1,619 per square metre).

The main driver for the development of the fair values of investment properties in the reporting period is the increase in the discount rate. The average discount rate for the property portfolio as of 30 June 2024 is 5.0 % (31 December 2023: 4.7 %).

EPRA net initial yield

The EPRA net initial yield is calculated on the basis of the annualised net cash rental income divided by the gross market value of the residential property portfolio less assets under construction, leasehold rights and undeveloped land. The topped-up net initial yield is determined by adjusting the annualised net cash rental income for the costs of rental incentives granted.

• EPRA net initial yield

	30.06.2024	31.12.2023
Market Value of investment properties (net)	17,632.3	17,850.5
Estimated incidental costs of acquisition	1,698.8	1,719.9
Market Value of investment properties (gross)	19,331.1	19,570.4
Annualised gross cash rental income	893.7	862.7
Annualised property expenses	– 123.0	– 120.1
Annualised net cash rental income	770.7	742.6
Adjustments for rental incentives	5.7	5.5
Topped-up annualised net cash rental income	776.4	748.1
EPRA Net Initial Yield in %	4.0	3.8
EPRA topped-up Net Initial Yield in %	4.0	3.8

Net income from the disposal of real estate inventory

The remaining real estate inventory held as at 30 June 2024 comprises EUR 0.1 million of land under development.

Administrative and other expenses

• Administrative and other expenses

€ million	Q2 2024	Q2 2023	01.01. – 30.06.2024	01.01. – 30.06.2023
Other operating expenses	– 4.8	– 4.8	– 10.4	– 10.9
Personnel expenses (administration)	– 8.6	– 7.3	– 18.6	– 15.0
Purchased services	– 0.6	– 0.6	– 1.1	– 1.2
Depreciation and amortisation expenses	– 0.9	– 0.8	– 1.7	– 1.6
Administrative and other expenses	– 14.9	– 13.5	– 31.8	– 28.7
Depreciation and amortisation expenses	0.9	0.8	1.7	1.6
Non-recurring special effects (administration)	2.2	3.3	4.2	5.4
Administrative and other expenses (recurring)	– 11.8	– 9.4	– 25.9	– 21.7

The increase in personnel expenses is mainly due to tariff increases and additional inflation compensation bonuses granted. As a result, adjusted

administrative expenses increased by EUR 4.2 million in the first six months compared to the same period in the previous year.

Net finance earnings

• Net finance earnings

€ million	Q2 2024	Q2 2023	01.01. – 30.06.2024	01.01. – 30.06.2023
Interest income	5.5	2.1	9.6	3.2
Interest expenses	– 46.3	– 39.2	– 89.7	– 77.2
Net interest income	– 40.8	– 37.1	– 80.1	– 74.0
Net income from investment securities and other equity investments	– 1.8	– 35.9	– 9.4	– 0.3
Net income from the fair value measurement of derivatives	4.9	0.2	2.5	0.9
Net finance earnings	– 37.7	– 72.8	– 87.0	– 73.4

Interest expenses increased in the first half of 2024 compared to the same period in the previous year by EUR – 12.5 million to EUR – 89.7 million. The increase is mainly due to valuations after the comparative period and an increased interest rate level.

Year-on-year the average interest rate increased to 1.66 % as at 30 June 2024 (1.40 % as at 30 June 2023) on an average term of 6.0 years (6.1 years as at 30 June 2023).

The decrease in net income from investment securities and other equity investments to EUR – 9.4 million mainly results from the valuation of the investment in Brack Capital Properties N.V. at fair value. The share price on the reporting date was EUR 54,46 (30 June 2023: EUR 94.60).

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 2.6 million (comparative period: EUR 0.5 million).

Income tax expenses

• Income tax expenses

€ million	Q2 2024	Q2 2023	01.01. – 30.06.2024	01.01. – 30.06.2023
Current tax expenses	– 0.2	– 4.7	– 0.4	– 5.4
Deferred tax expenses	45.6	301.6	25.9	272.3
Income tax expenses	45.4	296.9	25.5	266.9

An effective Group tax rate of 21.86 % was assumed in the reporting period in accordance with Group tax planning (comparative period: 21.06 %).

The decrease in current tax expenses is mainly due to sales of properties and special effects from the sale of electricity in the comparative period.

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

Deferred tax income is essentially based on the release of deferred tax liabilities as part of the devaluation of investment properties and is therefore significantly lower compared to the comparative period.

Reconciliation to AFFO

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

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

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

• Calculation of FFO I, FFO II und AFFO

€ million	Q2 2024	Q2 2023	01.01. – 30.06.2024	01.01. – 30.06.2023
Net cold rent	213.8	208.0	427.9	414.3
Profit from operating expenses	- 5.1	- 3.2	- 10.7	- 9.8
Personnel expenses (rental and lease)	- 27.1	- 26.0	- 57.5	- 52.6
Allowances on rent receivables	- 2.8	- 3.2	- 7.9	- 9.7
Other	- 0.5	1.2	- 5.9	- 5.0
Non-recurring special effects (rental and lease)	0.8	1.2	4.3	2.2
Net operating income (recurring)	179.1	178.0	350.2	339.4
Net income from other services (recurring)	- 1.1	9.6	- 0.5	17.5
Personnel expenses (administration)	- 8.6	- 7.3	- 18.6	- 15.0
Non-personnel expenses (administration)	- 5.4	- 5.4	- 11.5	- 12.1
Non-recurring special effects (administration)	2.2	3.3	4.2	5.4
Administrative expenses (recurring)	- 11.8	- 9.4	- 25.9	- 21.7
Other income (recurring)	0.1	0.0	0.1	0.0
EBITDA (adjusted)	166.3	178.2	323.9	335.2
Cash interest expenses and income FFO I	- 33.4	- 31.7	- 67.9	- 63.0
Cash income taxes FFO I	0.0	- 2.5	- 0.1	- 2.7
Maintenance for externally procured services	- 19.8	- 22.4	- 50.2	- 47.6
Subsidies recognised in profit or loss	3.5	-	7.4	-
Own work capitalised	3.6	2.4	6.3	5.9
FFO I (before adjustment of non-controlling interests)	120.2	124.0	219.4	227.8
Adjustment of non-controlling interests	- 1.1	- 1.2	- 1.5	- 1.8
FFO I (after adjustment of non-controlling interests)	119.1	122.8	217.9	226.0
Net income from the disposal of investment properties (adjusted)	0.0	- 0.2	0.0	- 0.6
Cash income taxes FFO II	- 0.5	- 0.9	- 1.3	- 2.7
FFO II (incl. disposal of investment properties)	118.6	121.7	216.6	222.7
Capex (recurring)	- 58.0	- 59.1	- 108.2	- 107.4
AFFO (Capex-adjusted FFO I)	61.1	63.7	109.7	118.6

At EUR 109.7 million, AFFO in the reporting period was - 7.5 % lower than in the same period of the previous year (EUR 118.6 million). The decline in AFFO is due in particular to increased expenses for maintenance and interest as well as the non-occurrence of earnings from electricity produced by LEG.

14 ANALYSIS OF NET ASSETS, FINANCIAL POSITION AND RESULTS OF OPERATIONS

EPRA earnings per share (EPS)

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

• EPRA earnings per share (EPS)

€ million	Q2 2024	Q2 2023	01.01. – 30.06.2024	01.01. – 30.06.2023
Net profit or loss for the period attributable to parent shareholders	– 143.9	– 1,125.3	– 86.8	– 1,030.1
Changes in value of investment properties	296.4	1,495.6	293.4	1,496.1
Net income from the remeasurement of other equity investments	10.6	42.8	18.1	7.1
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	1.2	0.4	1.5	1.0
Tax on profits or losses on disposals	0.5	0.9	1.3	2.7
Changes in fair value of financial instruments and associated close-out costs	– 4.9	– 0.2	– 2.5	– 0.9
Acquisition costs on share deals and non-controlling joint venture interests	0.0	0.2	0.0	0.2
Deferred tax in respect of EPRA adjustments	– 67.3	– 316.5	– 67.6	– 316.3
Refinancing expenses	0.0	0.0	–	0.0
Other non-cash effective interest expenses/ income	0.1	– 0.1	0.0	– 0.2
Non-controlling interests in respect of the above	0.6	0.4	1.3	1.1
EPRA earnings	93.3	98.2	158.7	160.7
Weighted average number of shares outstanding	74,137,306	74,109,276	74,123,291	74,109,276
EPRA earnings per share (undiluted) in €	1.26	1.33	2.14	2.17
Potentially diluted shares	–	–	–	–
Interest coupon on convertible bond	–	–	–	–
Amortisation expenses convertible bond after taxes	–	–	–	–
EPRA earnings (diluted)	93.3	98.2	158.7	160.7
Number of diluted shares	74,137,306	74,109,276	74,123,291	74,109,276
EPRA earnings per share (diluted) in €	1.26	1.33	2.14	2.17

• Condensed statement of financial position

€ million	30.06.2024	31.12.2023
Investment properties	17,745.7	18,101.8
Other non-current assets	544.3	559.0
Non-current assets	18,290.0	18,660.8
Receivables and other assets	328.2	287.4
Cash and cash equivalents	225.6	277.5
Current assets	553.8	564.9
Assets held for sale	229.3	77.9
Total assets	19,073.1	19,303.6
Equity	7,260.2	7,488.2
Non-current financial liabilities	7,973.7	8,004.4 ¹
Other non-current liabilities	2,060.8	2,102.3 ¹
Non-current liabilities	10,034.5	10,106.7 ¹
Current financial liabilities	1,355.1	1,371.4 ¹
Other current liabilities	423.3	337.3 ¹
Current liabilities	1,778.4	1,708.7 ¹
Total equity and liabilities	19,073.1	19,303.6

¹ Previous year adapted

The investment properties were revalued in the reporting period. The resulting valuation effect of EUR – 293.4 million (comparative period: EUR – 1,496.1 million), in addition to reclassifications to assets held for sale (EUR – 201.1 million), is largely responsible for the decrease in the item compared to December 31, 2023. Additions from acquisitions amounting to EUR 32.8 million and capitalisation of property modernisation measures amounting to EUR 105.6 million also have an impact.

The recognition of real estate tax expense as other inventories (EUR 15.0 million) for the remainder of the financial year and the deferral of prepaid and not yet invoiced operating costs of EUR 37.4 million as well as the decrease in rent receivables (EUR – 13.5 million) contributed significantly to the development of the receivables and other assets.

The development of equity since 31 December 2023 is mainly characterised by the net profit for the period of EUR – 74.4 million, the capital increase from the scrip dividend (EUR 28.4 million) and the dividend distribution (EUR – 181.6 million).

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

Non-current and current financial liabilities fell by EUR 47.1 million compared to the previous year. This is mainly due to scheduled and unscheduled repayments of bank loans of EUR – 450.3 million as well as new loans of EUR 403.0 million.

While the decrease in other non-current liabilities resulted in particular from the reversal of deferred tax liabilities (EUR – 25.9 million) and the valuation of derivatives (EUR – 9.7 million), within other current liabilities, trade payables (EUR + 81.2 million) increased essentially due to deferred property tax and other operating costs as well as other provisions (EUR + 4.4 million).

The financial liabilities from property financing are used to finance investment properties.

The consolidated financial statements of LEG Immobilien SE as at 30 June 2024 show financial liabilities from property financing in the amount of EUR 9,220.9 million. In the first two quarters of 2024, loans totalling EUR 403.1 million were utilised. This was offset by scheduled and unscheduled repayments of EUR 450.3 million and the amortisation of transaction costs.

The residual maturity profile based on the contractually defined or agreed maturities of the financial liabilities as at 30 June 2024 is 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
30.06.2024	419.5	4,855.4	3,946.0	9,220.9
31.12.2023	438.5	4,450.7	4,375.7	9,264.9

Due to an amendment to IAS 1, there is a shift in the maturities of financial liabilities from the medium-term to the short-term range. In accordance with the amendment to IAS 1.69 in conjunction with IAS 1.76 A/B, liabilities from convertible bonds were recognised as current liabilities, as it is technically possible to convert the instrument at any time. The shift in maturities is to be made irrespective of the economic perspective.

This leads to a shift of EUR 928.7 million (previous year: EUR 925.7 million) from medium-term to current financial liabilities.

The reclassification of residual terms in accordance with IAS 1 has no impact on the contractually defined residual terms of the financial liabilities entered into.

Accordingly, the residual maturity profile after the amendment to IAS 1 is now 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
30.06.2024	1,348.3	3,926.6	3,946.0	9,220.9
31.12.2023	1,364.2 ¹	3,525.0 ¹	4,375.7	9,264.9

¹ Previous year adapted

16 ANALYSIS OF NET ASSETS, FINANCIAL POSITION AND RESULTS OF OPERATIONS

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 2023.

LEG reports an EPRA NTA of EUR 9,129.2 million or EUR 122.59 per share as at 30 June 2024. In the calculation, deferred taxes on investment property are adjusted by the amount attributable to planned property disposals by LEG. Incidental acquisition costs are not taken into account. The key figures are presented on a diluted basis only. As at 30 June 2024, no dilution effects from the convertible bonds are taken into account, as the share price does not exceed the current conversion prices as at the reporting date.

• EPRA NRV, EPRA NTA, EPRA NDV

€ million	30.06.2024 EPRA NRV	30.06.2024 EPRA NTA	30.06.2024 EPRA NDV	31.12.2023 EPRA NRV	31.12.2023 EPRA NTA	31.12.2023 EPRA NDV
Equity attributable to shareholders of the parent company	7,235.2	7,235.2	7,235.2	7,463.2	7,463.2	7,463.2
Hybrid instruments	28.5	28.5	28.5	28.5	28.5	28.5
Diluted NAV at fair value	7,263.7	7,263.7	7,263.7	7,491.7	7,491.7	7,491.7
Deferred tax in relation to fair value gains of IP and deferred tax on subsidised loans and financial derivatives	1,926.4	1,923.7	–	1,943.4	1,935.2	–
Fair value of financial instruments	– 53.9	– 53.9	–	– 42.0	– 42.0	–
Intangibles as per the IFRS balance sheet	–	– 4.3	–	–	– 5.0	–
Fair value of fixed interest rate debt	–	–	839.9	–	–	744.0
Deferred taxes of fixed interest rate debt	–	–	– 183.6	–	–	– 156.7
Estimated ancillary acquisition costs (real estate transfer tax) ¹	1,739.7	–	–	1,759.4	–	–
NAV	10,875.9	9,129.2	7,920.0	11,152.5	9,379.9	8,079.0
Fully diluted number of shares	74,469,665	74,469,665	74,469,665	74,109,276	74,109,276	74,109,276
NAV per share	146.04	122.59	106.35	150.49	126.57	109.01

¹ Taking the ancillary acquisition cost into account would result in an EPRA NTA of €10,857.1 million or €145.79 per share (31 December 2023: €11,127.5 million or €150.15 per share).

Loan to value ratio (LTV)

Net debt at the end of the reporting period increased slightly compared with 31 December 2023. The revaluation of investment properties results in a loan-to-value ratio (LTV) of 49.0 % as at 30 June 2024 (31 December 2023: 48.4 %).

• LTV

€ million	30.06.2024	31.12.2023
Financing liabilities	9,328.8	9,375.8
Less lease liabilities IFRS 16 (not leasehold)	13.9	15.9
Less cash and cash equivalents	355.9	405.5
Net financing liabilities	8,959.0	8,954.4
Investment properties	17,745.7	18,101.8
Assets held for sale	229.3	77.9
Participation in other real estate companies	321.9	340.1
Real estate assets	18,296.9	18,519.8
Loan to value ratio (LTV) in %	49.0	48.4

17 ANALYSIS OF NET ASSETS, FINANCIAL POSITION AND RESULTS OF OPERATIONS

EPRA LTV

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

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

● EPRA LTV as at 30 June 2024

€ million	Group LTV	Associated companies	Non-controlling interests	Total
Borrowings from financial institutions	4,024.3	143.3	– 34.9	4,132.7
Hybrid financial instruments	950.0	–	–	950.0
Bonds	4,480.0	68.7	–	4,548.7
Net payables	–	32.9	–	32.9
Owner-occupied property (debt)	57.8	–	–	57.8
Excluding cash and cash equivalents	225.6	51.2	– 10.0	266.8
Net financing liabilities	9,286.5	193.7	– 24.9	9,455.3
Owner-occupied property	81.2	–	– 0.2	81.0
Investment properties	17,636.3	410.6	– 154.8	17,892.1
Properties held for sale	229.3	5.9	– 2.7	232.5
Properties under development	109.4	13.0	–	122.4
Intangibles	4.4	0.0	0.0	4.4
Net receivables	64.0	–	6.6	70.6
Real estate assets	18,124.6	429.5	– 151.1	18,403.0
EPRA LTV	51.2			51.4

● EPRA LTV as at 31 December 2023

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

Financial position

A net profit for the period of EUR – 85.5 million was generated in the reporting period (comparative period: EUR – 1,028.1 million). Equity amounted to EUR 7,260.2 million at the reporting date (31 December 2023: EUR 7,488.2 million). This corresponds to an equity ratio of 38.1 % (31 December 2023: 38.8 %).

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

• Cash flow statement

€ million	01.01. – 30.06.2024	01.01. – 30.06.2023
Cash flow from operating activities	278.0	264.2
Cash flow from investing activities	– 111.2	– 226.0
Cash flow from financing activities	– 218.7	– 69.0
Change in cash and cash equivalents	– 51.9	– 30.8

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

Essentially, acquisitions and modernisation of the existing portfolio with payments of EUR – 149.2 million and EUR – 4.1 million for owner-occupied property, plant and equipment contributed to the cash flow from investing activities in the amount of EUR – 111.2 million. This was offset by cash inflows from the sale of properties amounting to EUR 46.5 million.

In the first half of 2024, current repayments of bank loans (EUR – 450.3 million), the cash dividend to shareholders (EUR – 153.2 million) and, with an opposite effect, the borrowing of new loans of EUR 403.0 million were the main drivers for the cash flow from financing activities in the amount of EUR – 218.7 million.

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

Risk and opportunity report

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

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

Forecast report

Financial year 2024

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

With the release of the results for the first half 2024, LEG raises its guidance on AFFO. LEG now expects an AFFO in the range between EUR 190 million and EUR 210 million (before: between EUR 180 million and EUR 200 million) in financial year 2024. At the same time, LEG raises its guidance on investments. LEG now expects investments of c. EUR 34 per square metre (before: c. EUR 32 per square metre) in financial year 2024.

• Outlook 2024

AFFO	between EUR 190 million and EUR 210 million (before: between EUR 180 million and EUR 200 million)
Adjusted EBITDA margin	c. 77 %
LTV	medium-term target level max. 45 %
Like-for-like rental growth	3.2 % – 3.4 %
Investments	c. EUR 34 per sqm (before: c. EUR 32 per sqm)

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

• ESG targets 2024

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

Consolidated statement of financial position

• Assets

€ million	30.06.2024	31.12.2023
Non-current assets	18,290.0	18,660.8
Investment properties	17,745.7	18,101.8
Property, plant and equipment	136.4	139.8
Intangible assets and goodwill	4.3	5.0
Investments in associates	14.2	13.9
Other financial assets	336.1	355.4
Receivables and other assets	17.1	5.2
Deferred tax assets	36.2	39.7
Current assets	553.8	564.9
Real estate inventory and other inventory	19.1	4.8
Receivables and other assets	297.1	272.8
Income tax receivables	12.0	9.8
Cash and cash equivalents	225.6	277.5
Assets held for sale	229.3	77.9
Total assets	19,073.1	19,303.6

• Equity and liabilities

€ million	30.06.2024	31.12.2023
Equity	7,260.2	7,488.2
Share capital	74.5	74.1
Capital reserves	1,283.3	1,255.3
Cumulative other reserves	5,877.4	6,133.8
Equity attributable to shareholders of the parent company	7,235.2	7,463.2
Non-controlling interests	25.0	25.0
Non-current liabilities	10,034.5	10,106.7¹
Pension provisions	96.6	101.9
Other provisions	3.9	3.4
Financing liabilities	7,973.7	8,004.4 ¹
Other liabilities	70.9	81.7 ¹
Deferred tax liabilities	1,889.4	1,915.3
Current liabilities	1,778.4	1,708.7¹
Pension provisions	5.2	6.7
Other provisions	34.8	30.4
Provisions for taxes	0.0	0.0
Financing liabilities	1,355.1	1,371.4 ¹
Other liabilities	375.6	292.2 ¹
Tax liabilities	7.7	8.0
Total equity and liabilities	19,073.1	19,303.6

¹ Previous year adapted

Consolidated statement of comprehensive income

Consolidated statement of comprehensive income

€ million	Q2 2024	Q2 2023	01.01. – 30.06.2024	01.01. – 30.06.2023
Net operating income	162.3	151.6	303.1	286.9
Rental and lease income	314.9	314.2	639.7	626.6
Cost of sales in connection with rental and lease income	-152.6	-162.6	-336.6	-339.7
Net income from the disposal of investment properties	-1.1	-0.4	-1.4	-0.9
Income from the disposal of investment properties	11.3	13.9	51.3	38.5
Carrying amount of the disposal of investment properties	-11.3	-13.9	-51.3	-38.8
Cost of sales in connection with disposed investment properties	-1.1	-0.4	-1.4	-0.6
Net income from the remeasurement of investment properties	-296.3	-1,495.6	-293.4	-1,496.1
Net income from the disposal of real estate inventory	-0.1	0.0	-0.1	-0.1
Income from the real estate inventory disposed of	-	-	-	-
Carrying amount of the real estate inventory disposed of	-	-	-	-
Costs of sales of the real estate inventory disposed of	-0.1	0.0	-0.1	-0.1
Net income from other services	-1.1	9.4	-0.6	17.2
Income from other services	2.5	12.0	4.9	23.1
Expenses in connection with other services	-3.6	-2.6	-5.5	-5.9
Administrative and other expenses	-14.9	-13.5	-31.8	-28.7
Other income	0.2	0.0	0.2	0.1
Operating earnings	-151.0	-1,348.5	-24.0	-1,221.6
Interest income	5.5	2.1	9.6	3.2
Interest expenses	-46.3	-39.2	-89.7	-77.2
Net income from investment securities and other equity investments	-1.8	-35.9	-9.4	-0.3
Net income from the fair value measurement of derivatives	4.9	0.2	2.5	0.9
Earnings before income taxes	-188.7	-1,421.3	-111.0	-1,295.0
Income taxes	45.4	296.9	25.5	266.9
Net profit or loss for the period	-143.3	-1,124.4	-85.5	-1,028.1
Change in amounts recognised directly in equity	6.5	2.4	11.1	-1.7
Thereof recycling				
Fair value adjustment of interest rate derivatives in hedges	3.7	1.2	7.2	-2.0
Change in unrealised gains/losses	4.6	1.4	9.0	-2.5
Income taxes on amounts recognised directly in equity	-0.9	-0.2	-1.8	0.5
Thereof non-recycling				
Obligations	2.8	1.2	3.9	0.3
Change in unrealised gains/losses	4.1	1.7	5.7	0.4
Income taxes on amounts recognised directly in equity	-1.3	-0.5	-1.8	-0.1
Total comprehensive income	-136.8	-1,122.0	-74.4	-1,029.8
Net profit or loss for the period attributable to:				
Non-controlling interests	0.6	0.9	1.3	2.0
Parent shareholders	-143.9	-1,125.3	-86.8	-1,030.1
Total comprehensive income attributable to:				
Non-controlling interests	0.6	0.9	1.3	2.0
Parent shareholders	-137.4	-1,122.9	-75.7	-1,031.8
Basic earnings per share in €	-1.94	-15.18	-1.17	-13.90
Diluted earnings per share in €	-1.94	-15.08	-1.17	-13.90

Statement of changes in consolidated equity

• Consolidated statement of comprehensive income

€ million	Share capital	Capital reserves	Cumulative reserves				Equity attributable to shareholders of the Group	Non-controlling interests	Consolidated equity
			Revenue reserves	Actuarial gains and losses from the measurement of pension obligations	Fair value adjustment of interest derivatives in hedges				
As of 01.01.2023	74.1	1,751.1	7,214.2	- 16.4	35.6	9,058.6	25.3	9,083.9	
Net profit or loss for the period	-	-	- 1,030.1	-	-	- 1,030.1	2.0	- 1,028.1	
Other comprehensive income	-	-	-	0.3	- 2.0	- 1.7	0.0	- 1.7	
Total comprehensive income	-	-	- 1,030.1	0.3	- 2.0	- 1,031.8	2.0	- 1,029.8	
Other	-	-	0.9	-	-	0.9	-	0.9	
Change in consolidated companies	-	-	-	-	-	-	-	-	
Capital increase	-	-	-	-	-	-	-	-	
Withdrawals from reserves	-	-	-	-	-	-	- 2.2	- 2.2	
Changes from put options	-	-	-	-	-	-	-	-	
Distributions	-	-	-	-	-	-	-	-	
As of 30.06.2023	74.1	1,751.1	6,185.0	- 16.1	33.6	8,027.7	25.1	8,052.8	
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/loss for the period	-	-	- 86.8	-	-	- 86.8	1.3	- 85.5	
Other comprehensive income	-	-	-	3.9	7.2	11.1	0.0	11.1	
Total comprehensive income	-	-	- 86.8	3.9	7.2	- 75.7	1.3	- 74.4	
Other	-	-	0.9	-	-	0.9	-	0.9	
Change in consolidated companies	-	-	-	-	-	-	-	-	
Capital increase	0.4	28.0	-	-	-	28.4	-	28.4	
Withdrawals from reserves	-	-	-	-	-	-	- 0.6	- 0.6	
Changes from put options	-	-	-	-	-	-	-	-	
Distributions	-	-	- 181.6	-	-	- 181.6	- 0.7	- 182.3	
As of 30.06.2024	74.5	1,283.3	5,875.6	- 14.9	16.7	7,235.2	25.0	7,260.2	

Consolidated statement of cash flows

● Consolidated statement of cash flows

€ million	01.01. – 31.03.2024	01.01. – 31.03.2023
Operating earnings	- 24.0	- 1,221.6
Depreciation on property, plant and equipment and amortisation on intangible assets	8.2	10.5
(Gains)/Losses from the measurement of investment properties	293.4	1,496.1
(Gains)/Losses from the disposal of assets held for sale and investment properties	0.0	0.3
(Decrease)/Increase in pension provisions and other non-current provisions	- 0.4	- 0.8
Other non-cash income and expenses	7.4	12.2
(Decrease)/Increase in receivables, inventories and other assets	- 46.2	- 69.2
Decrease/(Increase) in liabilities (not including financing liabilities) and provisions	100.5	96.2
Interest paid	- 77.0	- 66.2
Interest received	9.1	3.2
Received income from investments	8.8	6.8
Taxes received	0.3	0.0
Taxes paid	- 2.1	- 3.3
Net cash from/(used in) operating activities	278.0	264.2
Cashflow from investing activities		
Investments in investment properties	- 149.2	- 202.2
Proceeds from disposals of non-current assets held for sale and investment properties	46.5	34.3
Investments in intangible assets and property, plant and equipment	- 4.1	- 7.8
Acquisition of shares in consolidated companies	- 2.4	- 10.7
Change in cash investments in securities	- 2.0	- 39.6
Net cash from/(used in) investing activities	- 111.2	- 226.0
Cash flow from financing activities		
Borrowing of bank loans	403.0	2.3
Repayment of bank loans	- 450.3	- 64.5
Repayment of lease liabilities	- 3.9	- 5.1
Other payments	- 11.9	- 0.4
Distribution to shareholders	- 153.2	-
Distribution and withdrawal from the reserves of non-controlling interests	- 2.4	- 1.3
Net cash from/(used in) financing activities	- 218.7	- 69.0
Change in cash and cash equivalents	- 51.9	- 30.8
Cash and cash equivalents at beginning of period	277.5	362.2
Cash and cash equivalents at end of period	225.6	331.4
Composition of cash and cash equivalents		
Cash in hand, bank balances	225.6	331.4
Cash and cash equivalents at end of period	225.6	331.4

Selected Notes on the IFRS Interim Consolidated Financial statements as at 30 June 2024

1. Basic information on the Group

LEG Immobilien SE, Dusseldorf, and its subsidiaries and sub-subsidiaries, in particular LEG NRW GmbH, Dusseldorf, and its subsidiaries, collectively "LEG", are among the largest housing companies in Germany. On 30 June 2024, LEG held a portfolio of 167,327 (30 June 2023: 168,486) residential and commercial units (165,609 (30 June 2023: 168,300) units excluding IFRS 5 objects).

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

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

2. Interim consolidated financial statements

LEG Immobilien SE prepared the interim consolidated financial statements in accordance with the provisions of the International Financial Reporting Standards (IFRS) for interim reporting, as endorsed in the EU, and their interpretation by the International Financial Reporting Interpretations Committee (IFRIC). Based on the option under IAS 34.10, the notes to the financial statements were presented in a condensed form. The condensed interim consolidated financial statements have not been audited or subjected to an audit review. LEG primarily generates income from the rental and letting of investment properties. Rental and lease business, in essence, is unaffected by seasonal influences.

3. Accounting policies

The accounting policies applied in the interim consolidated financial statements of LEG Immobilien SE are the same as those presented in the IFRS consolidated financial statements as of 31 December 2023. These interim consolidated financial statements as at 30 June 2024 should therefore be read in conjunction with the consolidated financial statements as at 31 December 2023.

LEG Immobilien SE has fully applied the new standards and interpretations that are mandatory from 1 January 2024. The amendments to IAS 1 lead to a shift in the maturities of financial liabilities and the embedded derivatives of convertible bonds from the medium-term to the short-term range. In accordance with the amendment to IAS 1.69 in conjunction with IAS 1.76 A/B, the liabilities from convertible bonds were recognised as current liabilities, as it is technically possible to convert the instruments at any time. The amendments are also to be applied retrospectively to the consolidated financial statements as at 31 December 2023.

4. Changes in the Group

Soldappart B.V. was founded on 13 December 2023 and consolidated for the first time on 1 April 2024.

5. Assumptions and estimates

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

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

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

6. Selected notes to the consolidated statement of financial position

On 30 June 2024, LEG held 165,823 apartments and 1,504 commercial units in its portfolio (165,609 units excluding IFRS 5 properties).

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

• Investment properties as at 30.06.2024

€ million	Residential assets							Land values
	Total	High-growth markets	Stable markets	Higher-yielding markets	Commercial assets	Parking and other assets	Leasehold	
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 ¹	32.8	11.6	18.0	0.0	3.3	0.0	0.0	0.0
Other additions	105.6	33.8	41.2	28.5	2.6	0.2	-0.7	0.0
Reclassified to assets held for sale	-201.0	-95.8	-66.3	-25.6	-2.7	-10.6	0.0	0.0
Reclassified to property, plant and equipment	0.0	0.0	0.0	0.0	0.0	-	-	-
Reclassified from property, plant and equipment	-0.1	0.0	-	-0.1	0.0	-	-	0.0
Fair value adjustment	-293.4	-94.5	-94.4	-56.0	-11.7	-17.2	-20.2	0.6
Disposals	-	-	-	-	-	-	-	-
Reclassification	-	-	-48.0	0.0	48.0	-0.1	0.1	0.0
Carrying amount as of 30.06.2024	17,745.7	7,153.6	6,404.9	3,323.4	279.8	350.5	192.2	41.3

¹ Acquisitions only contain expiring new construction measures.

Fair value adjustment as of 30.06.2024 (in Euro million):	-293.4
- Hereupon as of 30.06.2024 in the portfolio:	-294.8
- Hereupon as of 30.06.2024 disposed investment properties:	1.4

• Investment properties as at 31.12.2023

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

Fair value adjustment as of 31.12.2023 (in Euro million):	-2,422.8
- Hereupon as of 31.31.2023 in the portfolio:	-2,427.2
- Hereupon as of 31.31.2023 disposed investment properties:	4.4

Investment properties were remeasured by LEG as of the interim reporting date of 30 June 2024.

The fair values of investment properties are calculated on the basis of the forecast net cash flows from property management using the discounted cash flow (DCF) method.

The tables below show the measurement method used to determine the fair value of investment properties and the material unobservable inputs used as of 30 June 2024 and 31 December 2023:

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

30.06.2024	Gross asset value of investment property € million	Valuation technique ²	Measurement parameters								
			Market rent residential/commercial €/sqm/month			Maintenance cost residential/commercial €/sqm/year			Administrative cost residential/commercial €/unit		
			min	Ø	max	min	Ø	max	min	Ø	max
Residential assets											
High-growth markets	7,154	DCF	4.10	9.41	16.26	5.61	12.87	17.71	141	344	522
Stable markets	6,405	DCF	1.92	8.03	14.54	8.48	12.82	17.70	211	342	531
Higher-yielding markets	3,323	DCF	1.58	6.87	10.33	6.41	13.10	17.59	171	346	522
Commercial assets	280	DCF	1.00	8.05	27.00	4.00	6.81	13.21	1	318	11.308
Leasehold	192	DCF	–	–	–	–	–	–	–	–	–
Garages, parking spaces and other units	351	DCF	–	–	–	38.72	82.04	100.88	44	44	45
Land values		Earnings/reference value method									
	41		–	–	–	–	–	–	0	4	10
Total portfolio (IAS 40)¹	17,746	DCF	1.00	7.97	27.00	4.00	19.80	100.88	0	313	11.308

¹ Furthermore, there are assets held for sale (IFRS 5) of EUR 229.3 million at Level 2 of the fair value hierarchy as at 30 June 2024.

² Property portfolio as at 31 March 2024 as at measurement date 30 June 2024.

30.06.2024	Measurement parameters											
	Stabilised vacancy rate in %			Discount rate in %			Capitalisation rate in %			Forecast rent development in %		
	min	Ø	max	min	Ø	max	min	Ø	max	min	Ø	max
Residential assets												
High-growth markets	1.0	1.7	6.0	3.3	4.8	11.0	2.5	5.0	12.1	1.2	1.6	1.8
Stable markets	1.5	2.6	7.0	3.5	5.1	9.3	2.1	5.6	12.1	1.1	1.4	1.8
Higher-yielding markets	1.5	4.4	9.0	1.4	5.0	12.5	3.2	6.0	13.4	1.0	1.3	1.6
Commercial assets	1.0	2.3	8.0	3.0	6.8	10.5	3.2	7.4	11.8	1.1	1.5	1.8
Leasehold	–	–	–	3.7	4.9	9.0	–	–	–	–	–	–
Garages, parking spaces and other units	–	–	–	4.8	4.9	7.4	3.5	7.7	13.5	1.0	1.4	1.8
Land values	–	–	–	4.4	5.0	6.0	5.9	11.3	12.3	1.0	1.4	1.7
Total portfolio (IAS 40)¹	1.0	3.0	9.0	1.4	5.0	12.5	2.1	5.8	13.5	1.0	1.4	1.8

¹ Furthermore, there are assets held for sale (IFRS 5) of EUR 229.3 million at Level 2 of the fair value hierarchy as at 30 June 2024.

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

31.12.2023	Gross asset value of investment property € million	Valuation technique ²	Measurement parameters								
			Market rent residential/commercial €/sqm/month			Maintenance cost residential/commercial €/sqm/year			Administrative cost residential/commercial €/unit		
			min	Ø	max	min	Ø	max	min	Ø	max
Residential assets											
High-growth markets	7,302	DCF	3.87	9.29	15.70	9.28	12.91	18.01	201	344	522
Stable markets	6,564	DCF	1.91	7.85	14.79	8.48	12.89	17.70	210	342	522
Higher-yielding markets	3,377	DCF	0.51	6.68	16.62	8.22	13.18	18.27	194	346	522
Commercial assets											
Leasehold	240	DCF	1.00	7.91	27.00	4.00	6.89	13.21	1	335	11.308
Garages, parking spaces and other units	213	DCF	0.00	0.00	0.00	0.00	0.00	0.00	0	0	0
Land values	378	DCF	0.00	0.00	0.00	38.72	82.14	100.88	44	44	45
	28	Earnings/reference value method	0.00	0.00	0.00	0.00	0.00	0.00	0	4	10
Total portfolio (IAS 40)¹	18,102	DCF	0.51	7.79	27.00	4.00	19.86	100.88	0	314	11.308

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

² Property portfolio as at 30 September 2023 as at measurement date 31 December 2023.

31.12.2023	Measurement parameters											
	Stabilised vacancy rate in %			Discount rate in %			Capitalisation rate in %			Forecast rent development in %		
	min	Ø	max	min	Ø	max	min	Ø	max	min	Ø	max
Residential assets												
High-growth markets	1.0	1.8	6.0	3.1	4.7	8.7	2.3	4.9	11.7	1.3	1.6	1.9
Stable markets	1.5	2.7	9.0	3.3	4.8	9.9	1.8	5.5	12.2	1.1	1.4	1.9
Higher-yielding markets	1.5	4.5	9.0	3.5	4.6	8.0	2.9	5.9	13.0	1.0	1.3	1.6
Commercial assets												
Leasehold	1.0	2.4	8.5	3.0	6.8	11.5	3.2	7.4	11.7	1.0	1.5	1.9
Garages, parking spaces and other units	0.0	0.0	0.0	3.3	4.6	9.9	0.0	0.0	0.0	0.0	0.0	0.0
Land values	0.0	0.0	0.0	4.2	4.7	6.1	3.0	7.5	12.7	1.0	1.4	1.9
Total portfolio (IAS 40)¹	1.0	3.1	9.0	3.0	4.7	11.5	1.8	5.7	13.0	1.0	1.4	1.9

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

- Sensitivity analysis

Sensitivities were as follows as at 30 June 2024:

30.06.2024	Gross asset value of investment property € million	Valuation technique ²	Sensitivities in %					
			Administrative costs		Stabilised vacancy rate		Maintenance costs	
			+ 10 %	- 10 %	+ 1 percentage point	- 1 percentage point	+ 10 %	- 10 %
Residential assets								
High-growth markets	7,154	DCF	- 0.7	0.7	- 1.6	1.6	- 1.7	1.7
Stable markets	6,405	DCF	- 0.9	0.9	- 1.7	1.7	- 2.2	2.2
Higher-yielding markets	3,323	DCF	- 1.2	1.2	- 1.9	1.9	- 2.8	2.8
Commercial assets								
Leasehold	192	DCF	-	-	-	-	-	-
Garages, parking spaces and other units	351	DCF	- 0.8	0.7	- 0.8	0.9	- 1.9	1.8
Land values	41	Earnings/reference value method	-	-	-	-	-	-
Total portfolio (IAS 40)¹	17,746	DCF	- 0.9	0.9	- 1.7	1.7	- 2.1	2.1

¹ Furthermore, there are assets held for sale (IFRS 5) of EUR 229.3 million at Level 2 of the fair value hierarchy as at 30 June 2024.

² Property portfolio as at 31 March 2024 as at measurement date 30 June 2024.

30.06.2024	Sensitivities in %							
	Capitalisation rate		Discount rate		Market rent		Forecast rent development for residential properties	
	+ 0,25 %	- 0,25 %	+ 0,25 %	- 0,25 %	+ 2 %	- 2 %	+ 0,2 %	- 0,2 %
Residential assets								
High-growth markets	- 3.2	3.5	- 5.2	5.6	0.8	- 0.9	3.9	- 3.6
Stable markets	- 2.8	3.1	- 4.6	4.9	1.7	- 1.7	3.3	- 3.1
Higher-yielding markets	- 2.5	2.7	- 4.3	4.6	1.7	- 1.7	3.1	- 2.9
Commercial assets								
Leasehold	-	-	- 3.9	4.2	-	-	-	-
Garages, parking spaces and other units	- 1.4	1.5	- 4.8	5.1	1.7	- 1.6	2.3	- 2.1
Land values	-	-	-	-	-	-	-	-
Total portfolio (IAS 40)¹	- 2.8	3.2	- 4.7	5.1	1.3	- 1.3	3.5	- 3.2

¹ Furthermore, there are assets held for sale (IFRS 5) of EUR 229.3 million at Level 2 of the fair value hierarchy as at 30 June 2024.

Sensitivities were as follows as at 31 December 2023:

31.12.2023	Gross asset value of investment property € million	Valuation technique ²	Sensitivities in %					
			Administrative costs		Stabilised vacancy rate		Maintenance costs	
			+ 10 %	- 10 %	+ 1 percentage point	- 1 percentage point	+ 10 %	- 10 %
Residential assets								
High-growth markets	7,302	DCF	- 0.7	0.7	- 1.6	1.6	- 1.8	1.8
Stable markets	6,564	DCF	- 1.0	1.0	- 1.7	1.7	- 2.3	2.3
Higher-yielding markets	3,377	DCF	- 1.3	1.3	- 1.9	1.9	- 2.9	2.9
Commercial assets								
Leasehold	240	DCF	- 0.2	0.2	- 1.2	1.2	- 0.8	0.8
Garages, parking spaces and other units	213	DCF	-	-	-	-	-	-
Land values	378	DCF	- 0.9	0.8	- 0.8	0.8	- 2.0	1.9
	28	Earnings/reference value method	-	-	-	-	-	-
Total portfolio (IAS 40)¹	18,102	DCF	- 0.9	0.9	- 1.7	1.7	- 2.2	2.2

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

² Property portfolio as at 30 September 2023 as at measurement date 31 December 2023.

31.12.2023	Sensitivities in %							
	Capitalisation rate		Discount rate		Market rent		Forecast rent development for residential properties	
	+ 0,25 %	- 0,25 %	+ 0,25 %	- 0,25 %	+ 2 %	- 2 %	+ 0,2 %	- 0,2 %
Residential assets								
High-growth markets	- 3.2	3.6	- 5.3	5.7	0.9	- 0.9	4.0	- 3.6
Stable markets	- 2.8	3.1	- 4.6	5.0	1.7	- 1.7	3.4	- 3.1
Higher-yielding markets	- 2.5	2.8	- 4.4	4.7	1.8	- 1.8	3.1	- 2.9
Commercial assets								
Leasehold	-	-	- 4.0	4.2	-	-	-	-
Garages, parking spaces and other units	- 1.2	1.3	- 4.9	5.2	1.5	- 1.6	2.1	- 2.0
Land values	-	-	- 0.1	0.1	-	-	-	-
Total portfolio (IAS 40)¹	- 2.8	3.2	- 4.8	5.2	1.4	- 1.4	3.5	- 3.2

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

With regard to the calculation methods, please see the consolidated financial statements as of 31 December 2023.

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

Property, plant and equipment as well as intangible assets included right of use leases in the amount of EUR 13.6 million as of 30 June 2024. The right of uses result from rented land and buildings, cars, heat contracting, measurement and reporting technology, IT peripheral devices as well as software. In the reporting period right of uses in the amount of EUR 1.7 million have been added.

- Right of use leases

€ million	30.06.2024	31.12.2023
Right of use buildings	1.1	1.4
Right of use technical equipment and machinery	7.7	9.0
Right of use operating and office equipment	4.5	4.5
Property, plant and equipment	13.3	14.9
Right of use software	0.3	0.4
Intangible assets	0.3	0.4
Right of use leases	13.6	15.3

Cash and cash equivalents mainly 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	30.06.2024	31.12.2023
Financing liabilities from real estate financing	9,220.9	9,264.9
Financing liabilities from lease financing	107.9	110.9
Financing liabilities	9,328.8	9,375.8

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 9,220.9 million as at 30 June 2024. In the first half of 2024, loans in the amount of EUR 403.1 million were valued. This was offset by scheduled and unscheduled repayments of EUR 450.3 million and the amortisation of transaction costs.

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

- Capital markets instruments as of 30.06.2024

€ million	IFRS carrying amount	Nominal value
Convertible bond 2020/2028	536.2	550.0
Convertible bond 2017/2025	398.2	400.0
Bond 2023/2029	84.2	100.0
Bond 2023/2031	73.3	100.0
Bond 2022/2026	499.1	500.0
Bond 2022/2029	497.6	500.0
Bond 2022/2034	498.2	500.0
Bond 2021/2032	496.0	500.0
Bond 2021/2031	595.7	600.0
Bond 2021/2033	596.1	600.0
Bond 2019/2034	298.9	300.0
Bond 2019/2027	500.0	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. 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 1.6 million.

- Maturity of financing liabilities from real estate financing

€ million	Remaining term < 1 year	Remaining term > 1 to 5 years	Remaining term > 5 years	Total
30.06.2024	1,348.3	3,926.6	3,946.0	9,220.9
31.12.2023	1,364.2 ¹	3,525.0 ¹	4,375.7	9,264.9

¹ Previous year adapted

The main driver for the change in the maturity distribution compared to 31 December 2023 is the remaining maturity of two corporate bonds, which led to an increase in financial debt with a mid-term maturity and a corresponding decrease in financial debt with a long-term maturity. Furthermore, the amendment to IAS 1 led to a shift in the maturities of financial liabilities from medium-term to short-term. In accordance with the amendment to IAS 1.69 in conjunction with IAS 1.76 A/B, liabilities from convertible bonds were recognised as current liabilities, as it is technically possible to convert the instruments at any time and LEG also has a cash settlement option. The shift in maturities is independent of the economic perspective.

This results in a shift of EUR 928.7 million (previous year: EUR 925.7 million) from medium-term to current financial liabilities.

The reclassification of residual maturities in accordance with IAS 1 has no impact on the contractually agreed residual maturities of the financial liabilities entered into.

7. Selected notes to the consolidated statement of comprehensive income

Net operating income is broken down as follows:

• Net operating income

€ million	01.01. – 30.06.2024	01.01. – 30.06.2023
Net cold rent	427.9	414.3
Profit from operating expenses	– 10.7	– 9.8
Maintenance for externally procured services	– 50.2	– 47.6
Personnel expenses (rental and lease)	– 57.5	– 52.6
Allowances on rent receivables	– 7.9	– 9.7
Depreciation and amortisation expenses	– 6.3	– 8.6 ¹
Others	7.8	0.9 ¹
Net operating income	303.1	286.9
Net operating income margin (in %)	70.8	69.2
Non-recurring special effects (rental and lease)	4.3	2.2
Depreciation and amortisation expenses	6.3	8.6 ¹
Maintenance for externally procured services	50.2	47.6
Subsidies recognised in profit or loss	– 7.4	–
Own work capitalised	– 6.3	– 5.9
Net operating income (recurring)	350.2	339.4
Net operating income margin (recurring in %)	81.8	81.9

¹ Previous year's figure adjusted

In the reporting period, net operating income increased by EUR 16.2 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 13.6 million. In-place rent per square metre on a like-for-like basis rose by 2.9 % year-on-year. In addition, the subsidies recognized in profit or loss led to an increase of EUR 6.9 million in the line item Others. This was offset by an increase of EUR 2.6 million in maintenance expenses for externally procured services and an increase of EUR 4.9 million in personnel expenses from rental and lease due to tariff increases and additional inflation compensation bonuses granted.

The adjusted net operating income (NOI)-margin decreased insignificantly from 81.9 to 81.8 % compared to the same period of the previous year.

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

• Depreciation expenses of leases

€ million	01.01. – 30.06.2024	01.01. – 30.06.2023
Right of use buildings	– 0,1	– 0,1
Right of use technical equipment and machinery	– 1,2	– 2,0
Right of use operating and office equipment	– 1,4	– 1,4
Depreciation expenses of leases	– 2,7	– 3,5

In the reporting period expenses of leases of a low-value asset in the amount of EUR 0.2 million were included in the net operating income (comparative period: EUR 0.3 million).

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

• Net income from the disposal of investment properties

€ million	01.01. – 30.06.2024	01.01. – 30.06.2023
Income from the disposal of investment properties	51,3	38,5
Carrying amount of the disposal of investment properties	– 51,3	– 38,8
Costs of sales of investment properties	– 1,4	– 0,6
Net income from the disposal of investment properties	– 1,4	– 0,9

Net income from the remeasurement of investment properties

Net income from remeasurement of investment properties amounted to EUR – 293.4 million in the reporting period (comparative period: EUR – 1,496.1 million). Based on the property portfolio as at the beginning of the financial year (including the remeasured acquisitions (only contain expiring new construction measures)), this corresponds to a decrease of – 1.6 % (comparative period: EUR – 7.4 %). The average value of investment properties (incl. IFRS 5 objects) was EUR 1,606 per square metre as at 30 June 2024 including acquisitions (only contain expiring new construction measures) (31 December 2023: EUR 1,619 per square metre).

The main driver for the development of the fair values of investment properties in the reporting period is the increase in the discount rate. The average discount rate for the property portfolio as of 30 June 2024 is 5.0 % (31 December 2023: 4.7 %).

Administrative and other expenses

• Administrative and other expenses

€ million	01.01. – 30.06.2024	01.01. – 30.06.2023
Other operating expenses	– 10.4	– 10.9
Personnel expenses (administration)	– 18.6	– 15.0
Purchased services	– 1.1	– 1.2
Depreciation and amortisation	– 1.7	– 1.6
Administrative and other expenses	– 31.8	– 28.7
Depreciation and amortisation	1.7	1.6
Non-recurring special effects (administration)	4.2	5.4
Administrative and other expenses (recurring)	– 25.9	– 21.7

The increase in personnel expenses is mainly due to tariff increases and additional inflation compensation bonuses granted. As a result, adjusted administrative expenses increased by EUR 4.2 million in the first six months compared to the same period in the previous year.

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

• Depreciation expenses of leases

€ million	01.01. – 30.06.2024	01.01. – 30.06.2023
Right of use buildings	– 0.2	– 0.2
Right of use operating and office equipment	– 0.1	– 0.1
Right of use software	– 0.1	– 0.2
Depreciation expenses of leases	– 0.4	– 0.5

Net interest income

Net interest income is composed as follows:

• Interest income

€ million	01.01. – 30.06.2024	01.01. – 30.06.2023
Interest income from bank balances	5.0	1.8
Interest income from loans	0.1	–
Other interest income	4.5	1.4
Interest income	9.6	3.2

Interest income increased by EUR 6.4 million to EUR 9.6 million compared to the same period of the previous year. The increase in interest income is mainly due to higher interest on cash investments.

• Interest expenses

€ million	01.01. – 30.06.2024	01.01. – 30.06.2023
Interest expenses from real estate financing	– 74.3	– 63.8
Interest expense from loan amortisation	– 11.0	– 9.3
Prepayment penalties	–	0.0
Interest expense from interest derivatives for real estate financing	– 0.1	0.0
Interest expense from change in pension provisions	– 1.7	– 1.9
Interest expense from interest on other assets and liabilities	– 0.1	– 0.1
Interest expenses from lease financing	– 1.2	– 1.2
Other interest expenses	– 1.3	– 0.9
Interest expenses	– 89.7	– 77.2

The increase in interest expenses by EUR – 12.5 million to EUR – 89.7 million is mainly due to the valuations after the comparative period and higher interest rate level.

Income taxes

• Income tax expenses

€ million	01.01. – 30.06.2024	01.01. – 30.06.2023
Current tax expenses	– 0.4	– 5.4
Deferred tax expenses	25.9	272.3
Income tax expenses	25.5	266.9

An effective Group tax rate of 21.86 % was assumed in the reporting period in accordance with Group tax planning (comparative period: 21.06 %).

The decrease in current tax expenses is mainly due to sales of properties and special effects from the sale of electricity in the comparative period.

The deferred tax income is essentially based on the release of deferred tax liabilities as part of the devaluation of investment properties and is therefore significantly lower compared to the comparative period.

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.

Due to the granting of the scrip dividend for the financial year 2023, a capital increase was carried out on 24 June 2024. A total of 360,389 new shares were issued.

● Earnings per share (basic)

€ million	01.01. – 30.06.2024	01.01. – 30.06.2023
Net profit or loss attributable to shareholders in € million	- 86.8	- 1,030.1
Average numbers of shares outstanding	74,123,291	74,109,276
Earnings per share (basic) in €	- 1.17	- 13.90

● Earnings per share (diluted)

€ million	01.01. – 30.06.2024	01.01. – 30.06.2023
Net profit or loss attributable to shareholders in € million	- 86.8	- 1,030.1
Convertible bond coupon after taxes	2.3	2.3
Measurement of derivatives after taxes	- 2.6	- 0.5
Amortisation of the convertible bond after taxes	2.4	2.3
Net profit or loss for the period for diluted earnings per share	- 84.7	- 1,026.0
Average weighted number of shares outstanding	74,123,291	74,109,276
Number of potentially new shares in the event of exercise of conversion rights	7,112,329	7,112,329
Number of shares for diluted earnings per share	81,235,620	81,221,605
Intermedia result in €	- 1.04	- 12.63
Diluted earnings per share in €	- 1.17	- 13.90

As at 30 June 2024, LEG Immobilien SE had convertible bonds outstanding, which authorise the bearer to conversion into up to 7.1 million new ordinary shares.

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

8. Notes on Group segment reporting

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

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

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

AFFO

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

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

• Calculation of FFO I, FFO II und AFFO

€ million	01.01. – 30.06.2024	01.01. – 30.06.2023
Net cold rent	427.9	414.3
Profit from operating expenses	– 10.7	– 9.8
Personnel expenses (rental and lease)	– 57.5	– 52.6
Allowances on rent receivables	– 7.9	– 9.7
Other	– 5.9	– 5.0
Non-recurring special effects (rental and lease)	4.3	2.2
Net operating income (recurring)	350.2	339.4
Net income from other services (recurring)	– 0.5	17.5
Personnel expenses (administration)	– 18.6	– 15.0
Non-personnel expenses (administration)	– 11.5	– 12.1
Non-recurring special effects (administration)	4.2	5.4
Administrative expenses (recurring)	– 25.9	– 21.7
Other income (recurring)	0.1	0.0
EBITDA (adjusted)	323.9	335.2
Cash interest expenses and income FFO I	– 67.9	– 63.0
Cash income taxes FFO I	– 0.1	– 2.7
Maintenance for externally procured services	– 50.2	– 47.6
Subsidies recognised in profit or loss	7.4	–
Own work capitalised	6.3	5.9
FFO I (before adjustment of non-controlling interests)	219.4	227.8
Adjustment of non-controlling interests	– 1.5	– 1.8
FFO I (after adjustment of non-controlling interests)	217.9	226.0
Net income from the disposal of investment properties (adjusted)	0.0	– 0.6
Cash income taxes FFO II	– 1.3	– 2.7
FFO II (incl. disposal of investment properties)	216.6	222.7
Capex (recurring)	– 108.2	– 107.4
AFFO (Capex-adjusted FFO I)	109.7	118.6

EBITDA is adjusted for non-recurring effects to ensure comparability with previous periods. Adjustments are made for all items that are not attributable to operations in the period and that have a not insignificant effect on EBITDA. These special effects of a non-recurring nature include project costs for business model and process optimisation, personnel matters, acquisition and integration costs, capital market financing and M&A activities as well as other atypical matters.

These are composed as follows:

• Special one-off effects

€ million	01.01. – 30.06.2024	01.01. – 30.06.2023
Project costs to optimise the business model and processes	0.8	1.8
Staff related costs	5.0	1.5
Acquisition and integration related costs	1.0	3.0
Capital market financing and M&A activities	1.2	0.8
Other atypical matters	0.5	0.5
Special one-off effects	8.5	7.6

EBITDA adjusted for these special items is further adjusted for cash interest income and expenses, cash taxes, maintenance expenses for externally procured services, subsidies recognised in profit or loss, own work capitalised and non-controlling interests in FFO I.

Cash interest expenses are composed as follows:

• Cash interest expenses

€ million	01.01. – 30.06.2024	01.01. – 30.06.2023
Interest expense reported in income statement	89.7	77.2
Interest expense related to loan amortisation	– 11.0	– 9.3
Interest costs related to the accretion of other assets/liabilities	– 0.1	– 0.1
Interest expenses related to changes in pension provisions	– 1.7	– 1.9
Other interest expenses	0.0	0.3
Cash effective interest expense (gross)	76.9	66.2
Cash effective interest income	9.0	3.2
Cash effective interest expense (net)	67.9	63.0

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

EPRA Net Tangible Asset (EPRA NTA)

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

LEG reports EPRA NTA of EUR 9,129.2 million or EUR 122.59 per share as at 30 June 2024. In the calculation, deferred taxes on investment property are adjusted by the amount attributable to planned property disposals by LEG. Incidental acquisition costs are not taken into account.

The key figures are presented on a diluted basis only. As at 30 June 2024, no dilution effects from the convertible bonds are taken into account, as the share price does not exceed the current conversion prices as at the reporting date.

● EPRA NRV, EPRA NTA, EPRA NDV

€ million	30.06.2024	30.06.2024	30.06.2024	31.12.2023	31.12.2023	31.12.2023
	EPRA NRV	EPRA NTA	EPRA NDV	EPRA NRV	EPRA NTA	EPRA NDV
Equity attributable to shareholders of the parent company	7,235.2	7,235.2	7,235.2	7,463.2	7,463.2	7,463.2
Hybrid instruments	28.5	28.5	28.5	28.5	28.5	28.5
Diluted NAV at fair value	7,263.7	7,263.7	7,263.7	7,491.7	7,491.7	7,491.7
Deferred tax in relation to fair value gains of IP and deferred tax on subsidised loans and financial derivatives	1,926.4	1,923.7	–	1,943.4	1,935.2	–
Fair value of financial instruments	– 53.9	– 53.9	–	– 42.0	– 42.0	–
Intangibles as per the IFRS balance sheet	–	– 4.3	–	–	– 5.0	–
Fair value of fixed interest rate debt	–	–	839.9	–	–	744.0
Deferred taxes of fixed interest rate debt	–	–	– 183.6	–	–	– 156.7
Estimated ancillary acquisition costs (real estate transfer tax) ¹	1,739.7	–	–	1,759.4	–	–
NAV	10,875.9	9,129.2	7,920.0	11,152.5	9,379.9	8,079.0
Fully diluted number of shares	74,469,665	74,469,665	74,469,665	74,109,276	74,109,276	74,109,276
NAV per share	146.04	122.59	106.35	150.49	126.57	109.01

¹ Taking the ancillary acquisition cost into account would result in an EPRA NTA of €10,857.1 million or €145.79 per share (31 December 2023: €11,127.5 million or €150.15 per share).

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

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

Deferred taxes resulting from the measurement of investment properties and from the measurement of 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 on investment properties and on subsidised loans as well as derivatives, which are taken into account in the EPRA NTA, amounted to a total of EUR 1,923.7 million as at 30 June 2024.

Effects of the fair value measurement of derivative financial instruments are also eliminated in calculating the EPRA NTA. If these effects from the measurement of derivatives relate to the equity value calculated in the "Hybrid instruments" item, these are not included under "fair value of financial instruments". As at 30 June 2024, these effects totalled EUR – 53.9 million.

In addition, all recognised intangible assets are eliminated. As at 30 June 2024 these totalled EUR 4.3 million.

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

● Loan to value ratio (LTV)

Net debt at the end of the reporting period increased slightly compared with 31 December 2023. The revaluation of investment properties results in a loan-to-value ratio (LTV) of 49.0 % as at 30 June 2024 (31 December 2023: 48.4 %).

● LTV

€ million	30.06.2024	31.12.2023
Financing liabilities	9,328.8	9,375.8
Less lease liabilities IFRS 16 (not leasehold)	13.9	15.9
Less cash and cash equivalents	355.9	405.5
Net financing liabilities	8,959.0	8,954.4
Investment properties	17,745.7	18,101.8
Assets held for sale	229.3	77.9
Participation in other real estate companies	321.9	340.1
Real estate assets	18,296.9	18,519.8
Loan to value ratio (LTV) in %	49.0	48.4

Maintenance and modernisation

The maintenance expenses from the perspective of the companies that hold properties consist of maintenance expenses for externally purchased services and maintenance expenses purchased internally by the service companies of LEG. Value-adding capital expenditure includes investment in investment property and in property, plant and equipment. Investment in investment property, value-adding capital expenditure (capex) and capex (recurring) include expansion investments in the form of new construction activities on own land but no purchased project developments. Consolidation effects, investment for new construction on own land, own work capitalised and subsidies recognised in profit or loss are eliminated from total investment when calculating total investment per square metre.

• Maintenance and modernisation

€ million	01.01. – 30.06.2024	01.01. – 30.06.2023
Maintenance expenses for externally procured services	- 50.2	- 47.6
Maintenance expenses provided internally	- 28.7	- 17.6
Maintenance expenses	- 78.9	- 65.2
Adjustments consolidation effects	3.9	0.6
Maintenance expenses (adjusted)	- 75.0	- 64.6
Investment in investment properties	- 111.3	- 108.9
Investment in property, plant and equipment	- 3.0	- 1.5
Capital expenditure (Capex)	- 114.3	- 110.4
Adjustments consolidation effects	6.1	3.0
Capex (recurring)	- 108.2	- 107.4
Adjustments (new construction on own land, own work capitalised, subsidies recognised in profit or loss)	16.6	19.2
Capital expenditure (adjusted)	- 91.6	- 88.2
Total investment	- 193.2	- 175.6
Adjustments (consolidation effects, new construction on own land, own work capitalised, subsidies recognised in profit or loss)	26.6	22.8
Total investments (adjusted)	- 166.6	- 152.8
Area of investment properties in million sqm	10.81	10.85
Adjusted average investment per sqm (€)	15.41	14.08
Thereof maintenance expenses per sqm (€)	6.94	5.95
Thereof capital expenditure per sqm (€)	8.47	8.13

9. Financial instruments

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

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

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

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

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

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

• Classes of financial instruments for financial assets and liabilities as at 30.06.2024

€ million	Carrying amounts as per statement of financial position 30.06.2024	Measurement (IFRS 9)		Measurement (IFRS 16)	Fair value 30.06.2024
		(Amortised) Costs	Fair value through profit and loss		
Assets					
Other financial assets	336.1				336.1
Derivatives HFT	0.0		0.0		0.0
Hedge accounting derivatives	25.0				25.0
AC	0.6	0.6			0.6
FVtPL	310.5		310.5		310.5
Receivables and other assets	314.2				314.2
AC	255.9	255.9			255.9
Other non-financial assets	58.3				58.3
Cash and cash equivalents	225.6				225.6
AC	225.6	225.6			225.6
Total	875.9	482.1	310.5		875.9
Of which IFRS 9 measurement categories					
AC	482.1	482.1			482.1
FVtPL	310.5		310.5		310.5
Liabilities					
Financial liabilities	-9,328.8				-8,381.0
FLAC	-9,220.9	-9,220.9			-8,381.0
Liabilities from lease financing	-107.9			-107.9	
Other liabilities	-446.5				-446.3
FLAC	-248.7	-248.7			-248.5
Derivatives HFT	-5.6		-5.6		-5.6
Hedge accounting derivatives	-3.8				-3.8
Other non-financial liabilities	-188.5				-188.5
Total	-9,775.3	-9,469.6	-5.6	-107.9	-8,827.3
Of which IFRS 9 measurement categories					
FLAC	-9,469.6	-9,469.6			-8,629.5
Derivatives HFT	-5.6		-5.6		-5.6

AC = Amortised cost

HFT = Held for trading

FVtPL = Fair value through profit and loss

FLAC = Financial liabilities at amortised costs

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

€ million	Carrying amounts as per statement of financial position 31.12.2023	Measurement (IFRS 9)		Measurement (IFRS 16)	Fair value 31.12.2023
		(Amortised) Costs	Fair value through profit and loss		
Assets					
Other financial assets	355.5				355.5
Hedge accounting derivatives	25.7				25.7
AC	0.9	0.9			0.9
FVtPL	328.9		328.9		328.9
Receivables and other assets	277.9				–
AC	245.6	245.6			245.6
Other non-financial assets	32.3				–
Cash and cash equivalents	277.5				277.5
AC	277.5	277.5			277.5
Total	910.9	524.0	328.9		633.0
Of which IFRS 9 measurement categories					
AC	524.0	524.0			524.0
FVtPL	328.9		328.9		–
Liabilities					
Financial liabilities	–9,375.8				–8,521.0
FLAC	–9,264.9	–9,264.9			–8,521.0
Liabilities from lease financing	–110.9			–110.9	–
Other liabilities	–373.9				–176.6
FLAC	–159.1	–159.1			–158.9
Derivatives HFT	–7.9		–7.9		–7.9
Hedge accounting derivatives	–9.8				–9.8
Other non-financial liabilities	–197.1				–
Total	–9,749.7	–9,424.0	–7.9	–110.9	–8,697.6
Of which IFRS 9 measurement categories					
FLAC	–9,424.0	–9,424.0			–8,679.9
Derivatives HFT	–7.9		–7.9		–7.9

AC = Amortised cost

HFT = Held for trading

FVtPL = Fair value through profit and loss

FLAC = Financial liabilities at amortised costs

As at 30 June 2024, the fair value of a shareholding amounts to EUR 150.1 million (31 December 2023: EUR 168,3 million). The change compared to the previous reporting date amounts to EUR 18.2 million, of which EUR 18.2 million was recognised in profit or loss. This participation is allocated to Level 1 of the measurement hierarchy, as there is an active market for the shares.

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

of 7.1%. The fair value of the portfolio companies is determined on the basis of the property values of the respective companies. The property values are determined on the basis of offer prices from a market database. The 25 % percentile of the offer prices was selected for the valuation.

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

10. Related-party disclosures

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

11. Other

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

12. The Management Board and the Supervisory Board

There were no changes to the composition of the Management Board as at 30 June 2024 compared with the disclosures as at 31 December 2023.

The following changes occurred in the composition of the Supervisory Board:

Dr. Jochen Scharpe has resigned as a member of the Supervisory Board of LEG Immobilien SE with effect from the end of the 2024 Annual General Meeting.

Christoph Beumer was elected as a member of the Supervisory Board of LEG Immobilien SE at the 2024 Annual General Meeting.

13. Supplementary Report

There were no significant events after the end of the interim reporting period on 30 June 2024.

Dusseldorf, 9 August 2024

LEG Immobilien SE
The Management Board

Lars von Lackum
(CEO)

Dr. Kathrin Köhling
(CFO)

Dr. Volker Wiegel
(COO)

Responsibility statement

“To the best of our knowledge, and in accordance with the applicable accounting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and results of operations of LEG, and the quarterly report includes a fair review of the development and performance of the business and the position of LEG, together with a description of the principal opportunities and risks associated with the expected development of LEG.”

Dusseldorf, 9 August 2024

LEG Immobilien SE
The Management Board

Lars von Lackum
(CEO)

Dr. Kathrin Köhling
(CFO)

Dr. Volker Wiegel
(COO)

Financial calendar

• LEG financial calendar 2024

Release of Quarterly Statement Q3 as of 30 September 2024	8 November
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• LEG financial calendar 2025

Release of Annual Report 2024	10 March
Release of Quarterly Statement Q1 as of 31 March 2025	13 May
Release of Quarterly Report Q2 as of 30 June 2025	7 August
Release of Quarterly Statement Q3 as of 30 September 2025	12 November

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

Contact details & imprint

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The quarterly report as of 30 June 2024 is also available in German.
In case of doubt, the German version takes precedence.

