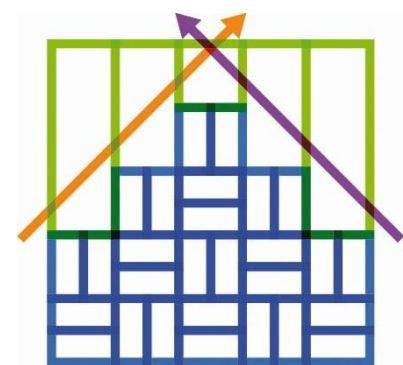
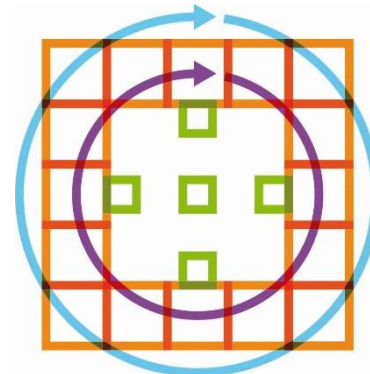
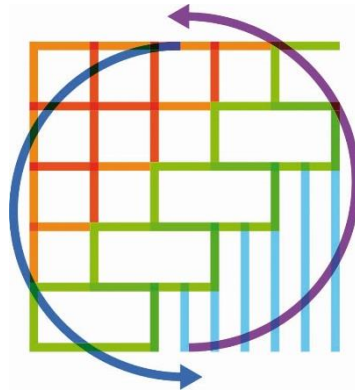


*Keep growing.*



**LEG Immobilien AG**

10 May 2017

**Q1-2017 Results**

# Disclaimer



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- I. HIGHLIGHTS Q1-2017**
- II. PORTFOLIO AND OPERATING PERFORMANCE**
- III. FINANCIAL PERFORMANCE**
- IV. BUSINESS UPDATE AND OUTLOOK**
- V. APPENDIX**

# Highlights Q1-2017

## Overall company development

- Property valuation: positive impact from rent development and yield compression in FY-2017 expected
  - Mid single-digit valuation uplift (in %) in Q2 and further capital growth in Q4 expected
- Extension of capex programme: mid term I-f-I rent growth target (5 years) of 3-3.5% p.a.
  - Mid term investment target of c.€24-29/sqm
- Early refinancing of subsidised loans: additional positive NAV impact of c.€50m-€60m in 2017 expected
- Acquisitions: Attractive pipeline of several mid-sized deals
  - Positive FFO PS effect expected

## Accelerating rent growth on basis of high capital efficiency

- In-place rent, I-f-I                      €5.40/sqm (+2.9% total portfolio, +3.6% for free-financed units)
- EPRA-Vacancy, I-f-I                      3.2% (up c.30 bps YOY, due to temporary reorganisation effect)
- Maintenance/Capex                      €2.6/sqm

## Financials: Steady margin expansion supports dynamic earnings growth

- Net cold rent                              €131.9m (+11.2% YOY from €118.6m)
- Adjusted EBITDA                          €97.8m (+16.3% YOY from €84.1m)  
Strong margin expansion excl. maintenance (c.+220 bps YOY)
- FFO I (excl. minorities)                €75.2m (+20.1% YOY from €62.6m), €1.19 per share (+19.0% YOY from €1.00)
- AFFO                                        €66.2m (+32.7% YOY from €49.9m)
- EPRA-NAV (excl. goodwill)            €67.48 per share

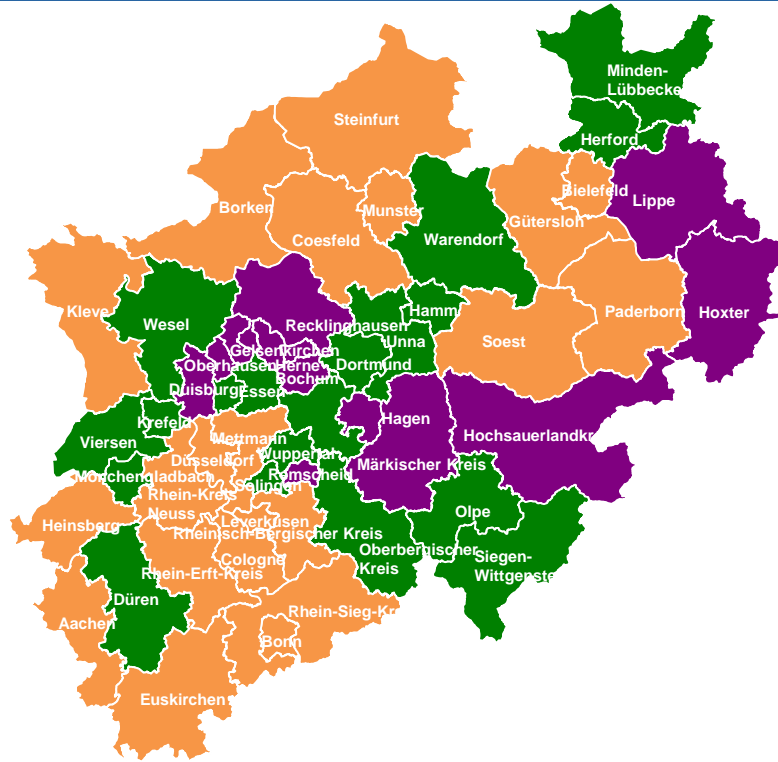
## **II. PORTFOLIO AND OPERATING PERFORMANCE**

# Portfolio Overview

## Positive rent development across all submarkets



Strong results on the basis of tailor-made management strategies



### High-Growth Markets

	31.03.2017	Δ (YOY)
# of units	38,941	+1.9%
In-place rent (sqm), I-f-I	€5.95	+2.6%
EPRA-Vacancy, I-f-I	1.5%	+20 bps

### Stable Markets with Attractive Yields

	31.03.2017	Δ (YOY)
# of units	47,019	+6.7%
In-place rent (sqm), I-f-I	€5.13	+3.0%
EPRA-Vacancy, I-f-I	3.5%	+30 bps

### Higher-Yielding Markets

	31.03.2017	Δ (YOY)
# of units	39,221	+23.9%
In-place rent (sqm), I-f-I	€5.02	+2.9%
EPRA-Vacancy, I-f-I	5.6%	+60 bps

### Total Portfolio

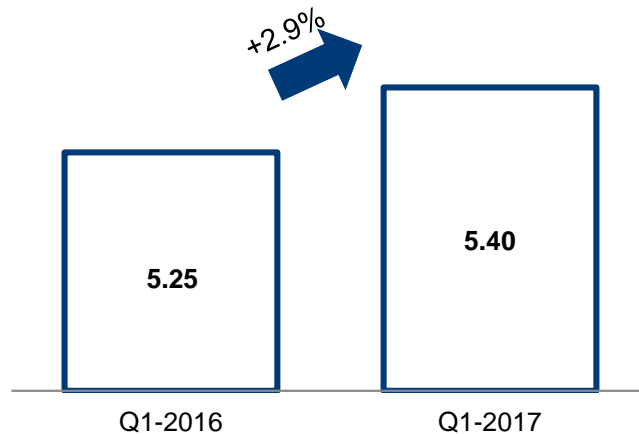
	31.03.2017	Δ (YOY)
# of units	127,076	+10.1%
In-place rent (sqm), I-f-I	€5.40	+2.9%
EPRA-Vacancy, I-f-I	3.2%	+30 bps

# Rent Development

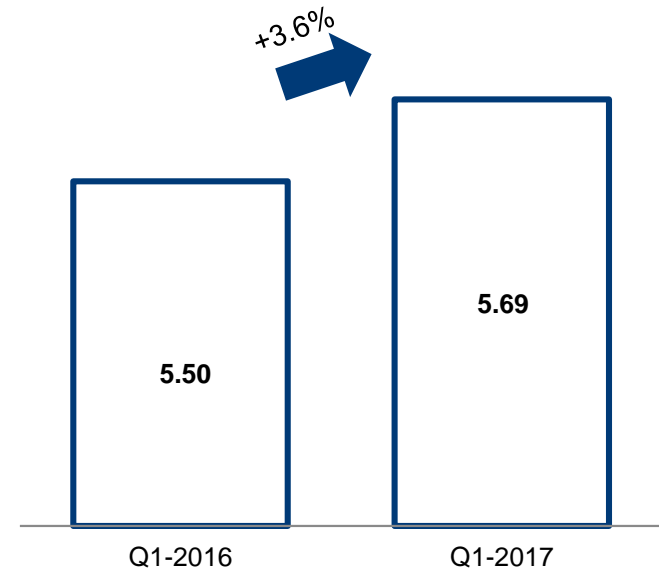
Attractive portfolio + operational excellence = sound rent growth *gewohnt gut.*

**LEG**

## L-f-I Residential Rent (€/sqm/month)



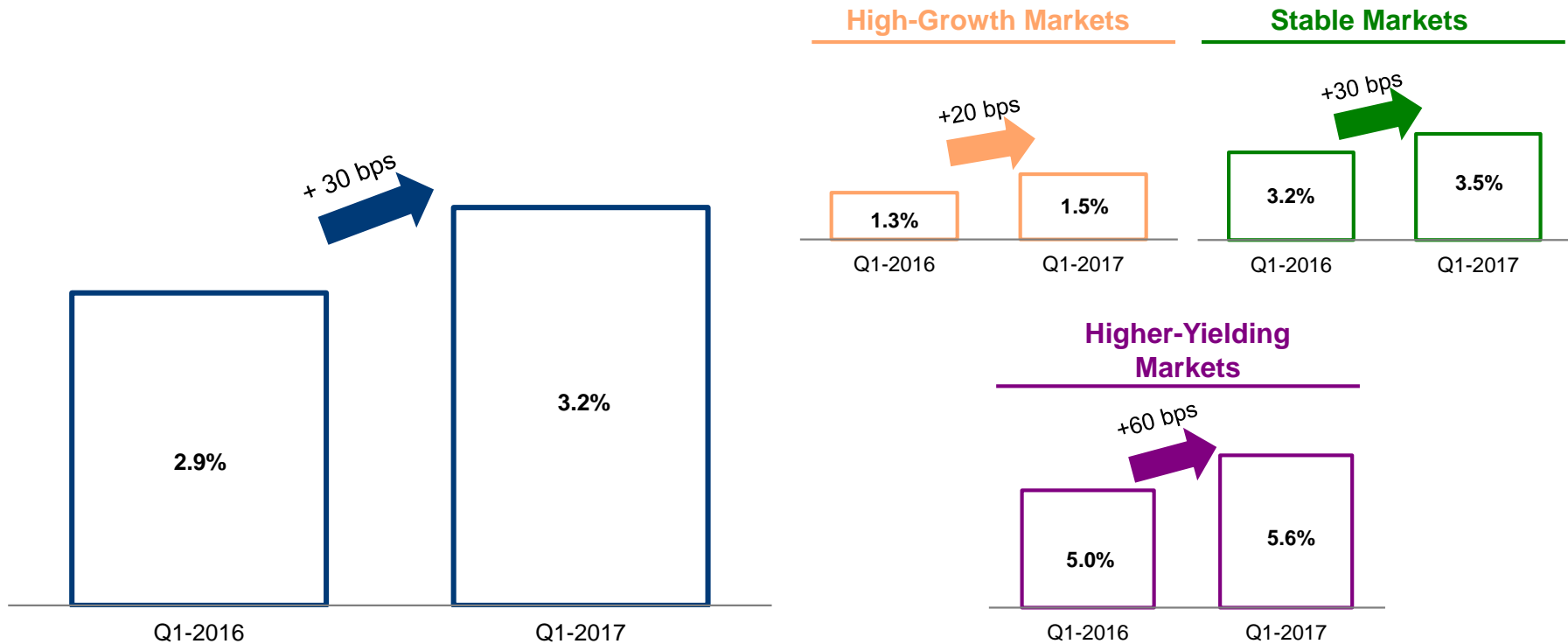
## L-f-I Free Financed Rent (€/sqm/month)



- Rent restricted units: +1.3% year-on-year (like-for-like)
- Performance of free financed units best proxy for underlying rent dynamics
- High capital efficiency maintained (growth relative to capital expenditure)
- Regional focus drives outperformance

# EPRA-Vacancy Development (like-for-like)

## Low vacancies despite temporary drag from reorganisation

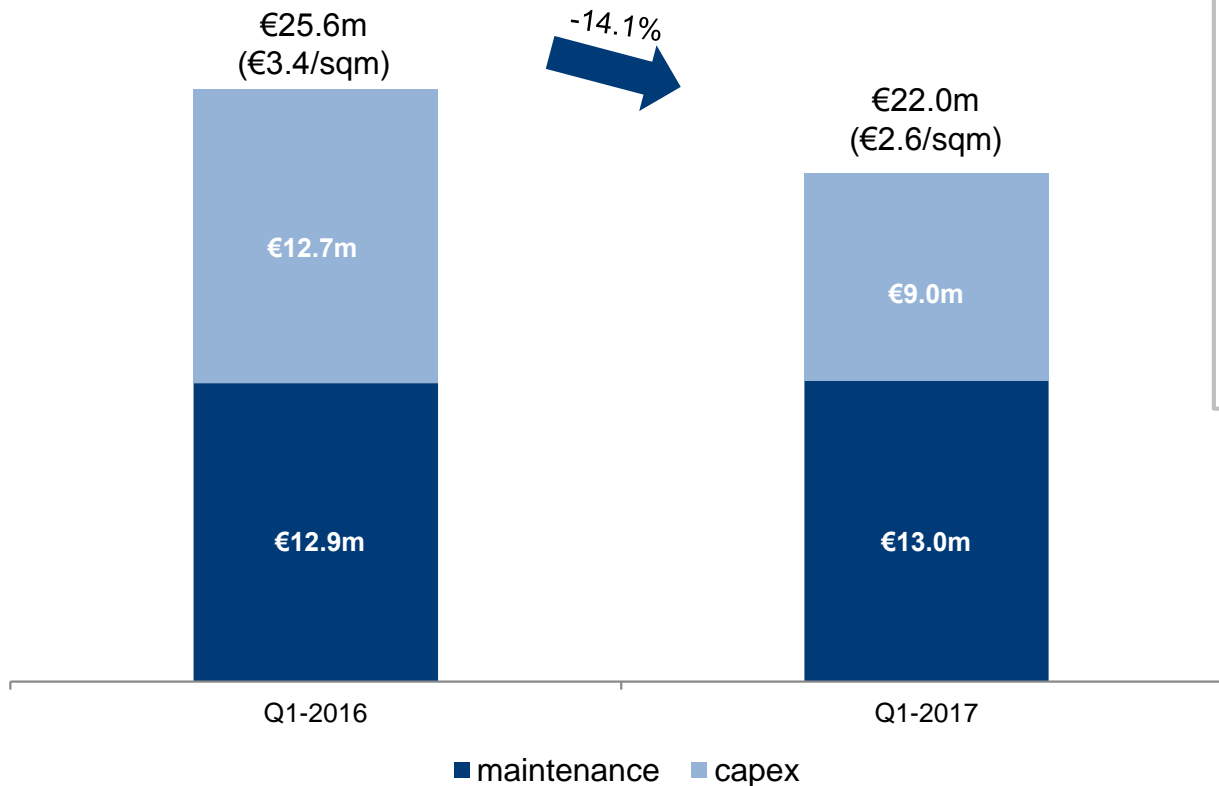


- Traditionally weaker Q1 seasonality
- Low absolute vacancies maintained despite temporary effects from the reorganisation / optimisation of operational units
- Outlook FY-2017: Rising I-f-I occupancy expected (starting H2); already lower y-o-y increase in Q1-2017 vs. Q4-2016



# Capex & Maintenance

## Rising value enhancing investments ahead



- Investments of €2.6/sqm well below FY-run rate; stronger seasonality in coming quarters
- Enhanced capex programme starting in H2-2017
- Outlook FY-2017: c.€24/sqm due to enhanced capex programme (€40m additional capex in 2017)

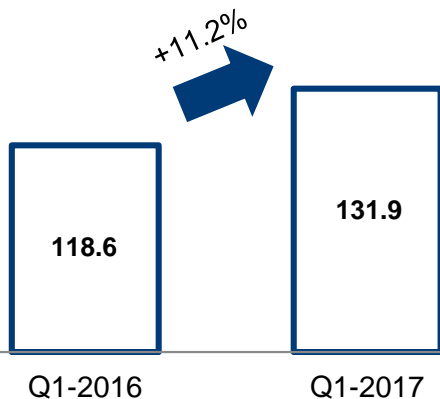
### **III. FINANCIAL PERFORMANCE**

# Financial Highlights Q1-2017

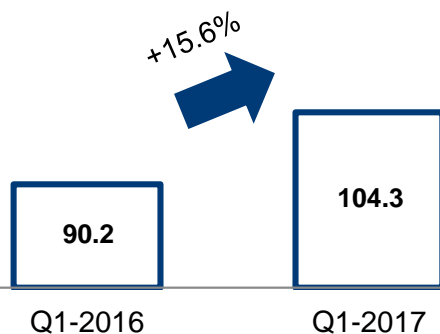
Margin expansion on back of attractive scale effects + cost discipline *gewohnt gut.*



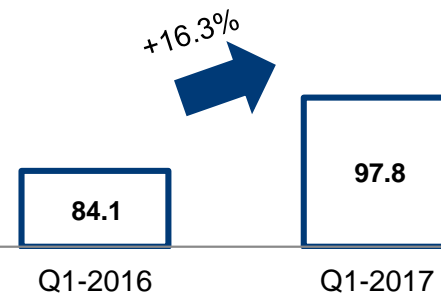
**Net Cold Rent (€m)**



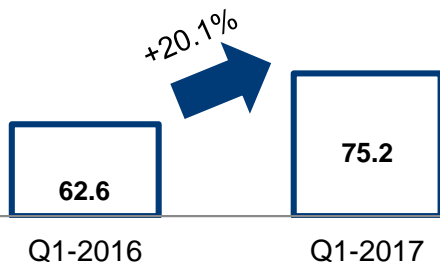
**Adj. Net Rental and Lease Income (€m)**



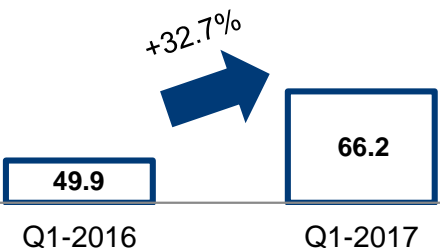
**Adj. EBITDA (€m)**



**FFO I (€m)**



**Capex-Adj. FFO I / AFFO (€m)**



**Margin (%)**

	Q1-2016	Q1-2017	Comment
Adj. NRI	76.1	79.1	Scale effects + efficiency gains + temporary lower maintenance
Adj. EBITDA	70.9	74.1	See above + lower admin. costs ratio + higher "other\$"
FFO I	52.8	57.0	See above + lower interest ratio
AFFO	42.1	50.2	See above + lower capex

# Income Statement

## Q1-2017



€ million	Q1-2017	Q1-2016	
Net rental and lease income	102.6	88.6	<ul style="list-style-type: none"> <li>Higher rental income (+€13.3m/+11.2%)</li> <li>Rise in staff costs resulting from crafts business (+€3.0m YOY), offset by decrease in externally-procured services</li> <li>Adj. NRI-margin rose from 76.1% to 79.1% YOY also due to temporary lower maintenance</li> </ul>
Net income from the disposal of investment property	0.1	-0.1	
Net income from the valuation of investment property	0.0	1.0	
Net income from the disposal of real estate inventory	-1.0	-0.6	
Net income from other services	1.4	1.3	<ul style="list-style-type: none"> <li>Acquisition related one-time costs of €34.5m in Q1-2016</li> <li>Recurring admin. costs slightly increased to €8.5m (-€0.6m YOY) due to extraordinary items (number of FTE's decreased)</li> </ul>
Administrative and other expenses	-9.8	-43.0	
Other income	0.2	0.1	
<b>Operating earnings</b>	<b>93.5</b>	<b>47.3</b>	<ul style="list-style-type: none"> <li>Lower burden from fair value measurement of derivatives offsetting one-time costs for refinancing (€11.7m)</li> <li>Slightly higher cash interests (€20.9m; +€0.7m YOY) despite volume growth</li> </ul>
<b>Net finance costs</b>	<b>-46.4</b>	<b>-47.1</b>	
<b>Earnings before income taxes</b>	<b>47.1</b>	<b>0.2</b>	
<b>Income tax expenses</b>	<b>-14.3</b>	<b>-12.3</b>	
<b>Consolidated net profit</b>	<b>32.8</b>	<b>-12.1</b>	<ul style="list-style-type: none"> <li>Cash taxes (-€1.3m)</li> </ul>

# FFO Calculation

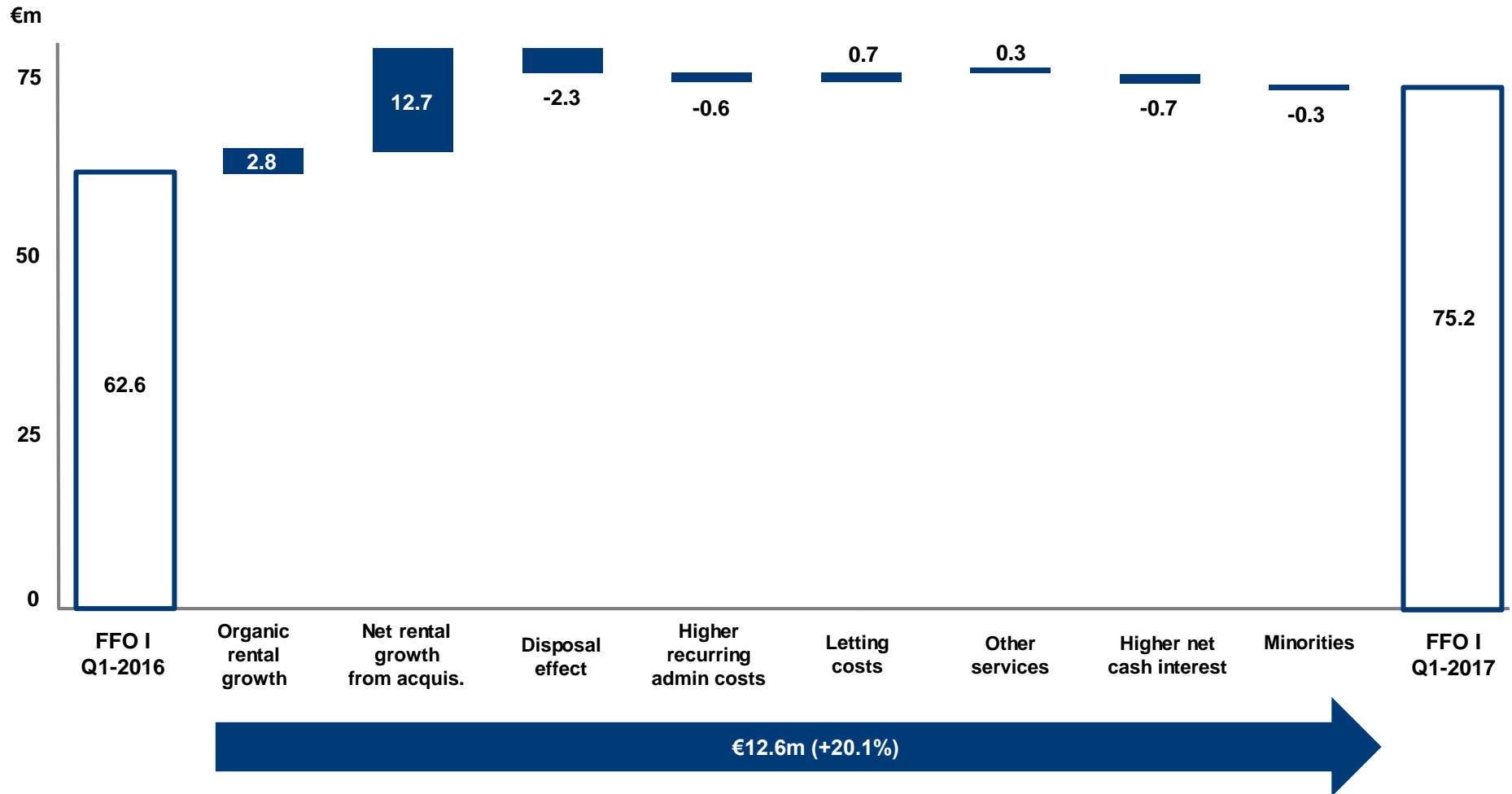
## Q1-2017



€ million	Q1-2017	Q1-2016	
Net cold rent	131.9	118.6	▪ +€13.3m (+11.2% YOY)
Profit from operating expenses	-1.1	-1.4	
Maintenance (externally-procured services)	-9.8	-12.9	
Staff costs	-13.4	-10.2	▪ Disproportional growth in staff costs mainly due to new crafts business (offset by lower procured services); adjusted for this effect moderate increase of +2.0%
Allowances on rent receivables	-1.9	-1.7	
Other	-1.6	-2.4	
Non-recurring project costs (rental and lease)	0.2	0.2	
<b>Recurring net rental and lease income</b>	<b>104.3</b>	<b>90.2</b>	▪ +€14.1m (+15.6% YOY) ▪ NRI-margin increased sharply from 76.1% to 79.1% in Q1-2017; also with support from temporary lower maintenance
<b>Recurring net income from other services</b>	<b>1.9</b>	<b>1.7</b>	
Staff costs	-5.7	-5.5	
Non-staff operating costs	-4.0	-36.9	▪ Acquisition related one-time costs in Q1-2016
Non-recurring project costs (admin.)	1.2	34.5	
Extraordinary and prior-period expenses	0.0	0.0	
<b>Recurring administrative expenses</b>	<b>-8.5</b>	<b>-7.9</b>	▪ Slight increase due to extraordinary items
<b>Other income and expenses</b>	<b>0.1</b>	<b>0.1</b>	
<b>Adjusted EBITDA</b>	<b>97.8</b>	<b>84.1</b>	▪ +€13.7m (+16.3% YOY) ▪ Strong increase in EBITDA margin 70.9% vs. 74.1% in Q1-17; (pre maintenance +220 bp)
Cash interest expenses and income	-20.9	-20.2	
Cash income taxes	-1.3	-1.1	
<b>FFO I (including non-controlling interests)</b>	<b>75.6</b>	<b>62.8</b>	
Non-controlling interests	-0.4	-0.2	▪ Lower average interest costs (Q1-17 avg. cost 1.95% vs. 2.15% in Q1-16)
<b>FFO I (excluding non-controlling interests)</b>	<b>75.2</b>	<b>62.6</b>	
<b>FFO II (including disposal of investment property)</b>	<b>75.3</b>	<b>62.5</b>	
<b>Capex-adjusted FFO I (AFFO)</b>	<b>66.2</b>	<b>49.9</b>	

# FFO Bridge

## Q1-2017



# Cash Effective Interest Expense

## Q1-2017



€ million	Q1-2017	Q1-2016	
Reported interest expense	38.9	30.1	
Interest expense related to loan amortisation	-9.9	-6.0	<ul style="list-style-type: none"> <li>One-off refinancing effect of €4.9m in Q1-2017 from refinancing of subsidised loans (loan amortisation)</li> </ul>
Prepayment penalties / breakage costs	-6.8	-2.2	<ul style="list-style-type: none"> <li>Release of swaps and fixed interest loans (refinancing); total refinancing costs €11.7m</li> </ul>
Interest charges relating to valuation of assets/liabilities	-0.4	-0.4	
Leasing related interest expense	-0.3	-0.4	
Interest expenses related to changes in pension provisions	-0.6	-0.8	
<b>Cash effective interest expense (gross)</b>	<b>20.9</b>	20.2	
Cash effective interest income	0.0	0.0	
<b>Cash effective interest expense (net)</b>	<b>20.9</b>	<b>20.2</b>	<ul style="list-style-type: none"> <li>Interest coverage improved further (4.7x up from 4.2x YOY)</li> </ul>

# EPRA-Net Asset Value

## Q2 revaluation promises further NAV growth



€ million	31.03.2017	31.12.2016
<b>Equity (excl. minority interests)</b>	<b>3,458.7</b>	<b>3,414.5</b>
Effect of exercising options, convertibles and other rights	451.8	435.6
<b>NAV</b>	<b>3,910.5</b>	<b>3,850.1</b>
Fair value measurement of derivative financial instruments	142.4	146.7
Deferred taxes <sup>1)</sup>	622.4	644.2
<b>EPRA-NAV</b>	<b>4,675.3</b>	<b>4,641.0</b>
Number of shares fully-diluted incl. convertible (m) <sup>2)</sup>	68.466	68.466
<b>EPRA-NAV per share in €</b>	<b>68.29</b>	<b>67.79</b>
Goodwill resulting from synergies	55.1	43.8
<b>Adjusted EPRA-NAV (excl. goodwill)</b>	<b>4,620.2</b>	<b>4,597.2</b>
<b>Adjusted EPRA-NAV per share in €</b>	<b>67.48</b>	<b>67.15</b>

- €32.8m net profit
- €9.9m other comprehensive income (derivatives)

- Attractive rental yield of 6.7% (6.8% for free financed units) leaves future upside
- Value of services business not included in NAV
  - Scenario (incl. crafts business): additional value approx. €3.40 per share at discount rate of 6%<sup>3)</sup>

<sup>1)</sup> And goodwill resulting from deferred taxes on EPRA-adjustments

<sup>2)</sup> Actual number of shares outstanding 63.19m

<sup>3)</sup> Assumption: growth rate of 0%



# Portfolio

## Sound property fundamentals basis for value growth



As of 31.03.2017

Market	Residential Units	GAV Residential Assets (€ m)	% of Total Residential GAV	GAV/sqm (€)	In-Place Rent Multiple	Multiples, Estimated Rental Values (31.12.2016)	GAV Commercial/Other Assets (€ m)	Total GAV
<b>High-Growth Markets</b>	38,941	3,310	43%	1,289	18.2x	16.1x	190	3,499
<b>Stable Markets</b>	47,019	2,447	32%	809	13.5x	12.7x	106	2,553
<b>Higher-Yielding Markets</b>	39,221	1,732	23%	721	12.7x	12.0x	60	1,792
<b>Subtotal NRW</b>	<b>125,181</b>	<b>7,488</b>	<b>98%</b>	<b>937</b>	<b>15.0x</b>	<b>13.8x</b>	<b>356</b>	<b>7,844</b>
Portfolio outside NRW	1,895	131	2%	1,023	15.2x	14.0x	2	132
<b>Total Portfolio</b>	<b>127,076</b>	<b>7,619</b>	<b>100%</b>	<b>938</b>	<b>15.0x</b>	<b>13.8x</b>	<b>357</b>	<b>7,976</b>
Other Assets								42
<b>Total</b>								<b>8,020</b>

# Balance Sheet

## Strong balance sheet



€ million	31.03.2017	31.12.2016
Investment property	7,993.0	7,954.9
Prepayment for investment property	-	27.3
Other non-current assets	180.5	182.3
<b>Non-current assets</b>	<b>8,173.5</b>	<b>8,164.5</b>
Receivables and other assets	83.2	47.7
Cash and cash equivalents	392.0	166.7
<b>Current assets</b>	<b>475.2</b>	<b>214.4</b>
Assets held for sale	0.1	57.0
<b>Total Assets</b>	<b>8,648.8</b>	<b>8,435.9</b>
<b>Equity</b>	<b>3,482.0</b>	<b>3,436.7</b>
Non-current financial liabilities	3,564.5	3,222.3
Other non-current liabilities	861.9	870.3
<b>Non-current liabilities</b>	<b>4,426.4</b>	<b>4,092.6</b>
Current financial liabilities	378.7	552.0
Other current liabilities	361.7	354.6
<b>Current liabilities</b>	<b>740.4</b>	<b>906.6</b>
<b>Total Equity and Liabilities</b>	<b>8,648.8</b>	<b>8,435.9</b>

- Additions €29.2m
- Capex €9.0m

- Cash flow from operating activities €76.5m
- Proceeds from disposals €9.3m
- Excess cash from bond issue; major part was used for refinancing

- Bond issue +€495m
- Repayment of subsidised loans -€182m and other bank loans -€159m

€ million	31.03.2017	31.12.2016
Financial liabilities	3,943.2	3,774.3
Cash & cash equivalents	392.0	166.7
<b>Net Debt</b>	<b>3,551.2</b>	<b>3,607.6</b>
Investment properties	7,993.0	7,954.9
Properties held for sale	0.1	57.0
Prepayments for investment properties	-	27.3
<b>Property values</b>	<b>7,993.1</b>	<b>8,039.2</b>
<b>Loan to Value (LTV) in %</b>	<b>44.4</b>	<b>44.9</b>
<b>Pro-forma LTV post conversion in %</b>	<b>41.0</b>	<b>41.5</b>

- LTV slightly below the current target range of 45-50%
- Low LTV leaves headroom for growth investments
- Yield compression is likely to trigger a further decline during the cycle

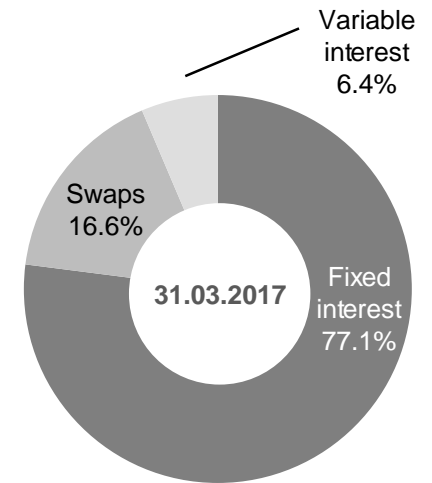
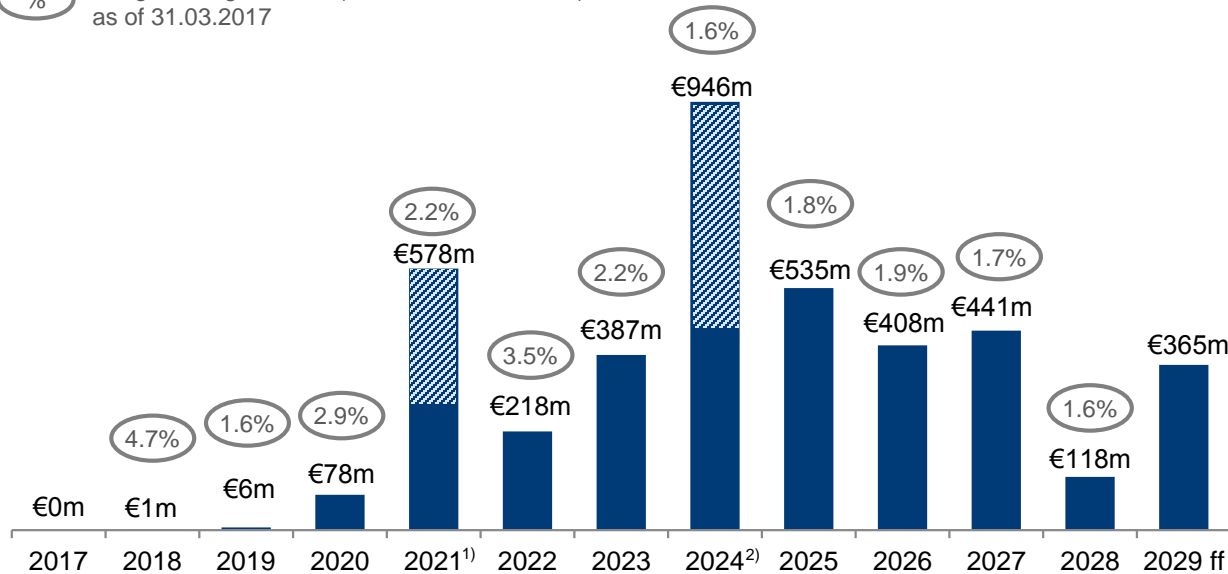
- Significant positive impact on LTV from future conversion of convertible expected (currently -340bps)

# Financing Structure – 31 March 2017

## Post refinancing of subsidised loans and bond issue



(%) Weighted avg. interest (excl. subsidised loans), as of 31.03.2017



<sup>1)</sup> Maturity 2021 with investor put option 2019 (€300 m convertible bond)

<sup>2)</sup> Payback of corporate bond (€500 m)

### Key Facts

Average debt maturity	9.7 years
Interest costs	Ø 1.95%
Hedging ratio	93.6%
Rating	Baa1 (Moody's)

### Maturities

1-2 years	0.0%
3-5 years	16.2%
6-8 years	38.0%
≥ 9 years	45.8%

## **IV. BUSINESS UPDATE AND OUTLOOK**

# Business Update

## Extracting superior value from an attractive asset base



### Acquisitions: Attractive pipeline of midsized deals in core markets

- Negotiations for several midsized deals (LEG gained exclusivity)
- Financial metrics meet investment criteria: FFO per share accretive

### Revaluation gains in Q2 expected

- Accelerating rent growth and tightening yield are contributing to NAV
- Adjustment of target rents are key driver for expected Q2 revaluation
- Expected valuation uplift in the mid single digit range (in %)
- Further capital growth in Q4 ahead (reflection of yield compression)

### Capex programme: Extension expected to drive mid term rent growth

- Portfolio analysis: current enhanced investment programme is likely to be extended to a period of five years (c.€24-€29/sqm)
- Mid term target like-for-like rent growth (next five years): 3-3.5% p.a.

### Early redemption of subsidised loans: Additional positive impact in 2017 expected

- Early repayment of another €100m of subsidised loans on the agenda
- Expected positive NAV contribution of c.€50m-€60m

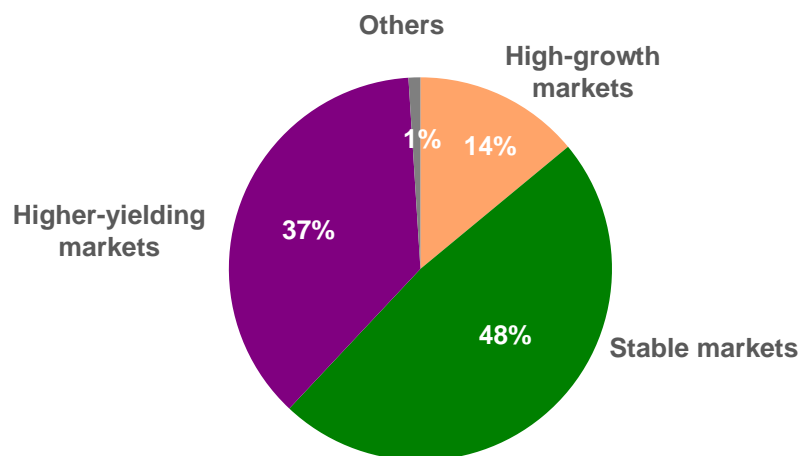
# Acquisitions: Leading Management Skills Paying Off

## Operational improvements reflect strong management track record



	Units	Closing		31.03.2017		Change	
		In-place rent €/ sqm	Occupancy	In-place rent €/ sqm	Occupancy	In-place rent €/ sqm	Occupancy
Total Portfolio <sup>1)</sup>	39,789	4.90	94.6%	5.28	94.9%	0.38 (+7.7%)	~ +30 bp
Vitus portfolio	9,319	4.76	96.1%	5.25	96.2%	0.49 (+10.4%)	~ +10 bp
Charlie portfolio <sup>2)</sup>	11,629	4.81	93.6%	5.12	93.7%	0.31 (+6.5%)	~ +10 bp

### Portfolio<sup>1)</sup> Split by Markets



### Attractive initial yields + operational improvements + low risk = Creation of tangible value

- Portfolio<sup>1)</sup>: average in-place rents +7.7% (average 23.2 months, CAGR of 3.9%); vacancies down (-30 bps)
- Vitus portfolio: rent/sqm +10.4% (29.4 months, CAGR of 4.2%); vacancies -10 bps
- Charlie portfolio: rent/sqm +6.5% (12.1 months); vacancies -10 bps

➔ Lifting attractive value potential also in Stable and Higher Yielding markets

1) Acquisitions since year end 2012; excl. acquisition in 2017  
2) Charlie portfolio excl. disposal of ~2,000 units in Sep 2016

# Outlook for 2017 - 2018



## 2017

## Guidance

FFO I	€288m -€ 293m /€ 4.56 -€ 4.64 per share
EBITDA margin	~72%
L-F-L rent growth	3.0 - 3.3%
L-F-L vacancy	-20 - -40 bps
Investments	€ 24/sqm
Dividend	65% of FFO I

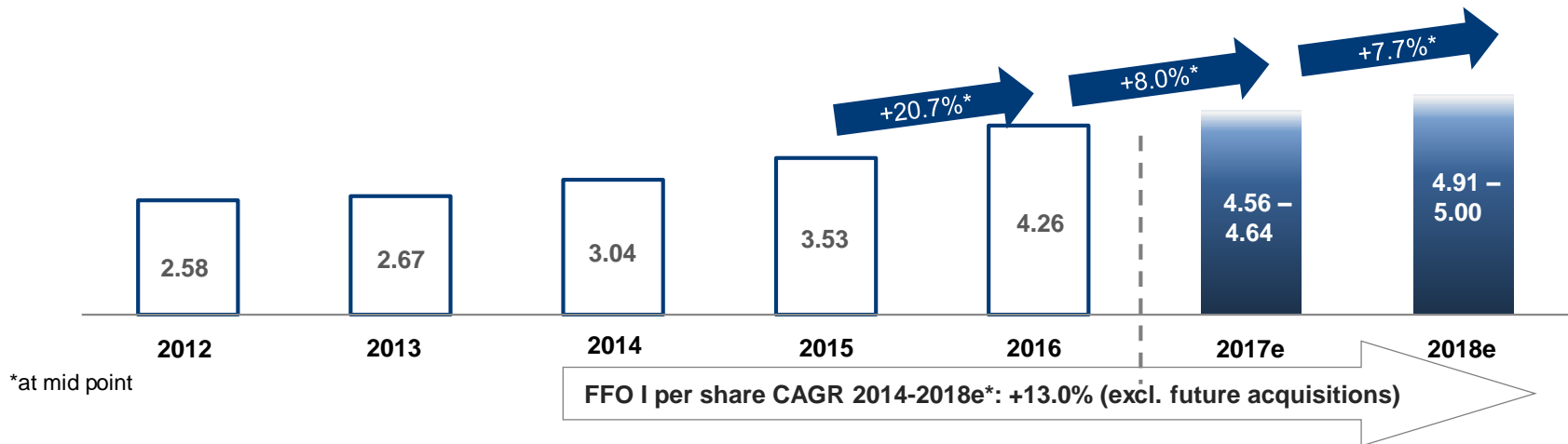
## 2018

FFO I	€310m -€ 316m /€ 4.91 -€ 5.00 per share
EBITDA margin	~73%
L-F-L rent growth	~3.0%
Investments	€ 29/sqm

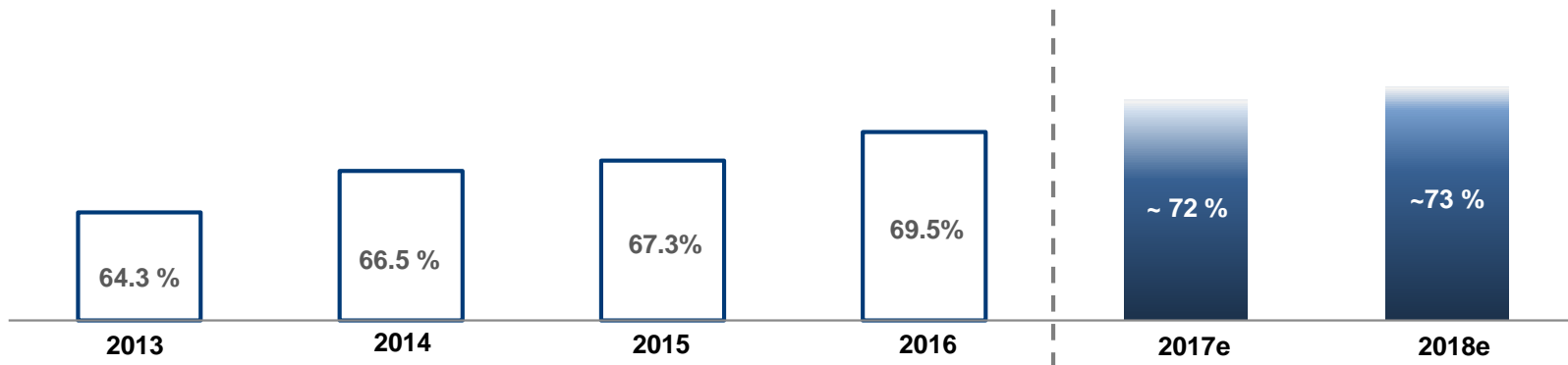


# Steady Expansion of Leading Profitability

## FFO I per share (€)



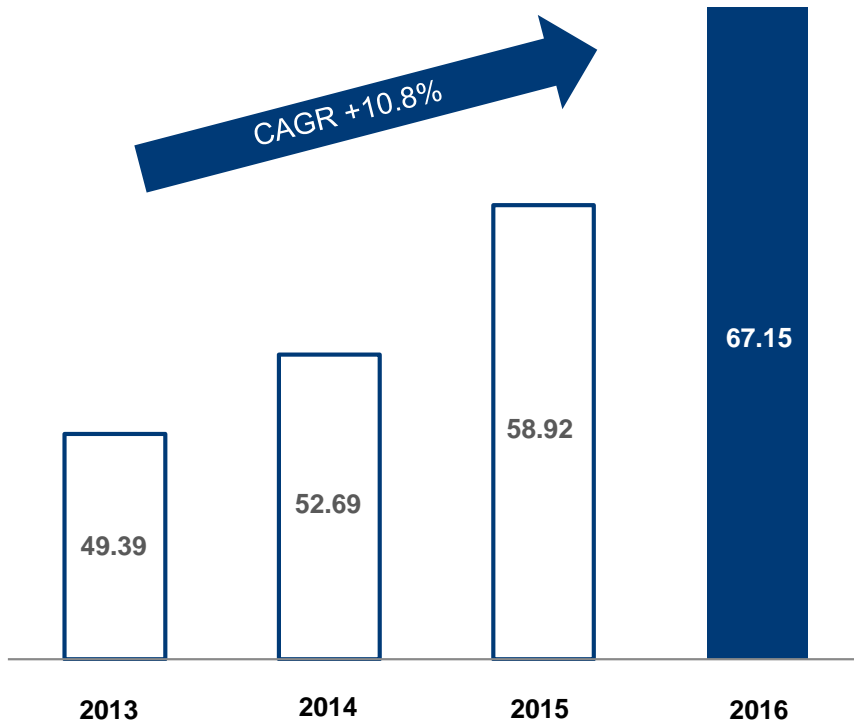
## EBITDA Margin



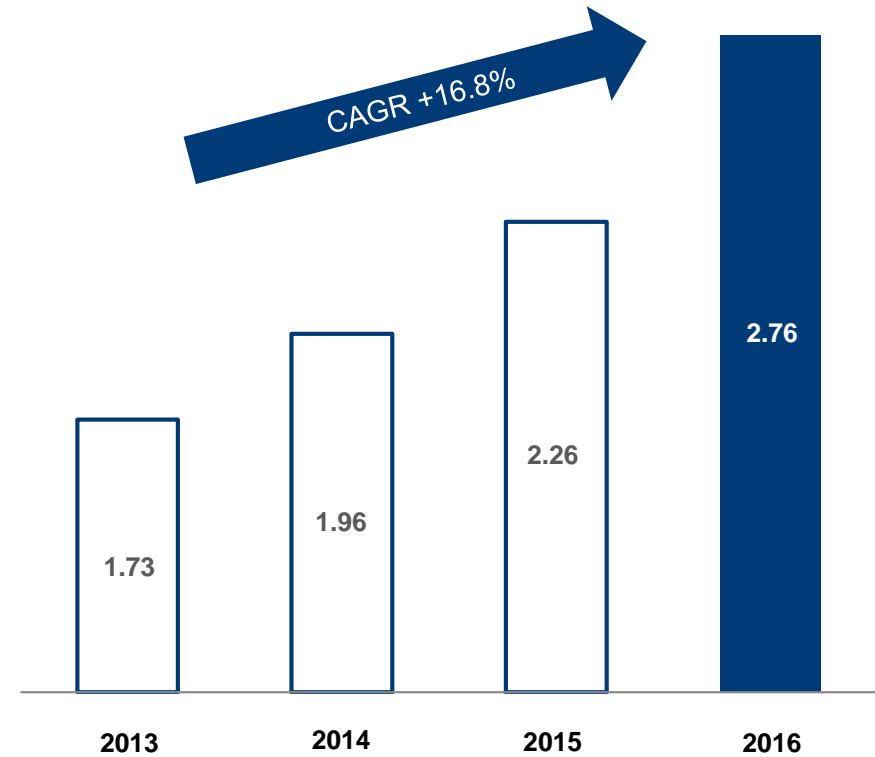
## V. APPENDIX

# Generating Appealing Shareholder Returns

NAV per share (€), excl. goodwill



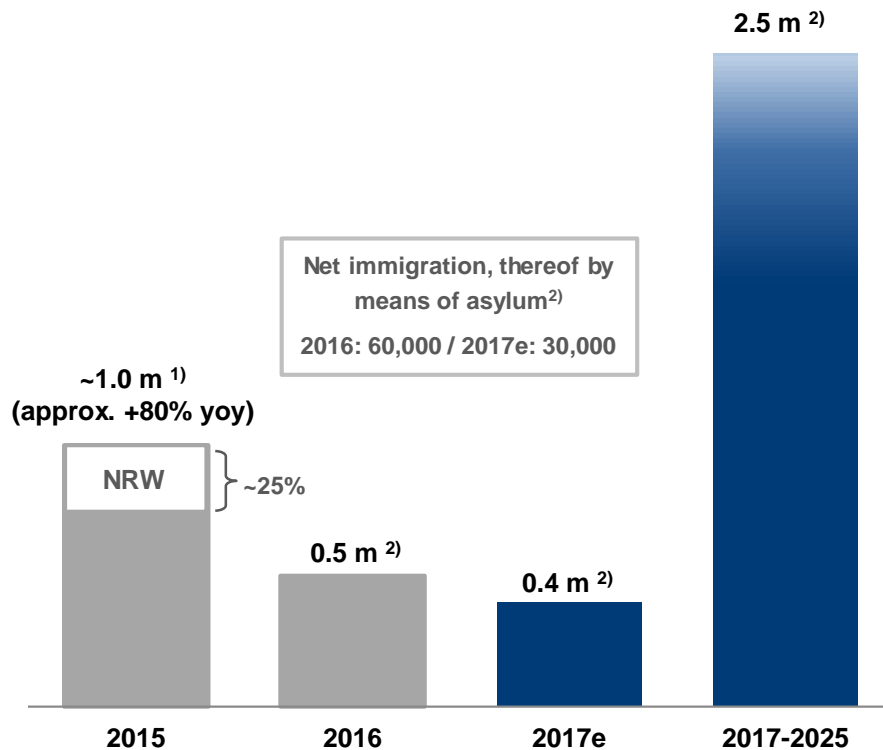
Dividend per share (€)



# Net Immigration Expected to Remain at a High Level

## Stabilising net immigration with decreasing share of refugees

### Net Immigration to Germany



### Key Facts

- In 2016, net immigration to Germany amounted to about 0.5 million<sup>2)</sup>
- Deutsche Bundesbank forecasts 0.4 million additional immigrants (net) in 2017 and 2.5 million for 2017-2025
- In 2016, c.71,000 asylum seekers<sup>3)</sup> (gross) were registered in NRW (>25% of all asylum seekers<sup>2)</sup>)
- **Stabilising net immigration** expected for the years to come with **decreasing share of refugees**
- Immigration is **driving overall population growth**, **triggering additional growth in net new households**
- **Additional pressure** on **affordable housing** segment
- **Outperformance** of German economy **attracts qualified new immigration**
- **Liquid labour market** and **affordable living** as **pull-factors** for NRW

Sources:

- 1) Interview with director of Federal Agency of Migration and Refugees (Aug 2016)
- 2) Deutsche Bundesbank
- 3) Regional government of North Rhine-Westphalia

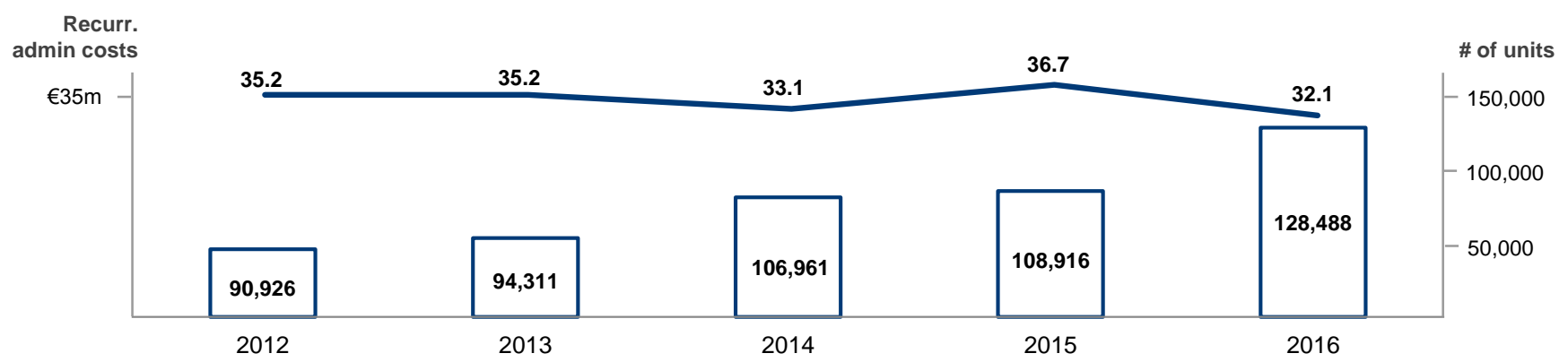
# Acquisitions: Leading Management Skills Paying Off

## Scalability of platform + cost discipline support value accretive growth

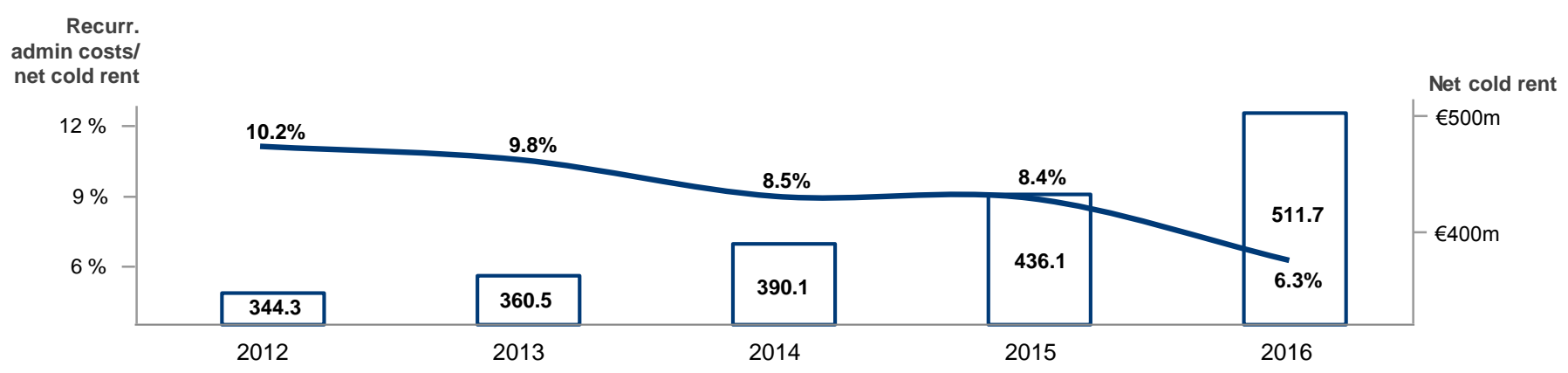


*gewohnt gut.*

### Strong volume growth at decreasing overhead cost...



### ...leads to a significant drop of the admin. costs ratio



# EPRA Net Initial Yield Q1-2017

€ million	31.03.2017	31.12.2016
<b>Investment properties</b>	<b>7,988.3</b>	<b>7,950.9</b>
Assets held for sale	0.1	57.0
<b>Market value of residential property portfolio (net)</b>	<b>7,988.4</b>	<b>8,007.9</b>
Estimated incidental costs	787.3	789.2
<b>Market value of residential property portfolio (gross)</b>	<b>8,775.7</b>	<b>8,797.0</b>
<b>Annualised cash flow from rental income (gross)</b>	<b>507.9</b>	<b>500.3</b>
Non recoverable operating costs	-73.5	-79.1
<b>Annualised cash flow from rental income (net)</b>	<b>434.4</b>	<b>421.2</b>
<b>EPRA Net Initial Yield in %</b>	<b>5.0</b>	<b>4.8</b>

# LEG – Adj. EBITDA Margin

Leading profitability despite short term distortion from restricted units *gewohnt gut.*

**LEG**

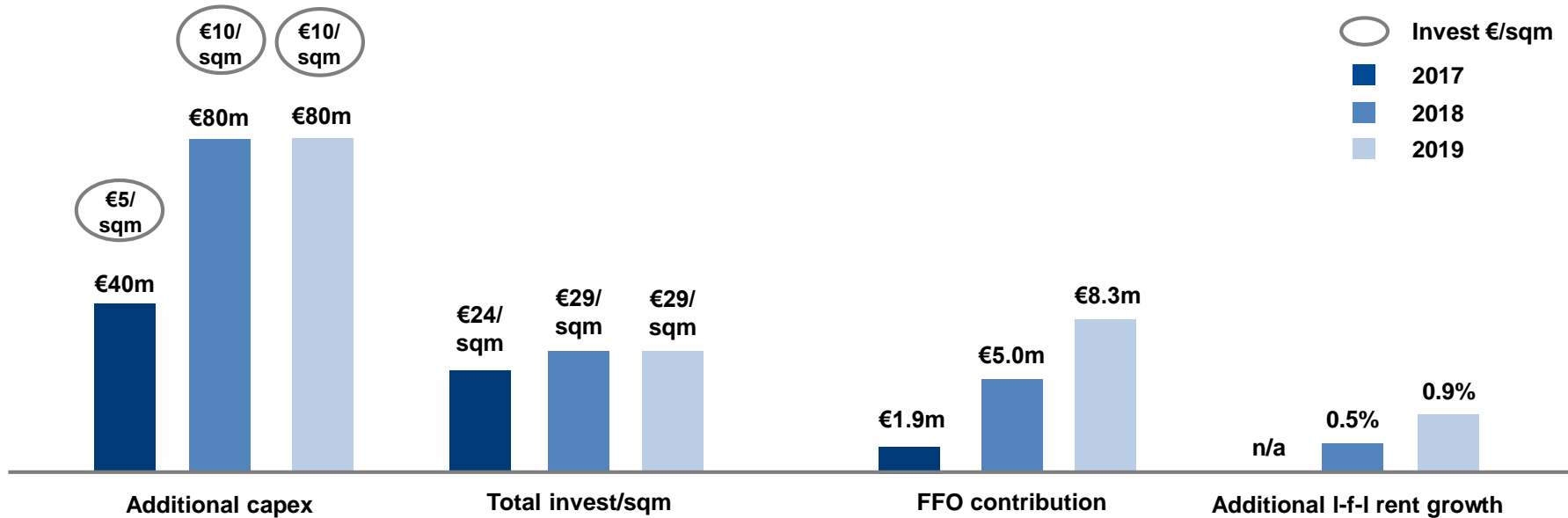
Adj. EBITDA margin	FY-2016		FY-2015	
	€m	margin %	€m	margin %
As reported	355.7	69.5	293.7	67.3
Gap restricted vs. unrestricted rents <sup>1)</sup>	26.3	71.0	22.5	68.9

<sup>1)</sup> €/sqm: €4.67 vs. €5.56 in 2016, €4.67 vs. €5.48 in 2015

- EBITDA as reported distorted by restricted units (compensation for lower rents included in interest result below the EBITDA line)
- Scenario analysis: closing gap between restricted vs. unrestricted rents; **Adjusted EBITDA margin approx. 150 bps higher**

# Capex Programme

## Lifting internal growth potential



### Additional upside for value enhancing capex measures due to steadily improving market fundamentals

- Additional investment programme of €200m with significant contribution to I-f-I rent and FFO growth
- Emphasis on attractive locations in high-growth markets (c.65% of total investment) with significant rent potential (e.g. Münster, Bonn, Monheim in catchment area of Düsseldorf)
- Strict capital discipline maintained – IRR hurdle of 6%
- Construction work will start in H2-2017 with first effects on rent development in FY-2018

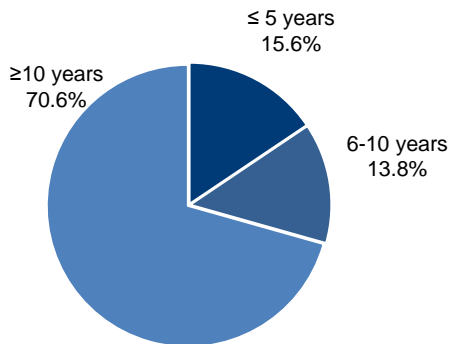


# Rent revisionary potential

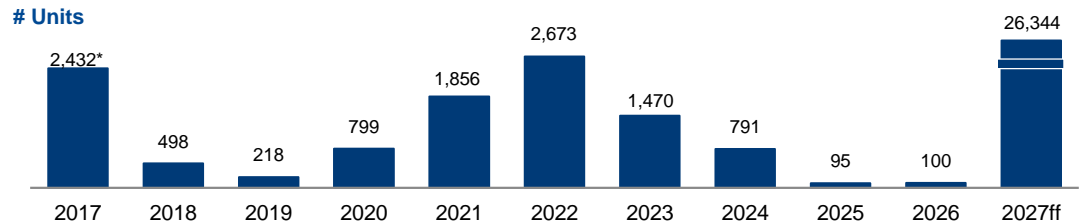
## Refinancing of subsidised loans lifting value

### Rent Potential Subsidised Units

- In the following 10 years around **11,000 units will come off rent restriction**
- Units show **significant upside to market rents**
- Subject to general legal and other restrictions, the **economic upside can theoretically be realised the year after restrictions expire**

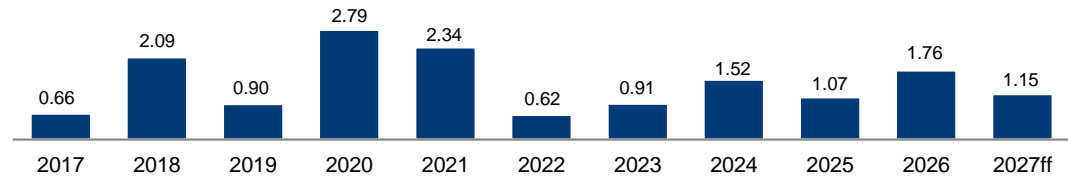


### Number of Units Coming Off Restriction and Rent Upside



\* Thereof 2,095 units in Q1-2017

### Spread to Market Rent € /sqm /month



	≤ 5 years <sup>2)</sup>	6 – 10 years <sup>2)</sup>	≥ 10 years <sup>2)</sup>
<b>In-place rent</b>	€4.71	€4.67	€4.88
<b>Market rent<sup>1)</sup></b>	€6.32	€5.54	€6.03
<b>Upside potential<sup>3)</sup></b>	34%	19%	23%
<b>Upside potential p.a.<sup>3)</sup></b>	€8.1m	€3.6m	€24.6m

Source: LEG as of Q1-2017

1) Employed by CBRE as indicator of an average rent value that could theoretically be achieved, not implying that an adjustment of the in-place rent to the market rent is feasible, as stringent legal and contractual restrictions regarding rent increases exist.

2) ≤5 years = 2017-2021; 6-10 years = 2022-2026; ≥10 years = 2027ff.

3) Rent upside is defined as the difference between LEG in-place rent as of Q1-2017 and market rent (defined in footnote 1) as of Q1-2017.

# Mietspiegel Overview

## Expected new Mietspiegel in 2017



Release date (expected)	High-Growth Markets	Stable Markets	Higher-Yielding Markets	Total Portfolio
2017 (Q1)	3,902 units (Cologne)	15,148 units (mainly Dortmund, Wuppertal)	5,876 units (Herne, Recklinghausen)	24,926 units
2017 (Q2)	8,661 units <sup>1</sup> (mainly Bocholt, Münster)	3,658 units (mainly Solingen)	17,715 units <sup>2</sup> (mainly Gelsenkirchen, Duisburg, Dorsten)	30,034 units
2017 (Q3)	-	2,060 units (mainly Krefeld)	263 units	2,323 units
2017 (Q4)	469 units	36 units	2,462 units (Castrop-Rauxel)	2,967 units
<b>Total <sup>1</sup></b>	<b>13,032 units</b>	<b>20,902 units</b>	<b>26,316 units</b>	<b>60,250 units</b>
Thereof:				
- Castrop-Rauxel			2,462 units	
- Cologne	3,902 units			
- Dortmund		13,165 units		
- Duisburg			6,673 units	
- Gelsenkirchen			6,735 units	
- Herne			3,184 units	
- Münster	6,080 units			
- Recklinghausen			2,692 units	
- Solingen		1,474 units		
- Wuppertal		1,983 units		

Sub-portfolios also include restricted units

<sup>1</sup> Mietspiegel for Münster (6,080 units affected) already published in Q1-2017

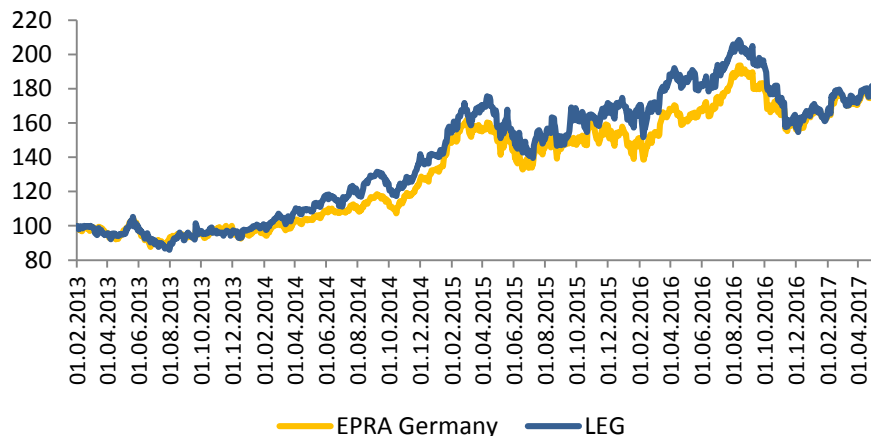
<sup>2</sup> Mietspiegel for Marl (774 units affected) already published in Q1-2017

# LEG Share Information

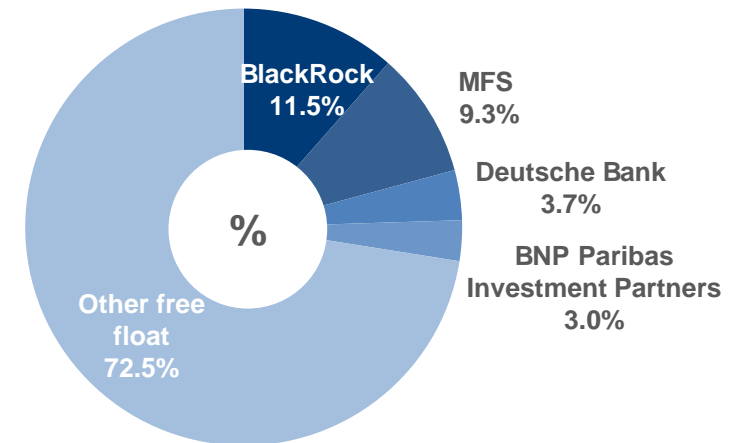
## Basic data

- Prime Standard, Frankfurt Stock Exchange
- Total no. of shares: 63,188,185
- Ticker symbol: LEG
- ISIN: DE000LEG1110
- Indices: MDAX, FTSE EPRA/NAREIT, GPR 250, Stoxx Europe 600
- Weighting (31.03.2017): MDAX 2.53%; EPRA 2.39%
- Rating: Baa1 (stable) by Moody's

## Share price (27.04.2017, indexed; 31.01.2013 = 100)



## Well-balanced shareholder structure



Source: LEG; shareholdings according to latest voting rights notifications

# Capital Market Financing

## Diversification of LEG's funding sources



Corporate Bond	
<b>Issue Size</b>	EUR 500m
<b>Term / Maturity Date</b>	7 years / 23 January 2024
<b>Coupon</b>	1.250 % p.a.
<b>Issue Price</b>	99.409 %
<b>Initial Re-offer Yield</b>	1.339 %
<b>Financial Covenants</b>	<p>Incurrence-based:</p> <ul style="list-style-type: none"> <li>• Net financial debt / total assets ≤ 60%</li> <li>• Secured financial debt / total assets ≤ 45%<sup>1)</sup></li> <li>• Unencumbered assets / unsecured financial debt ≥ 125%<sup>1)</sup></li> </ul> <p>Maintenance-based:</p> <ul style="list-style-type: none"> <li>• Adj. EBITDA / net cash interest ≥ 1.8x</li> </ul>
<b>ISIN</b>	XS1554456613
<b>WKN</b>	A2E4W8

Convertible Bond	
<b>Issue Size</b>	EUR 300m
<b>Term / Maturity Date</b>	7.2 years / 1 July 2021
<b>Coupon</b>	0.500 % p.a.
<b>Initial Conversion Price</b>	EUR 62.39
<b>Adjusted Conversion Price</b>	EUR 56.8403 (as of 20 May 2016)
<b>Investor Put</b>	1 July 2019
<b>Issuer Call</b>	From 22 July 2019, if the LEG share price exceeds 130 % of the then applicable conversion price
<b>ISIN</b>	DE000LEG1CB5
<b>WKN</b>	LEG1CB

<sup>1)</sup> After 31 July 2017

# Financial Calendar



Date	Report/Event
10.05.2017	Quarterly Statement Q1 as of 31 March 2017
11./12.05.2017	Roadshow London, Exane BNP Paribas
17.05.2017	Annual General Meeting, Düsseldorf
23.05.2017	Berenberg European Conference, New York
30.05.2017	Roadshow Copenhagen, Bankhaus Lampe
01.06.2017	Kepler Cheuvreux & UniCredit German Property Day, Paris
07.06.2017	Kempen & Co's 14th European Property Seminar, Amsterdam
08.06.2017	Roadshow Helsinki, Berenberg Bank
13.06.2017	Roadshow Edinburgh, M.M. Warburg
21.06.2017	dbAccess German, Swiss & Austrian Conference, Berlin
22.06.2017	Morgan Stanley Property Conference, London
10.08.2017	Quarterly Report Q2 as of 30 June 2017

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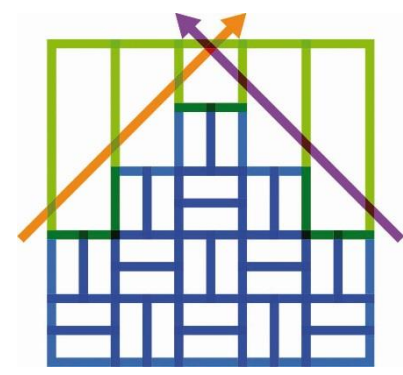
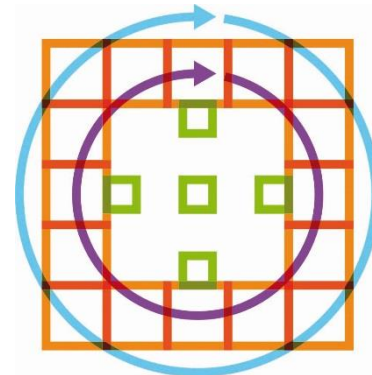
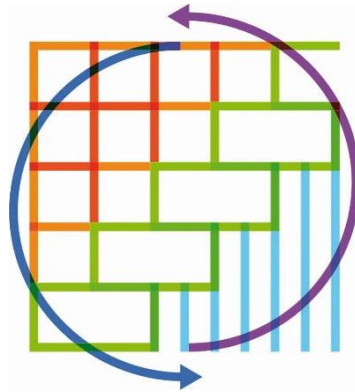
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Thank you for your interest.