

9M 2011 Results

Berlin, 30-November-2011



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Outlook



1

GSW share

- Fast MDAX-entry on 19-Sept-2011
- Secondary placement by Cerberus and Whitehall on 13-Oct-2011
- Outperformance in volatile times

2

Solid financial position

- Equity ratio increases to 40.3% (31-Dec-2010: 36.4%)
- LTV decreases to 55.3% (31-Dec-2010: 61.1%)
- Cash Position: €146.8m

3

Acquisition of 4,832 residential units

- Attractive addition to existing portfolio
- Increase of profitability by using liquidity from IPO
- Accretive FFO-impact

4

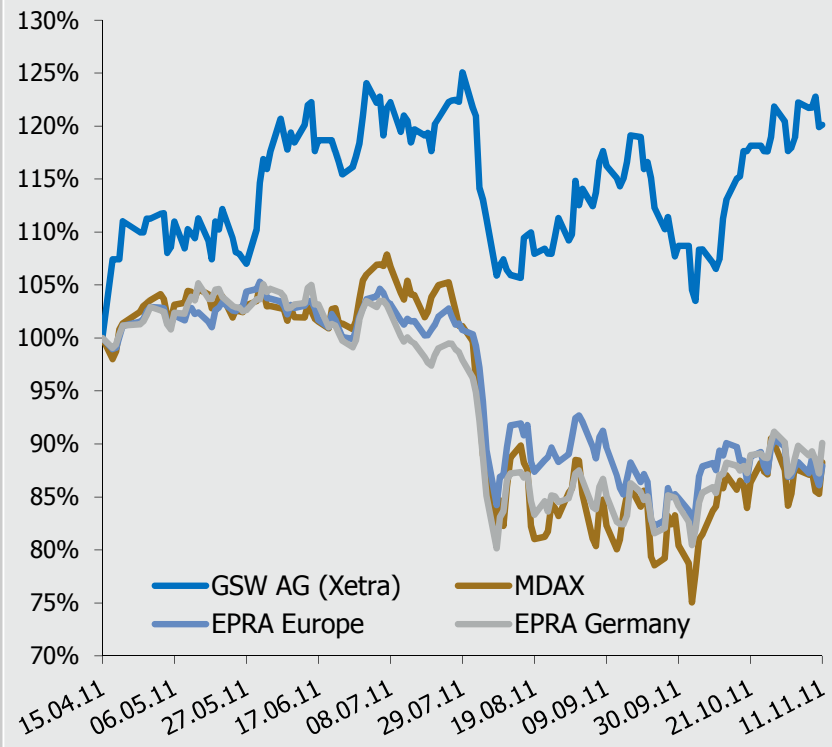
Key financials as expected

- Net rental income: €102.8m
- Adjusted EBITDA: €86.4m
- FFO I: €40.4m

Stock performance (XETRA)

GSW-Share since IPO

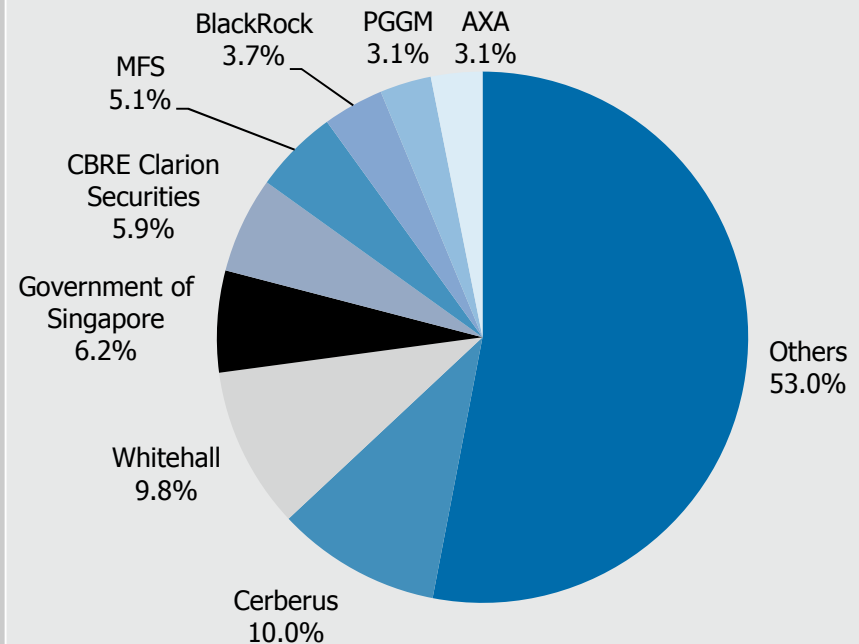
Share price: €22.32 52w high/low: €24.71/€19.55
 Market cap: €916.3m Free-float market cap: €676.8m



Data as of 28-Nov-2011

Attractive shareholder structure

- Successful placement of 8.2m shares from Cerberus and Whitehall at 13-Oct-2011
- Enhanced free float of 74 %



Note: Free float based on Deutsche Börse definition

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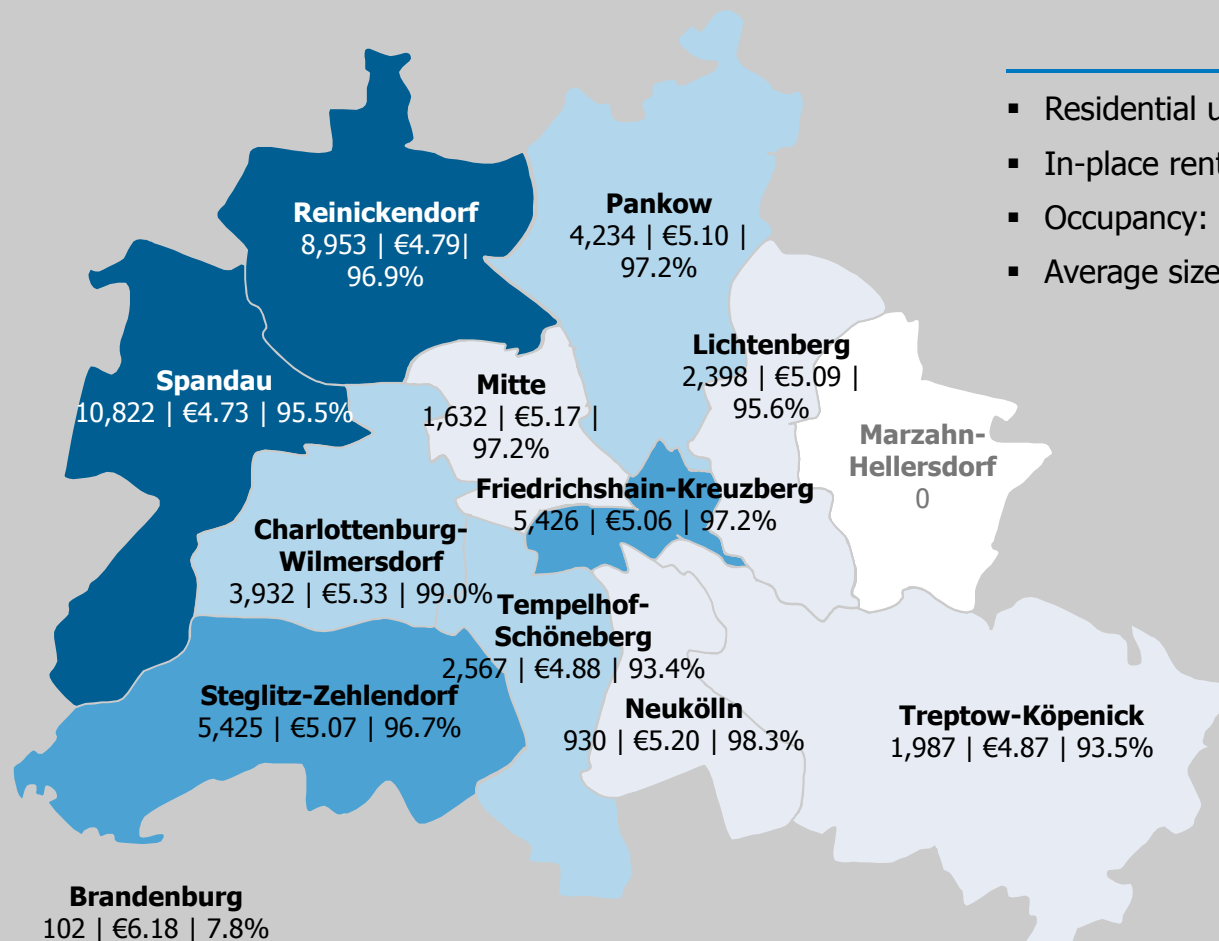
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Outlook

GSW portfolio overview as of 30-September-2011



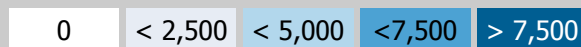
Overall Portfolio

- Residential units: 48,408
- In-place rent: €4.95/sqm
- Occupancy: 96.4%
- Average size: 61.5 sqm

Privatisations

- Privatisation of 480 units (date of transfer)
- 379 contracts signed with date of transfer after 9M
- Gross margin 27.7%

GSW Residential units



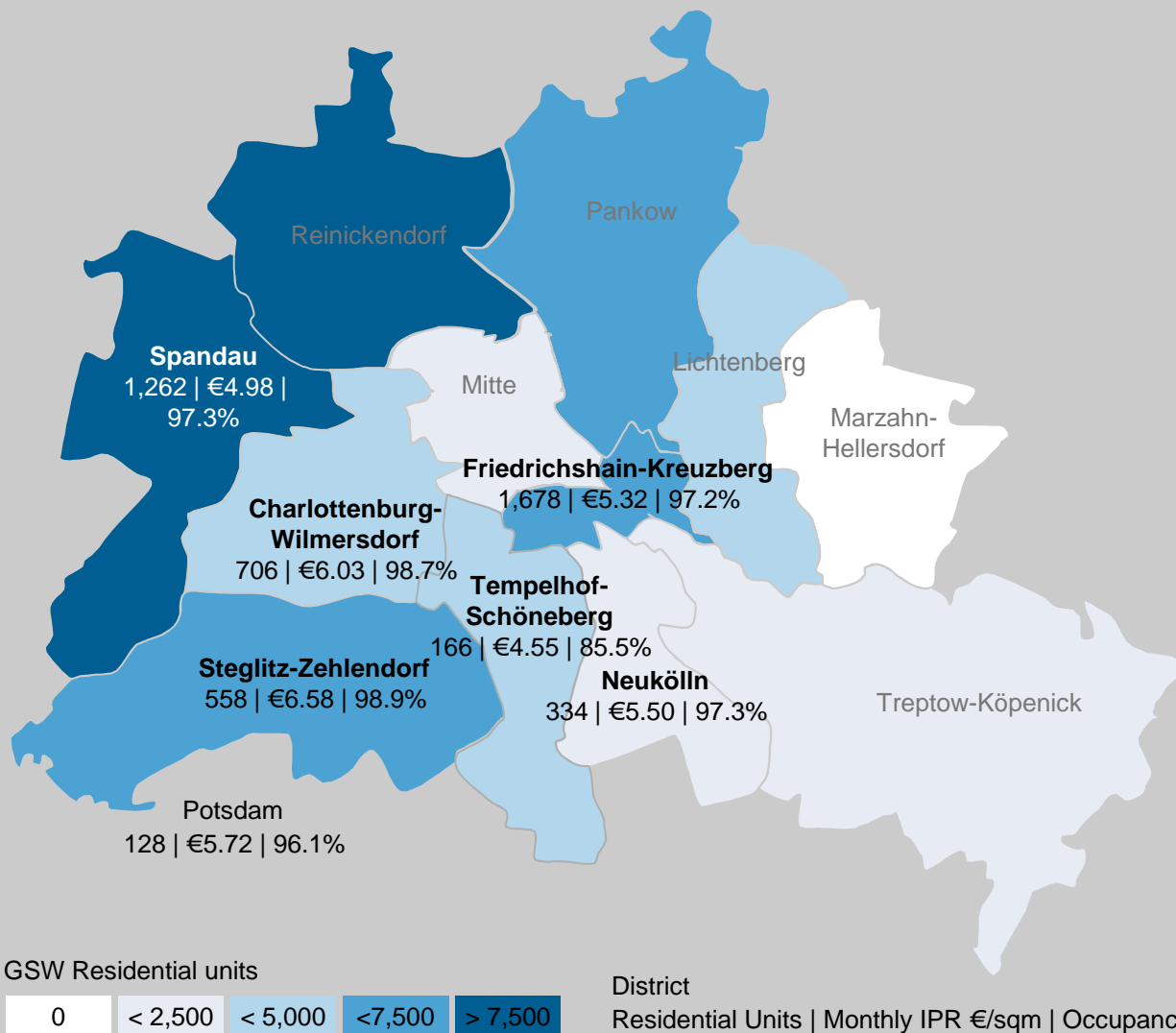
District

Residential Units | Monthly IPR €/sqm | Occupancy in %

Key rationale for acquisition

- 1 Attractive addition to existing portfolio**
- 2 Increase of profitability by using liquidity from IPO**
- 3 Above average NRI-margin expected**
- 4 Realisation of synergy effects by integration of acquired assets into GSW's existing platform**
- 5 Accretive FFO-impact**

Acquisition Portfolio Overview



Highlights

Residential units:	4,832
Commercial units:	25
residential area:	293,893 sqm
In-place rent residential:	€5.58/sqm
Occupancy residential:	97.2%
Purchase Price	€330m
Price per sqm.	€1.113/sqm
Multiple/Yield	16.7 / 6.0%

Data as of 30-Jun-2011

Key Assumptions

Income from Rents	ca. €20m p.a.
Net Rental Income	€16.5-17.5m p.a.
Assumed NRI-margin	82.5 – 87.5%
FFO I	€6.5-7.5m p.a.

Deal Structure & Financing



Deal Structure

- Share deal: GSW acquired asset holding company from GAGFAH
- Date of transfer: 01-Nov-2011
- Asset value: €330m
- Closing costs: ca. 1.5% of the purchase price
- No take-over of staff

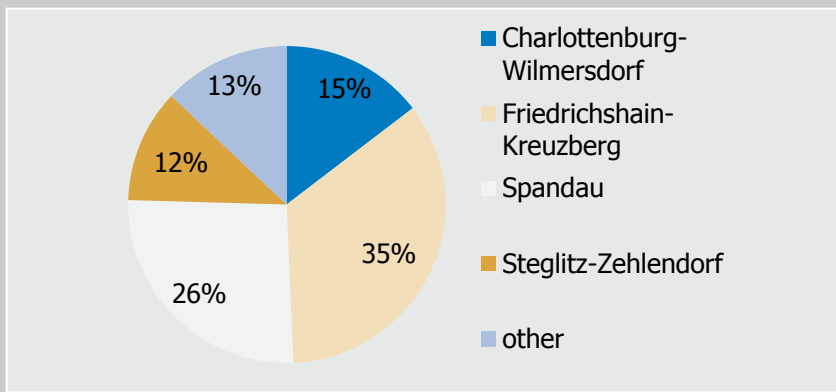
Financing

- Two bank loans with €218.3m in total
- Standard covenants (DSCR, LTV)
- Interest rate: 4.01% p.a. *
- LTV: 65%
- Maturities: 7 & 8 years

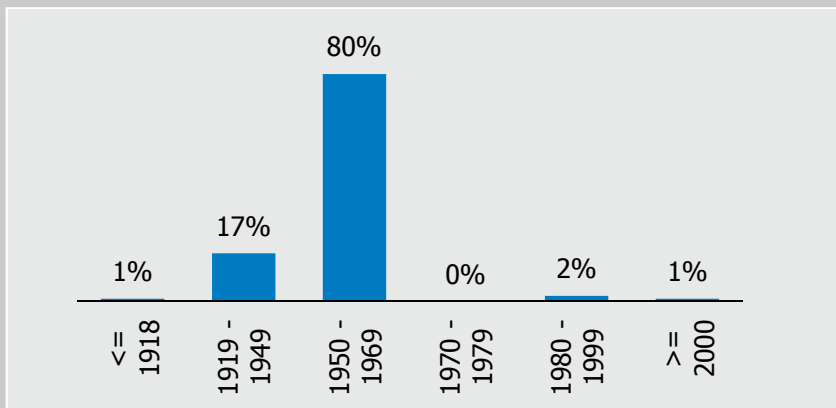
* nominal initial weighted average

High quality portfolio

District allocation



Year of construction



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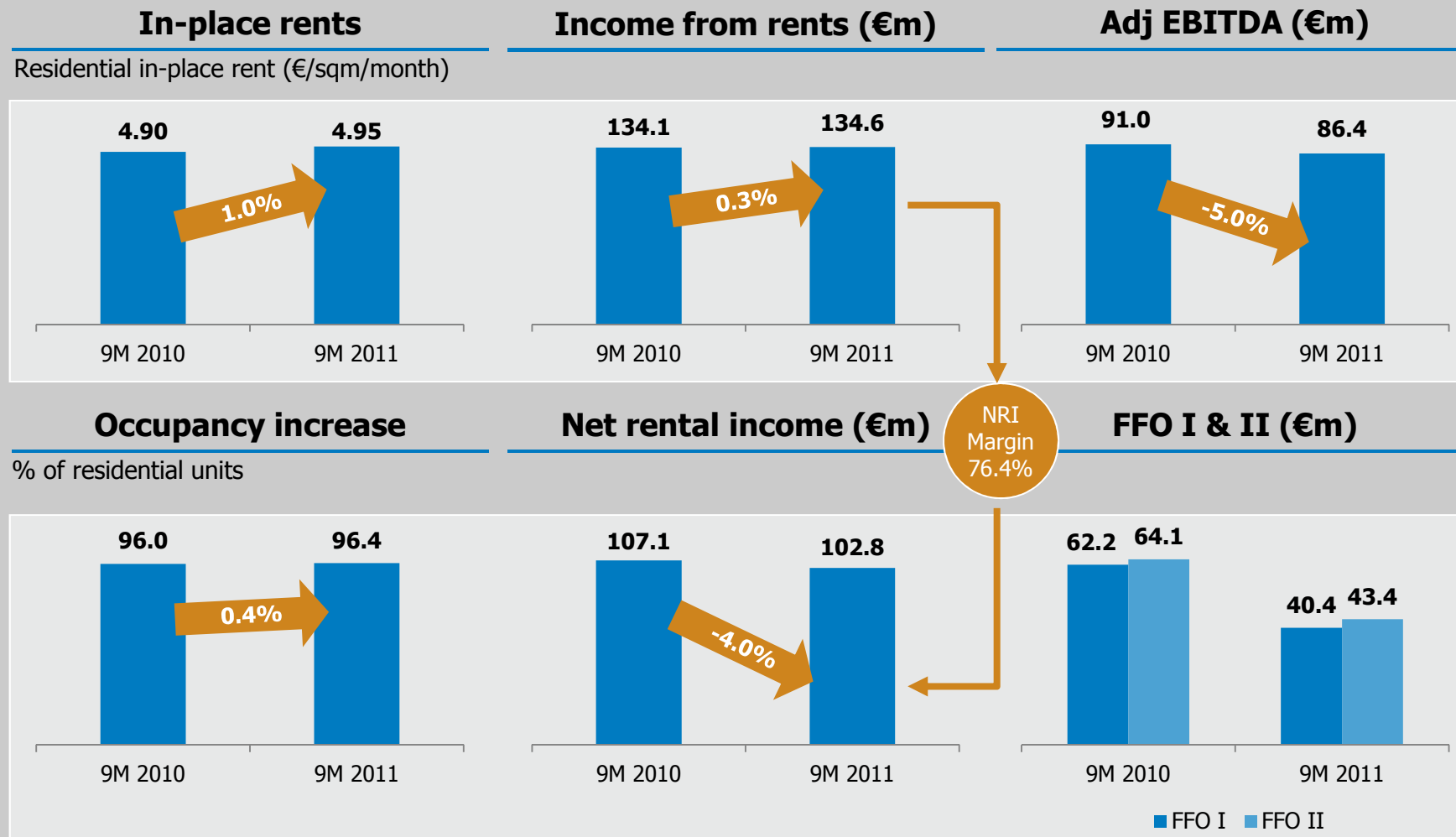
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Outlook

Overview – Operational and financial highlights



Note: FFO I = FFO excl. sales result; FFO II = FFO incl. sales result

Net Rental Income

9M-2011



(€m)	9M 2011	9M 2010	Comments
Income from rents	134.6	134.1	Smaller portfolio, but higher average rent per sqm and increased occupancy
Income from management activities and other income	8.2	10.9	Sale of broadband cable business (~€1.25m)
Gross rental income	142.8	145.0	
Income from direct government grants	7.8	9.9	
Total rental income	150.5	154.9	Mainly driven by lower maintenance expenses compared to 9M 2010
Costs of materials	(30.2)	(32.2)	13-14 €/sqm for maintenance and capex expected for 2011
Personnel expenses	(13.8)	(12.6)	
Other property operating expenses/income	(3.7)	(3.1)	
Net rental income	102.8	107.1	

Income statement

9M-2011

(€m)	9M 2011	9M 2010	Comments
Net rental income	102.8	107.1	See: Adjusted EBITDA reconciliation
Result on disposal of investment property	3.0	1.9	
Net valuation gains on investment property	0.0	(13.8)	
Administrative expenses	(27.4)	(26.0)	
Other income, net	25.4	0.0	Sale of broadband cable business in Q1 2011
Net operating profit (EBIT)	103.8	69.2	9M 2011 interest income includes €10.8m from sale of written off interest rate cap (one off)
Net results of investments	0.1	0.1	
Interest result	(47.1)	(50.9)	
Profit before income taxes (EBT)	56.8	18.4	
Income taxes	(2.0)	1.6	
Consolidated net income for the period	54.8	20.0	

Admin expenses adjusted (€m)	9M 2011	9M 2010
Admin expenses (total)	(27.4)	(26.0)
Thereof IPO and projects expenses	(8.8)	(7.6)
Admin expenses adjusted	(18.6)	(18.4)

Interest result (€m)	9M 2011	9M 2010
Interest income	32.5	3.9
Interest expense	(79.6)	(54.9)
Interest result	(47.1)	(50.9)
Less valuation effects	1.5	18.3
Less discounting	1.6	2.1
Less accrued interest loans	(1.6)	(0.7)
Cashflow net interest	(45.6)	(31.2)

Adjusted EBITDA reconciliation

9M-2011

(€m)	9M 2011	9M 2010	Comments
EBIT	103.8	69.2	<p>CMBS-Refinancing €1.6m, BMH divestment €0.4m, other €0.7m</p>
Depreciation	0.7	1.1	
Fair value adjustment of investment property	0.0	13.8	
EBITDA	104.6	84.1	
IPO costs	6.6	5.8	
Restructuring expenses	0.3	0.4	
Project costs	3.3	2.7	
Gains on disposal of shares in companies, associates, joint ventures, intangible assets and property, plant and equipment	(25.3)	0.0	
Result on disposal of investment property	(3.0)	(1.9)	
Adjusted EBITDA	86.4	91.0	

Result on Disposals (€m)	9M 2011	9M 2010
Investment property disposal proceeds	32.8	35.9
Carrying value of investment property disposals	(23.7)	(32.7)
Gross margin	9.1	3.2
Operating expenses of investment property disposed	(6.1)	(1.3)
Result on disposal of investment property	3.0	1.9

Derivation of FFO

9M-2011



(€m)	9M 2011	9M 2010
Adjusted EBITDA	86.4	91.0
Cashflow net interest	(45.6)	(31.2)
Results of associates, joint ventures and other investments	0.1	0.1
Cashflow net taxes	(0.5)	2.2
FFO I (excl. sales result)	40.4	62.2
AFFO	33.5	52.0
FFO II (incl. sales result)	43.4	64.1

Comments		
Interests paid CMBS vs refi (€m)	9M 2011	9M 2010
CMBS	(4.2)	(10.2)
Refi-loans	(21.9)	(0.0)
Total	(26.1)	(10.2)
Refinancing impact	(15.9)	
<p>FFO I per share: €0.98 (based on 41.05m shares) Our payout ratio is based on FFO I</p>		
<p>FFO I including capex (capitalised maintenance and modernisation expenses) amounting to €6.9m (2011) and €10.2m (2010)</p>		

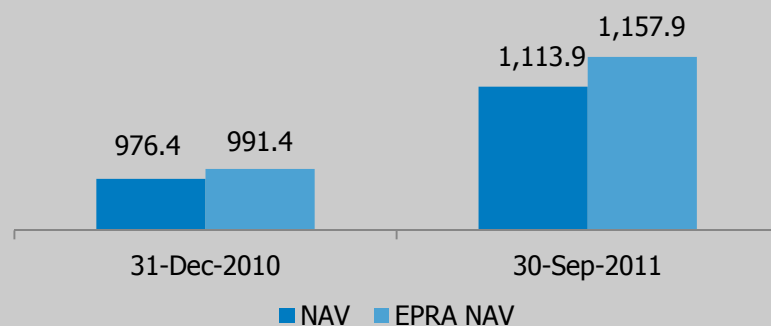
Balance sheet

30-Sept-2011



Selected items (€m)	30-Sep-2011	31-Dec-2010
Non-current assets	2,560.9	2,585.7
Investment property	2,548.3	2,571.7
Other non-current assets	12.6	14.0
Current assets	204.0	96.0
Assets held for sale	18.7	9.0
Cash and cash equivalents	146.8	70.8
Receivables and other current assets	38.1	16.2
Total assets	2,764.9	2,681.7

Selected items (€m)	30-Sep-2011	31-Dec-2010
Shareholders' equity	1,113.9	976.4
Financial liabilities	1,566.1	1,606.6
Other liabilities	84.9	98.8
Total equities and liabilities	2,764.9	2,681.7



NAV (€m)	30-Sep-2011	31-Dec-2010
Diluted NAV	1,113.9	976.4
Fair value of financial instruments (net)	44.0	15.0
Deferred tax	(0.0)	(0.0)

Diluted EPRA NAV (€m)	1,157.9	991.4
NAV per share: €28.20		

Net debt and LTV reconciliation

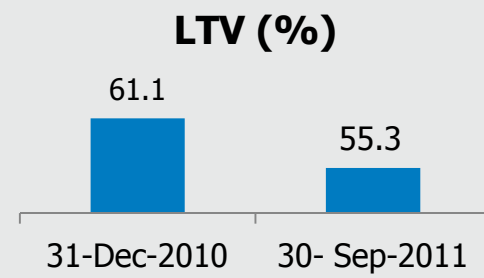
30-Sep-2011



(€m)	30-Sep-2011	31-Dec-2010
Financial liabilities	1,566.1	1,606.6
EK02 tax liability	0.0	40.1
Cash and Cash equivalents	(146.8)	(70.8)
Net Debt	1,419.3	1,575.9
Investment properties	2,548.3	2,571.7
Assets held for sale	18.7	9.0
Loan-to-value ratio	55.3%	61.1%

Comments
EK02 tax liability has been paid on 30-Sep-2011
Based on nominal debt of €1,672.3m the LTV is 59.4%

LTV reflects solid financing structure



Pro forma LTV after acquisition ca. 61 %

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Outlook & guidance

FFO I

€54-59m for 2011 (1.32-1.44 €ps)

Maintenance
and capex

13-14 €/sqm expected for 2011

Dividend
policy

65% payout intended in 2012 for 2011 (0.86-0.93 €ps)

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