

9M-2012 Results

Berlin, 15-November-2012



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Highlights 2012 YTD



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Accretive acquisitions

- 3 transactions, 4,412 residential units
- Purchase price approx. €200m
- Promising negotiations ongoing

2

Disposal of non-core business

- Successful sale of third party management (BWG)
- Transfer in Q4-2012

3

Operational performance on track

- Residential in-place rent at €5.17/sqm (€4.95/sqm 9M-2011)
- Residential vacancy down to 3.2% (3.6% 9M-2011)
- LFL rental growth 3.2%

4

Strong 9M-2012 key financials

- Net rental income: €120.9m
- FFO I: €50.0m
- AFFO: €35.8m
- LTV: 51.1%

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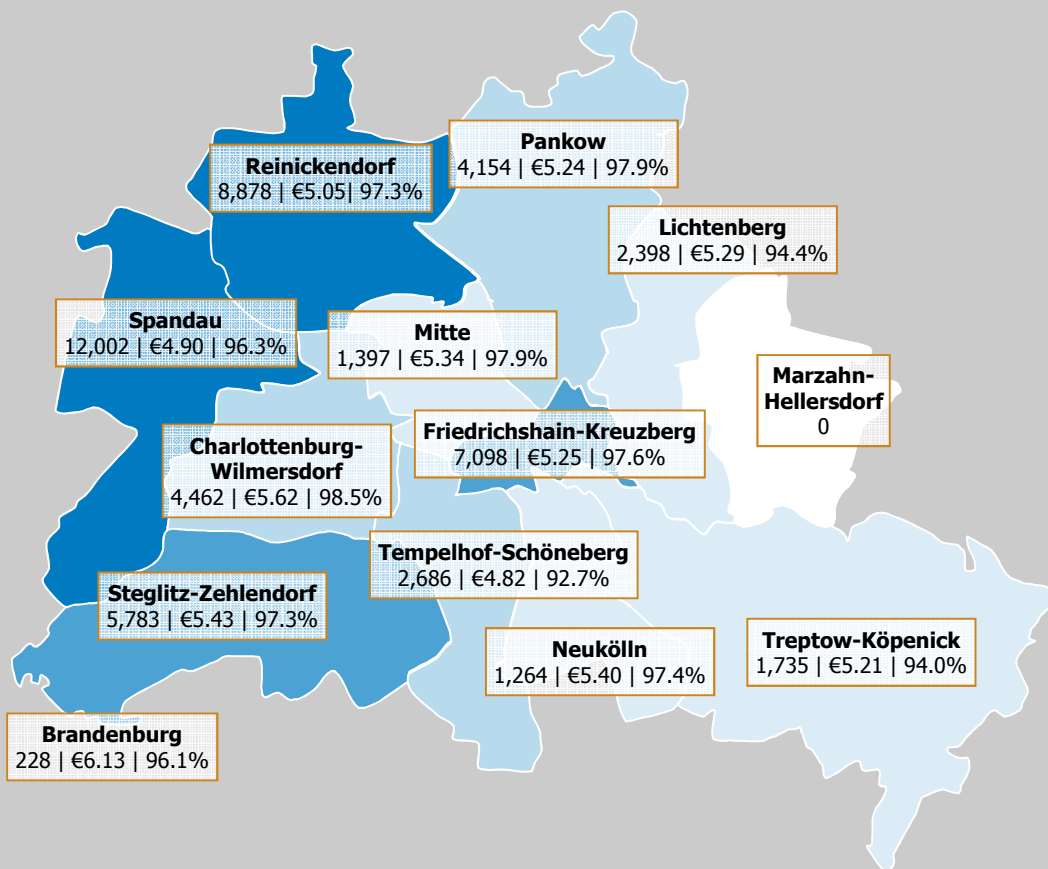
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GSW portfolio overview as of 30-September-2012



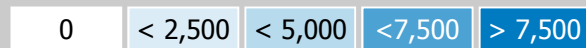
Overall portfolio

Residential units	52,085
In-place rent	€5.17/sqm
Occupancy	96.8%
Average size	61.4 sqm

Valuation (31-Dec-2011)

Total fair value	€2,946.6m
Fair value	€873/sqm
IPR multiple	14.5x
IPR yield	6.9%

GSW Residential units

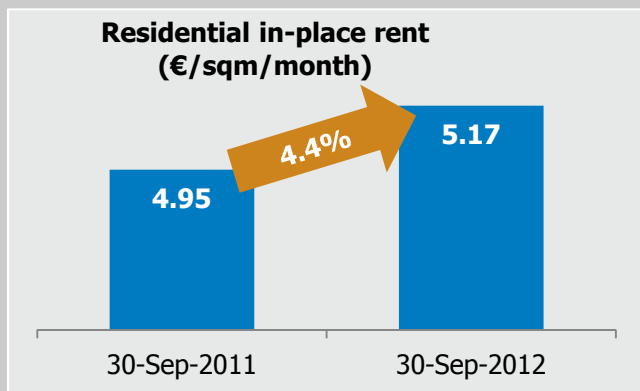


District

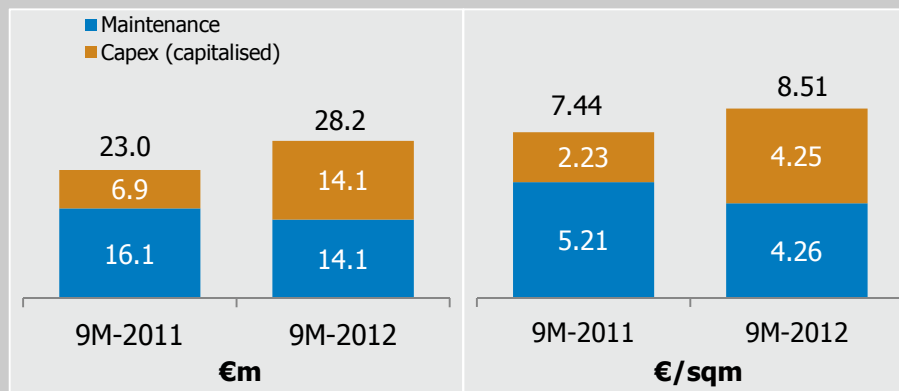
Residential units | Monthly IPR €/sqm | Occupancy in %

Operational highlights

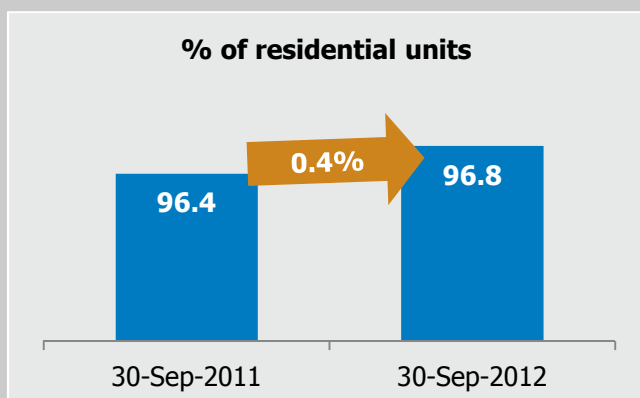
Rent increases



Maintenance and capex



Occupancy increase



Operational performance

- Like-for-like rental growth 3.2%
- High demand for privatisation units continues in Q3
- 709 units sold in 9M-2012 (480 9M-2011)
- Net margin: 14.8%
- Development of 2011 acquisition in line with guidance, FFO I €5.9m in 9M-2012

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Acquisition - Key portfolio facts

Key figures / Assumptions

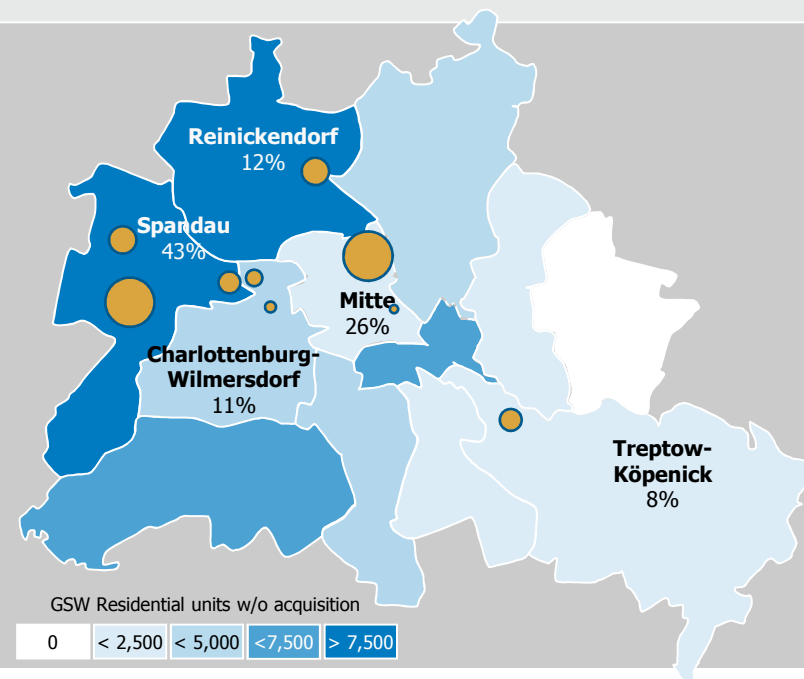
- Purchase price: €200m = €873/sqm
- Multiple/Yield: 13.91x / 7.2%
- Income from rents: €14.4m
- Assumed NRI-margin: 76% - 79%
- FFO I: €6.5 - 7.5m p.a.

Deal structure / Financing

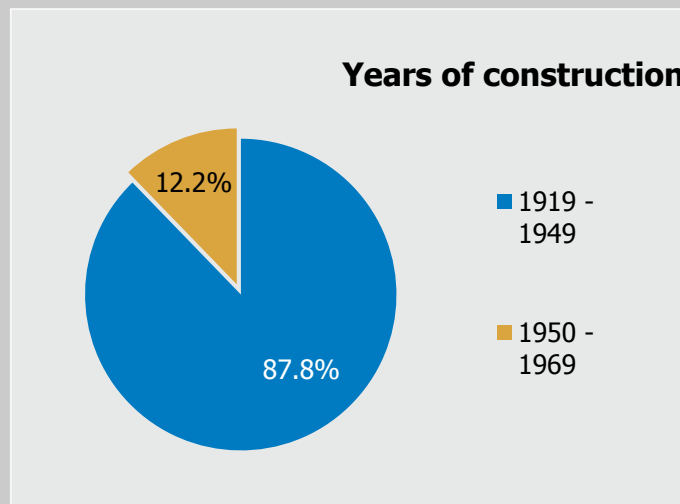
- Three transactions: one share deal, two asset deals
- No take-over of staff
- Rental impact effective from 01-Jan-2013
- Existing bank loan of €90m taken over with an interest rate of 4.0% p.a.
- LTV: approx. 50%

District	Residential units	Monthly IPR €/sqm	Occupancy
Spandau	1,910	5.23 €	96.0%
Mitte	1,147	5.42 €	99.7%
Reinickendorf	527	5.45 €	97.7%
Charlottenburg-Wilmersdorf	477	5.17 €	98.9%
Treptow-Köpenick	351	5.63 €	97.7%
Total	4,412	5.32 €	97.6%

Data as of 30-Jun-2012/31-Aug-2012



Acquisition – impressions



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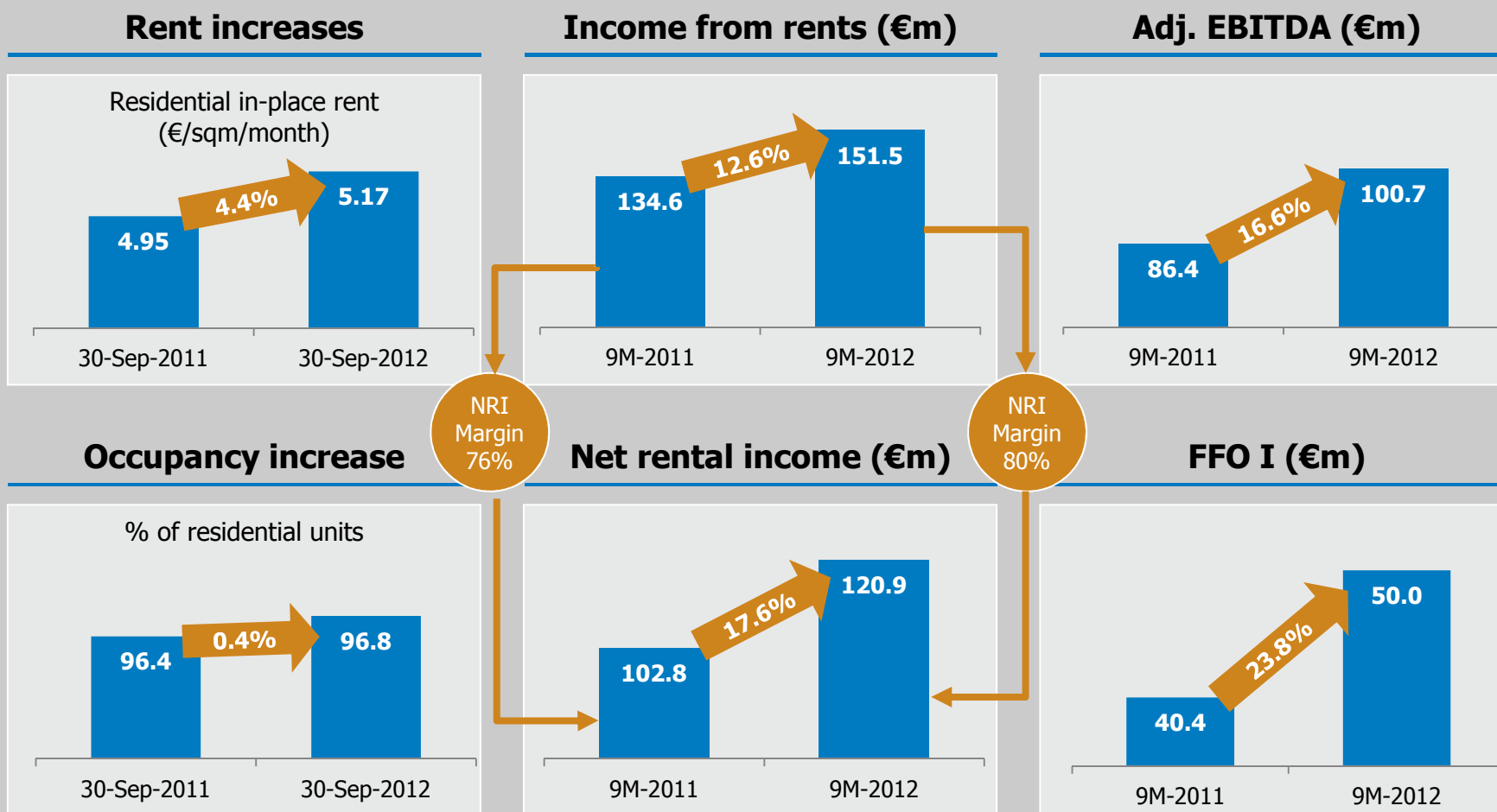
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Overview – Operational and financial highlights



Note: FFO I = FFO excl. sales result

Net rental income

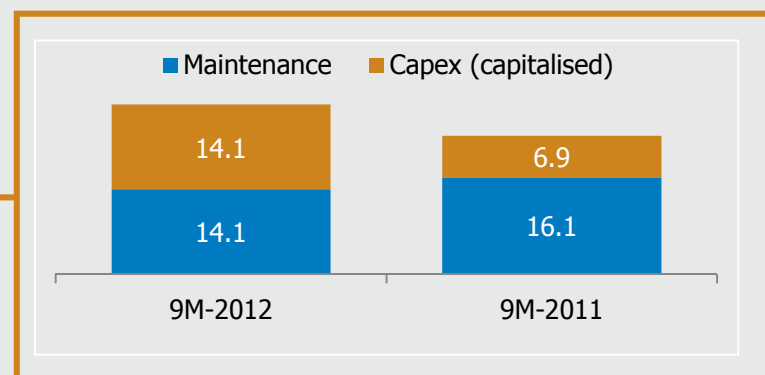
9M-2012

(€m)	9M-2012	9M-2011
Income from rents	151.5	134.6
Income from management activities and other income	8.1	8.2
Gross rental income	159.6	142.8
Income from direct government grants	6.1	7.8
Total rental income	165.7	150.5
Costs of materials	(27.4)	(30.2)
Personnel expenses	(13.6)	(13.8)
Other property operating expenses/income	(3.8)	(3.7)
Net rental income	120.9	102.8

Comments

Higher average rent per sqm, increased occupancy, acquisition impact

Like-for-like residential growth yoy: 3.2%; from €4.95/sqm (9M-2011) to €5.11/sqm (9M-2012)



Income statement

9M-2012



(€m)	9M-2012	9M-2011
Net rental income	120.9	102.8
Result on disposal of investment property	7.7	3.0
Net valuation gains on investment property	0.0	0.0
Administrative expenses	(26.3)	(36.5)
Other income, net	0.0	25.4
Net operating profit (EBIT)	102.3	94.7
Net results of investments	1.2	0.1
Interest result	(60.9)	(47.1)
Profit before income taxes (EBT)	42.7	47.7
Income taxes	(2.0)	(2.0)
Consolidated net income for the period	40.7	45.8

Comments		
Admin expenses adjusted (€m)	9M-2012	9M-2011
Admin expenses (total)	(26.3)	(36.5)
Thereof IPO + project expenses	1.0	8.8
Thereof LTIP (paid by former shareholders)	2.0	9.1
Thereof acquisition costs	2.0	0.0
Admin expenses adjusted	(21.2)	(18.5)
Sale of broadband cable business (one-off) in 9M-2011		
Interest result (€m)	9M-2012	9M-2011
Interest income	15.8	32.5
Interest expense	(76.7)	(79.6)
Interest result	(60.9)	(47.1)
Less valuation effects from loans	6.5	12.0
Less valuation effects from derivatives	2.3	(10.5)
Less discounting	0.7	1.6
Less accrued interest for loans & derivatives	(0.6)	(1.6)
Less breakage fees	0.2	0.0
Cashflow net interest (normalised)	(51.8)	(45.6)

Adjusted EBITDA reconciliation

9M-2012

(€m)	9M-2012	9M-2011	Comments
EBIT	102.3	94.7	
Depreciation	0.6	0.7	
Fair value adjustment of investment property	0.0	0.0	
EBITDA	102.9	95.5	
Costs of IPO / capital increase	0.0	6.6	
LTIP (by selling shareholders)	2.0	9.1	
Restructuring expenses	0.1	0.3	
Project expenses	1.4	3.3	
Acquisition expenses	2.0	0.0	
Gains on disposal of shares in companies, associates, joint ventures, intangible assets and property, plant and equipment	0.0	(25.3)	
Result on disposal of investment property	(7.7)	(3.0)	
Adjusted EBITDA	100.7	86.4	

Result on disposals (€m)	9M-2012	9M-2011
Investment property disposal proceeds	51.9	32.8
Carrying value	(37.9)	(23.7)
Sales expenses	(6.4)	(6.1)
Result on disposals	7.7	3.0

9M-2012: various smaller optimisation projects, sale of third party management (BWG)
9M-2011: CMBS refinancing, sale of cable business

709 units sold in 9M-2012 (480 in 9M-2011),
Net margin: 14.8%, Cash impact: €27.6m

Derivation of FFO

9M-2012

(€m)	9M-2012	9M-2011	Comments
Adjusted EBITDA	100.7	86.4	
Cashflow net interest (normalised)	(51.8)	(45.6)	Higher debt balance (9M-2012 vs. 9m-2011) as a result of acquisitions
Results of associates, joint ventures and other investments	1.2	0.1	
Cashflow net taxes	(0.2)	(0.5)	
FFO I (excl. sales result)	50.0	40.4	FFO I per share⁽¹⁾: €1.07 (€1.04 in 9M-2011)
AFFO (FFO I less capitalised expenses for maintenance and modernisation)	35.8	33.5	Shift from maintenance expenses to more value enhancing capex (capitalised) and higher total spendings
FFO II (incl. sales result)	57.6	43.4	

(1) Based on an average number of 46,480,982 shares outstanding in 9M-2012 (9M-2011: 38,746,866)

Balance sheet

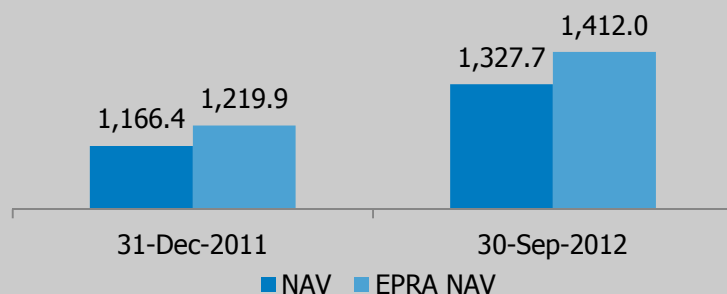
30-Sep-2012



Selected items (€m)	30-Sep-2012	31-Dec-2011
Non-current assets	2,930.8	2,947.6
Investment property	2,910.1	2,930.2
Other non-current assets	20.7	17.3
Current assets	262.2	92.1
Assets held for sale	14.7	17.1
Cash and cash equivalents	232.8	62.6
Receivables and other current assets	14.7	12.4
Total assets	3,193.0	3,039.7

Selected items (€m)	30-Sep-2012	31-Dec-2011
Shareholders' equity	1,327.7	1,166.4
Financial liabilities	1,728.4	1,770.9
Other liabilities	136.8	102.4
Total equities and liabilities	3,193.0	3,039.7

NAV Development (€m)



NAV (€m)	30-Sep-2012	31-Dec-2011
Diluted NAV	1,327.7	1,166.4
Fair value of financial instruments (net)	84.4	53.6
Deferred tax ⁽¹⁾	(0.0)	(0.0)

Diluted EPRA NAV (€m)	1,412.0	1,219.9
No. of shares outstanding	50.53m	41.05m

Diluted EPRA NAV per share: €27.95

(1) Not including deferred taxes on changes in valuation of derivatives (through OCI)
30-Sep-2012: €4.2m; 31-Dec-2011: €2.7m

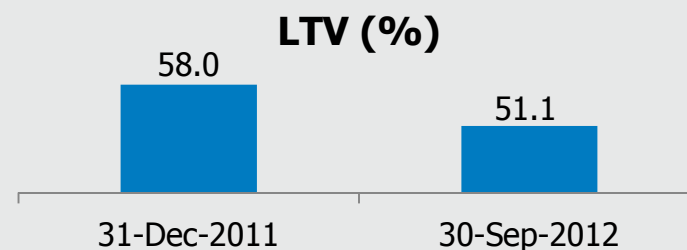
Net debt and LTV reconciliation

30-Sep-2012

(€m)	30-Sep-2012	31-Dec-2011
Financial liabilities	1,728.4	1,770.9
Cash and Cash equivalents	(232.8)	(62.6)
Net Debt	1,495.6	1,708.3
Investment properties	2,910.1	2,930.2
Assets held for sale	14.7	17.1
Loan-to-value ratio	51.1%	58.0%

Comments
Based on nominal debt of €1,830m the LTV is 54.6%

LTV development



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Outlook & Guidance

FFO I

€61-64m for 2012

**Maintenance
and capex**

€13-15/sqm expected for 2012

Dividend

Intended dividend payout ratio for FY2012:
65% of FFO I

GSW launches convertible bond via accelerated bookbuilding

Main terms of the offering

- Convertible bonds due November-2019
- Nominal amount of approx. €185m
- Conversion into approx. 5.1 million GSW shares
- Annual coupon between 2.0% and 2.5%
- Conversion premium between 20% and 25% over GSW's share price

Rationale of the offering

- Benefit from favourable market conditions to fund the acquisition of additional attractive portfolios
- Further optimisation of the company's financing structure
- Broadening of financing sources as well as investor base

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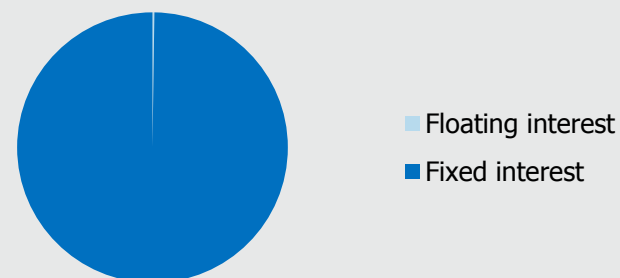
Long term & robust financing structure

343 bank loans of €1,830m

- Long term maturity profile (82% of debt expiring after 2016)
- Very low average costs of debt
- Almost 100% fixed/hedged

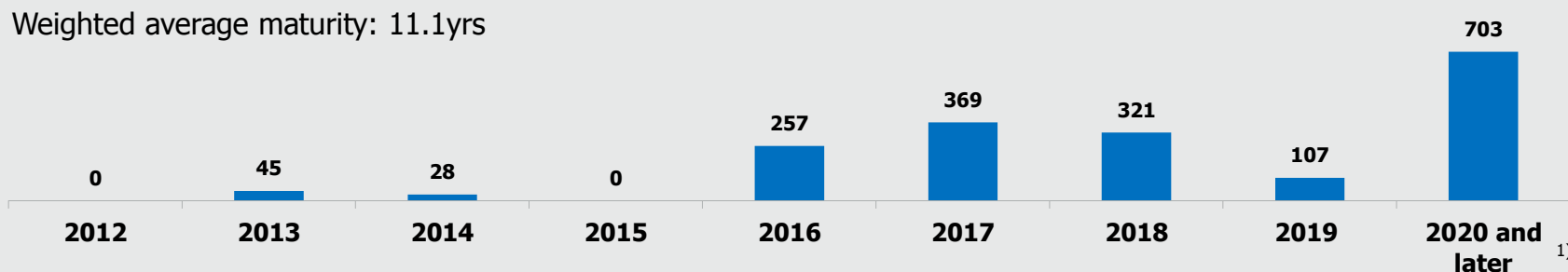
▶ **Stable basis for future growth**

Floating vs. fixed interest



GSW maturity profile (€m) – Total: €1,830m as of 30-Sep-2012

Weighted average maturity: 11.1yrs



Weighted average interest rate of approx. 4.0% across entire loan portfolio²⁾

1) Includes loans without contractual maturity

2) Based on average interest rate as of 30-Sep-2012 for the existing debt portfolio

Note: Maturities and debt are based on nominal values and do not include regular annual amortizations

Track record of the 2011 acquisition

Operational performance

	30-Sep-2012	31-Dec-2011	Change
Occupancy ⁽¹⁾	97.1%	96.5%	0.6%
In-place rent ⁽¹⁾	€5.77/sqm	€5.66/sqm	€0.11/sqm

- Implementation of assets into existing platform successfully completed
- In-place rent €0.16/sqm increase since Nov 2011

Key figures

- Income from rents: €14.9m
- Adj. EBITDA yield: 5.1%
- FFO I: €5.9m
- FFO I yield: 7.1%



Note: figures as of 30-Sep-2012
 (1) residential