



INTERIM REPORT 2025

ON THE 2ND QUARTER

GROWING CASHFLOWS

TAG
Immobilien AG

GROUP FINANCIALS

in EURm

Income statement key figures	01/01/ - 06/30/2025	01/01/ - 06/30/2024
Rental income (net actual rent)	184.2	178.2
EBITDA (adjusted) rental business Germany and Poland	126.4	120.1
EBITDA (adjusted) from sales Poland	19.8	38.9
EBITDA (adjusted) total	146.2	159.0
Adjusted net income from sales Poland	16.6	34.1
Consolidated net profit	151.1	-7.1
FFO I per share in EUR	0.52	0.50
FFO I	91.6	88.1
FFO II per share in EUR	0.61	0.69
FFO II	107.3	121.4

Balance sheet key figures	06/30/2025	12/31/2024
Total assets	8,256.0	7,750.3
Equity	3,194.2	3,099.9
EPRA NTA per share in EUR	20.18	19.15
LTV in %	45.3	46.9

Portfolio data	06/30/2025	12/31/2024
Units Germany	82,957	83,618
Units Poland (completed rental apartments)	3,349	3,219
Sold units Poland	1,158	1,936
Handovers in Poland	516	2,666
GAV Germany (real estate assets) in EURm	5,318.3	5,286.1
GAV Poland (real estate assets) in EURm	1,463.5	1,219.8
GAV total (real estate assets) in EURm	6,781.8	6,505.9
Vacancy in % Germany (total portfolio)	4.1	3.9
Vacancy in % Germany (residential units)	3.9	3.6
Vacancy in % Poland (total portfolio)	3.8	4.9
I-f-I rental growth in % Germany	2.4	2.5
I-f-I rental growth in % Germany (incl. vacancy reduction)	2.9	3.0
I-f-I rental growth in % Poland	3.3	3.2

Employees	06/30/2025	12/31/2024
Number of employees	1,905	1,856

Capital market data	
Market cap at 06/30/2025 in EURm	2,664
Share capital at 06/30/2025 in EUR	176,556,650
WKN/ISIN	830350/DE0008303504
Number of shares at 06/30/2025 (issued)	176,556,650
Number of shares at 06/30/2025 (outstanding, without treasury shares)	176,472,226
Free Float in % (without treasury shares)	100
Index	MDAX/EPRA

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MANAGEMENT REPORT

INTERIM GROUP MANAGEMENT REPORT FOR THE FIRST SIX MONTHS OF THE 2025 FINANCIAL YEAR

FOUNDATIONS OF THE GROUP

Overview and corporate strategy

TAG Immobilien AG (hereinafter also referred to as 'TAG' or the 'Group') is a real estate company in Hamburg that focuses on the residential property sector. The properties owned by TAG and its subsidiaries are spread across various regions in Northern and Eastern Germany and North Rhine-Westphalia and, since the 2020 financial year, also in Poland, where the business model includes the development and management of a residential real estate portfolio as well as sales activities. As at 30 June 2025, TAG managed a total of around 83,000 (31 December 2024: around 82,500) units in Germany and around 3,350 (31 December 2024: around 3,200) rental apartments in Poland.

TAG's business model in Germany consists of the long-term letting of apartments. All functions essential to property management are performed by the Company's own employees. In addition, caretaker services and craftsmen's activities are provided for the Company's own portfolio. The Company lets affordable residential space that appeals to broad sections of the population. The Group's own multimedia company supports the provision of multimedia services to tenants and expands the range of services offered as part of property management. Energy management is bundled in a subsidiary and comprises commercial heat supply in the Group's own portfolios with the aim of optimising energy management. In the medium term, these services are to be further expanded and supplemented with new services for tenants.

TAG's investments in Germany are mainly made in medium-sized cities and in the vicinity of large metropolitan areas, as these locations offer not only growth potential but also better return opportunities compared to investments in large cities. The newly acquired portfolios regularly have higher vacancy rates, which are then reduced after acquisition through targeted investments and proven asset management concepts. Investments within Germany are made almost exclusively in regions already managed by TAG in order to leverage existing administrative structures. Local market knowledge is also essential when acquiring new portfolios.

The expansion of business activities into Poland began in 2020 with the acquisition of Vantage Development S.A. ('Vantage'), a real estate developer based and operating primarily in Wrocław. The acquisition of ROBYG S.A., based in Warsaw ('ROBYG'), expanded TAG's platform for developing apartments for its own portfolio in the existing regions of Wrocław, Poznań and, in particular, Tricity, and also enabled it to enter the Warsaw market on a large scale. At the same time, TAG expanded its business model to include the development of apartments for sale.

In Poland, TAG has approximately 3,350 (31 December 2024: approximately 3,200) completed rental apartments in its residential rental business as of the reporting date. A further approximately 1,100 (31 December 2024: approximately 1,100) rental apartments are under construction as of the reporting date. In addition, there is a land reserve for the future construction of approximately 6,100 (31 December 2024: approximately 6,100) additional apartments.

In the sales business, which also includes joint ventures, approximately 5,100 (31 December 2024: 3,400) apartments were under construction in Poland (including 291 (31 December 2024: 100) completed and not yet sold apartments). The land reserve in this business segment comprises a further approx. 18,600 (31 December 2024: approx. 22,000) future apartments. In the first six months of the 2025 financial year, a total of 1,158 (first half of 2024: 1,056) apartments were sold in Poland and 516 (first half of 2024: 1,330) apartments were handed over to buyers.

TAG's medium-term growth target is to build up a portfolio of approximately 10,000 rental residential units in Poland by the end of 2028. In addition, existing sales activities in Poland are to be continued in order to support the further growth of the rental portfolio from the liquidity surpluses generated there. The investment focus is on new-build apartments in large cities with favourable demographic trends, proximity to universities and well-developed infrastructure.

Sustainable corporate development¹

Sustainability remains an integral part of our corporate strategy also in the first half of 2025. As a leading residential real estate company, we take responsibility for our tenants, employees and the environment. Our commitment in these areas remains as strong as ever.

We focus on developing liveable neighbourhoods, promoting social cohesion and strengthening communities through targeted services for children, families and senior citizens. The TAG Miteinander Foundation, established in 2020, provides significant support for these goals.

For us, sustainability also means creating attractive working conditions – through flexible working models, personal responsibility and an open corporate culture. Our holistic approach combines ecological, social and economic goals, thereby creating sustainable synergies.

The ESG rating from Sustainalytics confirms that we are on the right track: in May 2024, TAG was once again awarded a 'negligible ESG risk' rating and ranked among the top 10 of over 16,000 companies worldwide.

BUSINESS REPORT

Macroeconomic and sector-specific conditions and their impact on the residential real estate market in Germany

Various sources have different estimates of how Germany's gross domestic product (GDP) will develop in the second quarter of 2025. The uncertainty associated with the trade dispute in the US is hampering planning security and thus companies' willingness to invest. Private consumption could provide some further impetus. According to the Deutsche Bundesbank, a slight recovery or stagnation is expected overall for the year.

The inflation rate in Germany measured by the Federal Statistical Office Destatis as the change in the consumer price index (CPI) compared with the same month of the previous year – stood at +2.0% in June 2025. This was the lowest figure since October 2024 (also +2.0%). In May and April 2025, the inflation rate was +2.1% in each month. In addition to the continued fall in energy prices, food price inflation declined in particular. By contrast, above-average price increases for services continued to drive inflation. Compared with the previous month of May 2025, consumer prices remained unchanged overall in June 2025.

In June 2025, the European Central Bank again lowered its three key interest rates by 25 basis points each. In total, the ECB has halved its key interest rate in eight steps in just over a year, from 4% to 2%, thereby moving closer to a neutral interest rate in relation to inflation, at which monetary policy neither stimulates nor restricts the economy. The ECB's

¹ Unaudited information

interest rates now stand at 2.00% for the deposit facility, 2.15% for the main refinancing facility and 2.40% for the marginal lending facility.

According to the ifo Business Climate Index, the mood among companies in Germany improved slightly in 2025. The index rose from 87.5 points in May to 88.4 points, putting it at the same level as the previous year's figure for the same period (June 2024: 88.3). Companies assessed their current situation slightly better. The German economy is slowly gaining confidence, particularly in the service sector, construction and trade.

According to the German government's latest publication from June 2025, there is a shortage of hundreds of thousands of affordable new homes in Germany. Housing construction often takes far too long, partly due to lengthy planning and approval procedures. The Federal Cabinet has now adopted a corresponding regulation in the Federal Building Code. The 'Bau-Turbo' (construction turbo) enables municipalities to significantly speed up planning and approval processes. This should make it possible to build new homes more quickly, expand residential buildings, add storeys and convert buildings into residential space, for example commercial premises and buildings. The special regulation is to apply until the end of 2030. The Federal Ministry for Building will evaluate the effectiveness of the new regulations by the end of 2029, focusing in particular on whether they contribute to the creation of new housing. These measures demonstrate how high the demand for affordable housing remains in Germany.

Macroeconomic and sector-specific conditions and their impact on the residential real estate market in Poland

The European Commission's spring forecast confirms that the Polish economy will continue to grow dynamically in the coming years. Real gross domestic product is forecast to increase by 3.3% and 3.0% in 2025 and 2026, respectively. This development is primarily attributable to robust domestic demand and increasing investment activity. Rising real wages, new social benefits and higher spending on families are strengthening household purchasing power. Investment activity, which was still hampered by a decline in the construction sector in 2024, is expected to recover significantly from 2025 onwards, particularly thanks to extensive public investment made possible by EU funding. In the first quarter of 2025, seasonally adjusted GDP was 0.7% higher than in the previous quarter and 3.7% higher than in the same quarter of the previous year.

According to the EU Commission, the unemployment rate will remain very low despite a declining working-age population due to demographic change and will remain constant at around 2.8% until 2026. In April 2025, the seasonally adjusted unemployment rate in Poland was 3.3%, below the EU average of 5.9%. Wage growth remains high but is slowing down as inflation falls: after rising by 12.3% in 2024, it is forecast to increase by 6.2% in 2025 and 4.8% in 2026.

The inflation rate fell significantly to 3.7% in 2024 and is expected to decline further to 3.6% in 2025 and 2.8% in 2026. In June 2025, the inflation rate stood at 4.1%. Price developments are mainly influenced by falling energy prices, weak import prices and moderate growth in the service sector.

In the first half of 2025, the National Bank of Poland lowered its key interest rates for the first time since October 2023. First in May 2025 from 5.75% to 5.25% and then most recently in July 2025 to 5.00%.

Development of the German real estate and residential real estate market

Real estate services provider JLL recorded a transaction volume of EUR 15.3bn across the entire German real estate market in the first half of 2025, almost on par with the same period in 2024 (EUR 15.4bn). Overall, the market is likely to pick up moderately in the second half of the year, with a transaction volume of EUR 35bn to EUR 40bn expected for 2025 as a whole. The real estate investment market is currently caught between recovery and uncertainty: on the one hand, stable interest rate and inflation data from the German economy are sending positive signals, while on the other hand, international investors remain cautious, partly due to potential trade conflicts with the US.

BNP Paribas Real Estate's analysis from June 2025 shows a recovery in the German residential investment market in the first half of 2025. A total of EUR 4.5bn was invested in larger residential portfolios with 30 or more residential units during this period. The half-year result for the previous year was exceeded by 36%. The noticeable market upturn is likely to gain momentum in the second half of the year in view of the completed price and consolidation phase, the ECB's loose monetary policy and the current historically high rent increases. The distribution of the investment volume shows that the stable investment environment in A-cities has been less in demand recently. A-cities thus account for only a below-average share of 33% (10-year average: 47%) of total sales.

The increase in the total number of registered transactions and the rise in large-volume portfolio transactions compared with the previous year, as well as renewed investor interest, are at least an indication that the German residential investment market has entered a new phase of recovery.

Experts believe that interest in German residential real estate will remain high in the medium to long term and is likely to increase further. On the one hand, the sustained high excess demand on the rental markets is likely to remain at least in the medium term, ensuring stable rental income and potential for value appreciation. On the other hand, residential real estate is considered a relatively safe asset class, especially in volatile times. In addition, more and more international investors are recognising the potential of the German residential property market and contributing to its momentum. This is supported by the stable political and economic environment in Germany compared to other countries. Overall, the German residential property market therefore remains an attractive option for investors seeking long-term investments and secure cash flows.

Development of the Polish real estate and residential real estate market

According to the latest analysis by JLL, the second quarter of 2025 saw a moderate upturn in sales activity on the Polish residential property market. In the six largest markets (Warsaw, Kraków, Wrocław, Tricity/Gdańsk, Poznań and Łódź), a total of just over 10,000 residential units were sold, representing an increase of 11% compared with the first quarter of 2025. Sales figures thus remain in the range of 9,000 to 10,000 units, as has been the case since the second quarter of 2024. Given the persistently high interest rates and political uncertainties, this development comes as no surprise. In particular, discussions about tax increases for second homes and the expiry of government subsidy programmes for purchases on the secondary market continue to dampen demand.

In the second quarter of 2025, developers brought around 12,300 new units onto the market nationwide – a decline of 8.1% compared with the previous quarter. While supply in the six largest markets increased compared with the first quarter of 2025, the Tricity/Gdansk region even recorded a significant increase (9%). At over 61,000 units, the total supply of available apartments reached a historic high, although this represents only a moderate increase of 4% compared with the previous quarter.

Despite stable or only slightly rising sales figures, prices for new-build apartments remained stable. The highest price increases compared to the previous quarter were recorded in Tricity/Gdansk (3.3%). In Wrocław, the decline in prices was related to the introduction of a large number of cheaper apartments on the market. In other cities, quarterly changes in average prices ranged between 0.4% and 1.8%. Therefore, further price stabilisation can be expected. In Warsaw, prices remained at the level of the last five quarters at around EUR 4,500 per square metre or PLN 19,000 per square metre. Kraków reached an all-time high of over EUR 4,400 per square metre or PLN 18,600 per square metre. Annual price increases ranged from a moderate 1.6% in Łódź and 4.4% in Kraków to as much as 13.2% in the Tricity/Gdansk area, with the latter driven primarily by changes in the structure of supply.

Rents at the beginning of 2025 were at a similar level to the end of 2024. In March 2025, the vacancy rate for properties completed before 2024 was below 5% in the largest cities. According to JLL, the rental market in Poland's major cities remains tight. Rents remain at a high level, reflecting strong demand, particularly from young adults and people from abroad. The limited rental supply is the result of cautious investment and new construction activity that does not fully meet demand. Although the supply of rental apartments has increased moderately compared to the previous year, availability remains around 50% below 2021 levels, which is further intensifying pressure on the rental market. Institutional rental apartments with higher quality standards are particularly in demand. Rents in institutional projects are on average 4% higher than those on the private rental market, but are nevertheless characterised by lower vacancy rates. Demand exceeds supply, especially in the metropolitan areas of Warsaw, Kraków and Wrocław.

EMPLOYEES

TAG's average number of employees is shown in the following table:

Employees	01/01/ - 06/30/2025	01/01/ - 06/30/2024
Operational employees	910	899
Caretakers	533	508
Administration and central area	377	353
Craftsmen	75	87
Total	1,895	1,847

Of the employees shown here, 1,253 (previous year: 1,233) are based in Germany and 642 (previous year: 613) in Poland.

OTHER DISCLOSURES

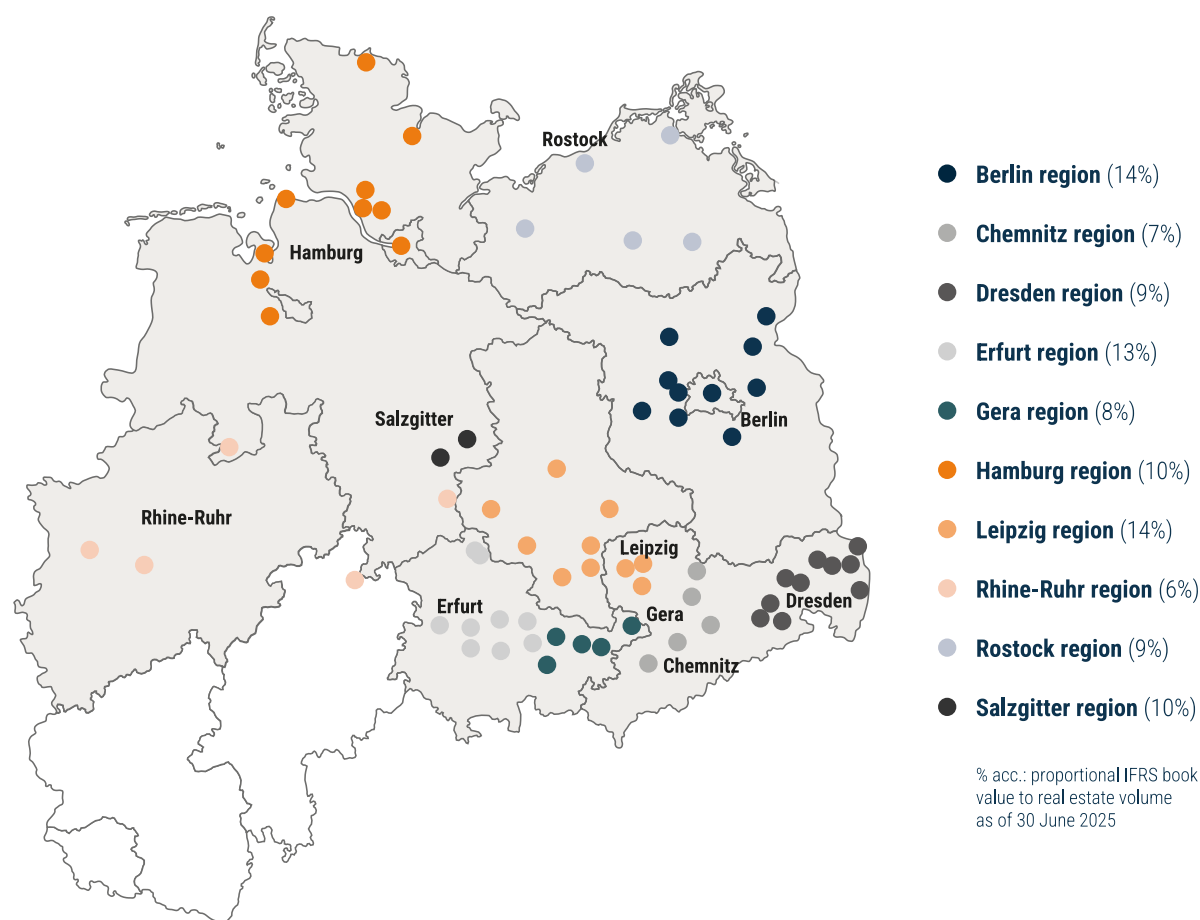
In addition to remuneration for the Company's executive bodies, TAG had business relationships with unconsolidated joint ventures in the form of joint venture investments during the reporting period. Revenues of EUR 19.2m (previous year: EUR 1.7m) were generated from delivery and service relationships with these companies, and receivables of EUR 6.6m (31 December 2024: EUR 5.0m) and other liabilities of EUR 8.9m (31 December 2024: EUR 0m) were reported for these. In addition, loans to joint ventures amounting to EUR 38.7m (31 December 2024: EUR 33.9m) are reported. These loans have a term until May or December 2028 and bear interest at a variable rate. The variable interest rate as of 30 June 2025 consisted of the Polish 6-month WIBOR plus a margin of 4.1%. In the reporting year, TAG generated interest income of EUR 1.5m from these loans (previous year: EUR 1.7m). All transactions were conducted at arm's length.

Apart from the above-mentioned items, there were no other business relationships with related parties in the reporting period.

DEVELOPMENT OF TAG'S REAL ESTATE PORTFOLIO IN GERMANY

Overview

At the end of the first half of 2025, TAG's real estate portfolio in Germany comprised around 83,000 units. The focus is on managing attractive and affordable housing while fulfilling social responsibility towards tenants. The regional focus is primarily on the north and east of the country and is distributed as follows:



Portfolio Data	06/30/2025	12/31/2024
Units	82,957	83,618
Floor space in sqm	4,969,026	5,009,275
Real estate volume in EURm	5,318.3	5,286.1
Annualised net actual rent in EURm p.a. (total)	343.1	343.2
Net actual rent in EUR per sqm (total)	6.01	5.94
Net actual rent in EUR per sqm (residential units)	5.89	5.84
Vacancy in % (total)	4.1	3.9
Vacancy rate in % (residential units) ¹⁾	3.9	3.6
I-f-I rental growth in %	2.4	2.5
I-f-I rental growth in % (incl. vacancy reduction)	2.9	3.0

¹⁾ excluding acquisitions

Purchases and sales in Germany in the first half of the 2025 financial year

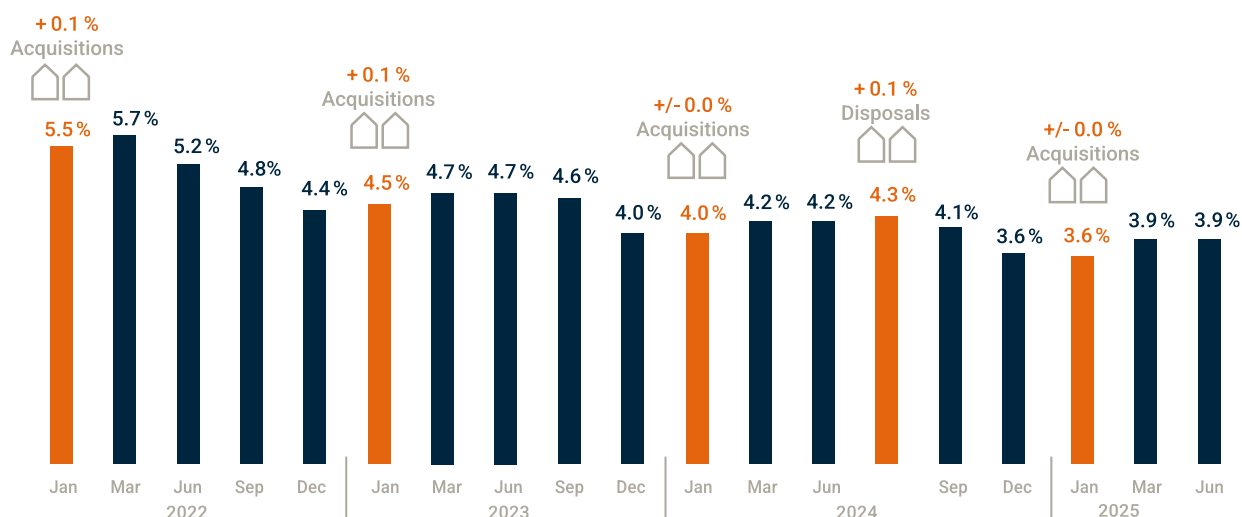
From January to June 2025, sales agreements were signed for a total of 70 units. The cumulative sales price amounts to EUR 6.2m, which corresponds to 17.3 times the annual net actual rent or a gross initial yield of 5.8%. The expected net cash inflow (sales proceeds less bank liabilities encumbering the properties sold) from these sales amounts to EUR 3.8m. The average vacancy rate of the apartments sold was approximately 2.0%.

The sales generated a profit of EUR 0.2m (previous year: EUR 0.1m) in the consolidated income statement in the first six months of the financial year.

No acquisitions were made in Germany in the first half of 2025.

Vacancy development

The following chart illustrates the development of vacancy in the Group's residential units in Germany in the financial years since 2022 and in the first half of 2025:



At the beginning of the 2025 financial year, in line with the vacancy trend in the first months of previous years, there was a slight increase in the vacancy rate for the Group's residential units of 0.3 percentage points to 3.9% in March 2025, which remained at this level in the second quarter of 2025. The forecast for the full 2025 financial year, which anticipates a reduction in the vacancy rate of approximately 0.3 to 0.5 percentage points compared with the beginning of the year, remains unchanged.

In the overall portfolio, which also includes some commercial units within the residential portfolio, the vacancy rate as of 30 June 2025 was 4.1%, compared with 3.9% at the end of the previous year.

The portfolio in detail

The following table shows further details of the TAG real estate portfolio in Germany, by region, as at 30 June 2025²:

Region	Units	Rentable area sqm	IFRS BV EURm 06/30/2025	In-place yield	Vacancy 06/30/2025	Vacancy Dec. 2024	Current net rent EUR / sqm	Reletting rent EUR / sqm	I-f-I rental growth (y-o-y)	Total I-f-I rental growth ¹⁾ (y-o-y)	Maintenance EUR / sqm	Capex EUR / sqm
Berlin	9,355	536,612	742.2	5.5%	2.1%	2.0%	6.44	7.61	3.0%	3.5%	5.27	6.65
Chemnitz	7,963	469,861	359.8	7.7%	7.2%	7.0%	5.29	5.40	2.0%	3.4%	2.41	7.74
Dresden	5,565	357,511	488.9	5.4%	1.5%	1.1%	6.30	6.68	1.0%	0.8%	2.84	4.36
Erfurt	10,120	572,080	664.5	5.8%	0.8%	0.6%	5.68	5.95	1.1%	1.7%	2.90	7.77
Gera	9,164	531,674	405.3	8.4%	2.6%	1.8%	5.50	5.87	2.0%	2.2%	1.65	6.67
Hamburg	6,400	392,498	520.6	5.7%	2.8%	3.0%	6.52	7.33	3.4%	3.8%	5.48	12.52
Leipzig	12,923	751,195	722.2	6.7%	7.4%	7.0%	5.80	6.12	3.8%	4.1%	3.55	13.40
Rhine-Ruhr	3,680	230,707	305.3	5.5%	1.4%	1.3%	6.14	6.80	2.9%	3.7%	6.90	14.77
Rostock	7,535	427,746	502.9	5.8%	5.8%	4.8%	6.02	6.73	3.2%	3.3%	4.72	14.20
Salzgitter	9,180	563,109	504.3	7.3%	4.2%	4.6%	5.68	5.95	1.7%	2.2%	4.37	5.46
Total residential units	81,885	4,832,993	5,216.0	6.3%	3.9%	3.6%	5.89	6.32	2.4%	2.9%	3.81	9.17
Commercial units within resi. portfolio	965	125,604	-	-	14.5%	13.5%	9.67	-	-	-	-	-
Other ²⁾	107	10,429	102.3	9.5%	1.0%	1.0%	16.68	-	-	-	-	-
Grand total	82,957	4,969,026	5,318.3	6.6%	4.1%	3.9%	6.01	-	-	-	-	-

1) incl. effects from vacancy reduction

2) incl. commercial properties and serviced apartments. Incl. EUR 80.6m book value of project developments

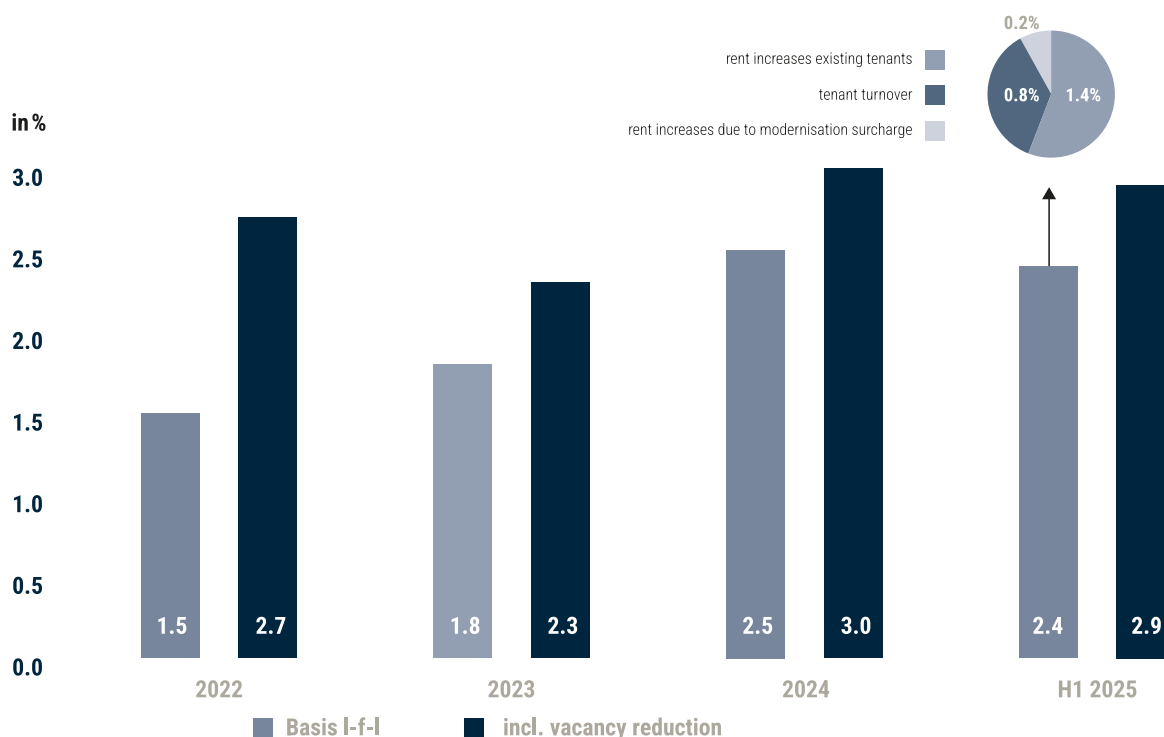
Growth in rents

Rental growth in the Group's residential units amounted to 2.4% on a like-for-like basis (i.e. excluding acquisitions and disposals in the last twelve months), compared with 2.5% p.a. at the end of 2024. This rental growth of 2.4% was made up of ongoing rent increases for existing tenants (1.4% after 1.5% at the end of the previous year), rent increases in connection with tenant changes (0.8% after 0.8% at the end of the previous year) and rent increases due to modernisation charges (0.2% after 0.2% at the end of the previous year).

Including the effects of vacancy development, total rental growth on a like-for-like basis amounted to 2.9% p.a. (3.0% in the 2024 financial year). The forecast for total like-for-like rental growth of 2.5% to 3.0% for the full financial year 2025 remains unchanged.

² Total portfolio Germany residential, commercial and other

The chart below summarises the development of rental growth in the financial years from 2022 and in the first half of 2025:



The average rent for the residential units in the portfolio rose slightly in the first six months of 2025, from EUR 5.84 per square metre at the end of the 2024 financial year to EUR 5.89 per square metre. New leases were signed at an average of EUR 6.32 per square metre, compared with EUR 6.15 per square metre at the end of the 2024 financial year.

Revaluation of the portfolio as at 30 June 2025

As in previous financial years, TAG's real estate portfolio was valued by independent experts as at 30 June 2025. The next full valuation of the real estate portfolio will be carried out as at 31 December 2025.

For the portfolio in Germany, a valuation gain of EUR 29.1m was recognised in the consolidated income statement for the first six months of the financial year (prior-year period: valuation loss of EUR -144.3m). This consists of a positive valuation effect of EUR 16.0m (prior-year period: EUR 134.4m) due to better-than-expected operating performance compared with the previous valuation, and a valuation effect of EUR 13.1m (prior-year period: EUR -278.7m) due to yield compression/expansion, i.e. higher capitalisation and discount rates.

The increase in the value of the German portfolio, i.e. a comparison of the fair values without taking into account modernisation expenses incurred in the meantime, amounted to approximately 1.4% in the first half of 2025, following approximately -2.7% in the first half of 2024 and approximately 0.9% in the second half of 2024.

The following table shows the valuation effects for the individual regions in Germany in detail:

Region (in EURm)	06/30/2025 Fair value (IFRS)	06/30/2025 Fair value (EUR/sqm)	06/30/2025 Implied multiple	H1 2025 Valuation result	Share of operational performance/oth- er market develop- ments	Share of yield compression	12/31/2024 Fair value (IFRS)	12/31/2024 Fair value (EUR/sqm)	12/31/2024 Implied multiple
Berlin	742.2	1,326.9	17.5	6.4	6.9	- 0.5	767.9	1,327.8	17.7
Chemnitz	359.8	747.2	12.6	1.5	1.7	- 0.2	354.6	736.5	12.7
Dresden	488.9	1,333.5	17.7	11.0	1.4	9.6	476.4	1,266.2	16.8
Erfurt	664.5	1,116.9	16.3	-0.6	- 0.9	0.3	660.7	1,110.6	16.2
Gera	405.3	728.7	11.4	4.2	3.3	0.9	397.5	714.5	11.3
Hamburg	520.6	1,303.9	16.9	5.9	5.0	0.9	515.1	1,279.9	16.8
Leipzig	722.2	950.5	14.5	0.0	0.0	0.0	714.4	937.7	14.4
Rhine-Ruhr	305.3	1,270.8	17.2	2.1	2.5	- 0.4	299.8	1,248.0	17.1
Rostock	502.9	1,153.1	16.7	-0.6	- 0.9	0.3	497.6	1,124.7	16.3
Salzgitter	504.3	893.2	13.5	-1.9	- 4.9	3.1	503.1	891.0	13.6
Residential units	5,216.0	1,051.9	15.3	27.9	14.0	13.9	5,187.2	1,037.7	15.2
Other	102.3 ¹⁾	2,077.4 ²⁾	10.5 ²⁾	1.1	1.9	-0.8	98.9	1,969.0 ²⁾	9.4 ²⁾
Grand total	5,318.3	1,054.1	15.3	29.1	16.0	13.1	5,286.1	1,039.6	15.2

1) incl. book value of project developments of EUR 80.4m

2) excl. project developments

The valuation multiple of the German portfolio (as a ratio of the IFRS book value to net actual rent) rose slightly from 15.2 at the end of 2024 to 15.3 as at 30 June 2025. This corresponds to a gross initial yield of 6.6%, after 6.6% as of 31 December 2024, and a value of approximately EUR 1,054.00 per square metre, after approximately EUR 1,040.00 per square metre at the end of the previous financial year.

Development of the business activities in Poland

Sales portfolio

Revenue from property sales in Poland amounted to EUR 83.9m, based on an average exchange rate of the Polish zloty (PLN) to the euro of 4.23:1 for the first six months of 2025 (previous year: 4.32:1), compared with EUR 193.0m in the same period of the previous year. With production costs of EUR 62.6m (prior-year period: 152.2m), including effects from the purchase price allocation of EUR 3.0m (prior-year period: 6.3m), the result from sales amounted to EUR 21.3m (prior-year period: EUR 40.9m).

In total, sales of 1,158 apartments (previous year: 1,056) were notarised in the first six months of 2025 and 516 apartments (previous year: 1,330) were handed over to buyers. As at 30 June 2025, the sales portfolio in Poland was as follows:

Region	Total units	Units under construction	Landbank (possible units)	Area in sqm total units	06/30/2025 Fair value in EURm ¹⁾
Wrocław	3,383	963	2,420	222,071	83 ²⁾
Poznań	2,683	524	2,159	147,119	92
Warsaw	11,041	1,979	9,062	691,340	356
Tricity	6,281	1,672	4,609	328,879	209
Łódź	379	0	379	15,678	6
Units build to sell	23,767	5,138³⁾	18,629	1,405,086	747

1) Book values excluding projects in joint ventures, all other figures including projects in joint ventures

2) Book value includes EUR 0.9m of owner-occupied office properties

3) of which 291 units completed and not yet sold

Rental portfolio

In the rental segment, rental income (net actual rents) of EUR 12.3m was generated in Poland in the six-month period ending 30 June 2025, compared with EUR 8.4m in the same period of the previous year. With expenses from rentals of EUR 0.5m (previous year: EUR 0.4m), the rental result amounted to EUR 11.9m (previous year: EUR 8.0m). As of the reporting date, 3,349 units were let (31 December 2024: 3,219). The vacancy rate in the rental portfolio in Poland was 3.8% as of 30 June 2025 (31 December 2024: 4.9%). Like-for-like rental growth for apartments that have been in the rental phase for at least one year amounted to 3.3% p.a. as of 30 June 2025, compared with 3.2% p.a. in the 2024 financial year.

An overview of the rental portfolio in Poland as at 30 June 2025 is as follows:

in EURm	Units total	Units completed	Units under construction	Landbank (possible units)	Area in sqm units total	06/30/2025 Fair value in EURm
Wrocław	3,566	1,609	612	1,345	164,208	321
Poznań	2,277	1,205	80	992	110,707	194
Warsaw	2,569	0	0	2,569	112,346	72
Tricity	905	0	187	718	35,618	41
Łódź	948	535	0	413	39,311	65
Other	336	0	250	86	43,846	24
Units build to hold	10,601	3,349	1,129	6,123	506,036	717

Further details of the rental portfolio in Poland can be found in the following overview:

Region	Units	Rentable area in sqm	IFRS Fair value EURm 06/30/2025	In-place yield in %	Vacancy 06/30/2025 in %	Vacancy 31.12. 2024 in %	Net actual rent EUR/sqm/month ¹⁾	I-f-I rental growth y-o-y in % ²⁾
Wrocław	1,564	65,191	226.6	5.3	5.0	9.8	16.30	2.8
Poznań	1,196	53,835	165.8	5.0	2.0	0.4	12.98	5.5
Łódź	527	22,020	57.2	5.5	2.2	0.2	12.09	0.1
Total residential units	3,287	141,046	449.6	5.2	3.4	4.5	14.33	3.3
Commercial units	62	6,817	22.3	4.7	11.2	14.1	15.83	-
Total portfolio	3,349	147,863	471.9	5.2	3.8	4.9	14.30	-

1) Book values and net actual rent based on the PLN / EUR exchange rate of 0.2357 on 30 June 2025

2) Metrics for properties in Wrocław and Poznań that have had a stable rent for over a year

Revaluation of the portfolio as at 30 June 2025

In Poland, too, the real estate portfolio is valued twice a year by an independent expert. As in Germany, the valuation result is based on the investment properties held for the long term. These mainly comprise the rental portfolio and, to a lesser extent, undeveloped land in an earlier stage of development. In the first half of 2025, this resulted in a significantly higher valuation gain of EUR 91.3ml (previous year: EUR 9.5m) due to the sharp rise in sales prices, which now form the basis for the valuation of the portfolio.

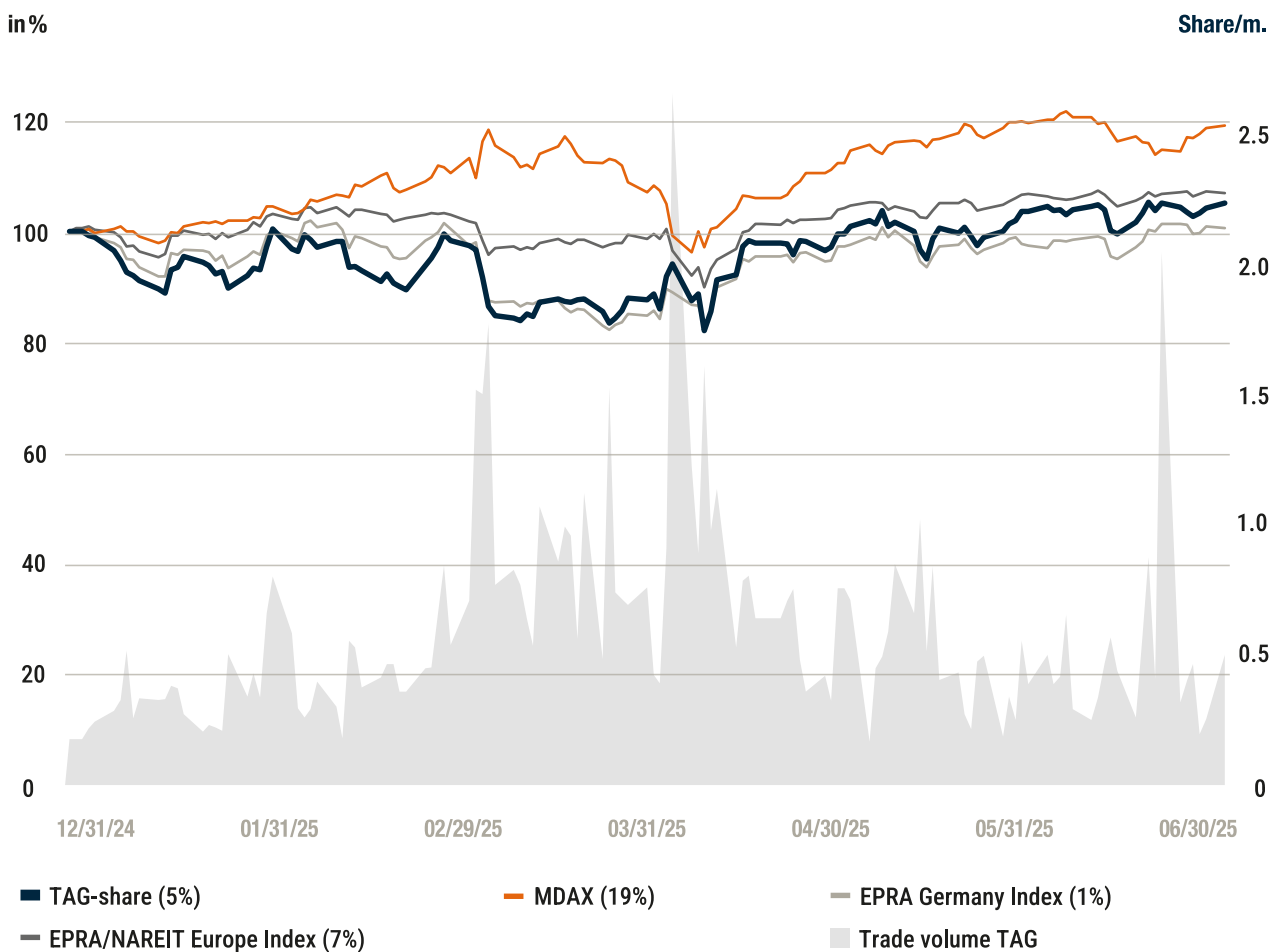
THE TAG SHARE AND THE CAPITAL MARKET

Share performance

In the first half of 2025, TAG Immobilien AG shares performed well overall, albeit with some fluctuations. At the end of 2024, the share price stood at EUR 14.36, but fell to an interim low of EUR 11.79 on 9 April 2025. In the months that followed, the share price recovered significantly, reaching an annual high of EUR 15.12 on 18 June 2025. On 30 June 2025, the share price closed at EUR 15.09, representing a total performance of +5% in the first half of the year.

By comparison, the EPRA Europe Index, which comprises various European real estate companies listed on international stock exchanges, recorded a price gain of +7% in the first half of 2025.

At national level, the MDAX index gained around +19%, while the EPRA Germany index, which comprises the material German real estate stocks, also recorded a slight price gain of around +1%, as illustrated in the chart below:

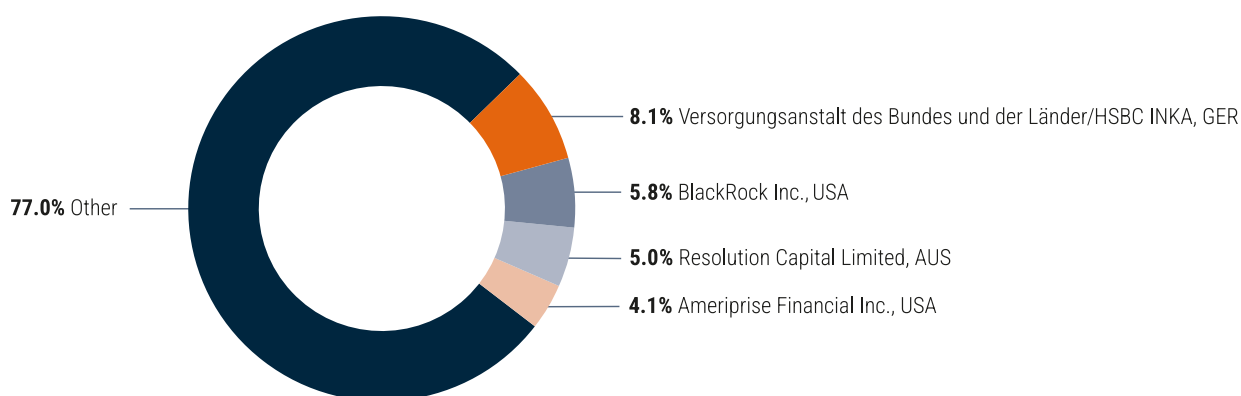


Share capital and shareholder structure

Due to the share dividend paid in June 2025, the share capital and the number of shares as of 30 June 2025 were slightly above the previous year's level at EUR 176,556,650.00 and 176,556,650 shares (31 December 2024: 175,489,025).

The free float amounted to just under 100% of the share capital as of the reporting date. 84,424 shares of the share capital (also 84,424 shares as of 31 December 2024) are held by TAG as treasury shares for the purpose of Management Board and employee remuneration.

National and international investors with a predominantly long-term investment strategy remain TAG's main shareholders, as the following overview (as of 30 June 2025) shows. This is based on the number of voting rights last reported to TAG, which means that the share within the respective thresholds may have changed without triggering a reporting requirement.



Dividend

TAG's Annual General Meeting on 16 May 2025 approved a dividend payment for the 2024 financial year of EUR 0.40 per share (corresponding to a payout ratio of 40% of FFO I). For the first time, shareholders had the choice between a cash distribution (cash dividend) and new TAG shares (share dividend). A total of 31.3% of shareholders entitled to dividends opted to receive their dividends in the form of new TAG shares. Based on this acceptance rate, 1,067,625 new shares were issued. The new shares were included in the listing of TAG's existing shares on the regulated market of the Frankfurt Stock Exchange on 17 June 2025.

Rating

In June 2025, Moody's confirmed TAG's long-term credit rating at Baa3 and raised its outlook from 'stable' to 'positive'. The decision is based on the stable operating performance in Germany, the growing rental business in Poland and the Company's disciplined financial policy. Other positive factors include the improved capital structure, the targeted reduction of secured liabilities, the very good liquidity situation and reliable access to the capital markets.

In April 2025, the rating agency S&P Global Ratings confirmed TAG's long-term credit rating at investment grade BBB- with a stable outlook. This is based on stable operating performance, a diversified residential portfolio in Germany and Poland, reliable cash flows from the regulated German market, continuous rental growth and vacancy reduction, as well as a prudent financial policy with moderate debt and a solid liquidity position, and access to diverse sources of financing.

TAG therefore has two investment grade ratings from internationally recognised rating agencies, giving it additional attractive financing options, both for refinancing and for further growth.

Capital market transactions

On 4 March 2025, TAG successfully placed an unsecured convertible bond with a total nominal value of EUR 332m and a term until March 2031. The proceeds from the issue will be used for general corporate purposes. The convertible bonds are convertible into newly issued or existing bearer shares in the Company corresponding to approximately 10% of the share capital or, alternatively, redeemable in cash. The bonds were issued at 100% of their nominal value. The initial conversion price is EUR 18.94 per share, which corresponds to a premium of 40% on the underlying reference price. Taking into account the compounded redemption amount, this results in an effective conversion price of EUR 20.13 per share at maturity. The interest rate is 0.625% p.a. and is paid semi-annually in arrears.

New remuneration system for members of the Management Board

At TAG's Annual General Meeting on 16 May 2025, a new remuneration system was adopted as part of the regular vote on the remuneration system for the Management Board. The material changes provide for an increase in the proportion of performance-related remuneration in order to promote the sustainable and long-term development of TAG and to strengthen the principle of 'pay for performance'.

The proportion of basic remuneration in total remuneration will be 35–45% in future (previously c. 50%). For the Short Term Incentive Plan (STIP), the company strategy and business activities in Poland are to be linked via the strategically relevant performance criteria FFO I per share (45% of the STIP), total EBITDA from rental business per share (30% of the STIP) and sales result in Poland per share (25% of the STIP). In the Long Term Incentive Plan (LTIP), the share of ESG targets has been increased from 20% to 25%. In addition, 25% is measured against NTA per share and 50% against the relative total shareholder return within the FTSE EPRA/NAREIT Developed Europe Index peer group.

In the STIP, the maximum payout was increased from 133% to 150% of the target amount. The target amount of the STIP for the financial year 2025 is now TEUR 300 per member of the Management Board. The maximum payout amount in the LTIP remains unchanged at 200% of the target amount. The target amount of the LTIP for the financial year 2025 is TEUR 400 per member of the Management Board. The new remuneration system will apply from 1 January 2025.

RESULTS OF OPERATIONS, FINANCIAL POSITION AND NET ASSET POSITION AND FFO

Results of operations

Overall, TAG generated consolidated net income of EUR 151.1m in the first six months of 2025, compared with EUR -7.1m in the previous year. The main reason for the increase in consolidated net income compared with the same period of the previous year was the positive valuation result of EUR 120.4m, following a valuation loss of EUR -134.8m in the first half of 2024.

In the operating segment, net rental income improved by EUR 5.9m year-on-year to EUR 151.6m. This positive development is mainly due to continued rental growth in Germany. Total like-for-like rental growth in the German portfolio amounted to 2.9% p.a. Rental growth was also generated in the Polish rental portfolio thanks to further rent increases and the completion of additional projects.

The sales result contributed EUR 20.4m (previous year: EUR 40.1m) to consolidated net income. The decline is mainly due to a lower number of residential units handed over in Poland compared with the previous year. It should be noted that the sales result from Poland includes an earnings-reducing effect from the purchase price allocation of EUR 3.0m (previous year: EUR 6.3m). Income taxes comprise deferred taxes of EUR -21.2m and current taxes of EUR -9.3m. This resulted in a total tax expense of EUR -30.5m, compared with tax income of EUR 1.7m in the same period of the previous year.

The further expansion of the services business, particularly in the area of energy management and services provided to joint ventures in Poland, resulted in an increase in the contribution to earnings of EUR 1.8m to EUR 20.6m in the reporting period compared with the same period of the previous year.

The financial result decreased by EUR 51.3m to EUR -71.1m compared with the previous year. This was due in particular to the increase in valuation losses from the valuation of stand-alone derivatives compared with the previous year and, in particular, the valuation of the equity component of the new 2025/2031 convertible bond.

Other expenses and income contributed EUR -60.3m (prior-year period: EUR -58.9m) to the consolidated net income. The increase was mainly due to EUR 3.1m in higher personnel expenses, primarily as a result of salary increases and the higher number of employees compared with the same period of the previous year.

Funds from operations (FFO)

The following overview shows the calculation of adjusted EBITDA (rental business), FFO I, AFFO (Adjusted Funds from Operations, FFO I after deduction of modernisation expenses, except for project developments) and FFO II (FFO I plus sales results in Germany and Poland) over the course of the year compared to the same period of the previous year:

in EURm	01/01/ - 06/30/2025	01/01/ - 06/30/2024
EBIT Germany	140.7	-35.2
EBIT Poland (rental)	92.5	14.4
EBIT Germany and Poland rental	233.2	-20.7
Adjustments		
Valuation result	-113.6	134.8
Depreciation	6.0	5.3
Sales result	0.9	0.8
EBITDA (adjusted) total rental business	126.4	120.1
Rental income (net actual rent)	184.2	178.2
EBITDA margin (adjusted)	68.6%	67.4%
Net finance income (cash, after one-offs)	-29.0	-25.8
Income taxes (cash)	-5.5	-5.7
Guarantee dividend minorities	-0.3	-0.5
FFO I	91.6	88.1
thereof FFO I German business	90.3	88.2
thereof FFO I Polish business	1.3	-0.2
Capitalised maintenance	-5.3	-5.5
AFFO (before modernisation capex)	86.3	82.6
Modernisation capex	-39.0	-30.0
AFFO	47.3	52.6
Net income from sales Germany	-0.9	-0.8
Adjusted net income from sales Poland	16.6	34.1
FFO II (FFO I + net income from sales)	107.3	121.4
Weighted average number of shares outstanding (in 000)	175,482	175,483
FFO I per share (in EUR)	0.52	0.50
FFO II per share (in EUR)	0.61	0.69
Weighted average number of shares (fully diluted, in 000)	175,482	175,483
FFO I per share (in EUR)	0.52	0.50
FFO II per share (in EUR)	0.61	0.69

In the reporting period, FFO I increased from EUR 88.1m to EUR 91.6m (+4.0%) compared with the same period of the previous year. This is mainly attributable to rental growth in the first half of 2025. This also explains the year-on-year increase in adjusted EBITDA from the rental business of EUR 6.3m. This was offset by the decline in net financial income from EUR -25.8m in the same period of the previous year by EUR 3.2m to EUR -29.0m in the reporting period.

This is mainly due to the EUR 500m corporate bond 2024/2030 issued in August 2024 and the new convertible bond 2025/2031 issued in March 2025 for EUR 332m.

AFFO decreased to EUR 47.3m compared with the previous year, mainly due to the higher modernisation CapEx in the first half of 2025.

FFO II declined to EUR 107.3m compared with the previous year as a result of the lower adjusted sales proceeds. However, a material increase in earnings is expected in the second half of 2025 as more apartments are expected to be handed over and earnings are therefore expected to be higher than in the first months of the year.

The adjusted net income from sales Poland was calculated as follows:

in EURm	01/01/ - 06/30/2025	01/01/ - 06/30/2024
EBIT Poland – Sales	19.1	31.7
Results of effects from purchase price allocation	3.0	6.3
Effects from the elimination of valuation results from previous years ¹⁾	2.4	-
Valuation result	- 6.7	-
Depreciation	0.8	0.8
Results from joint ventures ²⁾	1.3	0.1
EBIDTA (adjusted) from sales Poland	19.8	38.9
Net financial result (cash)	0.7	3.1
Cash taxes	- 4.0	- 8.1
Minority interests	0.1	0.2
Adjusted net income from sales Poland	16.6	34.1

1) Valuation gains eliminated in previous years that have now been realised with cash effects through the transfer of the underlying residential units; recognised for the first time as of 31 December 2024; no adjustment of the previous year's figures; in the previous year, this effect would have led to adjusted EBITDA being EUR 2.0m higher.

2) Excluding effects from purchase price allocation

Assets position

The balance sheet total rose to EUR 8,256.0m as of 30 June 2025, compared with EUR 7,750.3m as of 31 December 2024. As of 30 June 2025, the book value of the total real estate portfolio amounted to EUR 6,781.8m (31 December 2024: EUR 6,505.9m), of which EUR 5,318.3m (31 December 2024: EUR 5,286.1m) relates to German properties and EUR 1,463.5m (31 December 2024: EUR 1,219.8m) to properties in Poland. Taking into account the valuation result of EUR 120.4m recognised as of the reporting date (prior-year period: EUR -134.8m), the book values of investment properties amounted to EUR 6,081.9m (31 December 2024: EUR 5,834.4m). The book values of the properties held for sale amounted to EUR 697.5m, compared with EUR 611.3m at the end of the previous year. The book value of properties held for sale decreased significantly from EUR 58.0m to EUR 0.9m, mainly due to a major sale in which ownership was transferred in the first half of 2025. Cash and cash equivalents increased by EUR 266.0m to EUR 869.5m compared with the previous year due to the new bonds and loans taken out.

In the first half of 2025, TAG spent a total of EUR 62.8m (previous year: EUR 54.7m) on ongoing maintenance and modernisation in its like-for-like portfolio, i.e. excluding acquisitions in a financial year and project developments, in

Germany. Of this amount, EUR 18.5m (prior-year period: EUR 19.2m) was spent on maintenance recognised in profit or loss and EUR 44.3m (prior-year period: EUR 35.5m) on capitalised modernisation, which break down as follows for the German portfolio:

in EURm	01/01/ - 06/30/2025	01/01/ - 06/30/2024
Large-scale measures (e.g. modernisation of entire residential complexes)	25.9	15.4
Modernisation of apartments		
Previously vacant apartments	13.1	14.6
Change of tenants	5.3	5.5
Total modernisation costs like-for-like-portfolio	44.3	35.5

Broken down by acquisitions, project developments and the like-for-like portfolio in Germany, total investments in investment properties are as follows:

in EURm	01/01/ - 06/30/2025	01/01/ - 06/30/2024
Acquisitions during the financial year	59.2	0.0
Project developments	25.7	67.1
- thereof interest capitalisation	1.5	1.3
like-for-like Portfolio Germany ¹⁾	44.3	35.5
- thereof investments in existing areas	44.3	35.5
Total investments in investment properties²⁾	129.2	102.6

1) Investments in investment properties: EUR 44.3m (prior-year period: EUR 35.4m), investments in properties held for sale: EUR 0.0m (prior-year period: EUR 0.1m)

2) Rental incentives, e.g. rent-free periods for tenants as a result of modernisation measures carried out by the tenants themselves, continue to be of minor significance. Information on modernisation expenses in connection with joint ventures is not included here

Acquisitions amounting to EUR 59.2m mainly relate to purchases of land in Poland, which are reported under investment properties. Including the project developments reported under assets under development, EUR 2.3m (previous year: EUR 8.2m) was invested in Germany and EUR 148.4m (previous year: EUR 201.4m) in Poland. The modernisation expenses for the like-for-like portfolio relate only to investments in existing space; investments in additional space are of minor significance.

A detailed breakdown of ongoing maintenance expenses and refurbishment and modernisation measures per square metre for each region can also be found in the summary table for the portfolio in the section above entitled 'Development of TAG's real estate portfolio in Germany – The Portfolio in detail'.

Financial position and equity

The cash and cash equivalents available on the reporting date and the cash and cash equivalents shown in the cash flow statement are as follows:

in EURm	06/30/2025	12/31/2024
Cash and cash equivalents according to consolidated balance sheet	869.5	603.5
Cash and cash equivalents not available at balance sheet date	-1.0	-2.6
Cash and cash equivalents as per consolidated cash flow statement	868.5	600.9

In the first six months of the 2025 financial year, equity increased by EUR 94.4m, mainly due to the consolidated net income (with the dividend distributed in June 2025, to the extent that it was paid out in cash, as a counteracting effect), so that equity amounted to EUR 3,194.2m as at 30 June 2025 (31 December 2024: EUR 3,099.9m). The equity ratio was 38.7% as at the reporting date, compared with 40.0% as at 31 December 2024.

The EPRA NTA was calculated as follows as at the reporting date:

in EURm	NTA	NTA
	06/30/2025	12/31/2024
Equity (before minorities)	3,132.7	3,019.6
Deferred taxes on investment properties and derivative financial instruments	580.7	557.1
Fair value of derivative financial instruments	77.7	11.7
Difference between fair value and book value for properties valued at cost	61.2	60.0
Goodwill	-288.3	-286.1
Intangible assets	-2.5	-3.6
EPRA NTA (fully diluted)	3,561.6	3,358.6
Number of shares (fully diluted, in 000)	176,472	175,405
EPRA NTA per share EUR (fully diluted)	20.18	19.15

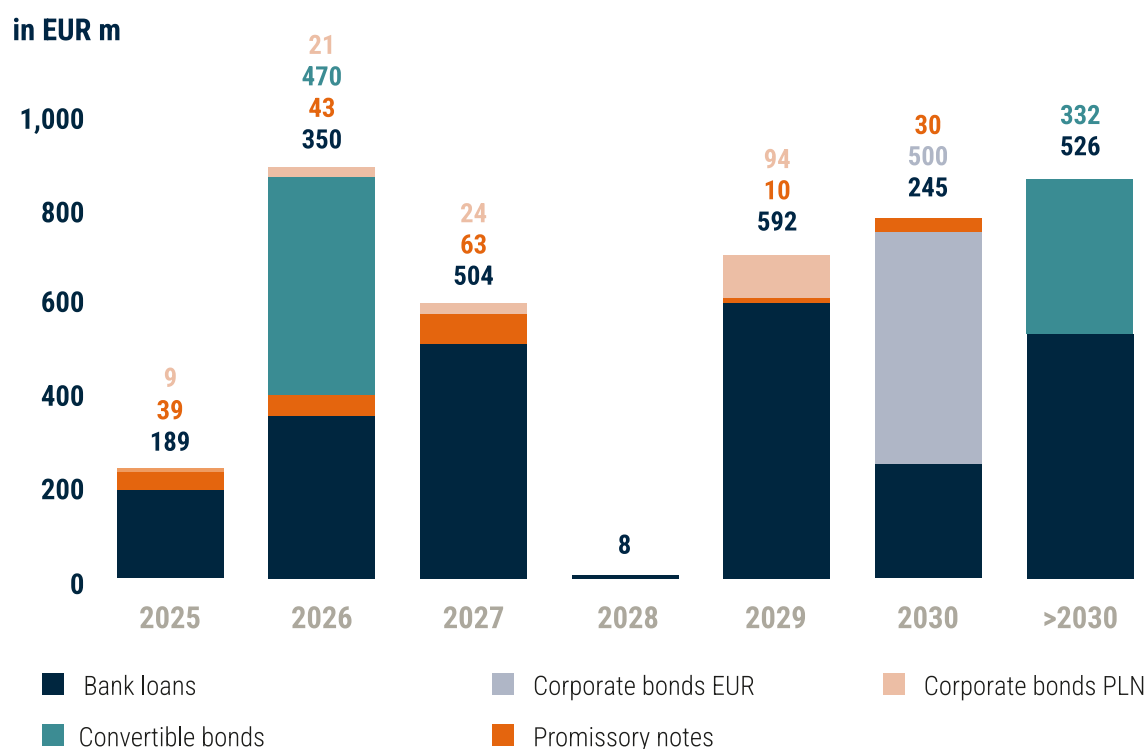
For the 2020/2026 convertible bond issued in August 2020 (outstanding nominal volume as of the reporting date: EUR 470.0m), the current conversion price of EUR 31.95 is above the share price, meaning that no dilutive effects had to be taken into account. For the 2025/2031 convertible bond issued in March 2025 (outstanding nominal volume as of the reporting date: EUR 332.0m), the current conversion price of EUR 18.93 is also above the share price, meaning that no dilution effects had to be taken into account here either.

The calculation of the loan-to-value (LTV) ratio is shown below as of the reporting date:

in EURm	06/30/2025	12/31/2024
Liabilities to banks	2,403.0	2,358.3
Liabilities from corporate bonds and other loans	837.3	893.8
Liabilities from convertible bonds	766.9	466.3
Cash and cash equivalents	-869.5	-603.5
Net financial debt	3,137.8	3,114.9
Investment properties	6,081.9	5,834.4
Property reported under property, plant and equipment	1.4	2.3
Property held as inventory	697.5	611.3
Property reported under non-current assets held for sale	0.9	58.0
Real estate volume (book value)	6,781.8	6,505.9
Book value of property for which purchase prices have already been paid or received in advance	26.0	0.0
Difference between fair value and book value for properties valued at cost	86.8	84.4
Share in joint ventures including loans	39.3	54.4
Relevant real estate volume for LTV calculation	6,933.9	6,644.7
LTV	45.3%	46.9%

In the first half of the financial year, TAG placed a convertible bond with a volume of EUR 332.0m, maturing in March 2031 and bearing a coupon of 0.625% p.a. In addition, unsecured floating-rate corporate bonds totalling PLN 400.0m with a term of four years were issued on the Polish capital market. Furthermore, secured bank financing loans amounting to approximately EUR 170m were raised in Germany and Poland.

The remaining contractual maturities of the total financial liabilities as at 30 June 2025 are as follows³:



The average volume-weighted remaining term of these financial liabilities was 4.3 years as of the reporting date (31 December 2024: 4.4 years). The average interest rate was 2.5% (31 December: 2.6%).

93.5% (31 December 2024: 95.0%) of the financial liabilities have fixed interest rates.

The Management Board assumes that all loans maturing in the 2025 financial year, which, with the exception of a few liabilities denominated in Polish złoty, are predominantly denominated in euros, will be extended or repaid.

³ Presentation of the contractual residual term, deviating from the balance sheet maturity.

Overall assessment of the economic situation

TAG achieved very good operating results in the first half of 2025, both in Germany and Poland. As a result of the rental growth achieved, FFO I was 4.0% above the previous year's level of EUR 88.1m at EUR 91.6m. FFO II amounted to EUR 107.3m, compared with EUR 121.4m in the same period of the previous year, due to lower sales proceeds in Poland. EPRA NTA per share rose to EUR 20.18, taking into account a result from property valuation of EUR 120.4m, following a valuation loss of EUR -134.8m in the same period of the previous year, compared with EUR 19.15 as at 31 December 2024. The LTV ratio improved to 45.3% after 46.9% as at 31 December 2024.

The Management Board continues to view the development of the earnings and net asset position as positive. Thanks to the financing measures implemented in recent quarters, TAG has sufficient liquidity and is financially stable, even taking into account liabilities falling due in the future.

FORECAST, OPPORTUNITIES AND RISK REPORT

Forecast for the financial year 2025

Through its business activities, TAG is exposed to various operational and economic opportunities and risks. For further details on this and other matters relating to the guidance, please refer to the detailed explanations in the respective section 'Forecast, opportunities and risk report' of the Group management report for the financial year 2024. Furthermore, no material developments have occurred or become apparent that would lead to a different assessment of the opportunities and risks.

Forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those presented in the forward-looking statements. Many of these risks and uncertainties are related to factors that TAG cannot control, influence or accurately assess. These include, for example, future market and economic conditions, the behaviour of other market participants, the ability to successfully integrate acquired companies and realise expected synergies, and government tax legislation procedures.

The guidance for the financial year 2025 published with the combined management report for the financial year 2024 remains unchanged and is as follows:

- **FFO I: EUR 172–176m** (2024: EUR 175.1m) **or EUR 0.99 per share** (2024: EUR 1.00)
- **Adjusted net income from sales Poland: EUR 61–67m** (2024: EUR 66.2m)
- **FFO II: EUR 233–243m** (2024: EUR 239.4m) **or EUR 1.36 per share** (2024: EUR 1.36)

The following figures are forecast for the Group's operating results:

- **EBITDA (adjusted) Rental business Germany: EUR 224–228m** (2024: EUR 226.3m)
- **EBITDA (adjusted) Rental business Poland: EUR 16–18m** (2024: EUR 12.2m)
- **EBITDA (adjusted) Rental business total: EUR 240–246m** (2024: EUR 238.5m)
- **EBITDA (adjusted) from sales Poland: EUR 79–85m** (2024: EUR 76.6m)

FFO I is expected to remain stable in 2025 compared with the previous year. While the operating rental result (adjusted EBITDA) is expected to continue to rise despite the sales made in Germany in the last two financial years, higher financing costs and higher income tax charges are to be expected. The FFO I guidance also assumes total rental growth on a like-for-like basis for the German portfolio in 2025, i.e. including the effects of an expected further reduction in the vacancy rate by c. 0.3 to 0.5 percentage points, from c. 2.5% to 3.0%, and for the Polish portfolio, like-for-like rental growth of c. 3.0% to 3.5%.

FFO II is also expected to remain stable in 2025 compared with the previous year, mainly due to another strong sales result in Poland. For guidance purposes, adjusted sales in Poland in 2025, including transfers to joint ventures, assume the transfer of c. 2,100 (2024: 2,666) residential units. In terms of disposals, a sales volume (cumulative sales prices) of around EUR 450m (2024: EUR 358m) is expected in Poland in 2025, also including sales within joint ventures, based on the sale of c. 2,800 (2024: 1,936) residential units.

CONSOLIDATED BALANCE SHEET

Assets TEUR	06/30/2025	12/31/2024
Non-current assets		
Investment properties	6,081,901	5,834,364
Intangible assets	290,748	289,696
Property, plant and equipment	42,975	40,619
Rights of use assets	16,199	16,896
Other financial assets	47,410	42,897
Companies accounted for at equity	10,738	20,544
Deferred taxes	25,648	24,840
	6,515,620	6,269,855
Current assets		
Property held as inventory	697,489	611,315
Other inventories	2,382	112
Trade receivables	28,785	35,389
Income tax receivables	27,566	28,130
Derivative financial instruments	0	539
Other current assets	113,680	143,502
Cash and cash equivalents	869,489	603,459
	1,739,391	1,422,447
Non-current assets held for sale	940	57,952
	8,255,950	7,750,254

Equity and liabilities TEUR	06/30/2025	12/31/2024
Equity		
Subscribed capital	176,472	175,405
Share premium	706,439	682,091
Other reserves	82,635	73,503
Retained earnings	2,167,179	2,088,577
Attributable to the equity holders of the parent company	3,132,725	3,019,577
Attributable to non-controlling interests	61,518	80,277
	3,194,243	3,099,853
Non-current liabilities		
Liabilities to banks	1,946,322	1,973,814
Liabilities from corporate bonds and other loans	713,267	692,273
Derivative financial instruments	8,071	10,181
Retirement benefit provisions	3,941	4,112
Other non-current liabilities	65,755	49,741
Deferred taxes	587,047	564,414
	3,324,403	3,294,535
Current liabilities		
Liabilities to banks	456,659	384,489
Liabilities from corporate bonds and other loans	124,080	201,531
Liabilities from convertible bonds	766,920	466,298
Derivative financial instruments	69,607	2,023
Income tax liabilities	14,597	17,298
Other provisions	43,729	45,670
Trade payables	62,775	59,636
Other current liabilities	198,937	178,920
	1,737,304	1,355,866
	8,255,950	7,750,254

CONSOLIDATED INCOME STATEMENT

in TEUR	01/01/ - 06/30/2025	01/01/ - 06/30/2024	04/01/ - 06/30/2025	04/01/ - 06/30/2024
Rental income	244,385	237,056	119,749	116,461
Impairment losses	-2,027	-2,115	-1,004	-1,263
Rental expense	-90,715	-89,234	-42,303	-42,344
Net rental income	151,643	145,708	76,441	72,854
Revenues from the sale of real estate	128,757	212,256	55,803	86,954
Expenses on the sale of real estate	-108,321	-172,148	-44,079	-69,939
Sales result	20,436	40,109	11,724	17,015
Revenue from services	60,430	40,241	31,149	18,498
Impairment losses	-403	-449	-173	-342
Expenses from services	-39,466	-21,008	-18,981	-8,679
Services result	20,561	18,784	11,995	9,477
Other operating income	10,904	8,036	5,610	3,912
Fair value changes in investment properties and valuation of properties held as inventory	120,356	-134,757	120,540	-133,750
Personnel expense	-48,027	-44,910	-24,424	-23,222
Depreciation/amortisation	-6,837	-6,126	-3,513	-3,185
Other operating expense	-16,372	-15,909	-9,063	-8,287
EBIT	252,666	10,934	189,309	-65,186
Other financial result	-36,618	5,150	-39,248	3,934
Income from companies accounted for at equity ¹⁾	673	46	328	-367
Interest income	12,775	6,654	7,029	3,912
Interest expense	-47,887	-31,638	-25,096	-15,276
EBT	181,608	-8,854	132,322	-72,982
Income taxes	-30,466	1,730	-20,227	13,001
Consolidated net income	151,142	-7,124	112,095	-59,982
attributable to non-controlling interests	2,379	-1,098	1,386	-2,338
attributable to equity holders of the parent company	148,763	-6,026	110,710	-57,644
Earnings per share (in EUR)				
Basic earnings per share	0.86	-0.04	0.64	-0.34
Diluted earnings per share	0.86	-0.04	0.65	-0.32

1) The result from companies accounted for using the equity method was reported in other financial income as at 30 June 2024. The previous year's figures have been adjusted accordingly

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

in TEUR	01/01/ - 06/30/2025	01/01/ - 06/30/2024	04/01/ - 06/30/2025	04/01/ - 06/30/2024
Net income as shown in the income statement	151,142	-7,124	112,095	-59,982
Other comprehensive income:				
Items that will later be classified as expense:				
Currency differences of foreign subsidiaries	10,860	6,445	-20,297	-1,990
Change in hedge reserve	0	-642	0	-876
Deferred taxes	-1,733	-596	3,241	288
Other comprehensive income after taxes	9,127	5,207	-17,056	-2,578
Total comprehensive income	160,269	-1,916	95,039	-62,560
attributable to equity holders of the parent company	157,896	-816	93,643	-60,221
attributable to non-controlling interests	2,373	-1,101	1,396	-2,339

CONSOLIDATED CASH FLOW STATEMENT

in TEUR

	01/01/ - 06/30/2025	01/01/ - 06/30/2024
Consolidated net income	151,142	-7,124
Net interest income / expenses through profit and loss	35,112	24,983
Current income taxes through profit and loss	9,314	16,430
Depreciation	6,837	6,126
Other financial income	36,618	-5,150
Income from companies accounted for at equity	-673	-46
Fair value changes in investment properties and valuation of properties held as inventory	-120,356	134,757
Gains / losses from the disposal of investment properties	-521	209
Gains / losses from the disposal of tangible and intangible assets	-630	-23
Impairments accounts receivables	2,430	2,564
Changes to deferred taxes	21,152	-18,160
Changes in provisions	-2,112	-12,680
Interest received	10,902	5,913
Interest paid	-39,615	-25,247
Income tax payments and refunds	-11,479	-14,262
Changes in receivables and other assets	-22,513	19,424
Changes in payables and other liabilities	23,470	-1,984
Cash flow from operating activities	99,077	125,729
Payments received from the disposal of investment properties (less selling costs)	34,292	53,208
Payments made for investments in investment properties	-125,015	-92,532
Payments received from other financial assets	735	135
Payments received from the disposal of intangible assets and property, plant and equipment	1,524	256
Payments made for investments in intangible assets and property, plant and equipment	-6,435	-5,501
Proceeds from the sale of shares in subsidiaries net of cash disposed with subsidiaries	0	3,494
Cash flow from investing activities	-94,899	-40,940
Payments made for the purchase of minority interests	-16,177	0
Proceeds from the issuance of treasury shares	0	3
Payments made for the repayment of corporate bonds and other loans	-150,999	-162,939
Proceeds from the issuance of corporate bonds and other loans	116,528	49,808
Proceeds from the issuance of convertible bonds	328,729	0
Dividends paid	-54,797	0
Proceeds from new bank loans	297,382	122,936
Repayment of bank loans	-252,818	-65,017
Repayment of lease liabilities	-4,763	-4,898
Cash flow from financing activities	263,085	-60,107
Net change in cash and cash equivalents	267,263	24,682
Cash and cash equivalents at the beginning of the period	600,883	127,398
Foreign currency exchange effects	307	717
Cash and cash equivalents at the end of the period	868,453	152,797

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

in TEUR	Attributable to owners of the parent company							Non-controlling interests	Total equity
	Subscribed Capital	Share premium	Retained earnings	Other reserves Foreign currency translation	Hedge reserve	Retained earnings	Total		
Amount on 01/01/2025	175,404	682,092	1,035	72,468	-	2,088,578	3,019,577	80,277	3,099,853
Consolidated net income	-	-	-	-	-	148,763	148,763	2,379	151,142
Changes in the period	-	-	-	9,451	-	-	9,451	-6	9,445
Reclassification affecting net income	-	-	-	-319	-	-	-319	-	-319
Other comprehensive income	-	-	-	9,132	-	-	9,132	-6	9,126
Comprehensive income	-	-	-	9,132	-	148,763	157,895	2,373	160,269
Issue of treasury shares	1,068	14,297	-	-	-	-	15,365	-	15,365
Issuance of treasury shares	-	10,050	-	-	-	-	10,050	-21,133	-11,083
Dividend	-	-	-	-	-	-70,162	-70,162	-	-70,162
Amount on 06/30/2025	176,472	706,439	1,035	81,600	-	2,167,179	3,132,725	61,518	3,194,243
Amount on 01/01/2024	175,483	683,175	1,035	57,821	200	1,967,456	2,885,168	79,325	2,964,494
Consolidated net income	-	-	-	-	-	-6,026	-6,026	-1,098	-7,124
Changes in the period	-	-	-	8,475	432	-	8,907	-3	8,904
Reclassification affecting net income	-	-	-	-2,746	-951	-	-3,697	-	-3,697
Other comprehensive income	-	-	-	5,729	-519	-	5,210	-3	5,207
Consolidated net income	-	-	-	5,729	-519	-6,026	-816	-1,101	-1,916
Dividends paid	-	3	-	-	-	-	3	-	3
Amount on 06/30/2024	175,483	683,178	1,035	63,550	-319	1,961,428	2,884,355	78,224	2,962,579

NOTES

SELECTED EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT 30 JUNE 2025

GENERAL PRINCIPLES

The present condensed consolidated interim financial statements of TAG Immobilien AG (hereinafter also referred to as the 'Company' or 'TAG') have been prepared in accordance with the provisions of Section 115 of the German Securities Trading Act (WpHG) in conjunction with Section 117 WpHG for the purpose of the half-year financial report. The reporting period covers the first six months of the financial year 2025. The comparative figures are based on the consolidated balance sheet as at 31 December 2024 and, for the rest, on the first six months of the financial year 2024. In addition, the consolidated income statement and the consolidated statement of comprehensive income include information on the second quarter of the financial year 2025 with corresponding comparative figures for the previous year.

The consolidated interim financial statements have been prepared on a consolidated basis in accordance with the IFRS® Accounting Standards (hereinafter referred to as 'IFRS') for interim reporting (IAS 34 Interim Financial Reporting) adopted by the EU and mandatory as of the reporting date. The figures in the consolidated interim financial statements are given in millions of euros (EURm) or thousands of euros (TEUR). This may result in rounding differences between the individual components of the financial statements.

SCOPE OF CONSOLIDATION AND CONSOLIDATION PRINCIPLES

There were no significant changes in the scope of consolidation and consolidation principles in the reporting period.

FOREIGN CURRENCY TRANSLATION

TAG applies the functional currency translation policy in its consolidated financial statements. The functional currency of the parent company and the reporting currency in the consolidated financial statements is the euro.

The Polish subsidiaries included in the consolidated financial statements operate independently with the Polish złoty as their functional currency; their annual financial statements are therefore translated into the reporting currency using the modified closing rate method. Translation differences are recognised as separate line items in other comprehensive income in the statement of comprehensive income and recognised in a separate reserve within equity with no effect on profit or loss.

Foreign currency transactions of Group companies are translated into the functional currency using the temporal method at the exchange rate prevailing on the date of the transaction. Monetary balance sheet items denominated in foreign currencies are translated at the closing rate on the reporting date. Translation differences are recognised in profit or loss. Non-monetary items measured at historical or production cost are measured at the exchange rate on the date of initial recognition. Non-monetary items measured at fair value are translated at the exchange rate prevailing on the date on which the fair value was determined. Translation differences on non-monetary items are recognised in profit or loss if a gain or loss from the corresponding item is also recognised in profit or loss. Otherwise, they are recognised in other comprehensive income.

The exchange rates of the Polish subsidiaries included in the consolidated financial statements for the first half of the 2025 financial year are as follows:

Currency rate (basis: 1 EUR)	Closing rate		Average rate	
	06/30/2025	12/31/2024	01/01 - 06/30/2025	01/01 - 06/30/2024
Polish zloty	4.2423	4.2750	4.2313	4.3169

ACCOUNTING AND VALUATION PRINCIPLES

The consolidated interim financial statements were prepared using the same accounting and valuation methods as the consolidated financial statements as at 31 December 2024. For further information on the accounting and valuation methods applied, please refer to the IFRS consolidated financial statements as at 31 December 2024, which form the material basis for these consolidated interim financial statements in accordance with IAS 34.

CHANGES IN ACCOUNTING STANDARDS

The amendments to IAS 21 Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability became effective on 1 January 2025. The amendments did not have any material impact on the interim consolidated financial statements.

Changes in accounting standards that are not yet mandatory will not be applied voluntarily in advance. The company is currently reviewing the impact of future application on the consolidated financial statements.

MATERIAL JUDGEMENTS AND ESTIMATES

Discretionary decisions and estimates were made in the same manner as described in the consolidated financial statements as at 31 December 2024.

The preparation of the condensed consolidated interim financial statements requires the Management Board to make assumptions and estimates. These discretionary decisions have an impact on the amount of reported income, expenses, assets and liabilities as well as the disclosure of contingent liabilities. The amounts actually recognised in future periods may differ from the estimates.

NOTES ON THE BALANCE SHEET

INVESTMENT PROPERTIES

The following overview shows the development of investment properties in the reporting period:

Investment properties in TEUR	H1 2025	2024
Amount on 1 January	5,834,364	5,935,259
Additions from the purchase of properties	59,238	86,619
Investments in existing properties	44,297	79,194
Investments in project developments	25,745	44,250
Transfers from inventory	1,583	9,145
Transfers to inventory	-18,569	-39,943
Transfers to assets held for sale	-1,198	-57,819
Transfers from assets held for sale	16,321	7
Disposals	-5,441	-117,150
Change in market value	120,863	-114,499
Currency conversion	4,698	9,301
Amount on 30 June / 31 December	6,081,901	5,834,364

TAG had its entire real estate portfolio valued by independent experts as at 30 June 2025 and 31 December 2024. The appraisers have the appropriate professional qualifications and experience to perform the valuation. The appraisals are based on:

- Information provided by the Company, e.g. current rents, maintenance and management costs, and the current vacancy rate, as well as
- Assumptions made by the appraiser based on market data and assessed on the basis of his professional qualifications, e.g. future market rents, standardised maintenance and administrative costs, structural vacancy rates or discount and capitalisation rates.

The information provided to the appraisers and the assumptions made by the appraisers, as well as the results of the property valuation, are analysed by Central Real Estate Controlling department and the Chief Financial Officer.

The fair value of the investment properties is determined in accordance with the International Valuation Standards using the discounted cash flow method. In this method, the expected future income surpluses of a property are discounted to the valuation date using a market-based, property-specific discount rate. While the incoming payments generally represent the net rents, the outgoing payments consist in particular of the management costs borne by the owners.

The underlying detailed planning period is usually ten years. A potential discounted disposal value (terminal value) of the valuation object is forecast for the end of this period, reflecting the most likely price that can be achieved at the end of the detailed planning period. The discounted cash inflows of the tenth year are capitalised as a perpetual annuity using the 'capitalisation interest rate' (exit rate).

The sum of the discounted cash surpluses and the discounted potential disposal value yields the gross capital value of the valuation object. This value is converted into a net present value by taking into account transaction costs incurred in the course of an orderly business transaction.

For purchases of existing properties that took place in a period of three months prior to the respective reporting date and where the transfer of ownership has already taken place by the reporting date, the acquisition costs are used as the best possible estimate of the fair value.

As a result of its business activities in Poland, the investment properties in TAG's portfolio include not only existing properties but also project developments and land for future project developments. The fair value of project developments is determined using the residual value method. In a first step, the fair value of the completed property is determined. In a second step, the costs still required for its completion, including financing costs, and a standardised project developer's profit are deducted from this value. The remaining value (residual value) is discounted to the valuation date if the project has a duration of several years. Land for future project developments is also generally valued using the residual value method. However, if construction is not scheduled to begin within twelve months of acquisition, for reasons of materiality the acquisition costs are used as the fair value for this period.

The valuation of investment properties is generally classified as a fair value of level 3.

The following overview shows the fair value of the investment properties in Germany by region and the material assumptions used in the valuation technique described:

Region	Berlin		Chemnitz		Dresden		Erfurt		Gera	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Market value (in EURm)	742.2	731.7	359.7	354.6	488.9	476.4	664.5	660.7	404.8	397.0
Net rent p.a. (in EURm)	42.2	41.6	28.5	28.0	27.6	27.6	40.8	40.5	35.5	35.0
Vacancy (in %)	2.5	2.6	7.8	8.4	1.4	1.3	1.4	1.6	3.1	3.3
Net rent to market rent (in %)	85	87	95	95	93	94	93	94	94	95
Increase in market rent p.a. (in %)	1.3	1.3	0.7	0.7	1.3	1.3	1.3	1.3	0.8	0.8
Maintenance costs (in EUR / sqm)	11.8	11.5	11.7	11.5	12.0	11.7	12.4	12.1	11.7	11.5
Administration costs (in EUR per unit)	316	304	319	309	319	313	312	302	316	306
Structural vacancy (in %)	3.4	3.4	4.6	4.6	2.7	2.7	1.7	1.7	4.5	4.4
Discount rate (in %)	5.1	5.0	5.1	5.2	4.9	4.9	5.1	5.0	5.9	5.8
Capitalisation rate (in %)	3.8	3.8	4.4	4.4	3.6	3.7	3.8	3.7	5.1	5.0

Region	Hamburg		Leipzig		Rhine-Ruhr		Rostock		Salzgitter	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Market value (in EURm)	519.6	514.1	722.4	713.3	305.3	299.8	505.7	499.0	504.3	503.1
Net rent p.a. (in EURm)	30.6	30.3	49.5	48.8	17.7	17.4	30.3	29.8	37.3	37.0
Vacancy (in %)	3.1	3.3	7.3	7.5	1.9	2.6	5.8	6.0	4.6	4.6
Net rent to market rent (in %)	90	92	91	92	91	92	90	90	97	98
Increase in market rent p.a. (in %)	1.3	1.3	0.9	0.9	1.4	1.3	0.9	0.9	0.8	0.8
Maintenance costs (in EUR / sqm)	11.8	11.5	11.8	11.5	11.8	11.5	11.6	11.4	11.8	11.5
Administrative costs (in EUR per unit)	345	336	315	306	341	331	321	311	329	319
Structural vacancy (in %)	1.9	1.9	4.2	4.3	1.9	1.9	3.1	3.1	2.2	2.2
Discount rate (in %)	5.3	5.2	5.1	5.0	5.2	5.1	4.8	4.7	5.2	5.2
Capitalisation rate (in %)	4.0	3.9	4.1	4.1	3.8	3.7	3.9	3.8	4.4	4.4

In addition, there are activities not directly allocated to the regions or their respective managers in the form of serviced apartments and commercial properties operated by the Group with a market value of EUR 17.6m (previous year: EUR 16.9m).

The valuation parameters shown relate to the respective valuation reports as at 30 June and 31 December of each year. The valuation as at 30 June is based on tenant lists and vacancy rates as at 31 March. Value fluctuations up to the respective reporting date are taken into account if there are indications of material deviations.

The assumptions used to value the properties are made by the external valuer on the basis of his professional experience and are subject to uncertainty. The impacts of possible fluctuations in the valuation parameters on the portfolio in Germany are presented in the form of a sensitivity analysis in the following table

Sensitivity analysis in EURm	06/30/2025	12/31/2024
Market value investment properties	5,235	5,166
Change in market value due to change in parameters		
Market rent (+2.0 / -2.0 %)	91 / -106	94 / -106
Increase in market rent (+0.2 / -0.2 %)	332 / -298	330 / -297
Maintenance costs (-10 / +10 %)	146 / -147	143 / -144
Administration costs (-10 / +10 %)	64 / -65	63 / -63
Structural vacancy (-1.0 / +1.0 %)	106 / -102	105 / -100
Discount and capitalisation rate (-1.0 / +1.0 / +2.0 %)	1,889 / -1,087 / -1,797	1,884 / -1,079 / -1,782

Possible interdependencies between the individual parameters are of secondary importance or cannot be determined due to their complexity.

The portfolio allocated to investment properties in Poland has a total value of EUR 846.8m (previous year: EUR 667.9m). In addition to existing properties already transferred to the rental business with a value of EUR 471.8m (previous year: EUR 403.5m) and project developments under construction with a value of EUR 90.2m (previous year: EUR 31.8m), this figure includes land with a value of EUR 284.8m (previous year: EUR 232.6m).

The rented portfolio properties are valued using the DCF method based on the highest and best use in each case. Project developments under construction are valued using the residual value method. In a first step, the fair value of the completed property is determined using the DCF method. In a second step, the costs still required for completion and a standardised project developer profit are deducted from this value. The material valuation parameters and their sensitivities assuming a rental business are presented in the following table:

Sensitivity analysis Poland	06/30/2025	12/31/2024
Market value rental properties and projects under construction (in EURm)	562	435
Net operational income p.a. (in EURm) ¹⁾	35	29
Structural vacancy	1.5-3.0%	1.9%-3%
Capitalisation rate	6.0-6.5%	5.8%-6.2%
Change in market value due to change in parameters		
Net operational income (+2.0 / -2.0 %)	10 / -10	8 / -8
Structural vacancy (-1.0 / +1.0 %)	6 / -6	4 / -4
Discount and capitalisation rate (-1.0 / +1.0 / +2.0 %)	89 / -65 / -115	81 / -61 / -108

1) Market rental income less vacancy, administration and maintenance costs

Land for future project developments or with no specific use in the future is recognised at fair value at cost for a maximum period of twelve months after acquisition. This relates to investment properties worth EUR 130.2m (previous year: EUR 80.9m). They are valued using the residual value method at EUR 47.1m (previous year: EUR 61.7m) or using the comparative value method at EUR 107.4m (previous year: EUR 89.9m).

NON-CURRENT ASSETS HELD FOR SALE

Non-current assets held for sale exclusively comprise properties previously reported as investment properties that are not part of the strategic core portfolio and are intended for sale.

The following overview shows the development of this item:

Non-current assets held for sale in TEUR	H1 2025	2024
Amount on 1 January	57,952	7,524
Reclassification from investment properties	1,198	57,819
Reclassification to investment properties	-16,321	-7
Investments	0	54
Changes in market value	0	-86
Sales	-42,077	-7,487
Effects from currency conversion	188	135
Amount on 30 June / 31 December	940	57,952

As at 31 December 2024, purchase agreements have already been concluded for all properties reported here as at the reporting date. The transfer of ownership, benefits and encumbrances has already taken place in some cases during the reporting period and is expected for the remaining properties in the second half of 2025. The fair value measurement of the Level 3 properties held for sale is based on the expected purchase prices.

CASH AND CASH EQUIVALENTS

The cash and cash equivalents reported in the balance sheet as at 30 June 2025 in the amount of EUR 869.5m (31 December 2024: EUR 603.5m) include cash and cash equivalents not available as at the reporting date in the amount of EUR 1.0m (31 December 2024: EUR 2.6m). The cash and cash equivalents therefore amount to EUR 868.5m (31 December 2024 : EUR 600.9m).

PREPAYMENTS RECEIVED

Prepayments payments already received as of the reporting date from the sales transaction in Poland and from sales of investment properties in Germany amounting to EUR 141.9m (31 December 2024: EUR 131.8m) are reported under other current liabilities.

NOTES TO THE INCOME STATEMENT

Revenue from contracts with customers within the meaning of IFRS 15 includes operating and ancillary costs reported as rental revenues and operating and ancillary costs reported in the service result, in each case plus the proportionate property tax and building insurance passed on, as well as Construction and project services for Polish activities and other service income. In addition, proceeds from the sale of investment properties or properties held for sale also constitute revenue within the meaning of IFRS 15. The categorisation of revenue is based on the corresponding disclosures in the Group management report.

Rental income for the first half of 2025 are as follows:

Rental income in EURm	01/01/-06/30/2025	01/01/-06/30/2024
Net actual rent	184.2	178.2
Pro rata remuneration of property tax and building insurance	12.6	11.9
Rental income according to IFRS 16	196.9	190.1
External operational and ancillary costs recharged to tenants	44.4	44.0
Pro rata remuneration of property tax and building insurance	3.1	2.9
Costs recharged to tenants according to IFRS 15	47.5	47.0
Total	244.4	237.1

The Group's actual net rent ('basic rent') increased by 3.4% to EUR 184.2m in the first six months of the financial year 2025 compared to the same period of the previous year. Total rental growth in the Group's residential units in Germany on a like-for-like basis amounted to 2.9% p.a., following 2.7% p.a. in the first half of 2024.

The individual items of the expenses from rentals are as follows:

Rental expenses incl. impairment losses in EURm	01/01/-06/30/2025	01/01/-06/30/2024
Maintenance expenses	18.7	19.1
Ancillary costs of vacant real estate	3.7	4.6
Non-recoverable charges	8.1	6.7
Non-recharged expenses	30.6	30.4
Rechargeable costs, taxes and insurance	60.1	58.9
Rental expenses	90.7	89.2
Impairment losses on rent receivables	2.0	2.1
Total	92.7	91.3

Net rental income, as the balance of sales and expenses from rentals as well as impairments on rent receivables, amounted to EUR 151.6m slightly above the previous year's level (previous year: EUR 145.7m).

Revenue from the sale of properties and associated sales results in Germany and in Poland are presented below:

Income from sales in EURm	01/01/-06/30/2025	01/01/-06/30/2024
Germany		
Revenues from the sale of investment properties	44.9	19.2
Expenses on the sale of investment properties	-45.3	-19.4
Net income from the sale of investment properties	-0.4	-0.2
Expenses from the sale of inventories	-0.5	-0.5
Net income from the sale of inventories	-0.5	-0.5
Net income from the sale of real estate Germany	-0.9	-0.8
Poland		
Revenues from the sale of investment properties	3.4	14.2
Expenses on the sale of investment properties	-2.5	-9.0
Net income from the sale of investment properties	0.9	5.2
Revenues from the sale of properties held as inventory	80.5	178.8
Expenses from the sale of inventories	-60.1	-143.2
Net income from the sale of inventories	20.4	35.7
Net income from the sale of real estate Poland	21.3	40.9
Total	20.4	40.1

The sales result for investment properties in Poland was reduced by effects from purchase price allocations of EUR 3.0m (prior-year period: EUR 6.3m).

Service revenues are broken down as follows between the services provided by the TAG Group and the proportionate property tax and building insurance attributable to these services:

Income from property services in EURm	01/01/-06/30/2025	01/01/-06/30/2024
Energy services	19.9	13.6
Construction and project services of Polish activities	20.2	3.3
Facility management	11.2	10.1
Multimedia services	1.4	4.8
Craftsmen services	3.2	3.4
Other services	1.8	1.7
Rechargeable land taxes and building insurance	2.7	3.4
Total	60.4	40.2
Impairment losses	-0.4	-0.4
Expenditure of property services	-39.5	-21.0
Net income from property services	20.6	18.8

The construction and project services in Poland were mainly provided to joint ventures. The line item includes EUR 18.4m in revenue from construction services realised during the period.

The following overview summarises the main components of other operating income:

Other operating income in EURm	01/01/-06/30/2025	01/01/-06/30/2024
Capitalised personnel expenses	6.4	6.5
Government grants	1.0	0.3
Income from sale of fixed assets	0.7	0.0
Derecognition of liabilities	0.3	0.4
Reversal of other provisions	0.3	0.1
Income from interim letting of properties not yet developed	0.1	0.3
Other	2.1	0.5
Total	10.9	8.0

Capitalised personnel expenses include costs directly attributable to construction projects incurred by our own employees in project development activities in Poland

The line item 'Fair value changes of investment properties and valuation of properties held for sale' includes gains and losses from the half-yearly valuation of investment properties in the portfolio (including properties held for sale), the valuation result on the acquisition of investment properties and effects from the valuation of properties held as inventory.

The breakdown is as follows:

Fair value changes in investment properties and valuation of properties held as inventory in EURm	01/01/-06/30/2025	01/01/-06/30/2024
Investment properties	120.4	-134.8
Total	120.4	-134.8

Personnel expenses increased in the reporting period due to an increase in the number of employees and salary adjustments to EUR 48.0m (previous year: EUR 44.9m). As of 30 June 2025, TAG employed a total of 1,905 people in Germany and Poland, compared with 1,856 employees at the end of the financial year 2024.

Depreciation and amortisation of intangible assets and property, plant and equipment mainly include scheduled depreciation and amortisation of owner-occupied property, as well as IT and other office equipment and amount to EUR 6.8m in the first half of 2025, compared to EUR 6.1m in the same period of the previous year.

The breakdown of other operating expenses is shown below:

Other operational expenditures in EURm	01/01/-06/30/2025	01/01/-06/30/2024
Legal, consulting and auditing costs (incl. IT consulting)	3.7	4.0
IT costs	2.3	1.7
Advertising costs	1.7	1.0
Cost of premises	1.4	1.5
Telephone costs, postage, office supplies	1.1	1.2
Ancillary personnel costs	1.0	1.0
Travel expenses (incl. vehicles costs)	1.0	1.0
Insurance	0.7	0.6
Incidental costs of monetary transactions	0.5	0.5
Guaranteed dividends	0.5	0.5
Contributions and donations	0.4	0.5
Project start-up costs in Poland	0.3	0.7
Investor relations	0.2	0.1
Other	1.7	1.7
Total	16.4	15.9

The financial result, as the balance of financial income and expenses, is calculated as follows:

Financial result in EURm	01/01/-06/30/2025	01/01/-06/30/2024
Effect from currency changes through profit and loss	0.5	3.0
Other financial result	-37.1	2.1
Income from companies accounted for at equity	0.7	0.0
Interest income	12.8	6.7
Interest expenses	-47.9	-31.6
Finance income/expenses	-71.1	-19.8
Non-cash interest from bonds	4.7	1.6
Other non-cash items (e.g. derivatives)	38.0	-4.5
Net finance income/expense (cash, without one-time invoice)	-28.3	-22.7

The non-cash financial result includes, in particular, valuation effects from the valuation of the derivatives of the convertible bonds that must be separated.

The Group's income taxes are composed as follows:

Income taxes in EURm	01/01/-06/30/2025	01/01/-06/30/2024
Current income tax expense	9.3	16.4
Deferred income taxes	21.2	-18.2
Total	30.5	-1.7

Overall, TAG generated consolidated net income of EUR 151.1m in the first six months of the financial year 2025, compared with EUR -7.1m in the first half of 2024. The increase over the previous year is mainly attributable to the valuation gains on the real estate portfolio.

FURTHER DISCLOSURES

For further events and transactions in the reporting period, the development of the net assets, financial position and financial performance, and other information, please refer to the consolidated interim management report.

NOTES ON SEGMENT REPORTING

TAG pursues a regional management strategy for its German residential real estate portfolio and divides its real estate portfolio in the 'Rental business Germany' segment into the regions Berlin, Chemnitz, Dresden, Erfurt, Gera, Hamburg, Leipzig, Rhine-Ruhr, Rostock, Salzgitter and Other. In addition, various commercial properties are let and serviced apartments are operated by TAG. As part of its rental business, TAG provides services in the areas of energy management, craftsmen's activities and caretaking. The business activities in these areas are based on the rental of existing properties to TAG customers.

In addition to rental business, the 'Rental business Poland' segment also comprises the development of residential real estate intended for future rental and revenues from services provided in connection with rental. Due to the growing importance of this business activity, it is managed separately from the sales business in Poland. The 'Sales Poland' segment comprises the sale of residential properties and the development of properties (new construction) for subsequent sale in Poland. The 'Other' segment mainly comprises sales activities in Germany that are carried out as part of opportunities.

Segment reporting follows internal reporting, which generally complies with IFRS accounting (with the exceptions included in the reconciliation from segment result to EBT presented below). The results of the 'Rental business Germany' and 'Rental business Poland' segments represent the respective segment's contribution to FFO I and together make up the Group's FFO I. The result in the 'Sales business Poland' segment represents the FFO II contribution of the Polish sales business; the contribution to FFO II generated in Germany through sales activities is included in 'Other'. The 'Other' segment also includes revenue from apportionable operating costs generated in the rental business. The reconciliation from segment result to EBT is presented following the segment reporting.

The Group does not manage assets and liabilities at segment level, so no segment reporting is provided.

Segment report in TEUR		Rental Germany	Rental Poland	Sales Poland	Other	Total
Segment revenues	H1 2025	212,159	12,385	104,074	105,021	433,639
	H1 2024	206,743	8,502	196,199	78,109	489,553
Rental income	H1 2025	171,899	12,345	0	60,140	244,385
	H1 2024	169,817	8,358	0	58,881	237,056
Service income	H1 2025	40,260	39	20,198	0	60,497
	H1 2024	36,927	144	3,170	0	40,241
Sales income	H1 2025	0	0	83,876	44,881	128,757
	H1 2024	0	0	193,029	19,228	212,256
Segment expenses	H1 2025	-93,835	-4,269	-84,233	-105,909	-288,246
	H1 2024	-91,768	-3,410	-157,269	-78,863	-331,310
Rental expenses	H1 2025	-32,110	-491	0	-60,140	-92,741
	H1 2024	-32,020	-370	0	-58,881	-91,272
Service costs	H1 2025	-21,931	-23	-17,914	0	-39,869
	H1 2024	-20,444	-35	-978	0	-21,457
Sales costs	H1 2025	0	0	-62,552	-45,769	-108,321
	H1 2024	0	0	-152,167	-19,981	-172,148
Personnel expenses	H1 2025	-32,210	-3,005	-12,811	0	-48,027
	H1 2024	-29,889	-2,911	-12,110	0	-44,910
Other income / other costs	H1 2025	-7,584	-749	2,433	0	-5,900
	H1 2024	-9,415	-94	1,560	0	-7,950
Income from companies accounted for at equity	H1 2025	0	0	673	0	673
	H1 2024	0	0	46	0	46
Adjustments sales result (mostly PPA-effects)	H1 2025	0	0	5,938	0	5,938
	H1 2024	0	0	6,381	0	6,381
Adjusted EBITDA	H1 2025	118,324	8,116	19,840	-888	145,393
	H1 2024	114,975	5,092	38,930	-753	158,243
Financial result (cash)	H1 2025	-22,376	-6,608	672	0	-28,312
	H1 2024	-20,995	-4,779	3,114	0	-22,660
Taxes paid	H1 2025	-5,293	-251	-3,950	0	-9,494
	H1 2024	-5,187	-508	-8,089	0	-13,784
Guaranteed dividend / distribution to minority interests	H1 2025	-320	0	50	0	-270
	H1 2024	-545	0	180	0	-365
Segment result	H1 2025	90,336	1,257	16,612	-888	107,317
	H1 2024	88,248	-195	34,135	-753	121,435

Revenue of TEUR 60,044 was generated between the 'Rental business Poland' and 'Sales Poland' segments, which has already been eliminated in this segment reporting (prior-year period: TEUR 0). Revenue between the segments is invoiced at arm's length prices.

The reconciliation of the segment result to EBT as reported in the income statement is as follows:

Segment earnings in TEUR	01/01/-06/30/2025	01/01/-06/30/2024
Segment earnings	107,317	121,435
Fair value changes in investment properties and valuation of properties held as inventory	120,356	-134,757
Depreciation	-6,837	-6,126
Financial result, non-cash items	-43,054	2,827
Other adjustments (income taxes paid, guaranteed dividend for minority interests)	3,825	7,768
EBT	181,608	-8,853

DISCLOSURES ON FAIR VALUES AND FINANCIAL INSTRUMENTS

The fair value of assets and liabilities should be determined using input factors that are as close to market conditions as possible. The measurement hierarchy distinguishes between three levels for classifying input factors depending on their availability:

- Level 1: Quoted prices in active markets for identical assets or liabilities (unchanged adopted)
- Level 2: Inputs factors other than quoted prices included within Level 1 that are, however, observable for the asset or liability, either directly or indirectly (i.e. derived from prices)
- Level 3: Factors not based on observable market data for the measurement of the asset or the liability

If input factors of different levels are used, the fair value is assigned to the lower hierarchy level. In the reporting period, there were no transfers between the respective hierarchy levels.

The financial instruments recognised at fair value in the consolidated balance sheet are as follows:

Fair values of financial instruments in TEUR		06/30/2025	12/31/2024
Assets			
Other financial assets	Level 2	4,050	4,500
Other financial assets	Level 3	3,871	3,764
Derivatives with no hedging relationship	Level 2	0	539
Liabilities			
Derivatives with no hedging relationship	Level 2	-77,678	-12,204

As in the previous year, the change in the book value of other financial assets measured at fair value in Level 3 is entirely attributable to changes in fair value recognised in profit or loss.

Other financial assets mainly comprise minority interests in unlisted real estate companies and funds. These investments are valued partly on the basis of observable market prices (level 2) and partly on the basis of entity-specific models such as market-based net asset value models, taking into account data that is not observable on the market (level 3). The input parameters used in these methods include assumptions about future cash flows and the performance of real estate and are determined as closely as possible to market conditions. A change in the fair value of the real estate held by the investee companies would have a proportionate impact on the fair value of the investment. There are currently no specific plans to sell these investments.

In addition, the following financial instruments are recognised in the consolidated balance sheet at amortised cost and their carrying amounts do not represent reasonable approximations of fair value:

Financial instruments in TEUR	IFRS 13 valuation	06/30/2025		12/31/2024	
		Book value	Fair value	Book value	Fair value
Liabilities to banks	Level 2	2,402,981	2,330,356	2,358,303	2,270,066
Liabilities from corporate bonds and other loans	Level 2	687,018	702,759	834,331	953,732
Liabilities from corporate bonds and other loans	Level 1	150,329	147,696	59,472	59,440
Liabilities from convertible bonds	Level 2	766,920	806,073	466,298	442,975

The fair value of non-current liabilities is determined as the present value of future cash flows. Discounting is based on market interest rates that match the terms and risks of the liabilities.

Trade receivables, other current assets and cash and cash equivalents, which are also classified at amortised cost, have short remaining terms. Their book values as of the reporting date therefore approximate their fair values. The same applies to trade payables and other current liabilities.

FINANCIAL RISK MANAGEMENT

Due to the variable-interest refinancing in Poland and, to a lesser extent, in Germany, and the non-material interest-bearing assets. TAG is only exposed to a low interest rate risk, which can only change insignificantly depending on the underlying market interest rate. Therefore, simulations for the period of the financial year are suspended.

Furthermore, the Group's financial risks (default risk, liquidity and financing risk) did not change significantly in the reporting period compared with 31 December 2024.

SIGNIFICANT EVENTS AFTER THE END OF THE INTERIM REPORTING DATE

On 11 July 2025, the German Bundesrat (Federal Council) approved a gradual reduction in the current corporate income tax rate from 15% to 10%, starting in the 2028 financial year. The resulting impacts on the amount of deferred taxes are yet to be determined.

No other material events occurred after the end of the reporting period

Hamburg, 8 August 2025

Claudia Hoyer
(COO, Co-CEO)

Martin Thiel
(CFO, Co-CEO)

REPORT ON THE REVIEW OF INTERIM FINANCIAL INFORMATION

TO TAG IMMOBILIEN AG, HAMBURG/GERMANY

We have reviewed the condensed interim consolidated financial statements, which comprise the statement of financial position, the statement of profit and loss and other comprehensive income, the statement of cash flows, the statement of changes in equity as well as selected explanatory notes, and the interim group management report of TAG Immobilien AG, Hamburg/Germany, for the period from 1 January to 30 June 2025, which are part of the half-year financial information under Section 115 German Securities Trading Act (WpHG). The preparation of the condensed interim consolidated financial statements in accordance with the IFRS® Accounting Standards issued by the International Accounting Standards Board (IFRS Accounting Standards) applicable to interim financial reporting, as adopted by the EU, and of the interim group management report in accordance with the requirements of the WpHG applicable to interim group management reports is the responsibility of the Management Board of the Company. Our responsibility is to issue a review report on the condensed interim consolidated financial statements and on the interim group management report based on our review.

We conducted our review of the condensed interim consolidated financial statements and of the interim group management report in compliance with German Generally Accepted Standards for Reviews of Financial Statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Those standards require that we plan and perform the review to obtain a certain level of assurance to preclude through critical evaluation that the condensed interim consolidated financial statements have not been prepared, in material respects, in accordance with the IFRS Accounting Standards applicable to interim financial reporting, as adopted by the EU, or that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports. A review is limited primarily to inquiries of company personnel and to analytical procedures applied to financial data and thus provides less assurance than an audit. Since, in accordance with our engagement, we have not performed an audit, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the condensed interim consolidated financial statements of TAG Immobilien AG, Hamburg/Germany, have not been prepared, in material respects, in accordance with the IFRS Accounting Standards applicable to interim financial reporting, as adopted by the EU, or that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports.

Without qualifying our conclusion, we draw attention to the fact that the section “Sustainable corporate development” of the interim group management report was not subject of our review.

Hamburg/Germany, 8 August 2025

Deloitte GmbH

Wirtschaftsprüfungsgesellschaft

Signed:

Annika Deutsch

Wirtschaftsprüferin

(German Public Auditor)

Signed:

Maximilian Freiherr v. Perger

Wirtschaftsprüfer

(German Public Auditor)

RESPONSIBILITY STATEMENT

To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated interim financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

Hamburg, 8 August 2025

Claudia Hoyer
(COO, Co-CEO)

Martin Thiel
(CFO, Co-CEO)

TAG FINANCIAL CALENDAR 2025

PUBLICATIONS / EVENTS

25 March 2025	Publication of Annual Report 2024
15 May 2025	Publication of Interim Statement Q1 2025
16 May 2025	Annual General Meeting, Hamburg
11 June 2025	Capital Markets Day in Gdansk, Poland
12 August 2025	Publication of Half Year Report 2025
11 November 2025	Publication of Interim Statement Q3 2025

CONFERENCES

09 January 2025	Barclays European Real Estate Equity & Credit Conference, London
22 January 2025	24th German Corporate Conference Kepler Cheuvreux/ UniCredit, Frankfurt
06 February 2025	Hamburg Investor's Days
01 April 2025	Van Lanschot Kempen European Real Estate Seminar, New York
22 May 2025	Van Lanschot Kempen 23rd European Real Estate Seminar, Amsterdam
12 June 2025	Warburg Highlights Conference, Hamburg
25 June 2025	BNP Paribas Real Estate Conference, London
17 September 2025	EPRA Conference, Stockholm
22 September 2025	Berenberg and Goldman Sachs German Corporate Conference, Munich
23 September 2025	Baader Investment Conference, Munich
19 November 2025	Kepler Cheuvreux Pan-European Real Estate Conference, London
24 November 2025	Deutsches Eigenkapitalforum, Frankfurt
26 November 2025	Van Lanschot Kempen Conference, London
02–03 December 2025	UBS Global Real Estate CEO/CFO Conference, London



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The English version of the Interim Report on the 2nd Quarter 2025 is a translation of the German version.

The German version is legally binding.

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