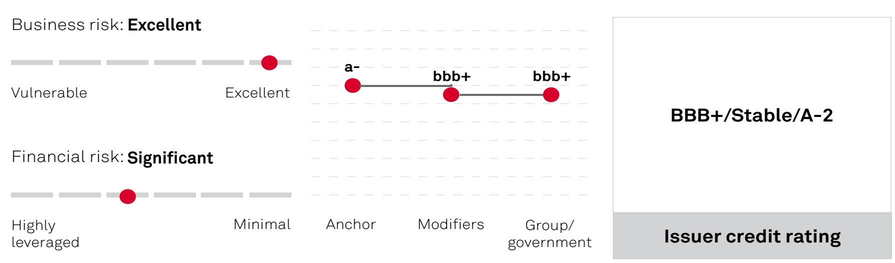
Vonovia SE

August 23, 2024

Ratings Score Snapshot



Primary contact

Franck Delage
Paris
33-14-420-6778
franck.delage
@spglobal.com

Secondary contact

Nicole Reinhardt
Frankfurt
49-693-399-9303
nicole.reinhardt
@spglobal.com

Credit Highlights

Overview

Key strengths	Key risks
Very large portfolio of income-producing residential property assets, worth about €82.5 billion as of June 30, 2024.	High reliance on Germany and its economy, despite some exposure to Austria and Sweden.
Good asset localization in regions that enjoy supportive economic and sociodemographic trends, mostly in Germany (89% of asset value), Sweden (8%), and Austria (3%).	Rising affordability risk in the German residential market due to rising inflation and rents, which could lead to political pressure to introduce further tenant-friendly regulation.
Strong track record of like-for-like rental income growth, supported by a highly diversified asset and tenant base, high occupancy rates, and long tenant stays.	A relatively high, albeit declining, debt-to-EBITDA ratio of 15x-17x (excluding revenue from recurring sales and developments) expected in 2024-2026, owing to the low-yield nature of the German residential market and the integration of completed acquisitions.
Market leadership in Germany and a track record of successful integration of acquisitions, supporting growth in Germany, Austria, and Sweden.	High debt leverage, with debt to debt plus equity between 55% and 60% (59.8% as of June 30, 2024), with a currently tight headroom to our rating downside threshold.
Healthy debt service capacity thanks to low cost of debt (1.8% as of June 30, 2024) evidenced by an EBITDA interest coverage expected to remain in the 2.5x-3.0x range in 2024-2026 (3.0x. as of June 30, 2024).	
Prudent debt profile with long average maturity (6.7 years as of June 30, 2024), high fixed/hedged ratio of 99% (as of June 30, 2024), and very good access to diversified funding sources, which limit refinancing risks.	

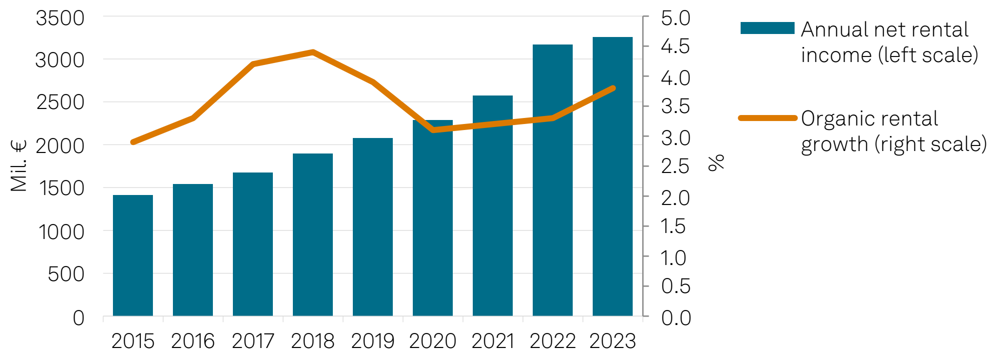
In the first half of 2024, Vonovia SE posted resilient rental growth in line with expectations. The company reported a robust 3.8% organic rent growth as of June 30, 2024 (compared with 3.5% in the first quarter and 3.3% in 2023), supported by growing indexation, elevated difference between in-place and market rents, and despite a low tenant fluctuation (8.1%). We expect the lagging indexation and housing shortage in Germany to support rental growth for at least two more years.

Devaluations are losing steam, but our assumptions remain conservatively unchanged. The company reported a 1.4% asset value like-for-like decline as of June 30, 2024, lower than our 4.0% assumptions for 2024. We understand valuations are likely to stabilize in the second half of the year, and price of condominiums have started increasing in Germany according to some recent market research. This is thanks to stable interest rates and two years of unprecedented price correction. Vonovia reported a 16.4% value decline since June 30, 2022, increasing its net initial yield to 2.9% as of June 30, 2024, from 2.5% as of June 30, 2022. While the 10-year German bund (risk-free rate used in appraisals) is currently low at 2.2%-2.3% relative to its peak of about 3.0% in October 2023, we conservatively forecast it to be about 2.4% for the next two years.

Leverage is still high for the rating, but likely to ease in the remainder of 2024. The debt-to-debt-plus-equity ratio peaked at 59.8% as of June 30, 2024, close to our 60% rating downside threshold, as expected. We think headroom will start easing in the second half of the year and the ratio will improve to 56%-58% by the end of 2026, as valuations stabilize, and sales proceeds materialize. We assume that the company will dispose of assets worth €2.5 billion in 2024 (followed by €2.0 billion in 2025 and 2026), compared with a management forecast of €3.0 billion; and that dividends will normalize from 2025 onwards. We understand that Vonovia has signed asset disposals of about €1.5 billion year to date. We expect that debt to EBITDA (down to 18.0x as of June 30, 2024, from 18.8x as of Dec. 31, 2023) will decrease by 1.0x-1.5x per year. Our adjusted ratio does not include revenue from recurring sales.

Vonovia's return to growth should be rating neutral if it does not increase leverage. The company announced its plans for growth once its 2024 €3 billion disposal target is reached (€1.5 billion realized so far). We understand such growth should not affect its leverage ratios, rather it should be EBITDA accretive, and we continue to factor in the company's strong commitment to restore its reported loan-to-value (LTV) ratio in the 40%-45% range (corresponding to a 50%-55% S&P Global Ratings-adjusted debt-to-debt-plus-equity range). A potential transaction, if equity funded, may improve the company's profitability and allow its debt-to-EBITDA ratio to decrease faster than previously anticipated and we could view this as positive. If the company invested in significantly more volatile assets, taking more operational risks, or failed to reduce its leverage, we would likely view this as negative.

Vonovia SE's annual rental income and like-for-like annual rental growth



Source: S&P Global Ratings and company reports.

Outlook

The stable outlook on Vonovia reflects our view that company will continue generating robust rental growth, supported by the undersupply of housing in Germany, increasing rent indexation, and low tenant defaults. This should enable the company's EBITDA interest coverage to remain above 1.8x and its debt-to-debt-plus-equity ratio to remain below 60%, for at least the next two years.

We anticipate that Vonovia will preserve a sound liquidity cushion and adjust its capital-allocation strategy to fast-evolving financial market conditions. We also assume that management will take the necessary steps to decrease leverage and comply with its publicly stated financial policy, centered on a maximum reported LTV of 45% (comparable to the S&P Global Ratings-adjusted debt-to-debt-plus-equity ratio of 55%).

Downside scenario

We could consider a negative rating action if:

- The debt-to-debt-plus-equity ratio increases to 60% or above for a prolonged period, because of higher revaluation losses or lower asset sales than expected;
- The liquidity cushion significantly decreases, for example because of a late refinancing of upcoming maturities or the issuance of debt with shorter maturities;
- EBITDA to interest moves toward 1.8x; or
- Outstanding secured debt exceeds 40% of the company's asset value, which may lead to us notching down our ratings on its unsecured debt.

Upside scenario

We could raise our ratings by one notch if:

- The company is able to dispose of substantial assets or development projects or raise enough equity such that its debt-to-debt-plus-equity ratio would sustainably stay below 55% while maintaining EBITDA interest coverage at 3.0x or above; and
- Vonovia increases its payback capacity via internal cash flow generation, so that its debt-to-EBITDA ratio (excluding revenue from sales) sustainably returns to historical levels (mid-teens or below).

Our Base-Case Scenario

Assumptions

- Real GDP growth in Germany of 0.3% in 2024 and 1.2% in 2025. Consumer Price Index growth in the country of 2.7% in 2024 and 2.3% in 2025.
- Total revenue of about €3.5 billion-€3.6 billion for 2024-2025, and about €2.2 billion-€2.3 billion of EBITDA for the same period, excluding recurring sales from development activities.
- Like-for-like rental income growth of 3.0%-3.5% in 2024-2025, supported mainly by modernization capital expenditure (capex) and progressive growth in indexation, partly offset by weaker rent affordability limiting rent uplifts.
- Occupancy to remain stable at 97%-98% for 2024-2025.
- About €1.0 billion-€1.2 billion per year of modernization and development capex.
- About €280 million-€300 million of maintenance capex per year.
- Conservative assumption of about €2.5 billion of asset disposals in 2024 and €2.0 billion in 2025-2026.
- Negative 4% like-for-like portfolio revaluation in 2024, and flat afterward.
- Conservative assumptions of 5.0% rate on new refinancings in 2024 and 4.5% in 2025, despite the company's 2029 bonds currently trading significantly lower, at about 3.5%-3.6%.

Key metrics

Vonovia SE--Forecast summary

Period ending				--Dec. 31--			
(Mil. EUR)	2020a	2021a	2022a	2023a	2024e	2025f	2026f
Revenue	2,366	2,731	3,595	3,427	3,524	3,591	3,670
EBITDA	1,614	1,850	2,274	2,303	2,291	2,334	2,422
Funds from operations (FFO)	1,096	1,315	1,542	1,429	1,516	1,396	1,435
Interest expense	444	490	609	754	794	825	871
Cash flow from operations (CFO)	999	1,394	1,574	1,250	1,482	1,362	1,397
Capital expenditure (capex)	1,614	1,731	1,855	1,058	1,149	1,149	1,199
Dividends	531	1,516	714	413	506	977	1,005
Debt	25,706	47,186	45,179	43,302	40,567	39,340	38,156
Equity	23,832	36,545	34,439	29,945	27,821	27,556	27,281
Adjusted ratios							

Vonovia SE--Forecast summary

EBITDA margin (%)	68.2	67.8	63.3	67.2	65.0	65.0	66.0
EBITDA interest coverage (x)	3.6	3.8	3.7	3.1	2.9	2.8	2.8
Debt/EBITDA (x)	15.9	25.5	19.9	18.8	17.7	16.9	15.8
Debt/debt and equity (%)	51.9	56.4	56.7	59.1	59.3	58.8	58.3

a--Actual. e--Estimate. f--Forecast.

- Interest coverage (with EBITDA excluding sales from developments) should be affected by higher interest rates on refinancings until at least 2026, despite rising revenue. Although coverage will remain in the 2.8x-3.0x range, which is acceptable for the current rating.
- Absent unexpected material revaluation gain, we expect the debt-to-debt-plus-equity ratio to remain in the 58%-59% range until 2026.
- The debt-to-EBITDA ratio (excluding recurring sales and developments) should gradually improve to 15x-16x, thanks to growing revenue and decreasing debt.

Company Description

Vonovia is the leading listed residential real estate holding company in Germany, and largest listed real estate landlord by portfolio size in Europe. As of June 30, 2024, the company's portfolio was worth about €82.5 billion, and it owned about 542,881 residential units in Germany, Austria, and Sweden and managed about another 71,697 units for third parties.

The company is listed on the German stock index with a market cap of about €21.8 billion as of June 30, 2024. The largest shareholders are Norges Bank (14.9%), BlackRock (8.4%), APG (3.8%), and DWS Investments (3%), with 85.1% in free float.

Peer Comparison

Vonovia SE--Peer Comparison

	Vonovia SE	Vesteda Residential Fund FGR	Deutsche Wohnen SE	Grand City Properties S.A.	Heimstaden Bostad AB
Foreign currency issuer credit rating	BBB+/Stable/A-2	A-/Stable/A-2	BBB+/Stable/A-2	BBB+/Negative/A-2	BBB-/Negative/--
Local currency issuer credit rating	BBB+/Stable/A-2	A-/Stable/A-2	BBB+/Stable/A-2	BBB+/Negative/A-2	BBB-/Negative/--
Period	RTM	Annual	RTM	RTM	RTM
Period ending	Jun-24	Dec-23	Jun-24	Mar-24	Mar-24
Mil.	EUR	EUR	EUR	EUR	EUR
Revenue	3,317	378	879	604	1,478
EBITDA	2,379	258	625	320	815
Funds from operations (FFO)	1,444	209	424	210	248
Interest expense	794	56	170	114	514
Operating cash flow (OCF)	1,417	213	460	187	151
Capital expenditure	1,043	302	927	83	628
Dividends paid	661	199	23	0	182
Cash and short-term investments	1,437	4	527	1,287	282

Debt	42,734	2,597	8,002	4,145	17,333
Equity	28,752	6,392	13,805	4,377	12,265
Valuation of investment property	80,720	8,674	23,559	8,681	28,670
Adjusted Ratios					
EBITDA margin (%)	72	68.3	71.1	52.9	55.1
EBITDA interest coverage (x)	3	4.6	3.7	2.8	1.6
Debt/EBITDA (x)	18	10.1	12.8	13.0	21.3
Debt/debt and equity (%)	60	28.9	36.7	48.6	58.6

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Business Risk

Vonovia's excellent business risk profile is underpinned by the company's very large portfolio of income-producing residential assets, in Germany (88.6% of total portfolio value as of June 30, 2024), Sweden (7.9%), and Austria (3.5%). It has become the largest residential property holding company and listed real estate owner in Europe. We view residential property as less cyclical and volatile than most other commercial real estate segments and think that the German market provides strong fundamentals to landlords. These include a long average tenant stay (12-14 years compared with less than five years in the U.K. or France), and a cultural preference for renting rather than owning, despite a good average affordability ratio. Vonovia also enjoys significant asset and tenant diversity, with about 542,881 units owned.

The company's business model has proven highly resilient over the past years, notably throughout the COVID-19 pandemic, with very few rent defaults, little occupancy effect, high satisfaction rate, and solid like-for-like rental income growth exceeding 3%.

The company's strategic portfolio (about 85% of the total German portfolio value as of June 30, 2024) is well spread across different regions of Germany and, more specifically, in cities and regions with positive economic and demographic trends. These include Berlin (33.9% of Vonovia's German portfolio on June 30, 2024), the Rhine Main area (9.4%), Southern Ruhr area (7.4%), Rhineland (7.3%), Dresden (7.1%), and Hamburg (4.6%). Austria and Sweden make up 11.4% of the total portfolio, and we think that both markets offer similar supply demand fundamentals to Germany.

The company's strong and long track record of market leadership and executing a clearly articulated strategy, consistent with its capabilities and the market environment also support our business risk assessment. Over the last decade, Vonovia has established a strong track record of successfully integrating large portfolio acquisitions, realizing synergies, and benefiting from economies of scales. Vonovia's strong growth path over this period and geographic expansion outside Germany was within the company's capabilities and its acquisitive investing policy in regulated residential real estate markets with fundamentals comparable with its core German market. Vonovia's focus on long-term holdings with limited asset rotation and continuously high occupancy rates provides good cash flow predictability. In line with the changing market environment for real estate landlords, Vonovia has put its growth strategy on hold due to rising interest rates and yield expansion with falling property values, and it now focuses on selective noncore sales to protect its balance sheet.

Vonovia's refurbishment rate dropped to 1.2% of its portfolio (excluding Deutsche Wohnen) in 2023 from its target of 3%-4% per year. This is due to the challenging interest rate environment, increased construction costs, and reduced subsidies.

The company has some exposure to more risky development and asset arbitrage activities (5.9% of total reported EBITDA for the first six months of 2024), through different forms: Value-add sales (4.5%), recurring unit sales (1.8%), and property development (-0.3%). While these activities provide Vonovia with a recurring source of cash flow to fund its future investments, we think that they are more volatile and less predictable than rental income. This is why we exclude them from our EBITDA calculation and adjusted EBITDA metrics in line with our methodology for real estate investment trusts (REITs). Moreover, the development of residential assets exposes the company to risks of cost overruns and vacancy. That said, we understand the company runs a cautious approach with proactive leasing and selling processes during the construction cycles.

Our rating analysis includes a one-notch downward adjustment through our comparable rating analysis to reflect the company's relatively high leverage and small cash flow generation compared with other similar sized residential real estate holding companies operating in less regulated, and therefore higher yielding, markets such as the U.S. This is reflected in a relatively high debt-to-EBITDA ratio of more than 15x, against less than 10x for some U.S. peers. Nevertheless, we consider the company's expansion strategy in recent years, which generally leads to a distortion of this ratio and the exclusion of revenue from property developments. In addition, we expect the ratio to improve because of increasing cash flow and reduced investment. We also see a debt-to-debt-plus-equity ratio of 55%-60% being at the weaker end of the 'significant' financial risk category.

We also think that that Vonovia's high concentration in Germany, with about 89% of assets, leaves it strongly exposed to Germany's economy and regulation, regarding social, regulatory, and reputational uncertainties, compared with globally more diversified residential real estate peers in the same business risk category. In addition, the German government's climate protection law ("Klimaschutzgesetz") sets high targets for carbon dioxide reduction in coming years, which is likely to result in high ongoing investments over the medium to long term, potentially reducing profitability.

Financial Risk

Vonovia's debt leverage remains high relative to industry standards and that of peers at the same rating level, with a debt-to-debt-plus-equity ratio of about 55.0%-60.0% (59.8% as of June 30, 2024, corresponding to a reported LTV of 48.2% at the same date) following multiple acquisitions. We understand the company is committed to restore the ratio to the 50%-55% range (translating into a reported LTV of 40%-45%), mitigating any potential further valuation drop with a reduction in its total gross debt amount through disposal proceeds and maintaining financial discipline.

Moreover, Vonovia has a high debt-to-EBITDA ratio (excluding recurring sales and developments) of 18.0x as of June 30, 2024, which we expect will decrease to about 15.0x-16.0x by 2026. This is high compared with that of peers, which enjoy stronger debt to EBITDA for similar debt-to-debt-plus-equity-ratios. This discrepancy stems from the low-yield nature of low-risk German residential assets and the company's track record of acquiring other companies. We acknowledge the company's strong willingness to reduce this ratio by a further 1.0x-2.0x turns.

The company generates solid interest coverage, albeit decreasing, with a ratio of EBITDA to interest at 3.0x, as of June 30, 2024. This is due to its still-low cost of funding (1.8%), high exposure to fixed/hedged rated debt (99%), and its relatively long average debt maturity profile of 6.7 years as of June 30, 2024, with rising interest rates gradually effecting its funding profile. We forecast that the ratio will weaken along with new refinancings, given higher interest rates, but is likely to remain well above 1.8x over the next two to three years.

Debt maturities

Vonovia's weighted average debt maturity was 6.7 years as of June 30, 2024.

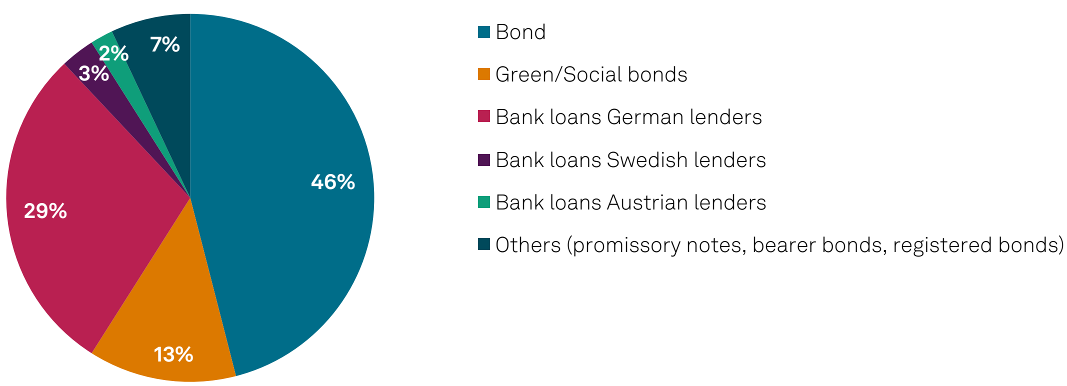
Vonovia SE's debt maturity profile

As of June 2024

Source: Company latest report; S&P Global Ratings

Vonovia SE's total debt by funding source

As of June 2024



Source: S&P Global Ratings based on company report.

Vonovia SE--Financial Summary

Period ending	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24
Reporting period	RTM	RTM	RTM	RTM	RTM	RTM	RTM

Display currency (mil.)	EUR	EUR	EUR	EUR	EUR	EUR	EUR
Revenues	3,595	3,634	3,455	3,328	3,427	3,367	3,317
EBITDA	2,274	2,248	2,190	2,197	2,303	2,314	2,379
Funds from operations (FFO)	1,542	1,484	1,436	1,400	1,429	1,392	1,444
Interest expense	609	664	699	737	754	779	794
Operating cash flow (OCF)	1,574	1,583	1,392	1,281	1,250	1,333	1,417
Capital expenditure	1,855	1,667	1,569	1,146	1,058	1,037	1,043
Dividends paid	714	714	415	415	413	413	661
Cash and short-term investments	1,198	1,195	1,470	747	959	1,031	1,437
Debt	45,179	44,897	44,325	44,450	43,314	42,758	42,734
Common equity	34,439	32,254	30,953	31,400	29,945	30,130	28,752
Valuation of investment property	94,527	89,111	85,683	86,141	83,098	82,293	80,720
Adjusted ratios							
EBITDA margin (%)	63.3	61.9	63.4	66.0	67.2	68.7	71.7
EBITDA interest coverage (x)	3.7	3.4	3.1	3.0	3.1	3.0	3.0
Debt/EBITDA (x)	19.9	20.0	20.2	20.2	18.8	18.5	18.0
Debt/debt and equity (%)	56.7	58.2	58.9	58.6	59.1	58.7	59.8

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Reconciliation Of Vonovia SE Reported Amounts With S&P Global Adjusted Amounts (Mil. EUR)

	Debt	Shareholder Equity	Revenue	EBITDA	Operating income	Interest expense	S&PGR adjusted EBITDA	Operating cash flow	Dividends	Capital expenditure
Financial year	Dec-31-2023									
Company reported amounts	42,897	25,683	3,427	2,310	(8,753)	735	2,303	1,901	413	1,058
Cash taxes paid	-	-	-	-	-	-	(154)	-	-	-
Cash interest paid	-	-	-	-	-	-	(719)	-	-	-
Lease liabilities	673	-	-	-	-	-	-	-	-	-
Postretirement benefit obligations/ deferred compensation	447	-	-	-	-	19	-	-	-	-
Accessible cash and liquid investments	(959)	-	-	-	-	-	-	-	-	-
Capitalized interest	-	-	-	-	-	1	(1)	(1)	-	(1)
Income (expense) of unconsolid. cos.	-	-	-	76	-	-	-	-	-	-

Reconciliation Of Vonovia SE Reported Amounts With S&P Global Adjusted Amounts (Mil. EUR)

	Debt	Shareholder Equity	Revenue	EBITDA	Operating income	Interest expense	S&PGR adjusted EBITDA	Operating cash flow	Dividends	Capital expenditure
Nonoperating income (expense)	-	-	-	-	250	-	-	-	-	-
Reclassification of interest and dividend cash flows	-	-	-	-	-	-	-	(651)	-	-
Noncontrolling/ minority interest	-	4,262	-	-	-	-	-	-	-	-
Debt: Fair value adjustments	44	-	-	-	-	-	-	-	-	-
Debt: other	198	-	-	-	-	-	-	-	-	-
EBITDA - Gain/(loss) on disposals of PP&E	-	-	-	(128)	(128)	-	-	-	-	-
EBITDA: Inventory	-	-	-	18	18	-	-	-	-	-
EBITDA: other	-	-	-	28	28	-	-	-	-	-
D&A: Asset valuation gains/(losses)	-	-	-	-	10,651	-	-	-	-	-
D&A: Impairment charges/ (reversals)	-	-	-	-	148	-	-	-	-	-
Total adjustments	405	4,262	-	(6)	10,967	19	(874)	(651)	-	(1)
S&P Global Ratings adjusted	**Debt**	**Equity**	**Revenue**	**EBITDA**	**EBIT**	**Interest expense**	**Funds from Operations**	**Operating cash flow**	**Dividends**	**Capital expenditure**
	43,302	29,945	3,427	2,303	2,215	754	1,429	1,250	413	1,058

Liquidity

We assess Vonovia's liquidity as adequate. We anticipate that liquidity sources will likely cover uses by about 1.7x for the 12 months from June 30, 2024. In the following 12 months, Vonovia will face €3.7 billion of additional debt maturities, which we think will be well covered by at least €3.8 billion available credit facilities, €1.4 billion cash, €1.4 billion funds from operations (FFO) and €1.5 billion proceeds from signed asset disposals.

Principal liquidity sources

- About €1.4 billion of unrestricted cash and equivalents as of June 30, 2024;
- €3.8 billion of undrawn credit lines available, maturing in more than 12 months; and
- Our forecast of about €1.4 billion of FFO.

Principal liquidity uses

- About €3.7 billion of short-term debt maturities in the next 12 months; and
- Committed capex of about €1 billion for the next 12 months.

Covenant Analysis

Requirements

Most of the company's bank debt facilities were granted for the purpose of financing real estate assets. Loan agreements are therefore mostly secured by land charges and assignment of rental payments, and the majority include financial covenants, such as LTV ratios and a debt-service coverage ratio.

Vonovia also has covenants under documentation for its outstanding corporate bonds, mainly relating to its:

- LTV ratio (at less than 60%, compared with 47.3% as of June 30, 2024);
- Secured LTV (at less than 45%, compared with 13.9% as of June 30, 2024);
- Interest coverage ratio (greater than 1.8x, compared with 3.6x as of June 30, 2024); and
- Unencumbered assets to unsecured debt ratio (greater than 125%, compared with 157% as of June 30, 2024).

Compliance expectations

We expect that Vonovia will maintain adequate headroom, greater than 10%, under all remaining covenants.

Environmental, Social, And Governance

Environmental, social, and governance factors are a neutral consideration in our credit rating analysis of Vonovia. We consider Vonovia's exposure to social and environmental factors to be on par with the German residential industry. Social and political debates on rent affordability in Germany's metropolitan areas may increase regulation and reputation risk for the largest German residential real estate company. Vonovia, together with its peers, has become a target for social protests, blaming the company for rising rents in German metropolitan cities as well as nontransparent utility costs (Vonovia in particular) charged to tenants. We think that additional rent regulation could hinder like-for-like rental growth for Vonovia. We note that the company refurbishes and renovates approximately 3%-4% of its portfolio per year to meet the latest standards in terms of thermal insulation and energy efficiency. We note the German government's published climate package, which targets reducing carbon dioxide emissions for buildings by 66% (compared to 1990) by 2030.

Issue Ratings--Subordination Risk Analysis

Capital structure

As of June 30, 2024, the company's secured debt represented 13.9% of its assets.

Analytical conclusions

This is well below our 40% threshold for notching down senior unsecured debt. We therefore rate Vonovia's senior unsecured bonds 'BBB+', in line with the long-term issuer credit rating.

Rating Component Scores

Foreign currency issuer credit rating	**BBB+/Stable/A-2**
Local currency issuer credit rating	**BBB+/Stable/A-2**
Business risk	**Excellent**
Country risk	Very Low
Industry risk	Low
Competitive position	Excellent
Financial risk	**Significant**
Cash flow/leverage	Significant
Anchor	**a-**
Diversification/portfolio effect	Neutral (no impact)
Capital structure	Neutral (no impact)
Financial policy	Neutral (no impact)
Liquidity	Adequate (no impact)
Management and governance	Neutral (no impact)
Comparable rating analysis	Negative (-1 notch)
Stand-alone credit profile	**bbb+**

Related Criteria

- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings, Oct. 10, 2021
- General Criteria: Group Rating Methodology, July 1, 2019
- Criteria | Corporates | General: Corporate Methodology: Ratios And Adjustments, April 1, 2019
- Criteria | Corporates | Industrials: Key Credit Factors For The Real Estate Industry, Feb. 26, 2018
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings, April 7, 2017
- Criteria | Corporates | General: Methodology And Assumptions: Liquidity Descriptors For Global Corporate Issuers, Dec. 16, 2014
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Related Research

- Industry Credit Outlook Update Europe: Real Estate (REITs), July 18, 2024
- Most European REITs' Valuations Should Bottom Out In 2024, July 10, 2024
- Highlights From Our 2024 European Real Estate Conference, June 20, 2024
- German Residential REITs Remain Supported By Funding Access And Solid Rent Fundamentals, May 31, 2024
- Bulletin: Vonovia's Disposals, Rental Growth, And Funding Access Mitigate Credit Pressure From Yield Expansion, April 4, 2024

Ratings Detail (as of August 23, 2024)*	
Vonovia SE	
Issuer Credit Rating	BBB+/Stable/A-2
Senior Unsecured	BBB+
Issuer Credit Ratings History	
11-Nov-2022	BBB+/Stable/A-2
17-Dec-2021	BBB+/Positive/A-2
10-Mar-2015	BBB+/Stable/A-2
Related Entities	
Deutsche Wohnen SE	
Issuer Credit Rating	BBB+/Stable/A-2
Senior Unsecured	BBB+

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings credit ratings on the global scale are comparable across countries. S&P Global Ratings credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.