

Phoenix Spree Deutschland

First capital return

FY25 results

Phoenix Spree Deutschland (PSD) has reported FY25 results and announced its first return of capital by means of a compulsory redemption of shares. The £17.5m redemption is funded by the net proceeds from its ongoing managed portfolio wind-down strategy and further distributions will be reviewed semi-annually. Amid a robust Berlin condominium market, underpinned by a structural supply-demand imbalance and improving financing conditions, valuations have stabilised and PSD's notarisations are increasing strongly, in line with its targets. As the portfolio continues to shrink, further cost reduction is a priority for 2026.

Year end	Net rental income (€m)	PBT (€m)	EPS (€)	NAV/share (€)	P/NAV (x)
12/22	15.7	(17.5)	(0.17)	4.50	0.45
12/23	16.5	(111.8)	(1.07)	3.43	0.59
12/24	16.7	(39.5)	(0.42)	3.01	0.68
12/25	11.6	(13.6)	(0.07)	2.94	0.69

Note: All data shown on an IFRS basis.

At a headline level, the development of underlying earnings during the year reflects the managed, but accelerating, wind-down strategy. FY25 gross rental income of €22.7m was down from €28.1m in FY24 as a result of property sales and lower occupancy as vacated condominiums were held back for sale. With fewer vacant units refurbished and re-let at closer to the market levels, like-for-like rent growth slowed to 0.8%. Nonetheless, the premium to passing rents on residential re-letting remained a healthy 30%, a measure of the rent reversion embedded in the portfolio. On a like-for-like basis, portfolio valuation per square metre increased for a second consecutive year, up 1.5%. Condo values were up 3.1% and rental properties 0.8%. After the costs associated with asset sales, the company reported an investment property fair value loss of €2.3m and losses on disposals of €2.9m (2024: €3.2m). The loss before tax was €13.6m, a €25.9m improvement on the FY24 loss of 39.5m, which included a €25.6m loss on the disposal of a subsidiary; the EPS loss was €0.07; and IFRS NAV per share was €2.94.

As [previously reported](#), FY25 condo notarisations of €36m were 20% ahead of target, at an average achieved premium carried value of 4%, before costs. The premium for vacant units was 19%, with occupied units sold at a 3% discount. PSD is targeting condo notarisations of at least €55m in 2026, with €16.5m achieved year to date, at a 4% premium, and a further €10.3m under reservation.

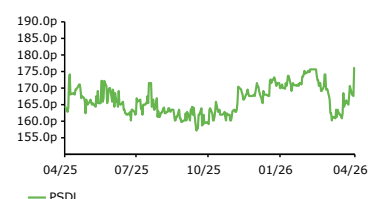
Full details of the £17.5m pro-rata compulsory redemption are available on [PSD's website](#). Shareholders on the register at 30 June 2026 will receive a cash payment on or around 14 July 2026. The redemption price will be £2.56, the sterling equivalent of end-FY25 IFRS NAV. PSD intends to make regular distributions of cash as it becomes available, subject to market conditions and maintaining compliance with banking covenants. As we have [previously noted](#), from the gross proceeds from condominium sales (which follow notarisations with a lag), approximately 50% will be applied to repay debt and fund related capex to support the sales programme. From the remaining proceeds, the cost of sales (primarily brokerage fees), as well as the crystallisation of historically deferred tax accumulated on property revaluation gains, will be settled. After these items, we expect approximately one-third of gross sale proceeds to be available for distribution to PSD shareholders.

Real estate

24 April 2026

Price	176.25p
Market cap	£154m
	£1/€1.15
Net (debt) as at 31 December 2025	€(222.0)m
Shares in issue	91.8m
Code	PSDL
Primary exchange	LSE
Secondary exchange	N/A

Share price performance



Business description

Phoenix Spree Deutschland was established as a long-term investor in mid-market residential property in Berlin, targeting reliable income and capital growth. In response to changes in market conditions since interest rates increased, and a persistent discount to NAV, the company has adopted a wind-down strategy, seeking to dispose of assets in an orderly manner, repay borrowings and return capital to shareholders.

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