

Instone Real Estate: Annual General Meeting approves conversion into German stock corporation

- *Conversion of the company into a stock corporation under German law resolved unanimously*
- *Important hurdle for the relocation of the registered office to Essen overcome*
- *Instone Real Estate Group AG as future company name upon fulfilment of further requirements*

Essen, 29 June 2018: The Annual General Meeting of Instone Real Estate Group today decided unanimously to change its legal form into a stock corporation under German law (*Aktiengesellschaft*). Once the further requirements of the conversion are fulfilled, the listed residential real estate developer will operate under the name Instone Real Estate Group AG. The conversion resolution is in line with the company's plan and is part of the corporate strategy that was defined in the course of the IPO.

Due to the tax issues, which result from the change in the legal form and are currently still open, Instone will only be converted into a German stock corporation in accordance with the resolution of the Annual General Meeting if no materially adverse taxes are triggered in any jurisdiction. For this purpose, relevant requests for information from the company are being examined by the competent German tax authorities, among other things.

At the Annual General Meeting, the shareholders of the company granted the Management Board formal release from liability (99,95 per cent of the votes) for the

2017 financial year by a large majority, thereby expressing their confidence in the Board.

Oliver Schmitt, CFO of Instone Real Estate, stated: "With today's resolution of the Annual General Meeting, the company has overcome an important hurdle for converting itself into a German stock corporation. The tax rulings required for the further implementation of the change of legal form are still pending. However, we are confident that we will be able to obtain them in the foreseeable future and will then be able to complete the change of legal form to a German stock corporation in line with our planning before the end of 2018." Schmitt added: "With regard to our German history, this project is a logical step for us, not least because our business activities are concentrated in Germany. Moreover, we want to simplify the group structure and set our course for further growth on the German residential property market. Our goal is to continue on the path we have already taken and position ourselves on the market as the leading German residential property developer, covering the entire development value chain with a platform that is established nationwide. We would like to thank our shareholders for the trust they have placed in us."

About Instone Real Estate (IRE)

Instone Real Estate is one of Germany's leading residential developers. Instone develops modern urban multi-family and residential buildings and refurbishes listed buildings for residential use. Instone develops and markets flats for owner-occupiers, private investors and institutional investors. In 27 years, we have successfully developed more than one million square metres. Around 300 employees work at eight locations nationwide. As of 31 March 2018, Instone's project portfolio consisted of 45 development projects with an expected total sales volume of around EUR 3.4 billion and more than 8,000 units. Since February 2018 Instone has been listed in the Prime Standard at the Frankfurt Stock Exchange.



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