

## **Instone Real Estate presents its financial results for 2017 – Positive outlook for 2018 and clear growth course**

- Revenues of around EUR 200 million, adjusted EBIT of around EUR 45 million
- Attractive project portfolio with an expected total sales volume of around EUR 3.4 billion
- Acquisition of four new projects with an expected sales volume of around EUR 470 million in an already advanced phase of acquisition process
- Positive outlook for 2018: revenues of around EUR 320 - 330 million, adjusted EBIT of EUR 42 - 48 million, operating performance of more than EUR 500 million

**Essen, 8 May 2018:** Instone Real Estate Group N.V. (symbol: INS, ISIN: NL0012757355) today presents its financial results for the financial year 2017. The company is thus publishing its first annual report after the merger of formart GmbH & Co. KG and GRK-Holding GmbH into Instone Real Estate and after the IPO of the company in February 2018.

In the reporting period, Instone Real Estate fulfilled market expectations and plans to continue its clear growth course in the current financial year.

Kruno Crepulja, Chief Executive Officer of Instone Real Estate: "In the financial year 2017, we laid the foundation for our further growth. Today, Instone Real Estate is the leading listed residential real estate developer in Germany. Thanks to our strong team, we have achieved all of our financial objectives in 2017 and, using this as a basis, we aim to continue our clear growth path."

### **Positive business development in 2017**

In accordance with the company's own forecast, revenues in the financial year 2017 amounted to around EUR 200 million and were thus close to the previous year's level. The EBIT amounted to EUR -10.8 million. Adjusted for one-off effects from the purchase price allocation in connection with the acquisition of formart GmbH & Co. KG in 2014 and GRK-Holding GmbH in 2015 as well as transaction-related personnel and administrative costs, this results in an adjusted EBIT of around EUR 45 million.

In comparison to the previous year, the balance sheet total increased from EUR 685 million to EUR 789 million due to the expansion of the project volume.



As of the reporting date of 31 December 2017, Instone Real Estate's portfolio consisted of 45 projects with more than 8,000 residential units and an expected total sales volume of around EUR 3.4 billion.

### **Further growth through project portfolio expansion**

In the current financial year 2018, Instone Real Estate plans to invest the proceeds of the company's IPO in acquiring new projects.

Besides Instone Real Estate projects that are already in the realization or planning stage, further potential acquisition opportunities for a number of attractive properties have been identified and are under way.

Instone Real Estate is already in an advanced stage of the acquisition process for four new projects representing a total of more than 1,000 residential units with an expected sales volume of around EUR 470 million. The projects will be realized at sites in Baden-Württemberg, Bavaria, Lower Saxony and Saxony in a time horizon from 2018 until 2025.

In order to ensure further growth, Instone Real Estate is continually reviewing promising acquisition opportunities. Overall, the company has identified options for the purchase of further plots of land in urban target markets as acquisition projects with a potential sales volume of over EUR 13 billion. In the medium term, the company intends to develop more than 2,000 residential units with an expected sales volume of around EUR 900 million to EUR 1,000 million a year.

### **Positive outlook for the 2018 financial year**

For the financial year 2018, Instone Real Estate expects revenues of roughly EUR 320 million to EUR 330 million and an operating performance of more than EUR 500 million, which is composed of revenues and changes in inventories. Furthermore, Instone Real Estate forecasts an adjusted EBIT for the financial year 2018 of between EUR 42 million and EUR 48 million.

The annual report released today is available for download on the company's website at the following address: <http://ir.en.instone.de/websites/instonereal/English/3100/reports.html>



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## **About Instone Real Estate**

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 apartments 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 December 2017, 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. The "Instone" brand was created in 2017 through the merger of formart GmbH & Co. KG and GRK-Holding GmbH.