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Disclosure of inside information in accordance with Article 17 of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (Market Abuse Regulation).

Instone places shares at EUR 21.50 per share

Essen, February 13, 2018. Instone Real Estate Group (the “Company” and, together with its subsidiaries, “Instone”), a leading nationwide residential real estate developer with a focus on Germany’s key metropolitan regions, today has determined, together with the underwriters, the placement price for its shares at EUR 21.50 per share in connection with the private placement.

Instone placed a total number of 19,900,000 shares with institutional investors. Thereof 7,000,000 new shares from a capital increase and 12,900,000 existing shares from the holdings of the current shareholders, funds established by ActivumSG Capital Management Limited (“ASG”), including additional shares from an over-allotment option were placed.

The total offering volume amounted to approximately EUR 428 million. Assuming the full exercise of the greenshoe option, the free float will amount to approximately 53.8 percent. Based on the placement price, Instone’s market capitalization will be approximately EUR 795 million at the beginning of trading.

Instone’s net proceeds from the placement of new shares amount to approximately EUR 142 million. Thereof the company intends to use approximately EUR 86 million for the acquisition and development of new residential projects as well as for other corporate expenses. Approximately EUR 55.5 million of the net primary proceeds will be used to fully repay an existing shareholder loan.

The start of trading of the Company’s shares on the regulated market (Prime Standard) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) is scheduled for February 15, 2018, under the German Securities Code (WKN) A2JCTW, the International Securities Identification Number (ISIN) NL0012757355 and the ticker symbol “INS”. Settlement is expected to take place on February 19, 2018.

This publication also serves as a publication of the pricing in relation to the private placement and has been filed with the Dutch Authority for the Financial Markets (Autoriteit Financiële Markten, “AFM”). This publication is also available via the website of Instone (www.instone.de).

Prospectus

In connection with the listing, a prospectus dated February 13, 2018 was approved by the AFM (the “Prospectus”). Hardcopies of the Prospectus, including a German language summary,



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may, subject to applicable securities law restrictions, be obtained free of charge during normal business hours at the following address: Instone Real Estate Group, Baumstraße 25, 45128 Essen, Germany). The Prospectus is also available electronically via the website of Instone (www.instone.de under the section "Going Public") subject to securities law restrictions in certain jurisdictions.

European Union Transparency Directive

The Netherlands is the Company's home member state for the purposes of the European Union Transparency Directive (Directive 2004/109/EC, as amended).

Market Abuse Regulation

The information contained in this announcement is inside information for the purposes of the Market Abuse Regulation. If you have any queries on this announcement, please contact Thomas Eisenlohr (see contact details below).



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Important notice

These materials may not be published, distributed or transmitted in the United States, Canada, Australia or Japan. These materials do not constitute an offer of securities for sale or a solicitation of an offer to purchase securities (the "Securities") of Instone Real Estate Group N.V. (following the effectiveness of its conversion expected to occur on February 13, 2018, the "Company") in the United States, Australia, Canada or any other jurisdiction in which such offer or solicitation is unlawful. The Securities of the Company may not be offered or sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended (the "Securities Act"). The Securities of the Company have not been, and will not be, registered under the Securities Act. There will be no public offering of the securities in the United States. The securities referred to herein may not be offered or sold in Australia, Canada or Japan or to, or for the account or benefit of, any national, resident or citizen of Australia, Canada or Japan subject to certain exceptions.

In the United Kingdom, this document is only being distributed to and is only directed at persons who (i) are investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) (the "Order") or (ii) are persons falling within Article 49(2)(a) through (d) of the Order (high net worth companies, unincorporated associations, etc.) (all such persons together being referred to as "Relevant Persons"). This document is directed only at Relevant Persons and must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which this document relates is available only to Relevant Persons and will be engaged in only with Relevant Persons.

This publication constitutes neither an offer to sell nor a solicitation to buy securities of the Company. No public offering of securities is currently intended in any jurisdiction. Any public offering of securities would only be made pursuant to an approved and publicly available securities prospectus.

The Joint Bookrunners are acting exclusively for the Company and the selling shareholders and no-one else in connection with the transaction. They will not regard any other person as their respective client in relation thereto and will not be responsible to anyone other than the Company and the selling shareholders for providing the protections afforded to their respective clients, nor for providing advice in relation to the transaction, the contents of this announcement or any other matter referred to herein.

Statements contained herein may constitute "forward-looking statements." Forward-looking statements are generally identifiable by the use of the words "may", "will", "should", "plan", "expect", "anticipate", "estimate", "believe", "intend", "project", "goal" or "target" or the negative of these words or other variations on these words or comparable terminology. Forward-looking statements are based on current expectations and involve a number of known and unknown risks, uncertainties and other factors that could cause the Company's or its industry's actual



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results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. You should not place undue reliance on forward-looking statements and the Company does not undertake publicly to update or revise any forward-looking statement that may be made herein, whether as a result of new information, future events or otherwise.

In connection with the placement of the shares, Credit Suisse Securities (Europe) Limited or its affiliates, acting for the account of the Joint Bookrunners, will act as the stabilization manager and may, as stabilization manager, make over-allotments and take stabilization measures in accordance with legal requirements (Art. 5 para. 4 and 5 of the Market Abuse Regulation (EU) No. 596/2014 in conjunction with Articles 5 through 8 of the Commission Delegated Regulation (EU) 2016/1052) to support the market price of the Company's shares and thereby counteract any selling pressure. The stabilization manager is under no obligation to take any stabilization measures. Therefore, stabilization may not necessarily occur and may cease at any time. Such measures may be taken on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) from the date when trading in the shares of the Company is commenced on the regulated market segment (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) and must be terminated no later than 30 calendar days after this date (the "Stabilization Period"). Stabilization transactions aim at supporting the market price of the Company's shares during the Stabilization Period. These measures may result in the market price of the Company's shares being higher than would otherwise have been the case. Moreover, the market price may temporarily be at an unsustainable level.

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("MiFID II"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "MiFID II Product Governance Requirements"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Company's shares to be placed have been subject to a product approval process, which has determined that such shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "Target Market Assessment"). Notwithstanding the Target Market Assessment, Distributors should note that: the price of the Company's shares may decline and investors could lose all or part of their investment; the Company's shares to be placed offer no guaranteed income and no capital protection; and an investment in such shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear



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any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the private placement. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Joint Bookrunners will only procure investors who meet the criteria of professional clients and eligible counterparties in the Private Placement. For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Company's shares. Each distributor is responsible for undertaking its own target market assessment in respect of the shares and determining appropriate distribution channels.