

**CONSOLIDATED HALF-YEAR  
FINANCIAL REPORT**

FOR THE FIRST HALF-YEAR 2018

**H1 2018**

# GODEWIND IMMOBILIEN AG

## FRANKFURT AM MAIN

### CONSOLIDATED HALF-YEAR IFRS FINANCIAL REPORT FOR THE PERIOD 1 JANUARY TO 30 JUNE 2018

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<b>REVENUE AND EARNINGS FIGURES</b>		
Consolidated net income, previous year: Separate net income (in EUR thousand)	-5,488	313
Earnings per share, undiluted (in EUR)	-0.08	6.27
Earnings per share, diluted (in EUR)	-0.08	6.27
<b>BALANCE SHEET FIGURES</b>		
Total assets (in EUR thousand)	382,541	8,366
Cash and cash equivalents (in EUR thousand)	381,089	4,658
Equity (in EUR thousand)	381,537	4,640
Current liabilities (in EUR thousand)	637	3,306
Non-current liabilities (in EUR thousand)	367	420

#### OUR VISION

We are developing Godewind (in the following “Godewind” or “Company”) into one of Germany’s leading commercial property companies. Our focus lies on the acquisition, structuring and management of commercial properties in Germany. With a flexible business model based on strong cash flow we intend to continuously increase the value and profitability of our commercial properties. At the same time our aim is to provide the highest quality and sustainable yields within the commercial property sector. This strong investor focus is a key feature of our philosophy.

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## 1. TO OUR SHAREHOLDERS

### 1.1 FOREWORD BY THE EXECUTIVE BOARD

Dear shareholders,

With the successful flotation on the Prime Standard on 05 April 2018 and the issue proceeds of EUR 375 million we have laid the foundations for building a profitable property portfolio with a medium-term value of around three billion euros. We are well on track to reach this goal, thanks to the extensive experience and wideranging expertise of our team and excellent market access.

As you know, we are pursuing an ambitious vision. Building our portfolio calls for a clear strategy, which we are implementing consistently. Our focus is on the acquisition of commercial properties, concentrating on office buildings. We have made good use of the months since the IPO to carry out detailed reviews of deals that have been offered to us. Because only properties that meet our high standards and acquisition criteria can increase the value and profitability of our company. In this respect, we are confident that we will soon be able to report our first concrete negotiation results.

At the same time, we are continuing to professionalise our internal structures. We have been able to recruit many highly qualified employees with sector experience for our team in recent months.

Our particular thanks go to our dedicated staff who have already driven the launch of Godewind with great energy and in such a short time have made it the company it is today. We also thank you, our investors and business partners, for your confidence in our work.

Yours sincerely,



Stavros Efremidis  
CEO



Ralf Struckmeyer  
CFO

## **1.2 GODEWIND IMMOBILIEN AG AT THE CAPITAL MARKETS**

### **1.2.1 ANNUAL GENERAL MEETING**

The Annual General Meeting of Godewind took place in Berlin on 20 February 2018. The foundations for an IPO were created by passing a resolution increasing share capital by up to 175 million shares, each with a nominal value of EUR 1.00, for subscription in cash. All proposals were adopted unanimously by shareholders, of whom 100% were present. Various types of authorised and contingent capital were created and the Company's place of business was moved to Frankfurt am Main.

### **1.2.2 PROSPECTUS AND SUBSCRIPTION PERIOD**

The German financial regulator, Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin), approved the prospectus for the initial public offering of Godewind Immobilien AG on 9 March 2018.

The subscription period for Godewind shares began on 12 March 2018 and ended on 27 March 2018.

### **1.2.3 CAPITAL INCREASE**

EUR 9,750,000 of the capital increase adopted by the Annual General Meeting was carried out at a nominal price of EUR 4.00 per share. This generated gross proceeds for the company of EUR 375 million.

The capital increase was entered in the commercial register on 28 March 2018.

It increased the company's share capital by EUR 93,750,000 from EUR 15,000,000 to EUR 108,750,000.

### **1.2.4 INITIAL PUBLIC OFFERING OF GODEWIND IMMOBILIEN AG**

Godewind shares were admitted for trading on the Frankfurt Stock Exchange on 3 April 2018. Its market capitalisation came to EUR 435 million, based on the offer price of EUR 4.00 per share and a total of 108,750,000 shares in circulation.

The first day of trading was 5 April 2018. The shares in Godewind Immobilien AG have the International Securities Identification Number (ISIN) DE000A2G8XX3 and the German securities number (WKN) A2G8XX; they are listed on the Prime

Standard of Frankfurter Stock Exchange (FWB), on XETRA, and on the open markets of the stock exchanges in Munich and Stuttgart.

Deutsche Börse AG classified the share as follows:

Supersector: FIRE, Sector: Financial Services, Subsector: Real Estate, 702, Index: Classic.

At the close of the first trading day (XETRA) on 5 April 2018 the market capitalisation was EUR 408 million. Buoyed by the good overall mood on the German property market and the volatile performance of capital markets, the Godewind share has performed positively altogether since the IPO. On the basis of its first quoted price, the share outperformed both the DAX and the SDAX. The further development of the company's structures and the expectation of portfolio acquisitions meant that the Godewind share was received positively by both private and institutional investors. This was reflected in relatively high turnover on the stock exchange.

In the first half-year the German share index fluctuated widely against a background of economic worries, combined with the possibility of punitive import duties being imposed by the USA. The ongoing strong economic performance in the euro area and the low interest rates maintained by the European Central Bank (ECB) were only partly able to offset these effects, also because of further interest rate increases in the USA. The DAX recorded its high for the year to date on 23 January 2018, closing at 13,559.60 points. On the last trading day of the first half-year the index closed at 12,306.00 points – a decline of 4.73 per cent compared with year-end 2017. The SDAX index closed on 30 June 2018 at 11,949.64 points, an increase of 0.52 per cent.

Over the course of the first trading day the Godewind share fell to a low of EUR 3.40, but in the following weeks it climbed again steadily to reach EUR 3.80 on 29 June 2018. Its high for the year to date on XETRA was EUR 3.94 in the course of trading on 10 June 2018. In the first half-year the low was EUR 3.68 (based on XETRA closing prices) on 12 April 2018 and the high (also based on XETRA closing prices) was EUR 3.88 on 15 June.

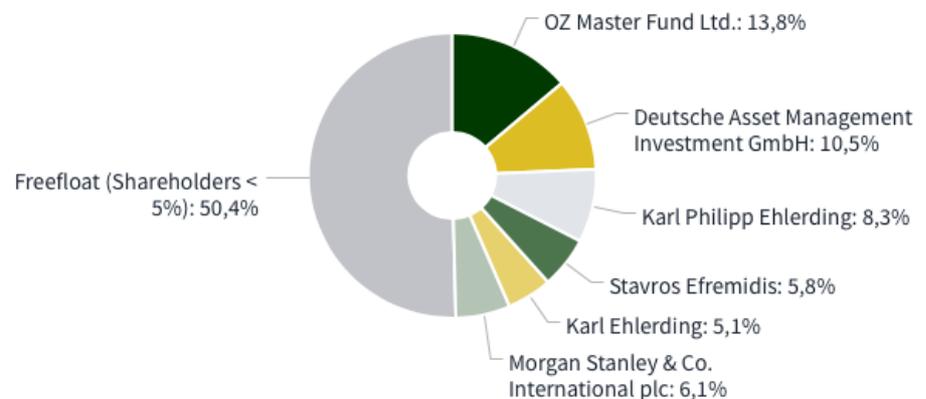
In the period from 5 April (first trading day) to 29 June (last trading day in the first half-year) the Godewind share outperformed the DAX and the SDAX by 1.3 and 1.5 per cent respectively. The company's market capitalisation based on the issue price at the IPO was EUR 435 million. As of 29 June 2018 it came to EUR 413.3 million.

## The Godewind share



Since trading started on 5 April an average of 126,250 company shares changed hands every day across all German exchanges. An average of 122,199 shares a day were traded via the electronic XETRA system; the total trading volume for all exchanges was 7,575,001 shares. This turnover only constitutes a relatively small part of all trading in Godewind shares, however, since around 75 per cent of the total trading volume took place outside the exchanges and in what are known as “dark pools”.

As of 29 June 2018 the shareholder structure of Godewind Immobilien AG was as follows: the free float came to 50.55 per cent. Alongside the CEO Stavros Efremidis, who holds 5.75 per cent of the Godewind shares, 13.79 per cent of voting rights are held by OZ Master Fund Ltd., 10.48 by Deutsche Asset Management Investment GmbH and 6.10 per cent by Morgan Stanley & Co. A further 5.06 Prozent are held by Karl Ehlerding, a member of the company’s Supervisory Board. Karl Philipp Ehlerding owns another 8.27 per cent.



Designated sponsors for the Godewind share are Oddo Seydler Bank AG, Baader Bank AG and J.P. Morgan Securities plc. Since its IPO the company has begun to

communicate with institutional and private investors, analysts, and the financial and business media. The financial press reported extensively on the Godewind flotation, emphasising in numerous articles its characteristics as a “cash-box IPO”, which is unusual for the German capital market.

The Godewind share is listed on the Regulated Market and the Prime Standard, the section of Deutsche Börse with the highest transparency requirements.

### 1.2.5. SHARE INFORMATION

International Securities Identification Number (ISIN)	DE000A2G8XX3
Securities Identification Number (WKN)	A2G8XX3
Number of shares 30 June 2018	108,750,000
Share type	Ordinary registered shares
Market segment	Regulated Market (Prime Standard)
Supersector	FIRE
Sector	Financial services
Subsector, Subsector code	Real Estate, 702
Index	CLASSIC
Exchanges	XETRA, Frankfurt (FWB), Dusseldorf, Munich, Berlin, Hamburg, Stuttgart
Ticker symbol	GWD
Primary listing	5 April 2018
Issue price	EUR 4.00
Periodical low (14 June 2018)	EUR 3.94
Periodical high (5 April 2018)	EUR 3.40
Market capitalisation (29 June 2018)	EUR 413,300,000

# MANAGEMENT REPORT

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## 2. INTERIM GROUP MANAGEMENT REPORT AS OF 30 JUNE 2018

### 2.1 GROUP BUSINESS MODEL

We are turning Godewind into one of the leading German commercial property companies. Our focus is on acquiring, structuring and managing commercial properties in Germany. With a flexible, highly cash flow generative business model, we intend to increase the value and profitability of our commercial properties continuously. Our objective is to deliver the highest quality and sustainable returns within the commercial property sector. This strong investor focus is a core element of our philosophy.

#### 2.1.1 BUSINESS MODEL

Godewind is a real estate company specialising in commercial properties in Germany. The Company focuses on building an attractive portfolio of commercial properties, with an emphasis on office buildings. As an active portfolio and asset manager, Godewind strives for sustainable increases in earnings and income, which are supplemented by the regular realisation of added value potential. In the medium term the aim is to build a portfolio of commercial properties of around EUR 3 billion with the help of its wide-ranging network and by means of value-added acquisitions.

#### 2.1.2 GOALS AND STRATEGY

The Company plans to acquire mixed property portfolios that are made up of at least 60% office space and approx. 20% commercial and logistics space. 'Other commercial space' may account for a further 20%. Godewind will use active portfolio management to align the acquired portfolios with the office property segment. Based on its internal portfolio and asset management, Godewind will manage commercial properties cost-effectively, enter into long-term tenancy agreements and realise the potential for capital appreciation.

## **2.2 FINANCIAL REPORT**

### **2.2.1 MACROECONOMIC SITUATION AND STATE OF THE GERMAN PROPERTY MARKET**

In macroeconomic terms, Germany performed well in the first half-year 2018. This also had an impact on the labour market. The unemployment rate fell in June by 0.5 percentage points on the year to 5.0 per cent. The number of people in work rose accordingly, from the already high figure of 44.8 million. This is the highest figure since German reunification.

These positive influences are also impacting the German property sector. Investment in the commercial property segment is higher than ever before. The market for office properties in particular is booming. Turnover in the first half-year 2018 was only just below the record figure set the previous year. In addition, the vacancy rate fell by 15 per cent compared with 2017 to 4.9 per cent. Rents were up by 7 per cent. The retail and logistics segments also performed well. Investment in the logistics segment was significantly lower than the previous year, but 2017 was marked by some unusually large transactions. The transaction volume in the logistics segment of around EUR 3 billion in the first half-year 2018 is the second highest in the past ten years.

### **2.2.2 COURSE OF BUSINESS**

The course of business was largely determined by the company's IPO on 05 April 2018. Thereafter the company continued its expansion in personnel and technical terms and conducted intensive negotiations to acquire its first portfolio. No revenue was generated in the reporting period as a result.

### **2.2.3 EARNINGS, ASSETS AND FINANCIAL POSITION**

The figures as of 30 June 2018 are not comparable with those for the previous year. The company's business in the previous year, which consisted partly of securities trading, was not continued in the reporting period. The company prepared for its IPO and began preparatory work for the management of its future property portfolio.

Earnings in the first half of 2018 were as follows:

Figures in EUR thousand	1.1. - 30.6.2018	1.1. - 30.6.2017
<b>EARNINGS</b>		
Other operating income	32	6
Staff expenses	-1,135	-12
Operating expenses	-1,184	-61
Depreciation and amortisation	-10	0
Financial result	8	380
Income taxes	-3,199	0
<b>Consolidated net income for the period</b>	<b>-5,488</b>	<b>313</b>

Consolidated net income as of 30 June 2018 was EUR -5,488 thousand (previous year: EUR 313 thousand), and resulted mainly from deferred tax liabilities for the costs of the capital increase, as well as higher staff and operating expenses. Both items reflect the restructuring of the company, the hiring of additional staff, the capital increase for cash in March 2018 and the flotation in April 2018.

As of the 30 June 2018 the company's assets were as follows:

Figures in EUR thousand	30.6.2018	31.12.2017
<b>Assets</b>		
Property, plant and equipment	37	0
Other non-current assets	984	95
Other current assets	431	344
Cash and cash equivalents	381,089	19,172
<b>Assets</b>	<b>382,541</b>	<b>19,611</b>
Equity	381,537	18,561
Other non-current liabilities	367	374
Trade liabilities	492	668
Other current provisions	86	0
Other current liabilities	59	8
<b>Equity and liabilities</b>	<b>382,541</b>	<b>19,611</b>

The main items of the balance sheet are cash and equity. Both increased significantly as a result of the capital increase.

The financial position at the end of the first half of 2018 was as follows:

Figures in EUR thousand	1.1. - 30.6.2018	1.1. - 30.6.2017
<b>Financial position</b>		
Cash flow from operating activities	-2,770	-109
Cash flow from investing activities	-284	4,833
Cash flow from financing activities	364,971	-1,994
Change in cash and cash equivalents	361,917	2,730
Cash at the beginning of the period	19,172	1,928
<b>Cash at the end of the period</b>	<b>381,089</b>	<b>4,658</b>

The financial position is dominated by the high cash flow from financing activities. The proceeds from the capital increase of EUR 375,000 thousand were reduced by transaction costs of EUR 10,029 thousand.

## 2.3 FORECAST

### FIRST ACQUISITIONS EXPECTED

Over the past few months, management has been intensively negotiating the acquisition of various portfolios. First acquisitions are expected within the next few months. In addition the company will continue to invest in mixed property portfolios, made up of around 60 per cent office space and around 20 per cent commercial and logistics properties. "Other commercial properties" may account for another 20 per cent.

Godewind will use active portfolio management to align the acquired portfolios with the office property segment. In the medium term the aim is to build a portfolio of commercial properties of around EUR 3 billion with the help of its wide-ranging network and by means of value-added acquisitions.

Since the IPO further acquisition opportunities have arisen for Godewind in the 'office' and commercial property segment. These opportunities result from the very positive response to the successful flotation. The first acquisitions are expected over the course of the coming months. Godewind will benefit from substantial tax loss carryforwards of EUR 180 million for corporation tax and EUR 175 million for trade tax, which will enable it to reduce its tax payments significantly in the years following the IPO. The company also has a tax deposit account of EUR 133 million.

## 2.4 OPPORTUNITIES AND RISKS

Opportunities arise from minimising vacancy rates and increasing rents for the portfolios that are to be acquired.

In terms of financing, the group can take advantage of low interest rates for acquisitions and may assume existing financing structures if they are on attractive terms.

Additional opportunities will arise from the use of the tax loss carryforwards. Further comments can be found in the management report under 1.1.

The property expertise of the Executive Board is largely decisive for successful investments. Here too the group can profit in future from advantageous investments.

On the basis of the positive forecasts for the German economy in the years ahead, the company assumes that it will be able to expand its portfolio according to plan and will be able to reduce vacancy rates.

In the course of its strategic restructuring, Godewind Immobilien AG has focused on the German office and retail property market and so is largely dependent on the performance of these markets and overall economic developments. The group must take account of the risks resulting from the letting business: vacancies, insolvencies of tenants and increases in the interest payable on borrowing. Reductions or defaults in rental income would impair the earnings of Godewind Immobilien AG.

# FINANCIAL STATEMENTS

## INTERIM FINANCIAL STATEMENTS

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### 3.1 CONSOLIDATED INTERIM BALANCE SHEET (IFRS) AS OF 30 JUNE 2018

Figures in EUR thousand	30.6.2018	31.12.2017
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	37	0
Payments on account for property, plant and equipment	247	0
Other assets	737	95
<b>Total non-current assets</b>	<b>1,021</b>	<b>95</b>
<b>Current assets</b>		
Other receivables and assets	431	344
Cash and cash equivalents	381,089	19,172
<b>Total current assets</b>	<b>381,520</b>	<b>19,516</b>
<b>Total assets</b>	<b>382,541</b>	<b>19,611</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Issued capital	108,750	15,000
Capital reserve	274,420	0
Retained earnings	-1,633	3,561
<b>Total equity</b>	<b>381,537</b>	<b>18,561</b>
<b>Non-current liabilities</b>		
Provisions for pensions and similar obligations	367	374
<b>Total non-current liabilities</b>	<b>367</b>	<b>374</b>
<b>Current liabilities</b>		
Trade liabilities	492	668
Other current provisions	86	0
Other current liabilities	59	8
<b>Total current liabilities</b>	<b>637</b>	<b>676</b>
<b>Total assets</b>	<b>382,541</b>	<b>19,611</b>

### 3.2 CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME (IFRS) FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2018

Figures in EUR thousand		1.1. - 30.6.2018	1.1. - 30.6.2017	1.4. - 30.6.2018	1.4. - 30.6.2017
Other operating income		32	6	-9	3
Staff expenses		-1,135	-12	-843	-6
Depreciation and amortisation		-10	0	-8	0
Other operating expenses		-1,184	-61	-810	-31
<b>Operating earnings</b>		<b>-2,297</b>	<b>-67</b>	<b>-1,670</b>	<b>-34</b>
Financial income		8	546	8	273
Financial expenses		0	-166	5	-83
<b>Financial result</b>		<b>8</b>	<b>380</b>	<b>13</b>	<b>190</b>
<b>Earnings before income tax</b>		<b>-2,289</b>	<b>313</b>	<b>-1,657</b>	<b>156</b>
Income tax		-3,199	0	-3,199	0
<b>Earnings for the period</b>		<b>-5,488</b>	<b>313</b>	<b>-4,856</b>	<b>156</b>
Earnings per share (undiluted/diluted)		-0.08	6.27	-0.04	3.12
Earnings for the period		-5,488	313	-4,856	156
Reclassification of unrealised gains from fair value measurement of securities to profit or loss		0	-300	0	-150
Other comprehensive income after tax		-5,488	13	-4,856	6
<b>Comprehensive income</b>		<b>-5,488</b>	<b>13</b>	<b>-4,856</b>	<b>6</b>
Average number of shares		64,205,801	50,000 (nominal value per share: EUR 10.00)	108,750,000	50,000 (nominal value per share: EUR 10.00)
<b>MEASURING AVERAGE NUMBER OF SHARES</b>	<b>DAYS</b>	<b>NUMBER OF SHARES</b>			
1.1. – 27.3.2018	86	15,000,000			
28.3 – 30.6.2018	95	108,750,000			
Final amount on 30.6.2018	181	<b>108,750,000</b>			

### 3.3 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (IFRS) FOR THE PERIOD 1 JANUARY TO 30 JUNE 2018

Figures in EUR thousand	Subscribed capital	Capital reserve	Fair value reserve	Total	Retained earnings/distributable profit	Total equity
<b>As of 01 January 2017</b>	<b>500</b>	<b>0</b>	<b>616</b>	<b>1,116</b>	<b>3,511</b>	<b>4,627</b>
Less costs of capital increase						
Proceeds of capital increase						
Earnings for the period					313	313
Other comprehensive income			-300	-300		-300
<b>As of 30 June 2017</b>	<b>500</b>	<b>0</b>	<b>316</b>	<b>816</b>	<b>3,824</b>	<b>4,640</b>
<b>As of 01 January 2018</b>	<b>15,000</b>	<b>0</b>	<b>0</b>	<b>15,000</b>	<b>3,561</b>	<b>18,561</b>
Proceeds of capital increase	93,750	281,250		375,000		375,000
Less costs of capital increase after tax		-6,830		-6,830		-6,830
Share-based remuneration					294	294
Earnings for the period					-5,488	-5,488
<b>As of 30 June 2018</b>	<b>108,750</b>	<b>274,420</b>	<b>0</b>	<b>383,170</b>	<b>-1,633</b>	<b>381,537</b>

### 3.4 CONSOLIDATED CASH FLOW STATEMENT (IFRS) FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2018

Figures in EUR thousand	1.1.-30.6.2018	1.1.-30.6.2017
Earnings for the period	-5,488	313
Net interest recognised in profit or loss	8	12
Depreciation and amortisation	10	
Elimination of gains/losses on disposals of securities and non-current assets	0	-393
Interest income	0	0
Interest expenses	0	-29
Other non-cash expenses (+) / income (-)	-330	2
Income tax payments	0	1
Deferred taxes	3,199	0
Changes in receivables and other assets	-87	3
Changes in payables and other liabilities	-82	-18
<b>Cash flow from operating activities</b>	<b>-2,770</b>	<b>-109</b>
Investment in intangible assets and property, plant and equipment	-284	0
Investment in securities	0	-5,282
Proceeds from the disposal of securities	0	10,115
<b>Cash flow from investing activities</b>	<b>-284</b>	<b>4,833</b>
Proceeds of capital increase	375,000	0
Payments for the cost of capital increase	-10,029	0
Payments for the repayment of liabilities to related parties	0	-1,994
<b>Cash flow from financing activities</b>	<b>364,971</b>	<b>-1,994</b>
Change in cash and cash equivalents	361,917	2,730
Cash at the beginning of the period	19,172	1,928
<b>Cash at the end of the period</b>	<b>381,089</b>	<b>4,658</b>

# NOTES

## 4. CONDENSED NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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## 4. CONDENSED NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

### 4.1 INFORMATION ABOUT THE COMPANY

The company's place of business is Frankfurt am Main. It is registered in the commercial register of the local district court under number HRB 111649.

The purpose of the company is the purchase and sale and management of domestic and foreign investments in properties and property companies, as well as the purchase and sale of properties, including their development, letting and leasing.

As of 30 June 2018 the group holds no investment properties or properties held for sale.

For the period from 1 January to 30 June 2018 the group reported consolidated net income of EUR -5,488 thousand (previous year: EUR 313 thousand). The result for the first half-year 2018 is largely determined by the expenses for the company's operating launch, restructuring and IPO at the beginning of April. Its balance sheet structure, particularly the liquidity of EUR 381,089 thousand (previous year: EUR 19,172 thousand) and equity of EUR 381,537 thousand (previous year: EUR 18,561 thousand) are primarily due to the successful capital increase completed in March 2018.

### 4.2 ACCOUNTING PRINCIPLES

#### PRINCIPLES OF PREPARING THE FINANCIAL STATEMENTS

The condensed consolidated interim financial statements (hereafter "interim financial statements") for the period from 1 January to 30 June 2018 were prepared in accordance with IAS 34 as applicable in the EU. The interim financial statements have not been audited or reviewed by an auditor.

These interim financial statements do not contain all the information and disclosures required for financial statements as of the financial year-end. They must therefore be read in combination with the company's separate IFRS financial statements as of 31 December 2017.

The interim financial statements were prepared in the reporting currency euro. Unless stated otherwise, all figures are rounded to the nearest thousand euros. In some cases this may result in rounding differences between the tables in these financial statements and the totals shown in the notes.

The results for the first six months to 30 June 2018 are not necessarily an indication of future earnings performance.

#### KEY ACCOUNTING STANDARDS

The accounting methods applied as of 31 December 2017, updated to include new standards, were used unchanged for the preparation of this interim report and the attached consolidated interim financial statements, consisting of the consolidated interim balance sheet, consolidated interim statement of comprehensive income, consolidated statement of changes in equity and the consolidated cash flow statement. The following IFRS standards are applicable for the first time on 01 January 2018.

Standard	Contents	Effective date for financial years beginning on or after
Changes to IFRS 4	Financial Instruments and Insurance Contracts	01 January 2018
IFRS 9	Financial Instruments	01 January 2018
IFRS 15	Revenue from Contracts with Customers	01 January 2018
Changes to IFRS 2	Share-based Payment	01 January 2018
IFRIC 22	Transactions in Foreign Currencies	01 January 2018
Changes to IAS 40	Transfers of Investment Property	01 January 2018

The newly effective standards did not have any significant effect on the interim financial statements.

A total of 4,464,000 share options were granted to the company's Executive Board members as of 01 May 2018. The fair value of one share option as of the grant date was EUR 1.605, as measured by means of a Monte Carlo simulation. This entailed simulating the log-normal distribution processes for the price of the Godewind share and the performance of the FTSE EPRA/Nareit developed Europe ex UK index, in order to track the absolute performance of the Godewind share and its relative performance compared with the index, as required by the performance targets.

The fair-value on the grant date of share-based payment agreements with employees is recognised as a staff expense, which increases equity accordingly, over the period in which employees acquire a vested interest in the bonus. The fair value of share-based payment bonuses subject to lock-up terms is measured as of the grant date, taking these terms into account; no adjustment is made for differences between expected and actual results.

## SCOPE OF CONSOLIDATION

The interim financial statements comprise the financial statements of the company and its subsidiary, Godewind Beteiligungsgesellschaft mbH, Frankfurt am Main, as of 30 June 2018. The separate financial statements of the subsidiary are prepared using the same accounting methods as of the same reporting date as the financial statements of the parent.

The parent drew up consolidated financial statements in line with IFRS for the first time in late January 2018 for the financial year 2017. Previous year figures are taken from the company's separate IFRS financial statements.

## JUDGEMENTS AND KEY ESTIMATES

Preparation of the interim financial statements requires the Executive Board to make judgements, estimates and assumptions concerning the application of accounting methods and the amounts of assets recognised. Actual results may differ from these estimates. Estimates and the underlying assumptions are reviewed regularly. Revised estimates are recognised prospectively.

## 4.3 SELECTED NOTES ON THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

### 4.3.1 STAFF EXPENSES

In connection with the launch of the new operating business, staff expenses increased significantly year on year, as expected. As of 30 June 2018 the company had 16 employees (previous year: two Executive Board members). Staff expenses include share-based remuneration of EUR 294 thousand (previous year: EUR 0).

### 4.3.2 OTHER OPERATING EXPENSES

This item principally relates to legal and advisory expenses, the proportion of the costs of the capital increase not recognised in equity and other expenses related to the relaunch and redevelopment of the company.

### 4.3.3 INCOME TAXES

This item relates solely to deferred taxes on the transaction costs for the capital increase.

## **4.4 SELECTED NOTES ON THE CONSOLIDATED BALANCE SHEET**

### **4.4.1 CASH AND CASH EQUIVALENTS**

The year-on-year increase in this item results from the cash capital increase. See also the additional disclosures in 1.3.3.

### **4.4.2 EQUITY**

Equity increased significantly. This is due to the successful capital increase. EUR 93,750,000.00 of the capital increase was carried out at a nominal price of EUR 4.00 per share. This generated gross proceeds for the company of EUR 375 million.

It increased the company's share capital by EUR 93,750,000 from EUR 15,000,000 to EUR 108,750,000.

Comprehensive income as of 30 June 2018 was EUR -1,633 thousand.

## **4.5 DISCLOSURES ON SEGMENT REPORTING**

### **SEGMENT REPORTING**

Godewind shares were admitted for trading on the Frankfurt Stock Exchange on 03 April 2018. The company has no operating segments. Reporting in line with IFRS 8 is therefore not required.

## **4.6 OTHER DISCLOSURES**

### **OTHER FINANCIAL OBLIGATIONS**

A tenancy agreement for an area of 694 sq m on the 28th floor of the Upper-West Building, Kantstraße 164, 10623 Berlin, has been signed for Godewind's offices in Berlin. The rental period begins on 01 January 2019 and runs for 10 years. The total rent over the contract term is EUR 5,000 thousand, including down payments on utilities and charges.

In addition, the company has two short-term serviced office contracts in Frankfurt am Main and Berlin. The notice period for the offices in Frankfurt am Main is five months to the end of a month. For the offices in Berlin the notice period is five months to the end of a month. Total expenses are EUR 74 thousand.

#### CONTINGENT RECEIVABLES AND CONTINGENT LIABILITIES

There were no contingent receivables or contingent liabilities as of 30 June 2018.

#### EMPLOYEES

As of 30 June 2018 the company had two Executive Board members (previous year: two Executive Board members) and 14 permanent employees (previous year: 0).

#### EXECUTIVE BOARD AND SUPERVISORY BOARD

As of 30 June 2018 the members of the Executive Board were:

Stavros Efremidis, Berlin (CEO)

Ralf Struckmeyer, Frankfurt am Main

As of 30 June 2018 the members of the company's Supervisory Board were:

Dr. Bertrand Malmendier, lawyer, Berlin (Chair)

Dr. Roland Folz, banker, Berlin (Deputy Chair)

Karl Ehlerding, managing director, Hamburg

#### RELATED PARTY DISCLOSURES

No disclosures are required in this regard.

#### **4.7 EVENTS AFTER THE REPORTING DATE**

For this purpose, no information is required.

## 5. STATEMENT BY THE STATUTORY REPRESENTATIVES

To the best of our knowledge, and in accordance with the applicable accounting principles for interim financial reporting, the condensed interim consolidated financial statements for the period from 1 January to 30 June 2018 present a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim management report presents a fair review of the development and performance of the business and the position of the Group, together with a description of the material risks and opportunities of the expected development of the Group.

Frankfurt am Main, 14 August 2018



Stavros Efremidis  
CEO



Ralf Struckmeyer  
CFO

## 6. SHARE INFORMATION AND FINANCIAL CALENDAR

### SHARE INFORMATION

International Securities Identification Number (ISIN)	DE000A2G8XX3
Securities Identification Number (WKN)	A2G8XX3
Number of shares 30. June 2018	108,750,000
Market segment	Prime Standard
Index	CLASSIC
Designated Sponsors	Oddo Seydler Bank AG, Baader Bank AG, JP Morgan
Exchanges	XETRA, Frankfurt (FWB), Freiverkehr Munich, Freiverkehr Stuttgart
Issue price	EUR 4.00
Market capitalisation based on issue price	EUR 435,000,000

### FINANCIAL CALENDAR

14 August 2018	Publication of Interim Report for H1 2018 as of 30 June 2018
14 November 2018	Publication of Interim Statement for Q3 2018

# LEGAL INFORMATION

## PUBLISHED BY

Executive Board of Godewind Immobilien AG

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Forward looking statements and forecasts in the report are estimates on the basis of currently available information. If the assumptions do not materialize, the results may also differ from the forecasts presented in the report.