



# CORESTATE

Capital Group

**9-Month Financial Report  
as of 30 September  
2019**

# Company Profile

CORESTATE Capital is a real estate investment manager and co-investor that acquires, develops and manages predominantly residential, micro-living, retail and office real estate in Germany and other parts of Europe. The Company offers real estate equity as well as debt products and had roughly € 26.4bn in assets under management at the end of September 2019.

The Company has undergone a deliberate transformation over the last few years, from a largely residential-focused investment management company to a diversified real estate group with a wide and committed client base of institutional, semi-institutional, Family Offices/UHNWI and retail investors. We are a one-stop shop offering property management services and related investment products for our clients, covering all major real estate asset classes and investment vehicles incl. real estate debt financing.

We respond to market trends where we see smart investment opportunities within the real estate sector and this has expanded both the type of investment properties we manage and the cities and countries where we operate. Alongside our portfolio diversification CORESTATE has made several corporate acquisitions that have brought additional depth and breadth also to our business model.

We operate from our principal offices in Germany, Switzerland, the UK and Spain employing 753 people (701 full-time equivalents) across 42 offices in 7 countries. CORESTATE is listed in the Prime Standard on the Frankfurt Stock Exchange (SDAX).

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# Key Figures

	<b>01.01.2019– 30.09.2019</b>	01.01.2018– 30.09.2018
Aggregate Revenues & Gains (€ m) <sup>1</sup>	185.6	224.3
EBITDA (€ m)	100.1	128.4
EBITDA Margin	53.9%	57.3%
Adjusted Net Profit (€ m) <sup>2</sup>	67.6	103.6
Net Profit (€ m) <sup>3</sup>	51.3	80.4
Earnings per Share (undiluted) (€)	2.42	3.78

	<b>30.09.2019</b>	31.12.2018
Number of shares outstanding	21,174,417	21,329,417
Net Financial Debt Position (€ m)	482.8	387.7
Net Financial Debt / EBITDA <sup>4</sup>	2.8x	2.1x
Assets under Management at End of Period (€ bn)	26	25
Number of Employees at End of Period (FTE)	701	675

<sup>1</sup> Aggregate Revenues & Gains include Revenue from Real Estate Investment Management, Share of Profit and Loss from Associates and Joint Ventures, Dividends from other Alignment Capital and Total Income from Real Estate Operations / Warehousing.

<sup>2</sup> Adjusted Net Profit is calculated based on the Net Profit for the period, net of (deferred) tax effects and depreciation mainly resulting from purchase price allocations (capitalized asset management contracts).

<sup>3</sup> Net Profit post minorities

<sup>4</sup> Midpoint of financial guidance of € 170m EBITDA.

# Letter to Our Shareholders

Dear Shareholders, Ladies and Gentlemen,

We can proudly look back on a successful nine-month period. Our existing and our new businesses are running very well and our broad-based client offensive is paying off. We have been able to acquire several new institutional clients and, as planned, have placed a major share of our warehousing assets with investors.

As a result, our operating business is growing dynamically. As of 30 September 2019, our real estate assets under management increased organically by more than 7%. We will continue to pursue this growth course and are highly confident that we will achieve an annual organic increase of 5 to 10% also in the medium term. And, as a result of the strong business development, we managed to already reduce our short-term net debt by around € 140m in the last few months. Thus, our financial leverage, the ratio of net financial debt to our mid-point EBITDA guidance, stood at 2.8x at the end of September 2019 and will be reduced further till year's end.



## Leading provider of fully integrated real estate solutions

We attribute these encouraging results also to our strategy of further internationalizing both our assets and our customer base. In the course of the reporting period, we have expanded our institutional client range significantly due to our attractive and innovative product offering. Among the new customer are a major international multi-asset manager from the USA, one of the top ten global asset managers from Europe and one of the largest German life insurance groups. In addition, we expanded our market position amongst savings banks and pension funds.

We also received very positive feedback from key market players during this year's EXPO REAL, one of the world's most important real estate trade fairs. For example, a lot of institutional investors told us that they are willing to partner with CORESTATE as we are able to structure our products according to ESG criteria. There is a growing demand for ESG-compliant products, and we are a pioneer in this field. Accordingly, we have implemented a Group-wide ESG investment guideline that provides detailed quantified information on where and how ESG criteria are taken into account when buying, holding and selling real estate properties.

Right at the beginning of the third quarter 2019, we have signed the contract to acquire the French real estate investment manager STAM Europe. STAM manages around € 1.9bn from international institutional investors focusing on French real estate. With this step we significantly expanded our product range on a regional basis in the highly attractive French market and have added a new asset class to our existing offer – an attractive logistics portfolio offering us significant organic growth impulses.

## Strong position in the attractive European micro-living and private debt market supplemented with constant product innovation and convincing pipeline

We announced at the Capital Markets Day in September several expansion milestones for our micro-living portfolio in major German cities, such as Berlin, Hamburg and Cologne. Moreover, our international expansion of micro-living activities in Southern, Central and Northern European metropolises has gained massive momentum. In Spain, for example, we already have six micro-living projects with a capacity of around 2,000 beds.

In line with our strategic approach to constantly advancing our product range, we have entered a new category – “urban district developments” – by investing in a large mixed-use project in Cologne.



Another example of what our teams are currently working on: We are developing several new products that build on demographic changes, e.g. a fund called "living circle" which offers operated housing assets covering all phases of life, from the crib through serviced apartments to senior citizen homes and assisted living as a one-stop concept based on our key strength as asset and property manager.

Also, Helvetic Financial Services (HFS) AG, a wholly-owned subsidiary of CORESTATE, is working on new products. The mezzanine finance provider will expand the private debt product range for real estate financing in major cities in Germany. The new "whole loan" is to offer a significantly enhanced added value and a new risk-return profile, thus providing access to new investor groups. The mezzanine business of HFS showed once again in the third quarter fully-committed fund volumes, a stable project pipeline and demand from clients and investors alike and thus keeps the interest rate level at above 19%.

### Well on track to achieve the targets for 2019

Our key financials for the first nine months of the year are fully in line with our expectations: Aggregated revenues and gains reached € 185.6m and EBITDA came in at € 100.1m. In addition, our scheduled numerous client transactions until end of 2019 will enhance our revenues from real estate investment management in the fourth quarter significantly. Hence, we are very well on track to reach our guidance for the full-year 2019. We continue to expect aggregated revenues and gains in a range between € 285m to € 295m, an EBITDA of € 165m to € 175m as well as an adjusted Net Profit of between € 130m and € 140m. Our current sourcing pipeline of around € 6bn with one quarter in advanced contractual stage indicates the growth potential of CORESTATE. And we will further reduce our financial leverage by year's end.

Ladies and Gentlemen, you see that CORESTATE is moving in the right direction and we would be pleased, if you join us on our growth course.

**Lars Schnidrig**  
Chief Executive Officer

**Thomas Landschreiber**  
Chief Investment Officer

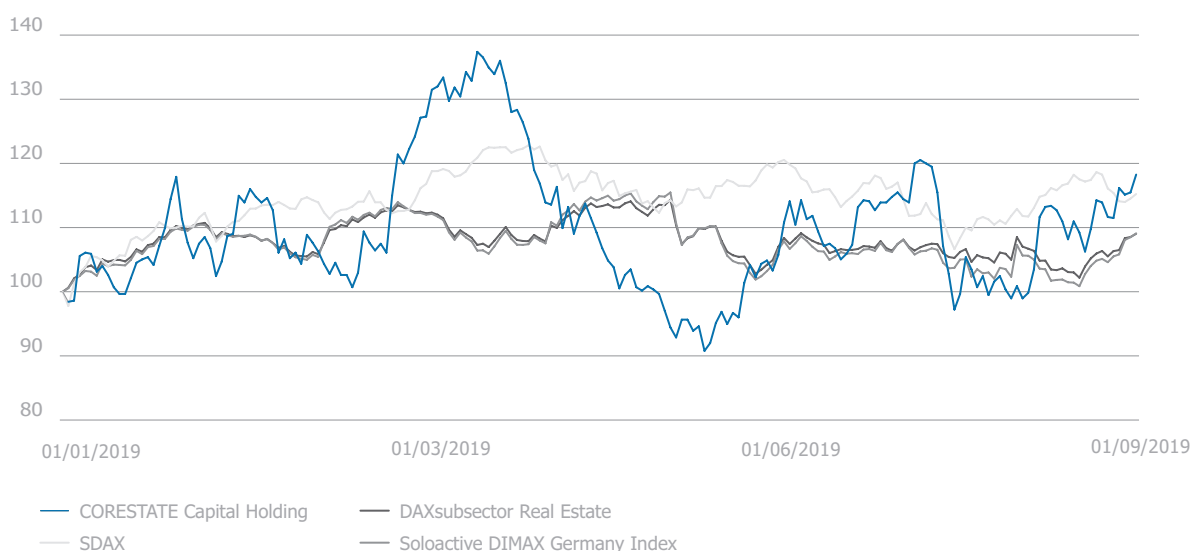
# The CORESTATE Share

## Share price development

The CORESTATE shares started the third quarter at a price of € 30.40 and reached its period high of € 35.40 on 07 August 2019. This represents an increase of 16.5%. On 15 August 2019, the share traded at its period low of € 27.60. However, it was able to correct upwards again and closed at € 33.80 at the end of the quarter. Thus, the shares went up nearly 12.5% during the third quarter. On average, 51.815 CORESTATE shares were traded on Xetra during this period reflecting the typical reduction in volume during the summer break.

The SDAX, of which CORESTATE has been a member since March 2018, showed an adverse performance of around minus 3.1% between July and September 2019.

## Share Price Development till September 2019 in %



## Capital Markets Day

On 12 September 2019, CORESTATE held its second Capital Markets Day, in Frankfurt, once again showing a lot of interest from investors and analysts. The speakers, including CORESTATE management, not only gave some more insight into financial development and financial strategy, but CEO Lars Schnidrig gave clear commitments to financial discipline, sustainability, organic growth perspectives, shareholder return and consolidation of the market.

**Basic Share Data**

WKN / ISIN	A141J3 / LU1296758029
Ticker symbol / Reuters code	CCAP
Trading segment	Prime Standard
Stock exchange	Frankfurt
Type of stock	No-par value bearer shares
First day of trading	4 Oct 2016
Number of shares as of 30 September 2019	21,174,417
Free float as of 30 September 2019	63.6% (including 3.7% held by Company Management)
Share price as of 28 December 2018	€ 30.30
Share price as of 30 September 2019	€ 33.80
Change in percentage	11.6%
Period high	€ 39.15
Period low	€ 25.95
Distribution for fiscal year 2018	€ 2.50

**Financial Calendar 2020**

CORESTATE publishes its financial calendar for 2020 as follows:

Preliminary results for FY 2019	25 February 2020
Annual financial report 2019	24 March 2020
Annual General Meeting	29 April 2020
Q1 2020 financial report	12 May 2020
H1 2020 financial report	11 August 2020
Capital Markets Day	10 September 2020
Q3 2020 financial report	11 November 2020

# *Interim Group Management Report*

## *CORESTATE Capital Holding S.A., Luxembourg*

### **Preliminary Remarks**

The interim management report and consolidated financial statements of CORESTATE Capital Holding S.A. (hereinafter "CORESTATE" or "the Company") cover the reporting period from 1 January 2019 until 30 September 2019, unless otherwise indicated. Information on market and product offering developments pertains to 9M 2019 as well, unless otherwise indicated.

The interim financial statements have not been subject to external review or audits. Certain statements contained herein may be statements of future expectations and/or other forward-looking statements that are based on our current views and assumptions. These involve known and unknown risks and uncertainties that may cause actual results, performance or events to differ materially from those expressed or implied in such statements. CORESTATE does not intend and does not undertake any obligation to revise these forward-looking statements.

### **Market Development**

The market environment of CORESTATE's business remained positive in the first nine months of 2019 despite signs of economic slowdown. The German real estate investment market showed a strong third quarter with transaction volume increasing quarter-on-quarter as well as year-over-year. Given the persistently low interest rates, the limited investment alternatives versus the strong demand from large institutional investors, such as pension schemes and insurers, for stable and yielding investments as well as the reputation of the German real estate market as a "safe haven", 2019 is set to be another promising year for real estate investments. For the last quarter of 2019, there are no signs of a slowdown in activity. In view of these current dynamics, experts consider a real estate transaction volume of € 75 bn in Germany for the year as a whole to be realistic.

Also, on a European level, the market conditions remain in very good shape. According to the European real estate market outlook by Aberdeen Standard Investments (Q1/2019), the real estate sector is a little bit more challenging but the overall outlook for 2019 remains positive because the demand is still on a high level.

### **Business and Product Offering Development**

In Q3 as well as in October 2019, CORESTATE continued to work successfully on its business and product offering and broadened its footprint in the market. At the end of September 2019, CORESTATE had total assets under management of roughly € 26.4bn; the core business, real estate assets under management, comprised € 22.1bn. At the end of June 2019, these figures were lower, standing at € 26bn and € 21.6bn. At the end of 2018, assets under management amounted to € 25.3bn and real estate assets under management to € 20.7bn.

Respective activities include:

- Placement of an office property in Düsseldorf for a public AIF designed for foundations. As part of this successful cooperation, a new and long-term agreement to cooperate was concluded with Baden-Württembergische Equity GmbH.
- Acquisition of a property in Barcelona near Universitat Politècnica de Catalunya (UPC) to develop another Micro Living project in Spain. The total investment volume sums up to around € 230m. It is the sixth property of this asset class that CORESTATE has secured in Spain.



- Acquisition of the “Tempelhof Twins” in Berlin, a first-class value-added office property with a total investment volume of around € 86m. The transaction will be structured as a joint venture between Metropolitan Real Estate, the global real estate multi-manager arm of the Carlyle Group and a fund of the Bluerock Group.
- Acquisition of a micro apartment complex in Cologne-Deutz for the special BVK-Residential Europe real estate fund of Bayerische Versorgungskammer (BVK). The core property under development has a total investment volume of approx. € 60m.
- Hannover Leasing, a CORESTATE Capital Group company, advised Amundi Real Estate on behalf of its funds for the acquisition of the office and retail property Marnix in Brussels from a group of international investors.
- Acquisition of a plot of land in Salamanca, Spain, to build a student apartment building. The property will be operated under the CORESTATE brand Youniq. The total investment costs of the project will amount to around € 25m.

CORESTATE is recording strong growth in its open special “CORESTATE Opportunity Deutschland I”. Since its launch in September 2018, the fund for residential and commercial real estate, which is primarily aimed at institutional investors, has raised a total of around € 250 million in equity. The fund volume is expected to rise to nearly € 600m in the further course of the year 2019 as a result of property purchases that have already been secured. Therefore, the fund is well on the way to achieving its target volume of € 800m.

At the beginning of July, CORESTATE announced that it has signed the contract to acquire the French real estate investment management firm STAM Europe. STAM was founded in 1997 and manages around € 2bn from international institutional investors focusing on the French real estate market and the asset classes office, logistics, residential and retail. Closing of the transaction is expected to take place in the fourth quarter of 2019.

As part of its comprehensive ESG strategy, CORESTATE has launched the women's initiative “CORESTATE Women”. The aim is to recruit, develop and retain talented women as well as build an inclusive community to foster networking and growth. In the context of this initiative CORESTATE became a partner in FONDSFRAUEN, the regionally focused business network for women in asset management and finance.

CORESTATE's real estate debt finance branch HFS showed once again stable contributions to our results as their underlying business is running very well with interest rates above 19%, fully-committed funds of around € 1.25bn and tangible pipeline of financing projects for the upcoming quarters.

The CORESTATE subsidiary Hannover Leasing has opened an office in Amsterdam to meet the strong local customer demand. The office focuses on the management of properties and tenants in the Netherlands in cooperation with an asset management team in Pullach. The respective property portfolio volume currently amounts to € 1.5bn and is expected to grow in the future. Hannover Leasing has long-standing expertise in office properties in the BeNeLux countries. The establishment of a further office in Belgium is planned for 2020.

## Results of Operations

In general, the nine months 2019 figures were mainly driven by the continuously excellent market environment with the usual seasonality of our business. The once again growing client demand for our products and offerings led to the typical financial exposure in the first half of a year, and we will – also once again – harvest the fruits of this in the last three months of 2019, also from a range of new products that will be brought to the market.

Consolidated Total Revenues of the Group (including total revenues from real estate investment management, net rental income, revenue from service charges from real estate operations and warehousing and income from other warehousing activities) was at € 156.8m.

## Aggregate Revenues and Gains by Income Lines

Including the share of profit and loss from associates and joint ventures, dividends from other alignment capital and net gain from selling property holding companies, the Group's aggregate revenues and gains were at € 185.6m (9M/2018: € 224.3m).

€ thousand	9M/2019	9M/2018
Revenue from Acquisition Related Fees	23,999	31,719
Revenue from Asset and Property Management*	103,631	99,097
Revenue from Promote Fees realised	-	169
Net Rental Income	9,393	13,791
Revenue from Service Charges	4,689	310
Income from other Warehousing activities	15,135	6,341
<b>Consolidated Total Revenues of the Group</b>	<b>156,847</b>	<b>151,427</b>
Share of Profit and Loss from Associates and Joint Ventures	7,526	11,239
Dividends from other Alignment Capital	6,665	9,820
Gains/losses from fair value measurement of financial instruments related to real estate	5,669	-
Net Gain from Selling Property Holding Companies	8,852	51,815
<b>Aggregate Revenues and Gains</b>	<b>185,559</b>	<b>224,301</b>

\* including € 38.9m Coupon Participation Fee (9M/2018: 41.7m)

## Real Estate Investment Management

The Real Estate Investment Management segment generated the biggest revenues, which was € 127.6m and € 131.0m in 9M/2018.

The change in Acquisition Related Fees (€ 31.7m in 9M/2018, € 24.0m in 9M/2019) was mainly a result of a large acquisition fee received from a new asset management contract beginning of 2018. The Company expects the Earnings from Real Estate Investment Management to pick up significantly in the fourth quarter of 2019 from typical seasonal impacts on acquisition related fees and promote fees.

Revenues from Asset and Property Management increased to € 103.6m from € 99.1m in 9M/2018. With its recurring fee pattern, this revenue portion underlines the sustainable growth of the business driven by the ongoing demand-supply gap in the German residential market.

## Real Estate Operation and Warehousing

The total income contribution from Real Estate Operations and Warehousing was € 38.1m (9M/2018: € 72.3m). In the first nine months of 2018, net rental income was significantly higher than usual, driven by three trophy assets in our warehousing ("Stadttor", "Danone Research Center" and "Kronberg") which were sold in 2018. In 2019 the company is back to stable business activities on a continuously high level.

Around € 15.1m as 'income from other warehousing activities' stem primarily from client driven bridge financing for the private debt funds of HFS (9m 2018: € 6.3m).

Real Estate Operation and Warehousing delivered earnings of € 21.3m (9M/2018: € 54.0m).

## Alignment Capital Management

Mainly as a result of the strong market performance, the share of profit from associates and joint ventures was € 7.5m compared to € 11.2m in 9M/2018, the dividends from other alignment capital amounted to € 6.7m compared to € 9.8m in 9M/2018. Gains/losses from fair value measurement of financial instruments related to real estate were € 5.7m.

Total revenues from Alignment Capital stood at € 19.9m compared to € 21.1m in 9M/2018.

## Earnings and Adjusted Earnings

The comparison of 2019's Q3 and previous year's Q3 needs to be exercised with caution as CORESTATE sold three trophy assets last year between July and September, so this special earnings effect needs to be counted out.

The growth of the Group resulted in higher total expenses (excluding financial expenses, as well as depreciation and amortization) at € 101.7m (9M/2018: € 98.7m). G&A expenses of more than € 17m showing the impact of higher M&A activities, rising regulatory-driven back- and middle office costs and a special payment for an advanced termination of an advisory contract.

The Group EBITDA came out at € 100.1m compared to € 128.4m in 9M/2018.

Depreciation and amortization were characterized by the depreciation of around € 25.3m (9M/2018: € 19.3m) mainly resulting from purchase price allocations of HFS, ATOS, HL and CRM (capitalized asset management contracts).

The financial result came out at € -15.2m for 9M 2019 (9M/2018: € -17.5m). The decrease was predominantly driven by positive accounting effects from derivatives in 2018 and by additional financings from warehousing activities in 2019.

The Group's Net Profit stands at € 51.3m, which translates into Earnings per Share of € 2.42 (9M 2018: € 3.78).

Adjustments only occur on Net Profit level, comprising € 18.8m from management contracts, € -2.5m from deferred tax assets and € 0.1m from non-controlling interests. Adjusted Net Profit was at € 67.6m (9M/2018: 103.6m).

€ thousand	9M/2019	9M/2018
<b>Reported EBITDA</b>	<b>100,094</b>	<b>128,441</b>
Management Board Realignments	-	6,770
Ancillary Projects	-	1,804
<b>Adjusted EBITDA</b>	<b>100,094</b>	<b>137,015</b>
<b>Reported Net Profit</b>	<b>51,262</b>	<b>80,437</b>
Management Board Realignments	-	6,770
Ancillary Projects	-	1,804
Depreciation of Asset Management Contracts	18,832	16,618
Deferred Tax Assets	-2,530	-2,231
Non-Controlling Interests	64	155
<b>Adjusted Net Profit</b>	<b>67,628</b>	<b>103,554</b>

## Balance Sheet

As of 30 September 2019, total assets amounted to € 1,435.7, an increase of 3.2% compared to the figure as of 31 December 2018 (€ 1,390.7m).

Total non-current assets amounted to € 1,083.3m (end of 2018: € 984.9m), the largest component of which is the goodwill created mainly in association with the acquisition of HFS, HL, ATOS and CRM with € 567.1m (end of 2018: € 567.1m).

Total current assets were at € 352.4m as of 30 September 2019 versus € 405.8m as of 31 December 2018. The decrease is mainly attributed lower cash and cash equivalents as of 30 September 2019. The balance sheet positions Inventories and short-term Assets are at a higher level and will go down again in the upcoming months driven by further placements with a corresponding positive impact on our fee revenues.

Total equity amounted to € 609.1m at 30 September 2019 (end of 2018: € 620.9m). The equity ratio of CORESTATE was 42.4% as of 30 September 2019, compared with 44.7% at the end of 2018.

The increase in current and non-current liabilities from € 769.7m to € 826.6m is mainly due to short-term, warehousing and project-related loans.

The total financial liabilities stood at € 587.1m as of 31 December 2018 and at € 598.4m as of 30 September 2019, net financial debt (including Cash and Cash Equivalents as well as Restricted Cash) at € 482.8m. The leverage ratio of 2.8x (ratio of Net Debt to EBITDA<sup>1</sup>) was mainly influenced by the seasonal effects related to placements of warehousing assets as well as structured assets held for sale with its underlying financial debt structures.

## Material Events after the Reporting Date

none

## Outlook

Against the background of our strong transaction pipeline for Q4 and the decent business development in the first nine months, we confirm our financial outlook for the full year 2019 with aggregate revenues and gains of € 285 to 295m, EBITDA of € 165 to 175m and adjusted Net Profit of € 130 to 140m.

Luxembourg, 11 November 2019

<sup>1</sup> Midpoint of financial guidance 2019 of € 170m EBITDA

*Unaudited Interim Condensed  
Consolidated Financial Statements  
for the period from  
1 January to 30 September 2019*

*CORESTATE Capital Holding S.A.,  
Luxembourg*

**INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION****ASSETS**

€ thousand	<b>unaudited 30.09.2019</b>	<b>audited 31.12.2018</b>
<b>Non-Current Assets</b>		
Property, Plant and Equipment	35,126	18,833
Other Intangible Assets	115,234	132,424
Goodwill	567,117	567,124
Investment in Associates and Joint Ventures	116,252	87,975
Other Financial Instruments	148,083	93,715
Long-term Receivables	48,054	54,467
Long-term Loans to Associates	35,781	8,169
Deferred Tax Assets	17,653	22,213
<b>Total Non-Current Assets</b>	<b>1,083,302</b>	<b>984,920</b>
<b>Current Assets</b>		
Advance Payments	5,031	13,780
Other short-term Financial Instruments	2,617	118
Inventories	115,664	91,769
Structured Assets held for Sale	-	-
Receivables from Associates	8,477	7,452
Trade Receivables	52,242	32,511
Other short-term Receivables	9,938	7,498
Contract Assets	26,832	12,731
Current Income Tax Assets	1,351	1,706
Other Short-term Assets	14,617	41,271
Restricted Cash	2,512	2,498
Cash and Cash Equivalents	113,141	194,424
<b>Total Current Assets</b>	<b>352,424</b>	<b>405,758</b>
<b>TOTAL ASSETS</b>	<b>1,435,726</b>	<b>1,390,678</b>

## INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

### EQUITY AND LIABILITIES

€ thousand	unaudited 30.09.2019	audited 31.12.2018
<b>Equity</b>		
Share Capital	1,587	1,600
Other Reserves	557,691	515,984
Net Profit/(Loss) for the Period	51,326	104,632
Equity attributable to shareholders of parent company	610,603	622,216
Non-controlling Interests	(1,457)	(1,267)
<b>Total Equity</b>	<b>609,147</b>	<b>620,949</b>
<b>Non-Current Liabilities</b>		
Other long-term Provisions	2,589	6,040
Long-term Financial Liabilities to Banks	17,411	69,683
Other Long-term Financial Liabilities	524,376	514,484
Deferred Tax Liabilities	19,357	23,328
Other non-current Liabilities	24,306	12,537
<b>Total Non-Current Liabilities</b>	<b>588,039</b>	<b>626,072</b>
<b>Current Liabilities</b>		
Other Short-term Provisions	23,843	33,443
Short-term Financial Liabilities to Banks	56,624	468
Other Short-term Financial Liabilities	-	2,479
Short-term Liabilities to Shareholders	11	-
Short-term Liabilities to Associates	5,047	821
Trade Payables	9,609	11,664
Current Income Tax Liabilities	44,419	42,706
Other Current Liabilities	98,987	52,077
<b>Total Current Liabilities</b>	<b>238,540</b>	<b>143,657</b>
<b>SUBTOTAL LIABILITIES</b>	<b>826,579</b>	<b>769,729</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,435,726</b>	<b>1,390,678</b>

# **INTERIM CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME**

€ thousand	<b>unaudited 01.01.2019– 30.09.2019</b>	<b>audited 01.01.2018– 30.09.2018</b>
Revenue from Acquisition Related Fees	23,999	31,719
Revenue from Asset and Property Management	103,631	99,097
Revenue from Promote Fees realised	-	169
<i>Total Revenue from Real Estate Investment Management</i>	<i>127,630</i>	<i>130,985</i>
Management Expenses	(61,882)	(51,710)
<i>Total Expenses from Real Estate Investment Management</i>	<i>(61,882)</i>	<i>(51,710)</i>
<b>Total Earnings from Real Estate Investment Management</b>	<b>65,748</b>	<b>79,275</b>
Share of Profit or Loss from Associates and Joint Ventures	7,526	11,239
Dividends from other Alignment Capital	6,665	9,820
Gains/losses from fair value measurement of financial instruments related to real estate	5,669	-
Expenses from Management of Associates and Joint Ventures	(5,947)	(7,792)
<b>Total Earnings from Alignment Capital Management</b>	<b>13,913</b>	<b>13,268</b>
Net Rental Income	9,393	13,791
Revenue from Service Charges	4,689	310
Net Gain from Selling Property Holding Companies/Inventories	8,852	51,815
Income from other Warehousing activities	15,135	6,341
<i>Total Income from Real Estate Operations/Warehousing</i>	<i>38,069</i>	<i>72,257</i>
<i>Expenses from Real Estate Operations/Warehousing</i>	<i>(16,769)</i>	<i>(18,278)</i>
<b>Total Earnings from Real Estate Operations/Warehousing</b>	<b>21,300</b>	<b>53,979</b>
General and Administrative Expenses	(17,130)	(20,914)
Other Income	16,264	2,833
<b>Earnings before Interest, Taxes, Depreciation and Amortisation (EBITDA)</b>	<b>100,094</b>	<b>128,441</b>
Depreciation and Amortisation	(25,293)	(19,302)
<b>Earnings before Interest and Taxes (EBIT)</b>	<b>74,802</b>	<b>109,139</b>
Financial Income	10,638	8,739
Financial Expenses	(25,862)	(26,226)
<b>Earnings before Taxes (EBT)</b>	<b>59,577</b>	<b>91,652</b>
Income Tax Expense	(8,315)	(11,215)
<b>Net Profit/(Loss) for the Period</b>	<b>51,262</b>	<b>80,437</b>
of which attributable to equity holders of parent company	51,326	80,593
of which attributable to non-controlling interests	(64)	(155)
<b>Total Revenues <sup>1</sup></b>	<b>156,847</b>	<b>151,427</b>
<b>Total Expenses <sup>2</sup></b>	<b>(101,728)</b>	<b>(98,694)</b>

<sup>1</sup> not including Share of Profit or Loss from Associates, Net Gain from Selling Property Holding Companies and not Dividends from other Alignment Capital

<sup>2</sup> excluding Financial Expenses and Depreciation and Amortization



€ thousand	unaudited 01.01.2019– 30.09.2019	audited 01.01.2018– 30.09.2018
Earnings per Share (in €):		
Basic, Profit for the Year attributable to Ordinary Equity Holders of the Parent	2.42	3.78
Diluted, Profit for the Year attributable to Ordinary Equity Holders of the Parent	2.40	3.78
<b>Net Profit/(Loss) for the Period</b>	<b>51,262</b>	<b>80,437</b>
<b>Other Comprehensive Income (in k€)</b>		
Other Comprehensive Income to be Reclassified to Profit or Loss in Subsequent Periods (Net of Tax):		
Exchange differences on translation of foreign operations	(915)	(2,816)
Income tax effect	-	694
Net (loss)/gain on cash flow hedges	-	182
Income tax effect	-	-
Net (Loss)/Gain on Available-for-sale financial instruments	-	-
Income Tax Effect	-	(117)
Net Other Comprehensive Loss to be Reclassified to Profit or Loss in Subsequent Periods	(915)	(2,057)
Other Comprehensive Income not to be Reclassified to Profit or Loss in Subsequent Periods (Net of Tax):		
Net (Loss)/Gain on Financial Assets (Equity Instruments)	-	(908)
Income Tax Effect	-	26
Remeasurement Gains (Losses) on Defined Benefit Plans	-	-
Income Tax Effect	-	-
Net other Comprehensive Income/(Loss) not to be Reclassified to Profit or Loss in Subsequent Periods	-	(882)
<b>Other Comprehensive Income/(Loss) for the Period, Net of Tax</b>	<b>(915)</b>	<b>(2,939)</b>
<b>Total Comprehensive Income for the Period, Net of Tax</b>	<b>50,347</b>	<b>77,498</b>
of which attributable to equity holders of parent company	50,411	77,653
of which attributable to non-controlling interests	(64)	(155)

# *Imprint*

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