Jahresbericht
2013

Gutburg
Immobilien

Über Gutburg Immobilien

Gutburg Immobilien umfasst ein Immobilienportfolio von rund 8 500 Wohneinheiten mit einer Gesamtfläche von 516 372 m^2 in Brandenburg (Havel), Cottbus, Görlitz, Halle (Saale), Leipzig, Markneukirchen, Plauen, Schwerin und Schmalkalden. Rund die Hälfte der vermietbaren Fläche und der Mieteinnahmen entfallen auf die Objekte in Leipzig. Die Gutburg Immobilien S.A. wurde am 30. Mai 2013 gegründet und hat im Rahmen einer Rekapitalisierung per 8. Juli 2013 94.9% der Perseus Gruppe übernommen, die seit 31. März 2008 im Besitz des Wohnimmobilienportfolios ist.

Kennzahlen im Überblick

Gutburg finanzielle Kennzahlen

		31. Dezember 2013	31. Dezember 2012
Umsatz aus Vermietung	EUR	22 634 456	22 118 028
Betriebsergebnis	EUR	13 209 036[1]	14 103 336
Jahresgewinn	EUR	5 744 271[1]	6 900 433
Bereinigter Jahresgewinn	EUR	2 642 010[1]	5 876 678
Total Aktiven	EUR	273.28 Mio.	266.26 Mio.
Bereinigtes Eigenkapital	EUR	72.81 Mio.	57.30 Mio.
Bereinigte Eigenkapitalquote	%	26.64%	21.52%
Wert Immobilien	EUR	267.6 Mio.	260.8 Mio.
Ausstehende Hypotheken	EUR	151.8 Mio.	164.0 Mio.
Verschuldungsgrad	%	56.7%	62.9%

[1] nach Einmalkosten im Zusammenhang mit Restrukturierung und Refinanzierung

Gutburg Kennzahlen zur Aktie

		31. Dezember 2013
Anzahl ausstehende Aktien		271 866
Nominalwert pro Aktie	EUR	20.00
Buchwert pro Aktie[2]	EUR	255.82

[2] basierend auf dem bereinigten und den Gutburg-Aktionären zurechenbarem Eigenkapital

Angaben zur Obligationenanleihe 2013–2018

Ausstehender Betrag CHF 55 Mio., Stückelung CHF 5 000.00, Laufzeit 8. Juli 2013–8. Juli 2018, Coupon 4.75%
Kotiert an der SIX Swiss Exchange unter der Valoren-Nr. 21 181 638, Symbol GUT13, ISIN CH0211816381

Inhalt

Gutburg Immobilien mit stabiler neuer Basis und positiver Entwicklung

Sehr geehrte Aktionäre und Obligationäre, geschätzte Geschäftspartner

Die Gutburg Immobilien S.A. (nachfolgend „Gutburg Immobilien") verzeichnete im Berichtsjahr 2013 einen weiterhin erfreulichen Geschäftsgang und verfolgte ihre Strategie, die Attraktivität des angebotenen Wohnraums laufend zu erhöhen, konsequent weiter. Zudem wurde im ersten Halbjahr mit der Schaffung einer neuen Firmenstruktur und einer umfassenden Refinanzierung eine solide Basis für die weitere Entwicklung der Gesellschaft gelegt.

Die erzielten Mieterträge konnten während des Jahres 2013 um 2.3% auf EUR 22.6 Mio. gesteigert werden, wobei sich die monatliche Nettokaltmiete zum Ende der Berichtsperiode auf EUR 1.92 Mio. erhöhte und damit hochgerechnet auf 12 Monate bei EUR 23.0 Mio. lag. Die gesamthaft vermietete Wohnfläche zum Jahresende 2013 belief sich auf 452 952 m^2, gegenüber 448 195 m^2 im Vorjahr. Durch Neuvermietungen konnte die Leerstandquote des Portfolios um 120 Basispunkte von 13.5% per 31. Dezember 2012 auf 12.3% per 31. Dezember 2013 weiter gesenkt werden. Besonders positiv entwickelte sich die Nachfrage für Wohnraum in Leipzig, Schwerin und Brandenburg. Die Neuvermietung wurde zu einer Durchschnittsmiete von rund EUR 4.60 pro m^2 und Monat abgeschlossen. Damit hat sich seit Dezember 2012 die durchschnittliche Bestandsmiete von EUR 4.20 auf EUR 4.24 pro m^2 um 1% erhöht. Insgesamt wurden im Jahr 2013 Ausgaben in der Höhe von EUR 3.17 Mio. für Investitionen und Erneuerungsarbeiten getätigt, gegenüber EUR 3.47 Mio. im Vorjahr.

Das ausgewiesene Betriebsergebnis für das Berichtsjahr 2013 beläuft sich auf EUR 13.21 Mio. und der betriebliche Cashflow betrug EUR 10.11 Mio. Die Marktwertveränderungen auf Immobilien von EUR 6.81 Mio. übertreffen die getätigten Investitionen um mehr als das Doppelte. Der bereinigte Reingewinn von EUR 2.64 Mio. für das Gesamtjahr 2013 wurde einmalig belastet durch erfolgswirksam verbuchte Transaktions- und Beratungskosten in Höhe von rund EUR 1.1 Mio. im Zusammenhang mit der Platzierung der Anleihe.

Das bereinigte Eigenkapital per 31. Dezember 2013 belief sich auf EUR 72.81 Mio., gegenüber EUR 57.30 Mio. am Ende der Vorjahresperiode. Dank der finanziellen Restrukturierung erhöhte sich die bereinigte Eigenkapitalquote von 21.5% auf 26.7%.

Gutburg Immobilien auf solidem Fundament gut gerüstet für die Zukunft

Das erste Halbjahr 2013 stand im Zeichen einer umfassenden, langfristigen Neuausrichtung sowohl in Bezug auf die Zusammensetzung des Aktionariats als auch bezüglich der Optimierung der Fremdkapitalstruktur.

So hat die Gutburg Immobilien ihre Hypotheken refinanziert und profitiert damit langfristig vom aktuell günstigen Zinsumfeld. Insgesamt wurden Kredite in Höhe von EUR 141.9 Mio. mit einer Laufzeit bis Dezember 2020 über zwei deutsche Banken neu abgeschlossen. Dabei wurden die Zinsen jeweils zu marktüblichen Sätzen für die gesamte Laufzeit festgebunden.

Die neu gegründete Muttergesellschaft Gutburg Immobilien S.A., Luxemburg, hat per 8. Juli 2013 zudem eine Anleihe in Höhe von CHF 55 Mio. mit einem Coupon von 4.75% begeben. Die fünfjährige Anleihe wurde an der Schweizer Börse (SIX Swiss Exchange) kotiert und durch die Deutsche Ratingagentur Euler Hermes mit einem Rating BB+ (Ausblick: Stabil) benotet.

Gleichzeitig hat die neue Muttergesellschaft eine Barkapitalerhöhung durchgeführt. Die Erlöse der Anleihe sowie der Aktienplatzierung bei neuen, langfristig orientierten Aktionären wurden für die Akquisition von 33.1% der Anteile der Perseus Real Estate Investment S.à r.l. und für die Rückzahlung eines ausstehenden Mezzanine-Darlehens verwendet. Zuvor hatte die Adurion Real Estate Lux. S.A., bisherige Mehrheitsaktionärin der Perseus Gruppe, ihre 61.8% Anteile an Perseus mittels Sacheinlage in die Gutburg eingebracht.

Mit den getätigten Kapitalerhöhungen und der gesicherten langfristigen Finanzierung ist die Gutburg Immobilien-Gruppe solide für die Zukunft aufgestellt.

Anlässlich einer ausserordentlichen Generalversammlung vom 25. April 2014 wurde Marcel Rohner in den Verwaltungsrat der Gutburg Immobilien S.A. gewählt. Der Verwaltungsrat beantragt der ordentlichen Generalversammlung 2014 eine Ausschüttung von EUR 4.00 pro Aktie.

Positiver Ausblick

Für die zukünftige Entwicklung unseres Immobilienportfolios sind wir zuversichtlich. Mit den fortlaufenden Investitionen in Unterhalt und Erneuerung unseres Bestands streben wir zusätzliche Neuvermietungen und somit weitere Verbesserungen unserer Ertragskraft an, mit der wir unsere Wettbewerbsposition am Markt auch zum Vorteil unserer Mieter stärken. Für das laufende Jahr erwarten wir daher kontinuierlich steigende Mieteinnahmen und einen weiteren Anstieg der Durchschnittsmiete. Das Gesamtergebnis sowie der Cashflow sollten sich aufgrund der signifikant reduzierten Zinsaufwände sowie dem Wegfall von einmaligen Transaktionskosten markant verbessern.

Wir danken Ihnen für Ihr Vertrauen.

Daniel S. Aegerter
Präsident des Verwaltungsrates

Simon Koenig
Delegierter des Verwaltungsrates und CEO

CEO Simon Koenig über die Strategie und das Geschäftsmodell der Gutburg Immobilien und über die Attraktivität des Portfolios

Die neu konstituierte Gutburg Immobilien S.A. gibt es erst seit 2013. Hingegen hatte die Adurion Gruppe bereits 2008 zusammen mit Goldman Sachs/Whitehall das Portfolio der heutigen Gutburg Immobilien erworben. Whitehall ist letztes Jahr ausgestiegen, Adurion hat am Investment festgehalten und neue Aktionäre aufgenommen. Wie hängt dies zusammen?

Simon Koenig: Wir konnten das Gutburg Immobilien-Portfolio 2008 aus einer sogenannten "distressed" Situation heraus zu attraktiven Bedingungen kaufen. Von Beginn weg war klar, dass sehr viel Potential zur Steigerung der Mieteinnahmen, zur Reduktion des Leerstands und somit zu höheren Bewertungen vorhanden ist. So haben wir dank aktiver Bewirtschaftung zwischen 2008 und 2013 die Mieteinnahmen um 15% und das operative Ergebnis rund 35% steigern können, bei gleichzeitiger Verringerung der Leerstandquote um rund 7.5% auf aktuell 12.3%. Da wir weiteres Optimierungs- und damit auch Wertsteigerungspotential sehen und das Risiko-Rendite-Profil des Portfolios weiterhin sehr positiv einschätzen, will Adurion langfristig investiert bleiben. Whitehall hat das Investment letztes Jahr veräussert, so wie das bei Private Equity Gesellschaften nach 5–7 Jahren üblich ist. Im Zuge dieser Transaktion und einer umfassenden Refinanzierung ist die Gutburg Immobilien S.A. entstanden.

Was macht Wohnimmobilien im Osten Deutschlands und insbesondere das Portfolio von Gutburg so attraktiv?

Koenig: Das Portfolio von Gutburg Immobilien ist attraktiv, weil es einerseits regional diversifiziert ist, andererseits sich die wichtigen Standorte in Zentren mit mehrheitlich positiven demographischen Trends befinden. So entwickelt sich insbesondere die Region um Leipzig und Halle, wo wir rund die Hälfte unserer Mieteinnahmen erzielen, dank der Ansiedelung bedeutender Industrieunternehmen, einem Flughafen mit 24-Stunden-Betrieb und steigenden Bevölkerungszahlen sehr dynamisch. Die Immobilien sind in sehr gutem Zustand, da zu 95% vollständig saniert, d.h. es werden in den nächsten Jahren keine grösseren Investitionen notwendig. Gleichzeitig sind die Gebäude sehr homogen, was eine effiziente und ökonomische Bewirtschaftung ermöglicht.

Das Immobilienportfolio besteht zu über 90% aus Plattenbauten. Darunter stellt man sich landläufig heruntergekommene Wohnsiedlungen in der Peripherie vor. Warum wollen die Leute in Gutburg-Objekten wohnen?

Koenig: Dieses Image ist heute überholt. Unsere Wohnungen haben erheblich an Attraktivität gewonnen. Die Altbaurenovierungen in den Innenstädten führen zu stark ansteigenden Mietkosten, von denen unsere Mieter nicht betroffen sind. Darüberhinaus führt der wachsende Arbeitsmarkt in den Bezirken, in denen sich unsere Immobilienbestände befinden, zu steigender Nachfrage. Die Gutburg-Siedlungen bieten insbesondere jungen Familien bezahlbaren Wohnraum und befinden sich an Standorten mit guter Anbindung an den öffentlichen Verkehr und Einkaufsmöglichkeiten. Dank umfassender Rückbauten nach der Wende sind die Wohnhäuser von grosszügigen Grünflächen umgeben und bieten damit ihren Bewohnern viel Lebensqualität. Unsere Immobilien sind dank kontinuierlicher Instandhaltung in einem sehr guten Zustand. Dies wirk sich positiv auf die Mieterqualität und somit das Klima in unseren Siedlungen aus. Bei Neuvermietungen werden die einzelnen Wohnungen häufig erneuert, wobei die Mieter die Möglichkeit haben, bei der Ausstattung mitzubestimmen. All das führt dazu, dass sich unsere Mieter wohlfühlen.

Wie würden Sie Strategie und Geschäftsmodell beschreiben?

Koenig: Gutburg ist fokussiert auf sogenannte B- und C-Städte in den neuen Bundesländern mit positiven demographischen Trends (zunehmende Bevölkerungszahlen, steigende Kaufkraft). Ziel ist, unsere Bestände aktiv und effizient zu bewirtschaften, was zu einer weiteren Reduktion der Leerstände, einer fortlaufenden Erhöhung der Mieterqualität und somit einer kontinuierlichen Steigerung der Mieteinnahmen führt. Dabei ziehen wir auch eine selektive Optimierung durch Neuakquisition von Immobilien mit hohen Leerständen oder den Verkauf von einzelnen Beständen mit ausgeschöpftem Optimierungspotential in Betracht. Zu unseren strategischen Erfolgsfaktoren gehören eine lokal präsente Verwaltung mit langjähriger Erfahrung (detaillierte Kenntnis der Mieterbasis, gute Behördenkontakte), selektives Mietermanagement und attraktive Siedlungen dank fortlaufender Instandhaltung und Erneuerungen (Grünanlagen und Spielplätze), was zusammen mit andern Faktoren zu hoher Mieterzufriedenheit führt.

Wie positioniert sich Gutburg am Markt und was unterscheidet das Unternehmen von der Konkurrenz?

Koenig: Gutburg verfügt an ihren Standorten über eine starke Marke und ist sehr mieternah. Das Unternehmen fokussiert bewusst auf Junge und Familien und bietet auch Wohnungen für grosse Familien an. Ein besonderer Fokus liegt auch auf den Nebenkosten wie Heizung, Wasser, Strom etc.. Gutburg „tut etwas“ für ihre Mieter. Die Fluktuation von ca. 8.5–9% ist deutlich unterdurchschnittlich und Mietausfälle sind gering, d.h. die Zufriedenheit der Mieter und die Qualität der Mieterschaft sind hoch. Auch die Mieterservice Webseite www.gutburg.de ist attraktiv, bietet die Möglichkeit, interaktiv die Wohnungen zu besichtigen und vereinfacht die Kommunikation rund um alle Mieterbedürfnisse.

Nochmals zu den Investitionen. Mit welchen wiederkehrenden Investitionen rechnen Sie?

Koenig: Wir gehen davon aus, dass die fortlaufenden Aufwendungen für Renovationen und Instandhaltungen in den nächsten Jahren stabil auf dem Wert von 2013 gehalten werden. Die Homogenität unseres Portfolios erleichtert uns diese positive Einschätzung. 2014 planen wir zusätzlich in Cottbus die Renovierung eines Wohnhauses vorzunehmen, welches bis jetzt noch nicht saniert und nur zu 50% vermietet ist. Da es sich bei der Immobilie um eine sehr zentrale und somit attraktive Lage handelt, gehen wir davon aus, dass sich nach einer Sanierung die Durchschnittsmiete von heute nur EUR 3.80 pro Quadratmeter im Monat deutlich erhöhen lässt und sich die Sanierung somit positiv auf die Gesamtmieteinnahmen auswirken wird.

Gibt es möglicherweise grössere unerwartete Renovierungen, welche plötzlich notwendig werden könnten?

Koenig: Die Bestände waren schon beim Erwerb 2008 in sehr gutem Zustand, mit weitestgehend sanierten Gebäudehüllen (Dächer, Fassaden). Zusätzlich haben wir in den letzten 5 Jahren weitere EUR 20 Mio. in die Instandsetzung unserer Wohnungen und Gebäude investiert, sodass kein Investitionsstau besteht. Selbstverständlich kann auch einmal eine Leitung oder ein Dach unerwartet lecken, sodass eine Reparatur notwendig werden könnte, aber das ist überschaubar. Die Heizsysteme (die meisten Gebäude werden mit Fernwärme beheizt) sind in gutem Zustand, und wir erwarten keine grösseren ungeplanten Sanierungen.

Welche Vision haben Sie für Gutburg Immobilien in 5 Jahren?

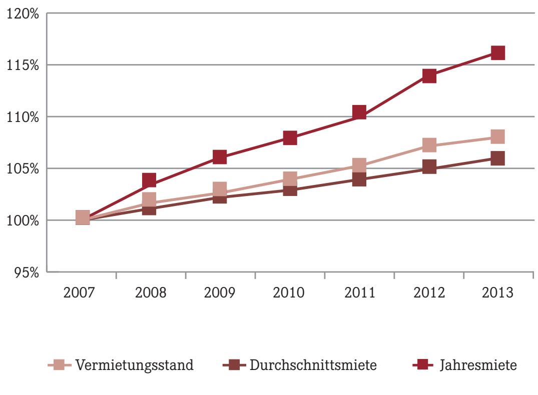
Koenig: Die kontinuierliche und stabile Entwicklung der Gruppe steht für uns an erster Stelle. Dabei wollen wir wie erwähnt das Gutburg-Portfolio aktiv bewirtschaften und weiterhin steigende Mieteinnahmen und eine Leerstandreduktion unter 10% bei gleichzeitiger Erhöhung der Mieterqualität erreichen. Die Wohnsiedlungen bleiben weiterhin attraktiv und unsere Mieter sind zufrieden. Somit stellen die Gutburg-Immobilien mittel- bis langfristig auch für unsere Anleger eine solide Investition mit stabilen Cashflows und positiver Wertentwicklung dar.

Was macht Sie so zuversichtlich?

Koenig: Unsere Portfoliostandorte in den neuen Bundesländern entwickeln sich aufgrund steigender Bevölkerungszahlen und steigender Kaufkraft besonders dynamisch (siehe diesbezügliche Entwicklung in Graphik 1 & 2). Während wir in einigen Städten im Westen Deutschlands hohe Preise und erste Überhitzungstendenzen sehen, bieten unsere Standorte weiteres Aufholpotential. Wir sind auch nicht betroffen von Mietzinsschranken wie in den grossen Städten in Deutschland West oder Berlin. Unsere durchschnittliche Bestandsmiete liegt mit EUR 4.24 pro m^2 und Monat noch auf sehr tiefem Niveau. Wir gehen davon aus, dass, je mehr sich die wirtschaftliche Entwicklung von Deutschland Ost an Deutschland West anpasst, dies auch die Mietpreisentwicklung positiv beeinflussen wird. Liegt die Kaufkraft in unseren Städten rund 10% unterhalb des Wertes des Bundesdurchschnitts, so liegt gleichzeitig die Miete 25–50% unterhalb des Bundesdurchschnitts. Besser lässt sich unser Potential kaum beschreiben.

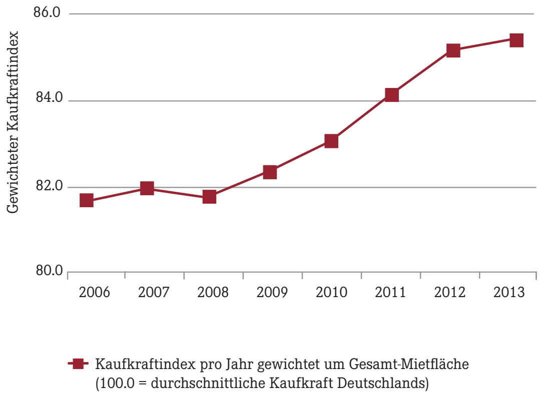
Grafik 1

Entwicklung Vermietungsstand, Durchschnittsmiete, Jahresmiete 2007–2013



Grafik 2

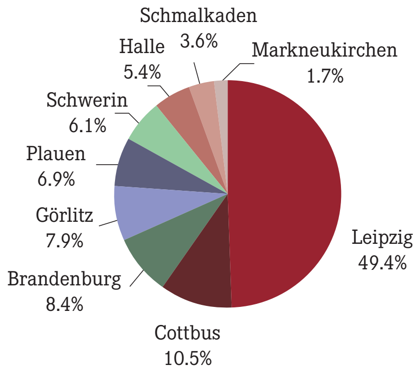
Um die Gesamt-Mietfläche gewichtete Kaufkraftindizes p.a. aller Portfolio-Standorte 2006–2013



Überblick Gutburg Immobilien-Portfolio

Standorte

Anteil Gesamteinnahmen



Details zu den Portfolio-Standorten

Standort	Leipzig	Cottbus	Branden-burg	Görlitz	Plauen	Schwerin	Halle	Schmalk-alden	Markneu-kirchen
Anzahl Wohnungen	4 024	837	626	674	801	559	399	301	246
Vermietbare Fläche in m^2	262 399	51 059	37 430	36 159	44 357	31 895	23 782	16 987	12 306
Leerstandsquote 12/2013	15.40%	4.90%	3.80%	3.00%	23.40%	10.60%	3.20%	2.10%	26.30%
Miete in EUR									
Netto-Miete pro Monat	950 821	201 420	161 664	151 139	133 081	118 041	103 389	69 767	33 551
Netto-Miete pro Jahr	11 409 854	2 417 044	1 939 971	1 813 664	1 596 969	1 416 487	1 240 669	837 207	402 607
Netto-Miete/m^2 pro Monat	4.28	4.15	4.49	4.31	3.92	4.14	4.49	4.20	3.70

Investoren entdecken „die Platte“

von Dr. Heidemarie Bühring

Im Spätsommer 2013 geht ein Rauschen durch den bundesdeutschen Blätterwald: „Investoren entdecken die Platte“. Und manch einer reibt sich verwundert die Augen, als eines der auflagenstärksten Tabloids den Leipzigern das „Grünau-Comeback“ ankündigt. Was war geschehen? Wie konnte die einst nach der deutschen Wiedervereinigung in Misskredit geratene „Platte“ plötzlich begehrt sein und insbesondere bei jungen Leuten als „cool“ gelten? Wann wurde Leipzig zu „Hypezig“, wie es augenzwinkernd auch genannt wird?

Während anderenorts noch die Abrissbirne kreiste, setzte man bei Gutburg früh auf den Plattenbau und seine Vorzüge: einfacher, effektiver Baustil, die nicht nur in energetischer Hinsicht solide Bausubstanz, die Flexibilität der Grundrisse und ihre Anpassungsmöglichkeiten an geänderte Lebensstile künftiger Mietergenerationen und nicht zuletzt die exzellente Infrastruktur inmitten grosszügiger Grünlagen.

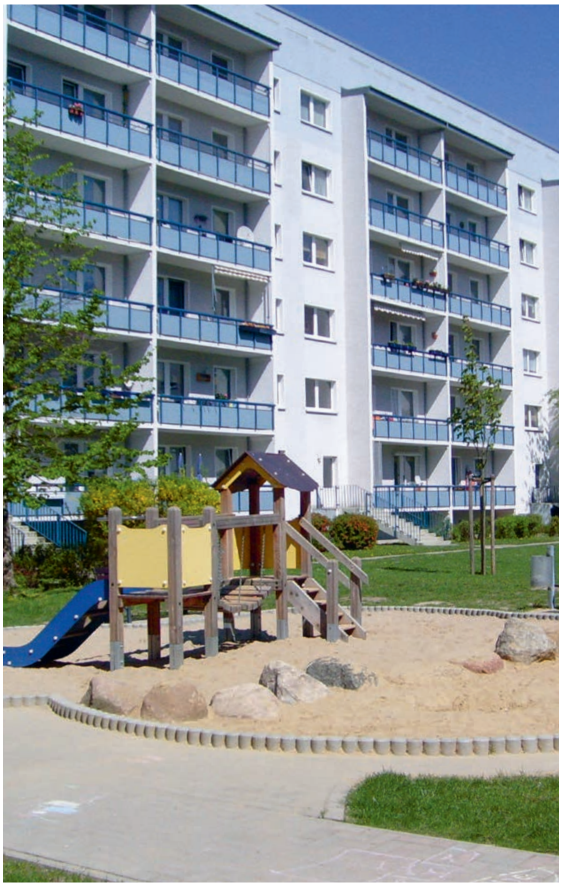
Eine gute Entscheidung, wie sich angesichts steigender Einwohnerzahlen in deutschen Mittelzentren um Städte wie Halle oder Schwerin und die anderen Gutburg-Standorte zeigt. Allein Leipzig wuchs 2013 um knapp 11.000 Einwohner – und ist damit im Vergleich der 15 grössten deutschen Städte Spitzenreiter.

Leipzig toppt München

Wachstumsmotoren sind ohne Zweifel auch die Industrieansiedlungen der letzten 10 Jahre. Einer investorenfreundlichen Wirtschaftspolitik verdankt die Region Leipzig zum Beispiel einen hoch frequentierten Flughafen im 24-Stunden-Betrieb. Ein gewichtiges Argument beispielsweise für den Automobilbauer Porsche, der sich nach gründlicher Analyse von insgesamt 17 Standorten für Leipzig entschied. Nur hier, im 2002 eröffneten Werk, wird ab 2016 der „Panamera“ vom Band laufen; rund 10.000 neue Mitarbeiter werden für die Produktion gesucht.

Von der Leipziger Sogwirkung zeugen auch die stetig wachsende Zahl von Studenten und ein blühendes kulturelles Leben, das nicht zuletzt von weltberühmten Künstlern, wie dem Maler Neo Rauch, repräsentiert wird. Eine Umfrage des Marktforschungsinstituts GfK im Auftrag des Immobilienportals Immonet förderte jüngst zutage, dass Leipzig in punkto Lebensqualität inzwischen dem Dauerfavoriten München den Rang abgelaufen hat. In keiner anderen Metropole zeigen sich die Bürger so zufrieden mit ihrem Wohnort. Die Leipziger schätzen die Mischung aus zahlreichen Grünflächen, dem positiven Stadtimage, der herausragenden Kinder- und Seniorenfreundlichkeit und ihrer guten Infrastruktur.

Da ist es folgerichtig, wenn auch die Stadtregierung deutlich von ihren überholten Planungen abgerückt ist, die sich jahrelang vor allem auf das Stadtzentrum konzentrierten. „Jetzt wollen wir dafür sorgen“, gab die Baubürgermeisterin Ende Februar 2014 bekannt, „dass Grünau wieder eine von Leipzigs Perlen wird.“ Millionen an Fördermitteln werden in den nächsten Jahren in den Stadtteil fliessen. Schwerpunkte sind Bildung, Gesundheit, Wirtschaft und Umwelt. Investiert werden soll vor allem in die Sanierung von Schulen und Kitas. Auch ein neues Bildungs- und Bürgerzentrum ist im Gespräch.



Da geht noch was

Kluge Investoren beobachten diese Entwicklung schon seit langem. Und auch bei Gutburg ist man auf die quantitativ wie qualitativ gestiegene Nachfrage vorbereitet.

Dem britischen Staatsmann Winston Churchill wird die Äusserung zugeschrieben: „Wir formen unsere Gebäude, danach formen sie uns." Für einige mag das gelten, fürs Innenleben der Gutburg Bestände dagegen nicht. Hier formt der Mieter seine individuelle Wohnwelt mit – unterstützt von hauseigenen Umbauspezialisten.

Wie die gesamte Wohnungswirtschaft, so verzeichnet auch Gutburg einen erhöhten Bedarf an Ein- bis Zweiraum-Wohnungen und kommt gleichzeitig kaum mit dem Angebot grosser Wohnungen hinterher. Singles auf der einen Seite, junge Familien mit viel Platzbedarf auf der anderen. Was sie eint, ist die Suche nach bezahlbarem Wohnraum, der sich ihrem Leben anpasst. Hier ist die Plattenbauweise überlegen, denn so gut wie alle nicht-tragenden Wände lassen sich entfernen. Aus vier Zimmern werden grosszügige Zwei-Raum-Wohnungen, offene Küchen, ja, sogar die Maisonette erfreuen sich wachsendem Zuspruch. Und neue Wohnformen bringen neue Mieter in den Bestand, die ein Quartier nachhaltig prägen.

Hauptsache Nebenkosten

Vielerorts sind Betriebs- und Heizkosten zu einer „zweiten Miete“ geworden – eine Entwicklung, die Gutburg ein überzeugendes Vermietungsargument praktisch auf dem Silbertablett liefert.

Kluges Haushalten, innovative Lösungen und kontinuierliche Optimierung halten die Nebenkosten im Zaum. Entscheidend dabei auch die energetische Qualität der Bausubstanz der normalerweise aus drei Schichten bestehenden Plattenbauteile. Im Gutburg-Bestand wurden sie um eine zusätzliche, 10–12 cm starke Dämmschicht ergänzt. So mancher Altbau mit seinen vermeintlich dicken Wänden kann da nicht mithalten.

Wer hat’s erfunden?

Die meisten Plattenbauten entstanden nach dem Zweiten Weltkrieg, als Wohnraum rar war. Sämtliche Bauteile liessen sich in Serie produzieren, schneller und damit kostengünstiger errichten.

Der klassische Plattenbau besteht weitestgehend aus Betonfertigteilen – also aus sehr widerstandsfähigem Material. Fertige Decken- und Wandscheiben werden an die Baustelle transportiert und vor Ort zu einem Haus montiert. Ein schnelles, recht wetterunabhängiges Verfahren, bei dem noch vor dem Zusammenbau eine letzte Qualitätsprüfung stattfinden kann. Nicht umsonst weisen fast alle Plattenbauten auch nach 60 und mehr Jahren eine gute Bausubstanz auf. Allein im Osten Deutschlands wurden seit den 1950er Jahren circa 1.8 Millionen „Platten“ gebaut.

Dabei ist der Plattenbau beileibe keine deutsche Erfindung. Ein Vorläufer ist das 1910 erbaute Gartenstadtprojekt „Forest Hills Gardens“ in Queens, New York. Ein weiterer das Amsterdamer Wohnviertel von 1921, das mit Stolz „Betondorp“ (Betondorf) genannt wird. Die erste deutsche Plattenbausiedlung entstand zwischen 1926 und 1930 in Berlin-Lichtenberg, die jüngste ist Köln-Chorweiler aus den 1970er Jahren.

Klassische Moderne – der Plattenbau

Platten- oder eleganter Tafelbau entstand um 1920. In einer Architekturepoche, die als „Klassische Moderne“ bezeichnet wird und heute wieder angesagt ist. Einer ihrer bedeutendsten Vertreter ist Le Corbusier, der 1925 in Paris mit seinem „Pavillon de l’Esprit Nouveau“ das Vorbild des modernen Plattenbaus vorstellte, die „Unité d’Habitation“ (Wohneinheit). Ein weltweit beachtetes Ereignis, das der Vision Rechnung trug, modernen Komfort für mehr Menschen zu bieten. Ihre Ideale wurden 1931 in einer eigenen „Charta von Athen“ festgelegt: Abkehr von der bis dahin verschnörkelten Bauweise und Konzentration auf das Wesentliche, aufgelockerte, gleichförmige Bauweise als Symbol für die Gleichheit der Bewohner. Der Plattenbau wurde zur anerkannten Architektur.

Etliche Plattenbau-Stadtviertel gehören heute zu den begehrten Wohnlagen. Das Olympische Dorf in München, 1972 errichtet, ist inzwischen eine denkmalgeschützte Anlage, wo Wohnungen ebenso schwer zu bekommen sind wie im naturnah gelegenen „Salvador-Allende-Viertel“ in Berlin-Köpenick von 1971. Und auch nach Grünau zieht es wieder viele, die bezahlbaren Wohnraum im Grünen, eine klare Formensprache und gute Infrastruktur zu schätzen wissen.

Geldwerter Vorteil

Einiges von dem, wofür sich Gutburg engagiert, wird nicht über die Mieten refinanziert. Und doch zahlt es sich aus.

Der Bau von Spiel- und Wäscheplätzen zum Beispiel oder die Beschäftigung eines Sozialarbeiters, der sich der Mietersorgen annimmt, eine eigene Leihbibliothek, die Förderung von kostenlosem Nachhilfeunterricht, der im vergangenen Schuljahr über 100 Grünauer Schülern zu Erfolgserlebnissen verhalf, oder kleine Kulturveranstaltungen formen ein wertiges Alleinstellungsmerkmal, das Einfluss auf die Mietentscheidung hat.

Voll im Trend liegt man bei Gutburg auch mit dem, was z.B. in New York als „urban gardening" der letzte Schrei und hier als „Schrebergarten" bekannt ist. Auf einer 3 200 m² grossen Stadtbrache entstand 2011 die „Grüne Aue", deren Parzellen gern von Familien gemietet werden – Tendenz steigend und kein bisschen angestaubt.

Oft sind es gerade die „weichen Faktoren", die Neu-Grünauer aus der Umgebung und dem Bundesgebiet ins Quartier bringen.

Wie richtig und wichtig diese Investitionen sind, lässt sich an der aktuellen Entwicklung leicht ablesen. Während die Stadtregierung die Prosperität gewachsener Quartiere wie Grünau lange nicht erkannte, setzte Gutburg von Anfang an auf eine nachhaltige Strategie. Nicht zuletzt hierin begründet sich das „Grünau-Comeback". Und Gutburg ist vorn mit dabei.

Die Autorin ist freischaffende Journalistin in Berlin

Management Report 2013

The management report accompanies the information in the consolidated financial statements of Gutburg Immobilien S.A. and its subsidiaries (the "Group"), prepared in accordance with IFRS adopted by the European Union and illustrates and explains the main aspects of the Group's economic and financial situation.

Overview

During the year 2013, the Group continued their strategy to actively and efficiently manage the real estate portfolio, to maintain the status of the buildings and to renovate and refurbish the lease units (apartments) in order to enhance the attractiveness of the portfolio and the quality of the tenants.

Overall, there was a steady progression both in the number of square meters rented and in the rents paid throughout the year. A total 452 952 sqm have been rented in December 2013 compared to 448 195 sqm in December 2012 and the vacancies were reduced to 12.30% in December 2013 compared to 13.50% in December 2012.

The monthly rental revenue amounted to EUR 1 922 872 in December 2013 compared to EUR 1 884 977 in December 2012.

During the financial year 2013, the Group generated a consolidated net operating income of EUR 15 778 833.

Economic view

In addition to the accounting approach under IFRS, management further calculates and reviews the development of adjusted equity and adjusted profit over time. The purpose of this exercise is to exclude all factors which have from an economical point of view no relevance when comparing with previous periods. The adjusted equity ratio is also outlined in Note 4.2 of the consolidated financial statements.

The adjusted equity ratio adds to equity the deferred income tax liabilities, the accounting value of the subordinated instrument and adjusts for the fair value of derivative financials instruments.

- The deferred income tax liabilities on subordinated instrument are added back to equity as there is no situation which would lead to an actual tax payment. The deferred income tax liabilities on the fair value of investment properties would only lead to actual tax payments if a potential disposal was to be structured as an asset sale which is not of the intention of the management. Details about deferred income tax liabilities can be found in Note 15 of the consolidated financial statements.
- The accounting value of the subordinated instrument is added because it represents subordinated capital. Details about subordinated instrument can be found in Note 12 of the consolidated financial statements.
- The adjustment for the fair value of the derivative financial instruments is made, because such instruments are entered into for hedging purposes and any gain or loss will revert to zero towards the maturity of the instrument. The management intends to hold these derivative financial instruments to maturity.

The adjusted equity ratio at December 31, 2013 and at December 31, 2012 were as follows:

All amounts in EUR	31.12.2013	31.12.2012
Total equity	50 446 464	39 910 928
Subordinated instrument	1 146 168	287 356
Deferred income tax liabilities	22 010 810	16 694 051
Derivative financial instrument	(797 050)	408 481
Adjusted equity	**72 806 392**	**57 300 816**
Total assets	273 278 901	266 256 887
Adjusted equity ratio	**26.64%**	**21.52%**

The adjusted profit shows an operating result after interest and taxes, but before value adjustments from investment properties and derivative financial instruments, before value increasing expenditures and before deferred income tax expenses.

- The value increasing expenditures, called refurbishments and investments in the consolidated financials, are mainly renovations of apartments in connection with new leasing activities and are intended to reduce vacancy rates and increase revenue.
- The value adjustments from investment properties and derivative financial instruments are excluded, because the value changes are – at least in the short term – determined by external market forces and not under control of the management.
- The deferred income tax expenses are excluded due to the same reasons as explained in the paragraph above.

The adjusted profit for the years 2013 and 2012 was as follows:

All amounts in EUR	2013	2012
Profit for the year	5 744 271	6 900 433
Net gain from change in fair value of investment properties	(6 810 000)	(6 640 000)
Net gain (2012: loss) from change in fair value of derivative financial instruments	(1 205 531)	408 481
Deferred income tax expenses	1 739 026	1 735 089
Expenses for refurbishments and investments	3 174 243	3 472 675
Adjusted profit for the year	**2 642 010**	**5 876 678**

For investor information purposes, the book value per Gutburg share and the allocation to non-controlling interests based on the adjusted equity are shown below.

The assets belonging to the entity Gutburg Immobilien S.A. are separated from the assets belonging to Perseus Real Estate Investment S.à r.l. and its subsidiaries to determine the allocation to the non-controlling interests.

Beside the investment in Perseus Real Estate Investment S.à r.l., Gutburg Immobilien S.A. has the following assets and liabilities as at December 31, 2013:

All amounts in EUR	31.12.2013
Working Capital of Gutburg Immobilien S.A.	771 979
Intercompany loans to Perseus Real Estate Investment S.à r.l.	53 110 636
Unsecured borrowings (bond)	(44 968 740)
Net assets of Gutburg Immobilien S.A. beside investment in Perseus Real Estate Investment S.à r.l.	**8 913 874**

The net assets of Gutburg Immobilien S.A. beside investment in Perseus Real Estate Investment S.à r.l. are deducted from the adjusted equity of the Gutburg Group to get to the adjusted equity of the Perseus Group (Gutburg Group without the entity Gutburg Immobilien S.A.). The allocation to non-controlling interest is 5.1% from the adjusted equity of the Perseus Group.

All amounts in EUR	31.12.2013
Adjusted Equity of Gutburg Group	72 806 392
Net assets of Gutburg Immobilien S.A. beside investment in Perseus Real Estate Investment S.à r.l.	(8 913 874)
Adjusted equity of Perseus Group	63 892 518
Allocation to non-controlling interests (5.1%)	**3 258 518**
Allocation to Gutburg Immobilien S.A. (94.9%)	**60 633 999**

94.9% of the adjusted equity of Perseus Group is added to the net assets of Gutburg Immobilien S.A. beside investment in Perseus Real Estate Investment S.à r.l. to get to the allocation of Gutburg Immobilien S.A. in total and per share.

All amounts in EUR	31.12.2013
Allocation of adjusted equity of Perseus Group to Gutburg Immobilien S.A. (94.9%)	60 633 999
Net assets of Gutburg Immobilien S.A. beside investment in Perseus Real Estate Investment S.à r.l.	8 913 874
Total equity Gutburg Immobilien S.A.	**69 547 873**
Number of shares of Gutburg Immobilien S.A.	271 866
Book value per shares of Gutburg Immobilien S.A.	**255.82**

Outlook

Going forward, the Group continues to build on its solid and stable cash flows to further develop its operational activities. Management intents to further grow net rental income through the re-letting of cancellations, the reduction of existing vacancies and selective rental increases. A continuous refurbishment and investment program on investment properties is applied to attract high quality tenants and to further increase the values of existing assets.

Activities in the field of research and development

During the year under review, the Group did not have any activity in the field of research and development.

Own shares

During the period under review, none of the Group's entities owned, directly or indirectly, any shares of Gutburg Immobilien S.A.

References to the notes of the consolidated financial statements

Information about the interest rate swaps can be found in Note 14 'Derivative financial instruments'. The risk management and hedging is outlined in Note 4 'Financial risk management'. Risks such as price risk, interest rate risk, credit risk, liquidity risk and foreign exchange risk are described in Note 4.1 'Financial risk factors'.

Martin Rechsteiner
Chief Financial Officer

Audit report

To the Shareholders of
Gutburg Immobilien S.A.

Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of Gutburg Immobilien S.A. and its subsidiaries (the “Group”), which comprise the consolidated balance sheet as at 31 December 2013, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Board of Directors’ responsibility for the consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Responsibility of the “Réviseur d’entreprises agréé”

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the “Commission de Surveillance du Secteur Financier”. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the judgment of the “Réviseur d’entreprises agréé” including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the “Réviseur d’entreprises agréé” considers internal control relevant to the entity’s preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

PricewaterhouseCoopers, Société coopérative, 400 Route d’Esch, B.P. 1443, L-1014 Luxembourg
T : +352 494848 1, F : +352 494848 2900, www.pwc.lu

Cabinet de révision agréé. Expert-comptable (autorisation gouvernementale n°10028256)
R.C.S. Luxembourg B 65 477 - TVA LU25482518

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as of 31 December 2013, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Report on other legal and regulatory requirements

The management report, which is the responsibility of the Board of Directors, is consistent with the consolidated financial statements.

PricewaterhouseCoopers, Société coopérative
Represented by

Luxembourg, 25 April 2014

Amaury Evrard

Consolidated balance sheet

All amounts in EUR	Notes	31.12.2013	31.12.2012
ASSETS			
Non-current assets			
Investment property	6	267 600 000.00	260 790 000.00
Derivative financial instruments	14	797 049.68	–.–
Total non–current assets		**268 397 049.68**	**260 790 000.00**
Current assets			
Trade receivables	7	1 132 224.58	913 727.21
Other receivables	8, 22	1 211 341.41	1 283 116.84
Cash and cash equivalents		2 538 285.20	3 269 945.01
Total current assets		**4 881 851.19**	**5 466 789.06**
TOTAL ASSETS		**273 278 900.87**	**266 256 789.06**

The notes on pages 25 to 55 are an integral part of these consolidated financial statements.

Consolidated balance sheet (continued)

All amounts in EUR	Notes	31.12.2013	31.12.2012
EQUITY			
Equity attributable to equity holders of the Company			
Share capital	10	5 437 320.00	541 000.00
Share premium and other reserves	10	(9 194 207.91)	–.–
Retained earnings		54 071 071.89	39 369 830.01
Total equity attributable to equity holders of the Company		**50 314 183.98**	**39 910 830.01**
Non-controlling interest		132 279.88	–.–
TOTAL EQUITY		**50 446 463.86**	**39 910 830.01**
LIABILITIES			
Non-current liabilities			
Subordinated instrument	12	1 146 167.63	287 356.64
Secured borrowings	13	151 779 598.67	13 229 112.37
Unsecured borrowings	13	43 902 761.43	–.–
Deferred income tax liabilities	15	22 010 810.00	16 694 050.96
Derivative financial instruments	14	–.–	408 481.06
Total non-current liabilities		**218 839 337.73**	**30 619 001.03**
Current liabilities			
Borrowings	13	–.–	191 854 852.29
Trade payables	9	2 643 005.54	2 427 509.05
Interest expense payable	13	1 074 201.27	1 341 728.75
Current income tax liabilities		275 892.47	102 867.93
Total current liabilities		**3 993 099.28**	**195 726 958.02**
TOTAL LIABILITIES		**222 832 437.01**	**226 345 959.05**
TOTAL EQUITY AND LIABILITIES		**273 278 900.87**	**266 256 789.06**

The notes on pages 25 to 55 are an integral part of these consolidated financial statements.

Consolidated statement of comprehensive income

All amounts in EUR	Note	1.1.2013 to 31.12.2013	1.1.2012 to 31.12.2012
Net rental income		22 863 521.12	22 379 872.46
Bad debt		(229 065.27)	(261 844.40)
Revenue from rents	**6**	**22 634 455.85**	**22 118 028.06**
Income from direct property expenses recoverable from tenants		10 927 558.21	10 498 916.50
Gross rental income	**16**	**33 562 014.06**	**32 616 944.56**
Direct property expenses recoverable from tenants		(12 318 410.91)	(11 853 916.68)
Direct property expenses borne by the Group	17	(5 464 770.53)	(5 250 045.68)
Net operating income		**15 778 832.62**	**15 512 982.20**
Administrative expenses	19	(2 405 766.21)	(1 248 456.72)
Personnel expenses	20	(170 060.38)	(166 432.55)
Other income		6 030.00	5 243.52
Operating profit		**13 209 036.03**	**14 103 336.45**
Refurbishment and investments	18	(3 174 243.29)	(3 472 675.30)
Net gain from fair value adjustments on investment property	6	6 810 000.00	6 640 00.00
Profit before interest and taxes (EBIT)		**16 844 792.74**	**17 270 661.15**
Finance income		82.89	120.77
Finance costs		(10 401 288.20)	(7 795 183.45)
Net gain from fair value adjustment on derivatives		1 205 530.74	(408 481.06)
Finance costs – net	**21**	**(9 195 674.57)**	**(8 383 543.74)**
Profit before income tax (EBT)		**7 649 118.17**	**8 887 117.41**
Current income tax expense	15	(165 820.70)	(251 595.01)
Deferred income tax expense	15	(1 739 026.01)	(1 735 089.38)
Income tax expense		**(1 904 846.71)**	**(1 986 684.39)**
Profit for the year		**5 744 271.46**	**6 900 433.02**
Other comprehensive income for the year		–.–	–.–
Total comprehensive income for the year		**5 744 271.46**	**6 900 433.02**
Attributable to:			
Equity holders of the Company		5 639 582.58	6 900 433.02
Non-controlling interest		104 688.88	

The notes on pages 25 to 55 are an integral part of these consolidated financial statements.

Consolidated statement of changes in equity

All amounts in EUR	Share capital	Share premium and other reserves	Retained earnings	Total attributable to equity holders	Non-controlling interest	Total equity
January 1, 2012	**541 000.00**	**0.00**	**33 091 043.54**	**33 632 043.54**	**0.00**	**33 632 043.54**
Profit for the year	0.00	0.00	6 900 433.02	6 900 433.02	0.00	6 900 433.02
Total comprehensive income for the year	**0.00**	**0.00**	**6 900 433.02**	**6 900 433.02**	**0.00**	**6 900 433.02**
Repayment of subordinated instrument, net of taxes	0.00	0.00	(621 548.74)	(621 548.74)	0.00	(621 548.74)
December 31, 2012	**541 000.00**	**0.00**	**39 369 927.82**	**39 910 927.82**	**0.00**	**39 910 927.82**
January 1, 2013	**541 000.00**	**0.00**	**39 369 927.82**	**39 910 927.82**	**0.00**	**39 910 927.82**
Profit for the year	0.00	0.00	5 639 582.58	5 639 582.58	104 688.88	5 744 271.46
Total comprehensive income for the year	**0.00**	**0.00**	**5 639 582.58**	**5 639 582.58**	**104 688.88**	**5 744 271.46**
Increase capital	4 896 320.00	0.00	0.00	4 896 320.00	0.00	4 896 320.00
Share premium	0.00	41 711 682.89	0.00	41 711 682.89	0.00	41 711 682.89
Return of share premium	0.00	(40 779 900.00)	0.00	(40 779 900.00)	0.00	(40 779 900.00)
Repayment of mezzanine loan	0.00	0.00	280 565.09	280 565.09	0.00	280 565.09
Increase in subordinated instrument, net of taxes	0.00	0.00	8 780 996.40	8 780 996.40	0.00	8 780 996.40
Other reserves	0.00	(10 125 990.80)	0.00	(10 125 990.80)	27 591.00	(10 098 399.80)
December 31, 2013	**5 437 320.00**	**(9 194 207.91)**	**54 071 071.89**	**50 314 183.98**	**132 279.88**	**50 446 463.86**

The notes on pages 25 to 55 are an integral part of these consolidated financial statements.

Consolidated cash-flow statement – direct method

All amounts in EUR	1.1.2013 to 31.12.2013	1.1.2012 to 31.12.2012
Cash flows from operating activities		
Cash receipt from tenants	33 415 292.12	32 540 284.75
Cash paid to suppliers and employees	(23 317 754.83)	(22 308 676.32)
Other cash receipts	6 112.89	5 364.29
Income tax paid	7 203.83	(425 009.30)
Cash flows provided by operating activities	**10 110 854.01**	**9 811 963.42**
Cash flows from investing activities		
Purchases of investment property	–.–	–.–
Cash flows from investing activities	**–.–**	**–.–**
Cash flows from financing activities		
Increase of senior loans	–.–	13 500 000.00
Increase of unsecured borrowings	43 430 400.68	–.–
Increase of subordinated instrument	13 386 848.00	–.–
Increase in share capital and premium	5 828 102.89	–.–
Payment made as part of Group restructuring	(10 098 399.80)	–.–
Repayment of senior loans	(11 442 853.70)	(13 272 337.63)
Repayment of mezzanine loan	(41 580 947.20)	(1 354 822.98)
Repayment of subordinated instrument	(170 000.00)	(710 500.00)
Finance costs paid	(10 195 664.69)	(7 494 598.83)
Cash flows used by financing activities	**(10 842 513.82)**	**(9 332 259.44)**
Net (decrease) / increase in cash and cash equivalents	**(731 659.81)**	**479 703.98**
Cash and cash equivalents at beginning of year	3 269 945.01	2 790 241.03
Cash and cash equivalents at end of year	**2 538 285.20**	**3 269 945.01**

The notes on pages 25 to 55 are an integral part of these consolidated financial statements.

Notes to the consolidated financial statements as at December 31, 2013

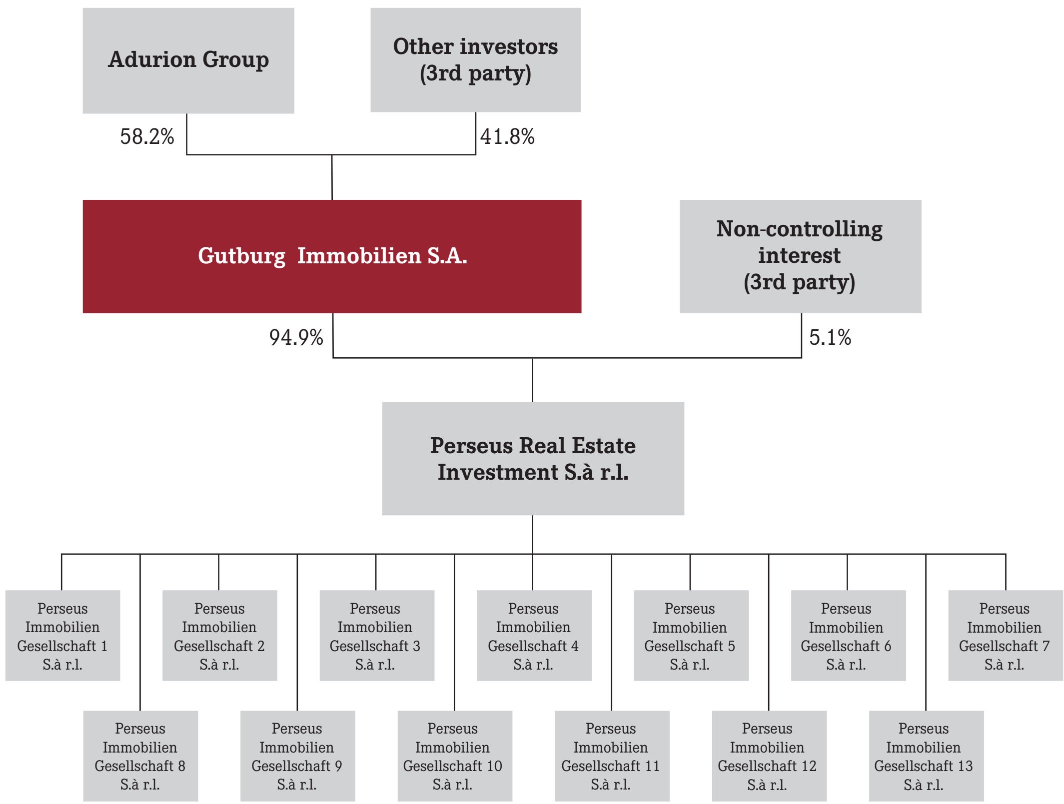
1. General information

Gutburg Immobilien S.A. (hereafter the “Company”) and its subsidiaries (hereafter the “Group”) hold a portfolio of residential investment properties in Eastern Germany.

The Company was incorporated on May 30, 2013, as part of a restructuring of the Group and was funded through two consecutive capital increases in June and July 2013. Prior to this restructuring, Perseus Real Estate Investment S.à r.l. (the Company’s 94.9% owned subsidiary) was held by two shareholders: Adurion Real Estate Lux S.A. and Whitehall Bear S.à r.l.

In July 2013, Adurion Real Estate Lux S.A and affiliates (Adurion entities) acquired a majority of Whitehall Bear S.à r.l.’s interests in Perseus Real Estate Investment S.à r.l. Subsequently all of Adurion entities’ interests in Perseus Real Estate Investment S.à r.l. were contributed to the Company. From that point on, the Company became the new parent of Perseus Real Estate Investment S.à r.l. The remaining Whitehall Bear S.à r.l.’s interests in Perseus Real Estate Investment S.à r.l. was acquired by a non-controlling interest.

The following organizational chart shows the structure as at December 31, 2013



The difference between the fair value of the consideration paid and the related carrying value, representing EUR 10 125 900.80 has been recognized in the consolidated statements of changes in equity under ‘other reserves’.

This transaction does not have any accounting impact on the Group as it is not a business combination but an internal restructuring. Consequently, the consolidated financial statements for Gutburg Immobilien S.A. are a continuation of the consolidated financial statements previously issued by Perseus Real Estate Investment S.à r.l. The comparative information disclosed in the consolidated financial statements therefore reflects the financial information of Perseus Real Estate Investment S.à r.l. group as of and for the year ended December 31, 2012.

In 2013, the consolidated financial statements include the activity of Perseus Real Estate Investment S.à r.l. as from January 1, 2013 through May 30, 2013 and the activity of Gutburg Immobilien S.A and Perseus Real Estate Investment S.à r.l. as from May 30, 2013 through December 31, 2013.

The registered office of the Company is established in Grand-Duchy of Luxembourg at the following address: 681, rue de Neudorf, L-2220 Luxembourg.

The main shareholder of the Company is a Luxembourg entity, Adurion Real Estate Lux S.A. The other shareholders are various entities or private individuals from different countries.

The Company and its subsidiaries’ financial year begins on the 1st of January and ends on the 31st of December of each year.

The consolidated financial statements of the Group as at and for the year ended December 31, 2013 have been approved for issue by the Board of Directors on April 25, 2014.

2. Adoption of new and revised standards

Certain new standards, amendments to standards and interpretations have been issued and are mandatory for periods beginning January 1, 2013 and thereafter. The Group’s evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

2.1. New standards, amendments and interprationations issued and adopted by the Group

The following standards have been adopted by the Group for the first time for the financial year beginning on January 1, 2013:

Amendment to IAS 1, “Financial statement presentation”:
The main change resulting from these amendments is a requirement for entities to group items presented in ‘other comprehensive income’ (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). This amendement has no material impact on the Group’s financial statements.

IFRS 10, “Consolidated financial statements”:
builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess. The standard has no material impact on the Group’s financial statements.

Amendment to IFRS 7, "Financial instruments: Disclosures', on asset and liability offsetting":
This amendment includes new disclosures to facilitate comparison between those entities that prepare IFRS financial statements to those that prepare financial statements in accordance with US GAAP. This amendement has no material impact on the Group's financial statements.

IFRS 13, "Fair value measurement":
aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements, which are largely aligned between IFRSs and US GAAP, do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs. The standard has no material impact on the Group's financial statements.

2.2. New standards, amendments and interpretations issued, but not yet effective, relevant to the Group

The following new and amended standards and interpretations have been issued and are mandatory for the Group's accounting periods beginning after January 1, 2013 or later periods and are expected to be relevant to the Group:

IFRS 9, "Financial instruments":
IFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. The group is yet to assess IFRS 9's full impact and intends to adopt IFRS 9 no later than the accounting period beginning on or after January 1, 2015. The Group will also consider the impact of the remaining phases of IFRS 9 when completed by the Board.

Amendments to IFRS 10, "Consolidated financial statements", IFRS 12 "Disclosure of interest in other entities" and IAS 27 "Separate financial statements"- Investment entities:
The amendments define an investment entity and introduce an exception to consolidating particular subsidiaries for investment entities. These amendments require an investment entity to measure those subsidiaries at fair value through profit or loss in accordance with IFRS 9 Financial Instruments in its consolidated and separate financial statements. The amendments also introduce new disclosure requirements for investment entities in IFRS 12 and IAS 27. Entities are required to apply the amendments for annual periods beginning on or after January 1, 2014. The Group will consider the impact of these amendments in the next financial year.

Amendments to IAS 36 "Impairment of assets":
These amendments address the recoverable amount disclosures for non-financial assets. The amendments removed certain disclosures of the recoverable amount of CGUs which had been included in IAS 36 by the issue of IFRS 13. The standard is not mandatory for the Group until January 1, 2014. The Group will consider the impact of IAS 36 in the next financial year.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group.

2.3. Early adoption of standards

The Group did not early adopt any new or amended standards in 2013.

3. Summary of significant accounting policies

The significant accounting policies used in the preparation of these consolidated financial statements are as follows:

3.1. Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

3.2. Basis of preparation

The consolidated financial statements of the Group have been prepared on a going concern basis, applying the historical cost convention, except for the measurement of investment property and derivative financial instruments that have been measured at fair value.

The preparation of consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. Changes in assumptions may have a significant impact on the consolidated financial statements in the period the assumptions changed. Management believes that the underlying assumptions are appropriate. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

Certain 2012 amounts have been reclassified in order to conform with the 2013 presentation.

3.3. Statement of comprehensive income

The Group has elected to present a single statement of comprehensive income and presents its income and expenses by function.

3.4. Cash flow statement

The Group has elected to present its statement of cash flow using the direct method.

Finance costs paid have been presented as financing activities as the management has considered that finance costs are part of the financing of the Group.

3.5. Consolidation

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies (see Note 24).

The consolidated financial statements include the accounts of the Company and its subsidiaries (hereafter the "Group"). All the Group companies have December 31 as their year end. Consolidated financial statements are prepared using uniform accounting policies for like transactions.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

3.6. Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is the person or group that allocates resources to and assesses the performance of the operating segments of an entity.

The Group holds properties located in Eastern Germany with 9 336 rental units, including flats, parking spaces, basements and utility rooms. The rental units are mainly private tenancies with only 6–10 rental units used for commercial purposes. The Group manages its portfolio as only one segment as the investment properties are very homogeneous and all located in Eastern Germany.

Therefore no information on sub-segments is presented in the consolidated financial statements.

3.7. Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the Group, is classified as investment property.

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs.

After initial recognition, investment property is carried at fair value. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods, such as recent prices on less active markets or discounted cash flow projections.

Valuations are performed as of the financial position date by professional valuers who hold recognised and relevant professional qualifications and have recent experience in the location and category of the investment property being valued. These valuations are performed annually and form the basis for the carrying amounts in the consolidated financial statements.

The fair value of investment property reflects, among other things, rental income from current leases and assumptions about rental income from future leases in the light of the current market conditions. The fair value also reflects, on a similar basis, any cash outflows that could be expected in respect of the property.

All repairs and maintenance costs are expensed to the consolidated statement of comprehensive income during the financial period in which they are incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

The fair value of investment property does not reflect future capital expenditure that will improve or enhance the property and does not reflect the related future benefits from this future expenditure other than those a rational market participant would take into account when determining the value of the property.

Changes in fair values are recorded in the consolidated statement of comprehensive income as operating profit. Investment property is derecognised when either it has been disposed of or when it is permanently withdrawn from use and no future economic benefit is expected from its disposal.

Where the Group disposes of a property at fair value in an arm's length transaction, the carrying value immediately prior to the sale is adjusted to the transaction price, and the adjustment is recorded in the consolidated income statement as operating income within net gain from fair value adjustment on investment property.

3.8. Trade and other receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the receivable is impaired.

The amount of the provision for impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The amount of impairment is recognised in the consolidated statement of comprehensive income.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the reversal of the previously recognised impairment loss is recognised in the statement of comprehensive income.

3.9. Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

3.10. Share capital

Shares are classified as equity when there is no contractual obligation to transfer cash or other assets.

3.11. Trade payables

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. These accounts comprise operating expenses payable and professional fees payable.

3.12. Borrowings and subordinated instrument

Borrowings and subordinated instrument are recognised initially at fair value, net of transaction costs incurred. They are subsequently stated at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised as finance costs in the consolidated statement of comprehensive income over the financial period of the borrowings using the effective interest method. A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Borrowings and subordinated instrument are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the consolidated balance sheet date.

Interest expense related to the borrowings is reported as finance costs in the consolidated statement of comprehensive income.

3.13. Current and deferred income tax

The tax expense for the year comprises current and deferred income tax. Income tax is recognised in the consolidated statement of comprehensive income, except to the extent that it relates to items recognised directly in Other Comprehensive Income (OCI) or equity – in which case the tax is also recognised in OCI or equity.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the consolidated balance sheet date in the countries where the Group operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation, and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the consolidated balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that the future taxable profit will be available against which the temporary differences can be utilised.

A deferred tax asset is recognised for the carry-forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

The carrying value of the Group's investment property is assumed to be realised by sale at the end of use. The capital gains tax rate applied is that which would apply on a direct sale of the property recorded in the consolidated balance sheet regardless of whether the Group would structure the sale via the disposal of the subsidiary holding the asset, to which a different tax rate may apply. The deferred tax is then calculated based on the respective temporary differences and tax consequences arising from recovery through sale.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

3.14. Leases

Properties leased out under operating leases are included in investment properties in the consolidated balance sheet (see Note 6). See Note 3.15 for the recognition of rental income.

3.15. Revenue recognition

Revenue includes rental income, and income from direct property expense recoverable from tenants.

Rental income from operating leases is recognised on a straight-line basis over the lease term.

The Group does not provide any incentives to its tenants.

Income from direct property expense recoverable from tenants is recognised in the financial period in which the expenses are incurred.

3.16. Interest income and expense

Interest income and expense are recognised within “finance income” and “finance costs” in the consolidated statement of comprehensive income using the effective interest rate method.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or a shorter period where appropriate, to the net carrying amount of the financial asset or financial liability.

When calculating the effective interest rate, the Group estimates cash flows considering all contractual terms of the financial instrument but does not consider future credit losses. The calculation includes all fees and amounts paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts (if any).

3.17. Other expenses

Administrative expenses include professional fees, advertising and office expenses. They are recognised in the statement of comprehensive income in the period in which they are incurred on an accrual basis.

Direct property expenses recoverable from tenants or borne by the Group include maintenance and repair costs, utilities, property management fees and other expenses directly associated with the investment properties. They are recognised in the statement of comprehensive income on an accrual basis in the period in which they are incurred or for property management fees when the services are rendered.

Refurbishment and investments include expenditures made to renovate apartments after a tenant leaves. They are recognised in the statement of comprehensive income on an accrual basis in the period in which they are incurred.

3.18. Derivative financial instruments

Derivative financial assets and liabilities are classified as financial assets or liabilities at fair value through profit or loss (held for trading). Derivative financial assets and liabilities comprise mainly interest rate swaps for hedging purposes (economic hedge).

The Group does not apply hedge accounting in accordance with IAS 39. Recognition of the derivative financial instruments takes place when the economic hedging contracts are entered into. They are measured initially and subsequently at fair value; transaction costs are included directly in finance costs. Gains or losses on derivatives are recognised in the statement of comprehensive income in net change in fair value of financial instruments at fair value through profit or loss. Interest income and expense on derivative financial assets are included in the statement of comprehensive income in finance income and finance costs respectively.

3.19. Foreign currency translation

Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates (hereafter the “functional currency”). The consolidated financial statements are presented in Euro (hereafter “EUR”), which is the Group’s functional currency and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Monetary items denominated in foreign currency are translated with the closing rate as at the reporting date. Non-monetary items measured at historical cost denominated in a foreign currency are translated with the exchange rate as at the date of initial recognition. Income and expenses for each income statement are translated at average exchange rates.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented net in the consolicated statement of comprehensive income within finance costs and finance income respectively. All other foreign exchange gains and losses are presented net in the consolidated statement of comprehensive income.

4. Financial risk management

4.1. Financial risks factors

The Group’s activities expose it to a variety of financial risks including market risk (interest rate risk, foreign exchange risk and price risk), credit risk and liquidity risk. The exposure to these risks and the Group’s management of them are set out below.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group’s market risks arise from interest-bearing liabilities, to the extent that these are exposed to general and specific market movements. Management sets limits on the exposure to interest rate risk that may be accepted (see details below).

Foreign exchange risk

Since 2013, the Group is exposed to foreign exchange risk, primarily with respect to the Swiss franc. Foreign exchange risk arises in respect of those recognised monetary financial assets and liabilities that are not in the functional currency of the respective Group entity.

The Group has financial liabilities and cash and cash equivalents in Swiss francs. The table below summarises the Group’s exposure to foreign currency risk at December 31, 2013.

All amounts in CHF	31.12.2013
Cash and cash equivalents	7 650.25
Financial assets	**7 650.25**
Unsecured borrowings	55 000 000.00
Interest expense payable	1 306 249.98
Financial liabilities	**56 306 249.98**

No other assets or liabilities were denominated in any other currency than EUR at December 31, 2013.

No assets or liabilities were denominated in any other currency than EUR at December 31, 2012.

The Group manages foreign currency risk on a group basis and may enter into currency risk reducing transactions.

The following paragraph presents sensitivities of profit and loss to reasonably possible changes in exchange rates applied at the financial position date, with all other variables held constant.

At December 31, 2013, if the Swiss franc had weakened/strenghtened by 5%, profit before income tax would have been higher/lower by EUR 2 297 152.

Price risk

The Group has no significant exposure to price risk as it does not hold any equity securities or commodities.

The Group is exposed to price risk other than in respect of financial instruments, such as property price risk including property rentals risk (refer to credit risk).

Cash flow and fair value interest rate risk

As the Group has no significant interest-bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates.

Trade and other receivables as well as trade payables are interest free and with a term of less than one year, so it is assumed that there is limited interest rate risk associated with these financial assets and liabilities.

The Group's interest rate risk arises from borrowings (see Note 13). The senior loans issued at variable rates expose the Group to cash flow interest rate risk. The Group manages this risk by assessing the interest rate environment and may use interest rate swaps. Such interest rate derivatives have the economic effect of exchanging floating rates for fixed rates. At December 31, 2013, after taking into account the effect of interest rate swaps, nearly 100% of the senior loans with variable rates are at a fixed rate.

The senior loan issued at fixed rates as well as the unsecured borrowings expose the Group to fair value interest rate risk (see Note 13).

At December 31, 2013, if effective interest rates on the senior loans had been 1% higher with all other variables held constant, profit before income tax would have been EUR 7 113 690.53 (2012: EUR 7 483 297.88). On the other hand, if effective interest rates on senior loans had been 1% lower with all other variables held constant, profit before income tax would have been EUR 8 184 545.81 (2012: EUR 10 747 746.93).

Credit risk

Credit risk arises from the Group's contracts with tenants and banks and their possible failure to pay rent or advance loans.

The Group holds properties located in Eastern Germany with 9 336 rental units, including flats, parking spaces, basements and utility rooms. The rental units are mainly private tenancies with only 6–10 rental units used for commercial purposes.

The location of these properties implies a higher credit risk. However, the credit risk is considered limited as evidenced by the level of the impairment of trade receivables which represented 0.68% of revenue from rents and income from direct property expenses recoverable from tenants as at December 31, 2013 (2012: 0.80%).

The Group is managing the credit risk in limiting the amount of rental credit exposure from any single source. The significant number of rented flats implies a very low concentration of credit risk. Loan and finance transactions are only transacted with high credit quality financial institutions.

The Group's maximum exposure to credit risk by class of financial asset other than derivatives is as follows:

All amounts in EUR	31.12.2013	31.12.2012
Cash and cash equivalents	2 538 285.20	3 269 945.01
Trade receivables net of impairment	1 132 224.58	913 727.21
Other receivables	1 211 341.41	1 283 116.84

The fair values of the cash and cash equivalents, trade and other receivables as at December 31, 2013 and as at December 31, 2012 approximate their carrying values.

The table below shows the cash balance and ratings of the major banks involved in the Group's operations at the consolidated balance sheet statement dates:

Bank institution All amounts in EUR	Rating as per Moody's	31.12.2013	31.12.2012
ING	A3	1 084 248.08	2 403 379.75
Aareal Bank*	A-	1 350 684.57	692 779.25
MBS Potsdam	Aa2	50 913.43	80 282.53
Deutsche Bank	A2	25 313.01	24 992.60
Others		27 126.11	68 510.88
Total		**2 538 285.20**	**3 269 945.01**

(*)Rating provided by Fitch

No credit limits were exceeded during the years presented, and management does not expect any losses from non-performance of these counterparties.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities. The Group's liquidity risk management ensures that it meets its obligations as they fall due.

The Group's liquidity position is monitored on a monthly basis by management and is reviewed quarterly by the Board of Directors. The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period between the balance sheet and the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

The maturity analysis at December 31, 2013 is as follows:

All amounts in EUR	Less than 1 year	After 1 year and within 5 years	After more than 5 years	Total
Subordinated instrument	–.–	–.–	42 252 024.00	42 252 024.00
Senior loans	–.–	–.–	153 189 792.83	153 189 792.83
Mezzanine loan	–.–	–.–	–.–	–.–
Unsecured borrowings	–.–	44 883 303.41	–.–	44 883 303.41
Interest expense payable	7 498 112.83	33 487 963.12	4 913 587.11	45 899 663.06
Other liabilities	2 918 898.00	–.–	–.–	2 918 898.00
Derivative financial instruments	–.–	–.–	–.–	–.–
Total	**10 417 010.83**	**78 371 266.53**	**200 355 403.94**	**289 143 681.30**

The maturity analysis at December 31, 2012 is as follows:

All amounts in EUR	Less than 1 year	After 1 year and within 5 years	After more than 5 years	Total
Subordinated instrument	–.–	–.–	29 035 176.00	29 035 176.00
Senior loans	149 993 340.00	–.–	13 229 112.37	163 222 452.37
Mezzanine loan	41 580 947.20	–.–	–.–	41 580 947.20
Interest expense payable	3 337 895.93	1 484 439.00	793 229.76	5 615 564.69
Other liabilities	2 530 376.98	–.–	–.–	2 530 376.98
Derivative financial instruments	–.–	–.–	408 481.06	408 481.06
Total	**197 442 560.11**	**1 484 439.00**	**43 465 999.19**	**242 392 998.30**

4.2. Capital risk management

During 2013, the Group's strategy was to focus on deleveraging, extend the maturities of the borrowings and to increase the adjusted equity ratio above 22%.

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of an adjusted equity ratio. This ratio is calculated as adjusted equity divided by total assets. Adjusted equity is calculated as total equity (as shown in the consolidated balance sheet) plus subordinated instrument and net deferred income tax liabilities.

Deferred income tax liabilities on investment property are included in the adjusted equity calculation, because in a share deal the deferred income tax liability would not materialise. Deferred income tax liabilities on subordinated instrument and deferred income tax assets on mezzanine loan are included in the adjusted equity calculation, because while these deferred taxes represent a difference between the instrument tax basis and carrying value as per the consolidated balance sheet, they will never lead to any actual tax payments or tax benefits but will reverse over time. Derivative financial instruments are included in adjusted equity, because such instruments are used to reduce the interest rate risk of the portfolio. Any positive or negative market value would reverse upon the maturity of the instrument.

The adjusted equity ratios at December 31, 2013 and December 31, 2012 are as follows:

All amounts in EUR	31.12.2013	31.12.2012
Total equity	50 446 463.87	39 910 830.01
Subordinated instrument	1 146 167.63	287 356.64
Deferred income tax liabilities	22 010 810.00	16 694 050.96
Derivative financial instruments	(797 049.68)	408 481.06
Adjusted equity	**72 806 391.82**	**57 300 718.67**
Total assets	273 278 900.87	266 256 886.87
Adjusted equity ratio	**26.64%**	**21.52%**

4.3. Fair value estimation

The level in the fair value hierarchy within which the fair value measurement is categorised is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, significance of the inputs is assessed against the fair value measurement in its entirety. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs or any other significant unobservable inputs, that measurement is a Level 3 measurement.

Disclosure of fair value measurements by level is according to the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2);
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The Group’s financial assets and liabilities that are measured at fair value as at December 31, 2013 are classified as follows:

All amounts in EUR	Level 1	Level 2	Level 3
Derivative financial assets	–.–	797 049.70	–.–

The Group’s financial assets and liabilities that are measured at fair value as at December 31, 2012 are classified as follows:

All amounts in EUR	Level 1	Level 2	Level 3
Derivative financial liabilities	–.–	408 481.06	–.–

The fair value of the derivative financial instruments (interest rate swaps) is calculated as the present value of the estimated future cash flows based on observable yield curves.

The carrying values of trade receivables less impairment provision, other receivables and trade payables are assumed to approximate their fair values.

Senior floating rate loans' carrying value is assumed to approximate its fair value (level 2).

The fair values of subordinated instrument (level 3), estimated by discounting the future contractual cash flows at the market interest rate that would have been available to the Group for similar instruments, are as follow:

All amounts in EUR	31.12.2013	31.12.2012
Subordinated instrument	1 137 617.20	709 462.52

There were no transfers between levels for the years ended December 31, 2013 and December 31, 2012.

5. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience as adjusted for market conditions and other factors.

Management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

a) Principal assumptions underlying management's estimation of fair value

The carrying values of the investment properties was EUR 267 600 000 (level 3) as at December 31, 2013 (EUR 260 790 000 as at December 31, 2012). There have been no movements in investment properties in 2013.

There were no transfers between levels for the years ended December 31, 2013 and December 31, 2012.

All investment properties were valued as at December 31, 2013 and 2012 by an independent professionally qualified valuer, Savills.

The following two tables provide key information by location as at December 31, 2013:

Town	Lettable area (in sqm)	Vacancy rate	Gross current rent in EUR	Gross market rent in EUR	Market value in EUR
Brandenburg	37 430	3.8%	1 943 838	2 038 861	22 600 000
Cottbus	51 059	4.9%	2 411 303	2 946 332	28 860 000
Görlitz	36 159	3.0%	1 816 184	1 921 718	20 510 000
Halle	23 782	3.2%	1 240 669	1 276 746	13 200 000
Leipzig	262 399	15.4%	11 407 783	13 581 113	143 300 000
Markneukirchen	12 306	26.3%	402 607	460 699	2 940 000
Plauen	44 357	23.4%	1 595 543	1 930 978	15 900 000
Schmalkalden	16 987	2.1%	837 207	937 564	8 140 000
Schwerin	31 895	10.6%	1 415 416	1 484 540	12 150 000
Total	**516 374**	**12.3%**	**23 070 549**	**26 578 553**	**267 600 000**

Town	Gross multiplier on current rent	Net initial yield on current rent	Gross multiplier on market rent	Net yield on market rent
Brandenburg	11.6	7.3%	11.1	8.0%
Cottbus	11.6	6.1%	9.5	9.8%
Görlitz	11.3	6.4%	10.7	7.0%
Halle	10.6	6.8%	10.3	7.1%
Leipzig	12.6	5.4%	10.6	6.9%
Markneukirchen	7.3	7.1%	6.4	9.1%
Plauen	10.0	5.6%	8.2	7.9%
Schmalkalden	9.7	7.2%	8.7	8.4%
Schwerin	8.6	7.7%	8.2	8.3%
Total	**11.6**	**5.9%**	**10.0**	**7.2%**

The following two tables provide key information by location as at December 31, 2012:

Town	Lettable area (in sqm)	Vacancy rate	Gross current rent in EUR	Gross market rent in EUR	Market value in EUR
Brandenburg	37 430	5.3%	1 928 662	2 001 786	22 150 000
Cottbus	51 059	3.6%	2 393 204	2 873 542	28 330 000
Görlitz	36 159	3.9%	1 797 780	1 915 927	20 150 000
Halle	23 782	6.1%	1 206 426	1 271 115	13 100 000
Leipzig	262 399	16.6%	11 157 694	12 682 995	139 300 000
Markneukirchen	12 306	23.7%	415 829	473 854	3 080 000
Plauen	44 357	24.7%	1 574 455	1 817 267	15 500 000
Schmalkalden	16 987	4.3%	807 003	886 604	7 880 000
Schwerin	31 895	14.8%	1 345 479	1 353 014	11 300 000
Total	**516 374**	**13.5%**	**22 626 533**	**25 276 103**	**260 790 000**

Town	Gross multiplier on current rent	Net initial yield on current rent	Gross multiplier on market rent	Net yield on market rent
Brandenburg	11.5	7.7%	11.1	7.6%
Cottbus	11.5	6.2%	9.5	9.9%
Görlitz	11.2	6.4%	10.5	7.1%
Halle	10.9	6.6%	10.3	7.2%
Leipzig	12.5	5.4%	11.0	6.5%
Markneukirchen	7.4	6.9%	6.5	8.8%
Plauen	9.8	5.6%	8.5	7.5%
Schmalkalden	9.8	7.1%	8.9	8.1%
Schwerin	8.4	7.6%	8.4	7.7%
Total	**11.5**	**5.8%**	**10.3**	**6.9%**

The valuation was determined principally using discounted cash flow projections based on estimates of future cash flows, supported by the terms of any existing lease and other contracts and by external evidence such as current market rents for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows.

The future rental rates were estimated depending on the actual location, type and quality of the properties, and taking into account market data and projections at the valuation date.

The following principle assumptions were used in determining the fair value of investment properties:

	31.12.2013	31.12.2012
Market rent (per sqm per month)	EUR 2.00–EUR 5.50	EUR 2.00–EUR 5.50
Length of vacant periods	3–18 months	3–18 months
Discount rates	5.25%–7.50%	5.25%–8.00%

Were the market rentals assumed in the discounted cash flow analysis to increase or decrease by 5% from management's estimates, the carrying amount of investment properties that are valued by the discounted cash flow method (herafter the "DCF method") would be an estimated EUR 15 890 000 higher or EUR 15 450 000 lower, respectively (2012: 15 510 000, higher and 15 390 000 lower, respectively). The best evidence of fair value is current prices in an active market for similar lease and other contracts.

Would the length of vacant periods increase or decrease by one month from management's estimates, the carrying amount of investment properties that are valued by the DCF method would be an estimated EUR 1 960 000 lower or EUR 2 210 000 higher, respectively (2012: 2 030 000 lower and 2 070 000 higher, respectively).

Would the discount rate used in the DCF analysis increase or decrease by 0.5%, the carrying amount of investment properties would be an estimated EUR 9 720 000 lower or EUR 10 310 000 higher, respectively (2012: 9 650 000 lower and 10 130 000 higher, respectively).

b) Accounting for subordinated instrument

As described in Note 3.12, subordinated instrument is recognised initially at fair value and subsequently stated at amortised cost, using the effective interest method. At inception, the difference between the cash consideration received and the fair value of the subordinated instrument was directly credited to equity (retained earnings) as it constituted, in substance, a capital contribution from the shareholders. Subsequent early repayments are accounted as a reduction to equity (retained earnings).

6. Investment properties

Movements during the years ended 2013 and 2012 were as follows:

All amounts in EUR	2013	2012
At the beginning of the year	**260 790 000.00**	**254 150 000.00**
Net gain from fair value adjustment	6 810 000.00	6 640 000.00
At the end of the year	**267 600 000.00**	**260 790 000.00**

All investment properties have been pledged as collateral on the senior loans (see Note 23).

7. Trade receivables

Trade receivables are comprised of the following:

All amounts in EUR	31.12.2013	31.12.2012
Trade receivables on rents	1 132 224.58	913 825.02
(–) provisions for impairment from previous years	–.–	–.–
(–) provisions for impairment from current year	–.–	–.–
Trade receivables on rents – net	**1 132 224.58**	**913 825.02**

All amounts in EUR	31.12.2013	31.12.2012
Provisions for impairment – beginning of the year	–.–	–.–
Additions	–.–	–.–
Reversal	–.–	–.–
Provisions for impairment – end of the year	**–.–**	**–.–**

The following table shows the amounts past due but not impaired:

All amounts in EUR	31.12.2013	31.12.2012
Amounts past due between one and three months	116 337.62	76 088.00
Amounts past due for more than three months	174 894.13	324 377.00

8. Other receivables

Other receivables are comprised of the following:

All amounts in EUR	31.12.2013	31.12.2012
Receivables from shareholder	–.–	56 541.00
Receivables from debtors for maintenance expenses paid on their behalf	1 211 341.41	1 226 575.84
Total	**1 211 341.41**	**1 283 116.84**

9. Trade payables

Trade payables are comprised of the following:

All amounts in EUR	31.12.2013	31.12.2012
Accounts payables	1 676 628.10	1 391 740.40
Social security contribution payables	6 824.46	4 035.29
Accrued expenses	578 206.50	339 810.92
Amounts due to tenants	381 346.48	691 922.44
Total	**2 643 005.54**	**2 427 509.05**

10. Share capital, share premium and other reserves

The Company was incorporated on May 30, 2013 with share capital of EUR 124 000. On June 14, 2013 and July 8, 2013, the share capital of the Company was increased to EUR 4 810 660 and to EUR 5 437 320 and a share premium of EUR 41 711 682.89.

In December 2013, share premium amounting to EUR 40 779 900 was returned to shareholders in the form of non interest bearing preferred equity certificates (see Note 12 'Subordinated instruments'). As at December 31, 2013, remaining share premium amounts to EUR 931 782.89.

As at December 31, 2012, the share capital of EUR 541 000 represented Perseus Real Estate Investment S.à r.l. share capital. Further information about the restructuring can be found in Note 1 'General Information'.

As described in Note 1, the difference between the fair value of the consideration paid, as part of the restructuring, and the related carrying value, representing EUR 10 125 900.80 has been recognized in the consolidated statements of changes in equity under 'other reserves'.

As at December 31, 2013, the subscribed capital of the Company amounts to EUR 5 437 320 divided into 271 866 shares with a par value of EUR 20.00 each. All shares have been subscribed and fully paid up. Each share gives its holder the right to one vote and the right to attend any shareholders' meetings. Dividends are distributed pro-rata of the shares outstanding. There were no dividends declared or paid during the year 2013 or 2012.

Until July 2018, the Board of Directors is authorized to increase the share capital, in one or several times, in cash and/or in kind, with a total amount of EUR 500 000, by the issue of 25 000 new shares having a par value of EUR 20.00 each and having the same rights as the existing shares. There are no restrictions with respect to the group of beneficiaries who have the right to subscribe for this additional capital.

As at December 31, 2013, there is no conditional capital, no limitations on the transferability of the shares in the Company, no nominee registrations, no voting-rights or representation restrictions and no convertible bonds or options outstanding.

11. Earnings per share

Basic earnings per share are calculated by dividing the net profit attributable to shareholders by the weighted average number of ordinary shares outstanding during the year.

All amounts in EUR	2013
Profit attributable to equity holders	5 639 582.58
Number of shares	271 866
Earnings per share	**20.74**

The Group has no dilutive potential ordinary shares; the diluted earnings per share are the same as the basic earnings per share.

12. Subordinated instrument

At December 31, 2012, Perseus Real Estate Investment S.à r.l. had outstanding 2 903 517 600 nPECs at a par value of EUR 0.01 for a total nominal amount of EUR 29 035 176.

During the years ending on December 31, 2013 and December 31, 2012, Perseus Real Estate Investment S.à r.l. redeemed 17 000 000 nPECs for a total notional amount of EUR 170 000 and 71 050 000 nPECs for a total notional amount of EUR 710 500 respectively. The redemptions are recognized as a return of capital on the consolidated statement of changes in equity.

In December 2013, the Company issued 407 799 000 non interest bearing preferred equity certificates (hereafter "nPECs" or "subordinated instrument") to its shareholders at a par value of EUR 0.10 for a total nominal amount of EUR 40 779 900.

In 2013, nPEC's issued by Perseus Real Estate Investment S.à r.l. were contributed to the Company except for 1 472 124 000 for a total notional amount of EUR 1 472 124 acquired by a non-controlling interest.

As at December 31, 2013, 407 799 000 nPECs were outstanding from the Company for a nominal amount of EUR 40 779 900. In addition, 147 212 400 nPECs were outstanding from Perseus Real Estate Investment S.à r.l. for a nominal amount of EUR 1 472 142.

The nPECs were initially recognised at fair value. The fair value was estimated by discounting the future contractual cash flows at the market interest rate that would have been available to the Group for similar instruments. The market rate used was 12.7% for the nPECs issued by the Company and 11.0% for the nPECs issued by Perseus Real Estate Investment S.à r.l. The difference between proceeds received and fair value was recognised in equity as a capital contribution. Subsequently, the nPECs were stated at amortised cost with interest expense (finance costs) recognised over the period of the debt using the effective interest method. As at December 31, 2013 the amortised cost value was EUR 1 146 167.63 (December 31, 2012: EUR 287 356.64).

The nPECs are non interest bearing and have a mandatory redemption date on the 30th (nPECs issued by the Company) and 49th (nPECs issued by Perseus Real Estate Investment S.à r.l.) anniversary date of the issuance. At the option of the Company, nPECs can be redeemed in cash and at par value.

The nPECs are not convertible into common stock or any other stock of the Company.

The holders of the nPECs are not entitled to any voting rights in respect of the Company by reason of their ownership of the nPECs.

These nPECs, subject to the conditions as described in the Terms and Conditions, with respect to payment rights, redemption and rights of liquidation, winding up and dissolution, rank prior to all subordinated securities (i.e. all shares of the capital stock of the Company, whether outstanding on the date hereof or issued in the future; provided, however, that subordinated securities do not include the nPECs) but are subordinated to all other present and future obligations of the Company whether secured or unsecured.

After the date of issuance and for so long as any nPEC is outstanding, the Company will not issue any shares of capital stock having, upon or following the liquidation, winding up, dissolution, bankruptcy or insolvency of the Company, any right to payment prior to the payment in full of the par value on each nPEC to the holders.

The fair values (level 3), estimated by discounting the future contractual cash flows at the market interest rate that would have been available to the Group for similar instruments, are as follows.

All amounts in EUR	31.12.2013
Fair value of the subordinated instrument	1 129 275.11

The market rate used as at December 31, 2013 was 12.7%.

There were no transfers between levels for the years ended December 31, 2013 and December 31, 2012.

13. Borrowings

As at December 31, 2013 and 2012 borrowings are as follows:

All amounts in EUR	31.12.2013	31.12.2012
Non-current		
Senior loans	151 779 598.67	13 229 112.37
Unsecured borrowings	43 902 761.43	–.–
Total	**195 682 360.10**	**13 229 112.37**
Current		
Senior loans	–.–	149 993 340.00
Mezzanine loan	–.–	41 861 512.29
Interest expense payable	1 074 201.27	1 341 728.75
Total	**1 074 201.27**	**193 196 581.04**

The senior loans were granted by three German credit institutions.

The first senior loan with a notional of EUR 50 536 975 at December 31, 2013 (EUR 149 993 340 at December 31, 2012) bears a fixed interest rate and matures on December 31, 2020. During 2013, the loan was extended from March 31, 2013 to December 31, 2020.

The second senior loan, contracted in 2013, with a notional of EUR 89 976 250 at December 31, 2013 (EUR 0 at December 31, 2012) bears a floating interest rate and matures on December 31, 2020. The initial loan amount was EUR 91 000 000.

The third senior loan, contracted in 2012, with a notional of EUR 12 676 568 at December 31, 2013 (EUR 13 229 112 at December 31, 2012) bears a floating interest rate and matures on June 30, 2022.

The fair value of the senior floating rates loans approximates their carrying values at the dates of the consolidated balance sheets.

The unsecured borrowings represent a bond listed on the Swiss Stock Exchange with a notional amount of CHF 55 000 000 (EUR 44 883 303.41) at December 31, 2013. It bears a fixed interest rate of 4.75% and matures on July 8, 2018.

Based on the closing price from the Swiss Stock Exchange, the fair value of the bond was 104.5% (level 1) at December 31, 2013.

All amounts in EUR	31.12.2013
Fair value of the bond	45 878 385.69

In March 2008, the Company entered into a mezzanine loan with a nominal amount of EUR 34 500 000 with a related party. The mezzanine loan has been fully reimbursed in 2013, including EUR 7 080 947.20 of previously capitalized interest.

All senior loans are denominated in Euro. The bond is denominated in CHF.

Refer to Note 23 for details of pledges and guarantees.

14. Derivative financial instruments

The Group entered into an interest rate swap agreement effective on June 30, 2012 for a notional amount of EUR 12 676 568.32 at December 31, 2013 (EUR 13 229 112 at December 31, 2012) and a maturity of June 30, 2022. The Group entered into another interest rate swap agreement effective on March 28, 2013 for a notional amount of EUR 89 976 250.00 at December 31, 2013 and a maturity of December 31, 2020. While hedge accounting as defined by IFRS is not applied, the instruments are intended to hedge against interest rate movements.

The fair value of these derivatives at December 31, 2013 amounts to EUR 797 049.68 (EUR (408 481.06) at December 31, 2012) and is included under derivative financial instruments in the consolidated balance sheet. The variation of the fair value is recorded in the consolidated statement of comprehensive income for an amount of EUR 1 205 530.74 (2012: EUR (408 481.06)).

Net interest income or expense settles on a quarterly basis. For the year ended December 31, 2013, net interest expense of EUR 931 098.26 (2012: EUR 80 052.00) was recognised under finance costs in the consolidated statement of comprehensive income.

15. Current and deferred income tax

All amounts in EUR	2013	2012
Current income tax expense	165 820.70	251 595.01
Deferred income tax expense	1 739 026.01	1 735 089.38
Total	**1 904 841.71**	**1 986 684.39**

The Company and its subsidiaries are tax payers in Luxembourg and subject to Luxembourg taxation (applicable tax rate for 2012 was 28.80%, effective January 1, 2013 rate changed to 29.22%). The activity associated with investment properties located in Germany is subject to taxation in Germany (applicable tax rate for 2013 and 2012 is 15.825%). Such activity is tax exempt in Luxembourg.

The income tax expense on the Group profit before tax differs from the theoretical amount that would arise using the applicable statutory tax rate as follows:

All amounts in EUR	2013	2012
Profit before income tax	**7 649 118.17**	**8 887 117.41**
Tax calculated at applicable tax rate – 29.22%–28.80%	(1 217 380.63)	(645 945.61)
Tax calculated at applicable tax rate – 15.825%	1 869 783.31	1 761 319.99
Remeasurement of deferred taxes – change in Luxembourg tax rate (from 28.80% to 29.22%)	–.–	(3 141.99)
Utilisation of previously unrecognised deferred tax assets	(275 507.17)	(375 327.10)
Increase of unrecognised deferred tax assets	1 046 037.17	1 249 779.10
Reversal of previously recognized deferred tax liabilities	115 728.32	–.–
Adjustment to prior year recognized deferred tax assets	366 185.72	–.–
Income tax expense	**1 904 846.71**	**1 986 684.39**
Profit for the year	**5 744 271.46**	**6 900 433.02**

Utilisation of previously unrecognised deferred tax assets

In Germany, deferred tax assets for a total of EUR 744 378.68 (2012: 1 019 886.85) associated with the decrease in fair value of investment properties for two subsidiaries were not recognised in these financial statements due to uncertainty of their recoverability.

Increase of unrecognised deferred tax assets

Deferred income tax assets are recognised for tax losses carried forward only to the extent that realisation of the related tax benefit is probable. In Luxembourg, the Group has accumulated tax losses of EUR 21 863 761 (2012: EUR 17 900 970) to carry forward against future taxable income; these tax losses can be carried forward indefinitely. The benefit of these unused tax losses resulting in EUR 1 115 928 (2012: 1 125 401) has not been recognised in these financial statements due to uncertainty of their recoverability.

Similarly in Germany, the Group has accumulated tax losses of EUR 5 852 687 (2012: EUR 6 559 735) to carry forward against future taxable income; these tax losses can be carried forward indefinitely. The detriment of these unused tax losses resulting in EUR 111 890 (2012: benefit of EUR 140 627) has not been recognised in these financial statements due to the uncertainty of their recoverability.

The analysis of deferred tax assets and liabilities is as follows:

All amounts in EUR	31.12.2013	31.12.2012
Deferred Tax Asset		
Loss carried forward	295 042.48	329 847.56
Mezzanine loan	–.–	81 981.12
Loss on derivative financial instruments	–.–	64 642.13
Total	**295 042.48**	**476 470.81**
Deferred Tax Liability		
Subordinated instrument	12 011 362.14	8 400 112.82
Fair value of investment properties	10 168 357.23	8 770 408.95
Gain on derivative financial instruments	126 133.11	–.–
Total	**22 305 852.48**	**17 170 521.77**
Net Deferred Tax Liability	**22 010 810.00**	**16 694 050.96**

The deferred tax liabilities on subordinated instrument and the deferred tax assets on mezzanine loan have been recognised as required by IAS 12. However such deferred tax liabilities/assets will never lead to any actual tax payments or tax benefits but will reverse over time as the effective interest is recognised on the Group's consolidated comprehensive income until maturity of the instrument or early repayment of such instrument.

As required by IAS 12, deferred tax liabilities on the increase in fair value of investment properties have been recognised under the assumption that the carrying value of the Group's investment property would be realised by sale at the end of use. If the Group were to structure the sale of the investment properties via the disposal of the subsidiary holding the investment properties (i.e. through a share deal), no such tax liability would materialise.

Therefore, the deferred tax liabilities on investment properties and on subordinated instrument as well as the deferred tax assets on mezzanine loan have not been included in the adjusted equity ratio (see Note 4.2).

All amounts in EUR	31.12.2013	31.12.2012
Deferred Tax Asset		
To be recovered after more than 12 months	(231 742.48)	(331 489.69)
To be recovered within 12 months	(63 300.00)	(144 981.12)
Total	**(295 042.48)**	**(476 470.81)**
Deferred Tax Liability		
Reversing after more than 12 months	22 305 852.48	16 993 756.22
Reversing within 12 months	–.–	176 765.55
Total	**22 305 852.48**	**17 170 521.77**
Net Deferred Tax Liability	**22 010 810.00**	**16 694 050.96**

The gross movement on the net deferred tax liabilities is as follows:

All amounts in EUR	31.12.2013	31.12.2012
Beginning of the year	**16 694 050.96**	**15 040 881.12**
Charge to profit	1 739 026.01	1 735 089.38
Charge to equity	3 577 733.04	(81 919.54)
End of the year	**22 010 810.00**	**16 694 050.96**

16. Revenue

Gross rental income is comprised of the following:

All amounts in EUR	2013	2012
Net rental income	22 863 521.12	22 379 872.46
Bad debt	(229 065.27)	(261 844.40)
Income from direct property expenses recoverable from tenants	10 927 558.21	10 498 916.50
Total	**33 562 014.06**	**32 616 944.56**

The Group leases out its investment properties under operating leases that can be cancelled by the tenants or the Group with a 3 months' notice.

No tenant or tenant group pays more than 0.1% of total revenue.

17. Direct property expenses borne by the Group

Direct property expenses borne by the Group are comprised of expenses for property management, maintenance, advertising and marketing, solvency checks and other costs.

18. Refurbishment and investments

Refurbishments and investments are comprised of renovations of apartments, replacements of appliances as well as investments into the buildings and the surrounding areas. Such expenses are incurred to maintain the value of the buildings and the apartments.

19. Administrative expenses

Administrative expenses are comprised of the following:

All amounts in EUR	2013	2012
Consulting fees	1 724 668.95	1 064 649.39
Audit fees	280 805.45	95 260.00
Non recoverable V.A.T.	181 731.80	–.–
Management fees	112 371.00	228 270.00
Tax advisor fees	51 932.00	12 042.80
Office charges	33 380.03	35 427.01
Legal fees	12 340.00	–.–
Other expenses	120 907.98	41 077.52
Reimbursement of management fees	(112 371.00)	(228 270.00)
Total	**2 405 766.21**	**1 248 456.72**

Management fees are paid to a related party and were reimbursed by one of the Group's previous shareholder (see Note 22 'Related parties').

Besides the audit fees, EUR 37 860.88 has been paid to the Group's independent auditor for additional audit related services provided.

20. Personnel expenses

The Group employed two persons full time during the years ended December 31, 2013 and December 31, 2012.

The personnel expenses are comprised of the following:

All amounts in EUR	2013	2012
Salaries	152 296.69	148 560.69
Social security fees	17 763.69	17 871.86
Total	**170 060.38**	**166 432.55**

21. Finance costs net

Finance costs net are comprised of the following:

All amounts in EUR	2013	2012
Interest expense on secured borrowings – senior loans	4 999 654.52	4 031 875.19
Interest expense on secured borrowings – mezzanine loan	3 129 852.61	3 696 881.64
Interest expense on unsecured borrowings	1 174 927.52	–.–
Interest expense on subordinated instrument	790.24	29 172.28
Interest expense on shareholder loan	332 655.14	–.–
Other loan interest expense and bank charges	291 022.86	216 711.45
Interest expense on bank accounts	24.56	542.89
Net loss from foreign currency exchange	472 360.75	–.–
Finance costs	**10 401 288.20**	**7 975 183.45**
Other interest income	(82.89)	(120.77)
Finance income	**(82.89)**	**(120.77)**
Net loss (gain) from fair value adjustment on derivatives	(1 205 530.74)	408 481.06
Net loss (gain) from fair value adjustment on derivatives	**(1 205 530.74)**	**408 481.06**
Finance costs – net	**9 195 674.57**	**8 383 543.74**

On March 26, 2013, the Group entered into loans with its shareholders at the time for an amount of EUR 9 000 000. These loans bore interest of 15%, 66% being capitalized. As part of the internal restructuring, these loans along with capitalized interest were acquired by Adurion entities and contributed to the Group as capital and share premium. Further information on the restructuring can be found in Note 1. Interest expense of EUR 332 655.14 represents interest expense from the period from March to July 2013.

22. Related parties

Related parties consist of holders of the subscribed capital and subordinated instrument (the shareholders) as respectively detailed in Notes 10 and 12, and the counterparty to the mezzanine loan (an affiliate of one of the shareholders) detailed in Note 13.

As at December 31, 2012, other receivables included EUR 56 541 from one of the shareholders for the reimbursement of fourth quarter management fee payable to the investment manager. There are no such receivables as at December 31, 2013 (see Note 19 'Administrative expenses').

No emoluments were paid to administrative and supervisory bodies during the years ended December 31, 2013 and December 31, 2012. There are no other related party transactions.

23. Pledges and guarantees

The financed properties located in Germany, the Company's subsidiaries bank accounts (as first ranking), rental income and accounts receivables have been pledged in favor of the German credit institutions to secure the senior loans.

24. Subsidiaries

The subsidiaries included in the scope of consolidation are as follows:

Perseus Real Estate Investment, Société à responsabilité limitéé
Perseus Immobilien Gesellschaft 1, Société à responsabilité limitée
Perseus Immobilien Gesellschaft 2, Société à responsabilité limitée
Perseus Immobilien Gesellschaft 3, Société à responsabilité limitée
Perseus Immobilien Gesellschaft 4, Société à responsabilité limitée
Perseus Immobilien Gesellschaft 5, Société à responsabilité limitée
Perseus Immobilien Gesellschaft 6, Société à responsabilité limitée
Perseus Immobilien Gesellschaft 7, Société à responsabilité limitée
Perseus Immobilien Gesellschaft 8, Société à responsabilité limitée
Perseus Immobilien Gesellschaft 9, Société à responsabilité limitée
Perseus Immobilien Gesellschaft 10, Société à responsabilité limitée
Perseus Immobilien Gesellschaft 11, Société à responsabilité limitée
Perseus Immobilien Gesellschaft 12, Société à responsabilité limitée
Perseus Immobilien Gesellschaft 13, Société à responsabilité limitée

The Company owns 94.9% of Perseus Real Estate Investment, S.à r.l. All other subsidiaries are fully owned by Perseus Real Estate Investment S.à r.l. The registered offices of all subsidiaries are established in Grand-Duchy of Luxembourg at the following address: 681 rue de Neudorf, L-2220 Luxembourg.

25. Subsequent events

There are no subsequent events that need to be disclosed or reflected in the consolidated financial statements as of and for the year ended December 31, 2013.

26. Corporate Governance

The ultimate goal of effective corporate governance is long-term value creation and strengthening of the Group's reputation. This includes continous improvement to decision-making processes and management systems as well as measures to enhance transparency.

26.1. Board of Directors

The General Meeting appoints the Directors. Directors cannot be appointed for a term of office of more than 6 years, but are eligible for reappointment at the expiry of their term of office. Directors may be removed at any time, with or without cause, by a resolution of the General Meeting.

All members of the Board of Directors as listed below have been elected between May 2013 and July 2013. There are no special committees within the Group.

Composition

As at December 31, 2013 the Board of Directors of the Company was composed of the following members:

Daniel S. Aegerter, Chairman of the Board (non-executive member)
Born in 1969, Swiss citizen, elected until 2018, Entrepreneur

Daniel S. Aegerter is the majority shareholder and Chairman of the Board of Gutburg Immobilien S.A. In addition, he is CEO and founder of Armada Investment AG. In 1995, Daniel S. Aegerter founded TRADEX Technologies and lead the company as CEO until it was successfully sold to Ariba in 2000. He holds various Board of Director mandates of own investments.

Rüdiger Pestlin (non-executive member)
Born in 1969, German citizen, elected until 2016

Rüdiger Pestlin, who graduated from University of Hamburg works for about 20 years in investment banking, respectively corporate finance. He headed the corporate finance unit of KPMG for several years before he moved in 1997 to the management of subsidiaries of Berenberg Bank which are specialized in merger & acquisition and in real estate transactions. In 2005, he founded Pestlin & Co. together with two of his former colleagues.

Nico Hansen (executive member)
Born in 1969, Luxemburgish citizen, elected until 2018

Nico Hansen operates his own accounting and tax advise office in Luxemburg since 1998. The company has currently 26 employees and 2 partners. In addition, he is a member of the European managing board of MGI International, one of the largest alliances of independent audit, tax, accounting and consulting firms. Initially, he worked at the tax office where he passed as tax counselor.

Martin Rechsteiner (executive member)
Born in 1977, Swiss citizen, elected until 2018, CFA, CAIA

Martin Rechsteiner, who graduated from University of Applied Sciences in Chur works since 2012 at Armada Investment AG as Chief Financial Officer. Previously, he worked for 8 years at UBS, last as Specialist Controller in Chicago and before in Zurich as Head of Operational Due Diligence and Deputy Head of Product Control. In addition, he holds various Board of Director mandates for the family office of Daniel S. Aegerter.

Both non-executive members of the Board have not been members of the management of the Company or any of its subsidiaries in the last three years.

Other activities of the members of the Board

Daniel S. Aegerter is active member of the World Economic Forum (WEF) as well as a member of the Entrepreneur Roundtable.

Rüdiger Pestlin is Board member of Vivacon AG and Revitalis AG. Additionally, he is coopted Board member of Domus Wirtschaftsprüfung AG.

The members of the Board have no other activities in governing and supervisory bodies of important Swiss and foreign organizations, institutions and foundations under private or public law; no other permanent management and consultancy functions for important Swiss and foreign interest groups; no official functions and political posts.

26.2. Company management

The Board of Directors appoints the Company management.

Both members of the Company management as listed below have been appointed in June 2013.

Composition

As at December 31, 2013 the Company management was composed of the following members:

Simon Koenig, CEO of the Company

Born in 1974, Swiss citizen

Simon Koenig has been a Managing Director and member of the Board of Directors at Armada Investment AG, since 2009. Prior to joining Armada Investment AG, Mr. Koenig held various positions with Pemba Credit Advisors, KPMG Corporate Finance and Credit Suisse Group. Mr. Koenig received a Bachelor of Sciences in Finance and Economics from the University of Applied Sciences in Zurich. In addition, he holds various Board of Director mandates for the family office of Daniel S. Aegerter.

Martin Rechsteiner, CFO of the Company

Additional information about Martin Rechsteiner can be found in Note 26.1 'Board of Directors'.

Simon Koenig has been on the management of Perseus and its subsidiaries for multiple years. Martin Rechsteiner has not been in the management of Perseus or any of its subsidiaries before June 2013.

The members of the Company management have no activities in governing and supervisory bodies of important Swiss and foreign organizations, institutions and foundations under private or public law; no permanent management and consultancy functions for important Swiss and foreign interest groups; no official functions and political posts.

26.3. Compensations, shareholdings and loans

No compensation was paid in cash or in shares to the members of the Board or the management during 2013. There are no shareholding programs outstanding.

The table below shows the shareholdings of the members of the Board and the management:

Daniel S. Aegerter	158 274 shares of the Company through Adurion Real Estate S.A. and Adurion Real Estate Est.

No loans were granted to any members of the Board or the management.

26.4. Company's auditor

PricewaterhouseCoopers, Société cooperative, 400, route d'Esch, B.P. 1443, L-1014 Luxembourg has been the independent auditor of the Group since 2008.

The Board of Directors evaluates the performance of the independent auditors and their remuneration in line with market conditions. The Board of Directors approves the audit focus area and provides recommendations to the auditors. Throughout 2013, members of the Board have been in regular contact with the auditor to discuss individual agenda items.

26.5. Information Policy

Investor information can be found under www.gutburg.com. The website provides an overview about the organization of the Group, shows the historical media releases and has the audited reports and the semi-annual reports available for download.

In general, there are no material or significant litigations outstanding against any counterparty.

27. List of investment properties

The following table shows all entities of buildings

Adress	Town	Ownership circumstance	Year of construction	Year of renovation	Lettable area (in m²)	Category
Willi-Sänger-Strasse 31a	Brandenburg	Sole ownership	1985	n.a.	1 324	Residential
Willi-Sänger-Strasse 41	Brandenburg	Sole ownership	1985	2001	1 311	Residential
Christinenstrasse 15–27 (ungerade)	Brandenburg	Sole ownership	1985	n.a.	4 746	Residential
Christinenstrasse 29–35 (ungerade)	Brandenburg	Sole ownership	1985	2000	2 471	Residential
Berner Strasse 2a	Brandenburg	Sole ownership	1985	n.a.	1 268	Residential
Rosa-Luxemburg-Allee 55–67 (ungerade)	Brandenburg	Sole ownership	1985	2001	6 169	Residential
Rosa-Luxemburg-Allee 118,120,122,124	Brandenburg	Sole ownership	1985	2001	2 513	Residential
Brucknerstrasse 1–33 (ungerade) / J.-S.-Bach-Str. 20–58 (gerade) / Mahlerstrasse 1–20,22 / Offenbachstrasse 1–26	Brandenburg	Sole ownership	1939–1942	2001–2002	17 627	Residential
Karl-Marx-Strasse 54–56 / Nordstrasse 10–13	Cottbus	Sole ownership	1981	n.a.	3 809	Residential
Erfurter Strasse 23–30	Cottbus	Sole ownership	1975	n.a.	4 507	Residential
Willy-Brandt-Strasse 9	Cottbus	Sole ownership	1973	n.a.	3 643	Residential
Theodor-Brugsch-Strasse 12A,13A,17A	Cottbus	Sole ownership	1980	2000–2001	4 216	Residential

Adress	Town	Ownership circumstance	Year of construction	Year of renovation	Lettable area (in m^2)	Category
Poznaner Strasse 20–22	Cottbus	Sole ownership	1977	2000–2001	4 230	Residential
Werner-Seelenbinder-Ring 21–41	Cottbus	Sole ownership	1979	2002	12 415	Residential
Werner-Seelenbinder-Ring 1–3	Cottbus	Sole ownership	1978	2001–2002	4 230	Residential
Kantstrasse 26,28	Cottbus	Sole ownership	1983	2000–2002	2 781	Residential
Anne-Frank-Strasse 26	Cottbus	Sole ownership	1983	2001–2002	1 390	Residential
Herderstrasse 1,3	Cottbus	Sole ownership	1982	2000–2002	2 780	Residential
Anne-Frank-Strasse 36–41,46 / Herderstrasse 60–63	Cottbus	Sole ownership	1981	2000–2001	7 058	Residential
Albert-Blau-Strasse 1–23	Görlitz	Sole ownership	1969–1972	2001	15 241	Residential
Martin-Ephraim-Strasse 2a–d,17–31 (ungerade), 65–79 (ungerade)	Görlitz	Sole ownership	1969–1972	2001–2004	14 428	Residential
Schlesische Strasse 85–95 (ungerade)	Görlitz	Sole ownership	1982–1989	1998	4 648	Residential
Nordring 99a,99b	Görlitz	Sole ownership	1982–1989	1998	1 842	Residential
Albert-Roth-Strasse 8–14 (gerade) / Alte Heerstrasse 218–223 / Ludwig-Bethcke-Strasse 1–10 / Ph.-v.-Ladenberg-Str. 1–6,11–18 / Wörlitzer Strasse 1–5	Halle (Saale)	Sole ownership	1980–1985	1996–1999	23 782	Residential
Ringstrasse 1–211 (ungerade)	Leipzig	Sole ownership	1978–1979	1996–1999	112 208	Residential
Am kleinen Feld 2–54 (gerade) / Andromedaweg 1–8,10–23,24–34 (gerade) / Jupiterstrasse 1,3–9,10–36,38,40–49,51 / Neue Leipziger Strasse 1–35 (ungerade) / Plovdiver Strasse 2–30 (gerade) / Wegastrasse 2–38 (gerade)	Leipzig	Sole ownership	1981–1983	1996–1999	150 192	Residential
Clara-Wieck-Ring 1–8,26 / Franz-Liszt-Ring 4–11 / Robert-Schumann-Ring 9–18	Markneukirchen	Sole ownership	1986–1990	1996	12 306	Residential
Albert-Schweitzer-Str. 14–58 (gerade) / Dr.-Chr.-Hufeland-Str. 2,19–27 (ungerade) / Friesenweg 100–140 (gerade), 160–168 (gerade) / Marie-Curie-Strasse 1–19 (ungerade) / Pawlowstrasse 1–7 (ungerade)	Plauen	Sole ownership	1981–1983	1997–1998	44 357	Residential
Michael-Farraday-Strasse 1–6 / Niels-Bohr-Strasse 18	Schwerin	Sole ownership	ca. 1985	2001	4 594	Residential
Ziolkowskistrasse 39–43, 49–52,59–71	Schwerin	Sole ownership	ca. 1985	2000–2002	15 399	Residential
Ziolkowskistrasse 44–48	Schwerin	Sole ownership	ca. 1985	ca. 1997	3 472	Residential
Otto-von-Guericke-Strasse 29–43 (ungerade)	Schwerin	Sole ownership	ca. 1985	2000	4 167	Residential
Galileo-Galilei-Strasse 1–5 (ungerade), 11–17 (ungerade)	Schwerin	Sole ownership	ca. 1985	2001	4 263	Residential
Allendestrasse 19–29 (ungerade), 43–75 (ungerade)	Schmalkalden	Sole ownership	1984–1986	1996	16 987	Residential

There are no properties in development.

Gutburg Immobilien S.A.

Kontakt:
Simon Koenig
Delegierter des Verwaltungsrats und CEO
koenig@gutburg.com
Telefon +41 44 914 90 00