CONSUS
REAL ESTATE AG

INTERIM REPORT

January - March 2019

CONSUS REAL ESTATE AG
KURFÜRSTENDAMM 188-189
10707 BERLIN

Content

Foreword by the Executive Board

Dear Shareholders,

Dear Business Partners,

Dear Ladies and Gentlemen,

Consus Real Estate AG has made a successful start to the year 2019. During the first three months of 2019, the Consus Group ("Consus") achieved an overall performance of € 132 million, with the majority being attributed to the property development segment. For the first full reporting period, the acquisition of SSN Group AG is fully reflected in the financial statements.

Our key performance indicator, EBITDA pre-PPA and pre-one-offs ("Adjusted EBITDA"), reached € 46.1 million (Q1 2018: € 40.0 million), resulting in a strong EBITDA pre-PPA margin of 38.9%, and growth of c. 15%.

In the first quarter of 2019, a further three forward sale agreements were notarised with a gross development value (GDV) totalling € 170 million. In addition, we entered into a letter of intent for one project with a GDV of € 68 million. In total, following a further letters of intent negotiation since March 31, 2019, we have now forward sold, including executed forward-sale agreements, letters of intent agreed and under negotiation and condominiums sold to private purchasers, development projects with a GDV of € 2.7 billion, corresponding to 28% of the development portfolio by GDV.

One upfront sale was signed, and a letter of intent was executed for another development project with an overall total GDV of € 1.8 billion as of March 31, 2019, corresponding to c. 18% of the development portfolio by GDV. Furthermore, since March 31, 2019, we have entered in to acquisition agreements for three new development projects with a GDV of € 993 million, demonstrating our ability to continue to purchase attractive large projects.

Following the expansion of our portfolio to become the largest and leading project developer in the top 9 cities of Germany, we are planning to further integrate our two operating subsidiaries CG Gruppe and SSN Group in the current financial year 2019

A key lever in increasing our results is the optimisation of our financing structure within the Consus Group. The targeted group-wide refinancing strategy is focused on lowering the average interest rate by 2% and reducing our leverage to around 3x net debt/Adjusted EBITDA in the medium term.

A first milestone in optimising our financing structure was achieved on May 3, 2019 with the successful placement of a € 400 million senior secured corporate bond with institutional investors. The bond was rated by Standard & Poor's (S&P) and Fitch Ratings, at B- and B respectively. In the future, we are aiming for a significant reduction in junior and mezzanine financing at the project level which will be replaced by more efficient financing instruments at the corporate level of Consus Real Estate AG.

In order to meet the growing demands and the further dynamic development of Consus, the Supervisory Board decided to appoint Mr Theodorus Gorens as Chief

Risk Officer (CRO) and Deputy Chief Financial Officer (Deputy CFO), effective since May 1, 2019. Previously, Theo Gorens was responsible for risk management, financing and business development at Consus' Extended Management Board and since 2012 in the management board of our subsidiary SSN Group AG. We are pleased to welcome Theo Gorens, an experienced risk management and finance expert, on the Management Board.

Following our good start to 2019, we are also confirming our targets of an Adjusted EBITDA of approx. € 450 million in 2020, an Adjusted EBITDA margin of approx. 20% and a target Net Debt/Adjusted EBITDA of around 3x in the medium term.

We would like to thank our shareholders for their trust in Consus and we hope for your continued support through our next important milestones in the future development of Consus. We would like to extend our appreciation to all of our employees, whose daily efforts and expertise makes Consus stronger by the day.

Sincerely,

Andreas Steyer	Benjamin Lee	Theodorus Gorens
CEO	*CFO*	*Deputy-CFO, CRO*

Business Development

Overall statement on the first quarter 2019

The Consus Group has made a successful start to 2019. With the acquisition of SSN Group AG (SSN) at the end of 2018, significantly expanded its portfolio, making it the leading project developer in Germany's top 9 cities. In the first quarter of 2019, for the first time, the enlarged project platform is now fully reflected in the figures. Overall, total income increased significantly year-on-year by 36%. Our key performance indicator, EBITDA pre-PPA and pre-one-offs (“Adjusted EBITDA), reached € 46.1 million (Q1 2018: € 40.0 million), leading to an EBITDA pre-PPA margin of 38.9%. The company reports its figures on a pre purchase price allocation (PPA) and pre-one-off basis in order to remove the accounting impact of the acquisitions and highlight the underlying business performance.

Project transactions

Consus continued its strong momentum in residential real estate development in Q1 2019. Three forward sales with a total GDV of € 170 million were signed in the first quarter. Since March 31, 2019 one additional letter of intent (LOI) has been signed (€ 68 million) and ten projects are currently in negotiation for a forward sale with a total GDV of c. € 660 million. Consus has two expected upfront sales, where is project is sold prior to construction, for projects which have a total GDV of € 1.8 billion. The upfront sale of the „416“ project in Leipzig with a GDV of € 884 million has already been signed, with closing expected in Q3 2019.

As at March 31, 2019, the volume of projects forward sold amounts to approximately € 2.5 billion. Since March 31, 2019, the company has increased the volume of projects forward sold by approximately € 200 million to approximately € 2.7 billion, corresponding to 28% of their total project pipeline of € 9.6 billion. Forward sold projects are either contracted or with LOIs signed or in negotiation with major institutional buyers.

On the project acquisition side, Consus, via its operational subsidiaries CG Group and SSN Group, has since March 31, 2019,, signed purchase agreements for three projects with a planned GDV of € 993 million. The newly acquired development projects are “Benrather Gärten” in Duesseldorf with GDV of € 763 million, the “Wachendorff Quartier” in Bergisch Gladbach (Cologne area) with a GDV of € 147 million and the “Braugold-Quartier” in Erfurt (Leipzig area) with GDV of € 82 million. Consus expects to close these transactions within the second half of 2019. This is an important demonstration of the company’s expertise in sourcing attractive projects to add to its development pipeline. The planning process to develop a new development and construction concept plan for the purpose of marketing to institutional clients and application of the building permit is now starting.

Financing strategy – first milestone towards cheaper and more flexible capital structure achieved

At the beginning of May, CONSUS Real Estate AG successfully placed a senior secured corporate bond (Senior Secured Notes) with a total nominal amount of € 400,000,000 with institutional investors. The notes have been issued at 98.5% with a coupon of 9.625% p.a. over the term. The notes are governed by New York law (144A/Reg S) and are listed on the Official List of The International Stock Exchange. The net proceeds from the issue will be primarily used for the refinancing of outstanding liabilities of the Consus Group and cash payments in connection with the acquisition of shares in CG Group AG. The rating agencies Fitch and Standard & Poor's rated the notes B and B-, respectively. The two rating agencies' issuer ratings for the Consus are B and B, respectively, with a stable outlook in each case.

With the successful placement, Consus has reached a first milestone in its realignment towards a long-term financing strategy. In essence, Consus is aiming for a significant reduction in junior and mezzanine financing at the project level over time, which should be replaced by cheaper and more attractive financing instruments at the corporate level of Consus Real Estate AG. With this bond issuance, Consus also strengthened its access to the capital markets and laid the foundation for further development into a more flexible and efficient financing structure.

Consus is aiming for a reduction of its leverage over the medium term to a ratio of net debt/Adjusted EBITDA of around 3x and a reduction of today's average cost of debt by 200 basis points.

Development of key performance indicators (KPIs) and results

in k€	Q1 2019	Q1 2018	*Change in %*
Total income	**118,413**	87,059	*36.0*
- Income from letting activities	**3,342**	11,398	*-70.7*
- Income from property development	**113,788**	75,661	*50.4*
- Income from service, maintenance and management activities	**1,282**	-	*>100*
Change in project related inventory	**13,649**	1,280	*>100*
Overall performance	**132,062**	88,339	*40.4*
EBITDA (Earnings before interest, taxes, depreciation and amortization)	**26,869**	28,557	*-9.4*
Adjusted EBITDA (pre PPA and one-off expenses)	**46,071**	38,946	*18.3*
Adjusted EBITDA margin	**38.9**	44.7	*-5.8 pp*
Financial result	**-39.6**	-20.1	*+97.0*
Consolidated Net Income	**-9,932**	4,894	*>100*

In the first quarter of 2019, the Group generated revenue of € 118.4 million (Q1 2018: € 87.1 million). This revenue resulted mainly from the progress in real estate development including the conclusion of forward sales, with over twenty different projects contributing to the project development revenue. The projects were a combination of forward sales to institutional buyers and condominium sales, with less than 20% of revenue being attributable to condominium sales. Revenues in addition were contributed by letting activities and services provided. The lettings revenues of € 3.3 million (Q1 2018: € 11.4 million) reduced materially year on year, reflecting the company's transition to a focused development business, and the disposal of its commercial buy-and-hold activities. Based on reported EBITDA of € 26.9 million (Q1 2018: € 28.6 million), the Adjusted EBITDA (pre-purchase price allocation and one-off expenses) amounted to € 46.1 million at the end of the first quarter of 2019 (Q1 2018: € 40.0 million). The EBITDA contribution came primarily from the development projects reporting under IFRS 15 and IAS 2 projects in pre-sale development, with a small contribution from the letting activities and services. The PPA of € 18.1 million related to those projects or condominiums which were forward sold during the quarter.

With regards to the balance sheet, inventory increased due to the net impact of costs incurred on development projects netted off against forward sales, where projects move out of inventory and in to contract assets. There were two significant forward sales (Ostplatz and Franklinstrasse to institutions), plus smaller impacts from condominium forward sales. Contract assets increased materially to € 279.8 million (December 31, 2018: € 238.1 million), reflecting both the forward sales in the first quarter plus the work in progress on existing forward sales. The increase in current contract assets was driven by the forward sold projects that are planned to complete in this year. Cash and cash equivalents reduced from € 69.0 million (December 31, 2018: € 91.6 million), as funds were invested in the business.

In the first quarter 2019, Consus Group received prepayments from forward sales of € 52.2 million (Q1 2018: € 86.5 million), with the difference between the increase in prepayments on development projects and the decrease in inventories and contractual assets being due to two forward sales that were recognised in the income statement as revenue and in contract assets on the balance sheet and were structured as forward sales with final funding.

Consolidated net income was € -9.9 million in the first quarter of 2019 (Q1 2018: € 4.9 million). The decline is mainly attributable to higher financial expenses compared with the same period of the previous year. Financial expenses were € 51.4 million (Q1 2018: € 26.1 million) due to the increased volume of projects loans in the business, both from SSN and the CG growth, and also increased financing costs from the SSN acquisition loan. Financial income increased to € 11.8 million (Q1 2018: € 6.1 million) reflecting the impact of the changing share price on the accounting of the convertible bond.

Total financing liabilities marginally increased to € 2,240.3 million (December 31, 2018: € 2,195.5 million), primarily due to a combination of one new loan and accrued interest on existing loans. Net debt at March 31, 2019 slightly increased to € 2,171 million (December 31, 2018: € 2,104 million) due to additional project debt with regard to further progress of projects. Trade payables increased to € 65.9 million

(December 31, 2018: € 41.9 million) as construction work increased. Consus' equity amounted to EUR 1,154 million (December 31, 2018: EUR 1,161 million) at the reporting date.

At the end of the first quarter 2019, GDV of 64 development projects amounted to approximately € 9.6 billion. The Gross Asset Value (GAV) according to IFRS amounted to € 2,495 million, and increased by roughly € 116 million primarily due to increases in inventory and contract assets, with a portion of the increase due to capital expenditure on investment assets. The Company’s market gross asset value (Market GAV) increased to EUR 3.07 billion (December 31, 2018: € 2.95 billion) following further development and construction work on the company’s projects; no adjustments were made for any increase in general market values.

Due to the acquisition of SSN in November 2018, Consus group provide pro forma Adjusted EBITDA for the last twelve months to fully reflect the increased scale of the business. Pro forma Adjusted EBITDA reached € 260 million (FY 2018: € 253 million), the increase results primarily from additional forward sold projects in a total of € 170 million in the first quarter.

Net debt/Pro Forma Adjusted EBITDA stood at 8.3x with the increase in the pro forma Adjusted EBITDA, offset by the marginal increase in net debt compared to FY 2018. Net debt/Market GAV was c. 71 %, unchanged compared to end of last year (December 31, 2018: 71%).

Development breakdown of the project portfolio

As at March 31, 2019, Consus’ development portfolio comprised 64 residential projects with a GDV of around € 9.6 billion and a total net area of 2.1 million square meters. Compared to the previous period in 2018, the significant increase in scale was mainly achieved through the acquisition of SSN with a GDV of € 3.6 billion in November 2018 and other organic additions with a net GDV of € 1.4 billion through the year 2018.

Consolidated Interim Financial Statements

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

in k€	Notes	1/1/2019 –31.03.2019	1/1/2018 –31.03.2018
Income from letting activities	2.7.1	3,342	11,398
Income from service, maintenance and management activities		1,282	-
Income from property development		113,788	75,661
Total income		**118,413**	**87,059**
Change in project related inventory		13,649	1,280
Overall performance		**132,062**	**88,339**
Expenses from letting activities	2.7.1	-2,389	-3,869
Cost of materials		-69,553	-37,621
Other operating income		5,203	986
Personnel expenses		-13,822	-6,720
Other operating expenses	2.7.2	-24,630	-12,558
EBITDA* (Earnings before interest, taxes, depreciation and amortisation)		**26,869**	**28,557**
Depreciation and amortisation		-1,470	-513
EBIT* (Earnings before interest and taxes)		**25,400**	**28,044**
Financial income	2.7.3	11,813	6,047
Financial expenses	2.7.3	-51,401	-26,128
EBT (Earnings before taxes)		**-14,188**	**7,963**
Income tax expenses	2.7.4	4,257	-3,068
Net income (Earnings after taxes) from continued operations		-9,932	4,894
Net income (Earnings after taxes) from discontinued operations		-	-
Consolidated net income		**-9,932**	**4,894**
*including interest expenses that are capitalized in accordance with IAS 23			
Other comprehensive income		217	-
thereof non-recycling			-
thereof will be reclassified to profit or loss			-
Total comprehensive income		**-9,715**	**4,894**
Of the net income from continuing operations for the period, the following is attributable to:			
Non-controlling interests		-3,579	3,435
Shareholders of the parent company		-6,353	1,460
Of the total comprehensive income from continuing operations for the period, the following is attributable to:			
Non-controlling interests		-3,579	3,435
Shareholders of the parent company		-6,137	1,460
Total comprehensive income for the period attributable to shareholders of the parent company arises from:			
Continuing operations		-6,137	1,460
Discontinued operations		-	-
Total comprehensive income for the period attributable to non-controlling arises from:			
Continuing operations		-3,579	3,435
Discontinued operations		-	-

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

in k€	Notes	31.03.2019	31.12.2018*	31.12.2018
			*Adjusted due to IFRS 16 and update on IAS 23	As originally presented
Investment property	2.7.6	334,493	328,027	328,027
Property, plant and equipment		9,344	8,771	8,771
Right-of-use asset	2.7.11	11,597	-	-
Goodwill		1,032,552	1,032,480	1,032,480
Other intangible assets		5,971	6,158	6,158
Investments accounted for using the equity method		20,573	21,590	21,590
Financial assets	2.7.10	10,637	10,037	10,037
Contract assets	2.7.7	224,547	237,882	235,011
Total non-current assets		**1,649,715**	**1,644,944**	**1,642,073**
Current assets				
Work-in-progress including acquired land and buildings	2.7.8	1,880,232	1,826,022	1,830,487
Trade and other receivables		46,617	53,933	53,933
Receivables from related parties	2.10	61,275	62,853	62,853
Tax receivables		7,175	8,644	8,644
Financial assets		39,407	38,439	38,439
Other assets	2.7.9	16,895	15,499	15,499
Contract assets	2.7.7	55,235	190	190
Cash and cash equivalents		68,968	91,603	91,603
Assets held for sale		1,329	1,329	1,329
Total current assets		**2,177,133**	**2,098,511**	**2,102,977**
Total assets		**3,826,848**	**3,743,455**	**3,745,050**
Equity				
Subscribed capital		134,527	134,040	134,040
Capital reserves		907,464	904,233	904,233
Other reserves		-34,689	- 28,477	- 27,363
Non-controlling interests		147,165	151,628	151,629
Total equity		**1,154,466**	**1,161,425**	**1,162,539**
Non-current liabilities				
Financing liabilities	2.7.10	1,071,672	1,049,150	1,049,150
Provisions		1,772	1,712	1,712
Other liabilities		44,555	15,017	15,017
Contract liabilities	2.7.7	32,096	-	-
Deferred tax liabilities		110,748	113,900	114,380
Total non-current liabilities		**1,260,843**	**1,179,779**	**1,180,259**

Current liabilities				
Financing liabilities	2.7.10	1,168,588	1,146,374	1,146,374
Provisions		4,606	4,735	4,735
Trade payables		65,943	41,913	41,913
Liabilities to related parties	2.10	56,891	43,196	43,196
Tax payables		43,993	44,389	44,389
Other liabilities		71,518	75,771	75,771
Contract liabilities	2.7.7	0	45,872	45,872
Total current liabilities		**1,411,539**	**1,402,251**	**1,402,251**
Total equity & liabilities		**3,826,848**	**3,743,455**	**3,745,050**

CONSOLIDATED CASH FLOW STATEMENT

in k€	**Notes**	**01.01.2019 – 31.03.2019**	**01.01.2018 – 31.03.2018**
Operating activities			
Net profit from continuing operations		-9,932	4,894
Tax expense	2.7.4	-4,257	3,068
Profit (loss) before tax		**-14,188**	**7,963**
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation and impairment of property, plant and equipment		892	513
Amortisation and impairment of intangible assets		23	-
Depreciation on right-of-use asset	2.7.11	555	-
Financial income	2.7.3	-11,813	-6,047
Financial expenses	2.7.3	51,401	26,128
Transition Adjustments IFRS 15		0	-32,503
Other non-cash adjustments		-2,025	-2,869
		24,844	**-6,816**
Working capital adjustments			
Decrease/ (increase) in rent and other receivables		11,522	38,479
Decrease / (increase) prepayments, accrued income and other assets	2.7.10	-1,182	-8,959
Decrease/ (increase) in inventories and contractual assets		-135,670	-26,976
(Decrease) / increase in prepayments on development projects		52,215	86,452
Decrease in inventory property	2.7.7	-6,467	-
(Decrease) / increase in trade, other payables and accruals, contractual liabilities and other liabilities		35,410	5,465
Income tax paid	2.7.4	117	-1,526
Net cash flow from operating activities		**-19,209**	**86,121**

Investing activities			
Acquisition of subsidiaries, net of cash acquired		-	-56
Purchase of investment property	2.7.6	-	-1,500
Loans granted		-1,841	-5,050
Capital expenditure on investment property	2.7.6	-9,190	-2,428
Proceeds from the sale of PPE & intangibles		-	232
Proceeds from investment in trade securities		-	26
Expenditure on other fixed assets		-325	-404
Interest received	2.7.3	2,377	-
Change in financial assets		-1,444	-
Net cash flow from investing activities		**-10,421**	**-9,179**
Financing activities			
Proceeds from borrowings		66,181	25,323
Repayment of borrowings		-28,562	-114,761
Repayment of finance lease liabilities		-781	-
Interest paid	2.7.3	-29,980	-10,142
Net cash flow from financing activities		**6,859**	**-99,580**
Net increase / (decrease) in cash and cash equivalents		-22,771	-22,638
Effect of exchange rate changes on cash and cash equivalents		137	-
Cash and cash equivalents at the beginning of the year		91,603	71,340
Cash and cash equivalents at the end of the period		**68,968**	**48,701**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

in k€	Subscribed capital	Capital reserves	Retained earnings	Other reserves	OCI	Total	NCI	Total Equity
01.01.2019	**134,040**	**904,233**	**-21,165**	**-4,370**	**-1,828**	**1,010,910**	**151,629**	**1,162,539**
Effect from initial application of IFRS 15 (net of tax)								
Change in accounting policy IFRS 9								
Adjusted balance at 1 January 2018	**134,040**	**904,233**	**-21,165**	**-4,370**	**-1,828**	**1,010,910**	**151,629**	**1,162,539**
Profit for the period	-	-	-6,353	-	-	-6,353	-3,579	-9,932
Other comprehensive income	-	-	-	-	266	266	-49	217
Total comprehensive income for the period	**-**	**-**	**-6,353**	**-**	**266**	**-6,087**	**-3,628**	**-9,715**
Transactions with owners in their capacity as owners:								
Issue of share capital	-	-	-	-	-	-	-	-
Conversion Notice Convertible Loan	487	3,231	-	-	-	3,717	-	3,717
Transation costs for the issuance of share capital, net of tax	-	-	-	-	-	-	-	-
Transactions with minority shareholders without change of control	-	-	-	-	-	-	-	-
Consolidation of entities with minority interest	-	-	-	-	-	-	-	-
Deconsolidation of entities with minority interest	-	-	-	-	-	-	-	-
First Time Consolidation	-	-	-	-	-	-	-	-
Effects from PPA finalization	-	-	-	-	-	-	-	-
Share transfer	-	-	-	-1,238	-	-1,238	-837	-2,075
IAS 8 Effect						-		-
31.03.2019	**134,527**	**907,464**	**-27,518**	**-5,608**	**-1,562**	**1,007,302**	**147,164**	**1,154,466**

in k€	Subscribed capital	Capital reserves	Retained earnings	Other reserves	OCI	Total	NCI	Total Equity
01.01.2018	**79,850**	**574,714**	**-8,456**	**-**	**-**	**646,108**	**169,901**	**816,009**
Effect from initial application of IFRS 15 (net of tax)	-	-	-	4,279	-	4,279	3,409	7,688
Change in accounting policy IFRS 9	-	-	-	-	-	-	-	-
Adjusted balance at 1 January 2018	**79,850**	**574,714**	**-8,456**	**4,279**	**-**	**650,387**	**173,310**	**823,698**
Profit for the period	-	-	-12,709	-	-	-12,709	13,878	1,168
Other comprehensive income	-	-	-	-	-1,828	-1,828	54	-1,774
Total comprehensive income for the period	**-**	**-**	**-12,709**	**-**	**-1,828**	**-14,537**	**13,931**	**-606**
Transactions with owners in their capacity as owners:								
Issue of share capital	45,119	299,260	-	-	-	344,379	-	344,379
Conversion Notice Convertible Loan	737	5,686	-	-	-	6,423	-	6,423
Transation costs for the issuance of share capital, net of tax	-	-	-	-	-	-	-	-
Transactions with minority shareholders without change of control	8,333	24,573	-	-8,649	-	24,257	-30,279	-6,022
Consolidation of entities with minority interest	-	-	-	-	-	-	-	-
Deconsolidation of entities with minority interest	-	-	-	-	-	-	-26,861	-26,861
First Time Consolidation	-	-	-	-	-	-	21,527	21,527
31.12.2018*	**134,040**	**904,233**	**-21,165**	**-4,370**	**-1,828**	**1,010,910**	**151,629**	**1,162,539**

Condensed notes to the interim consolidated financial statements for the three-months of 2019

2.1 INFORMATION ON THE COMPANY

Consus Real Estate AG ('the Company', 'Consus' or 'the Parent Company', together with its subsidiaries 'the Group') is a public limited company incorporated under the laws of the Federal Republic of Germany.

The registered address of the Company is Kurfürstendamm 188 - 189, 10707 Berlin. The Company is registered under the commercial register number HRB 191887B in the commercial register of the district court of Berlin-Charlottenburg.

The condensed interim consolidated financial statements as at and for the three months ended March 31, 2019, comprise the Company and its subsidiaries.

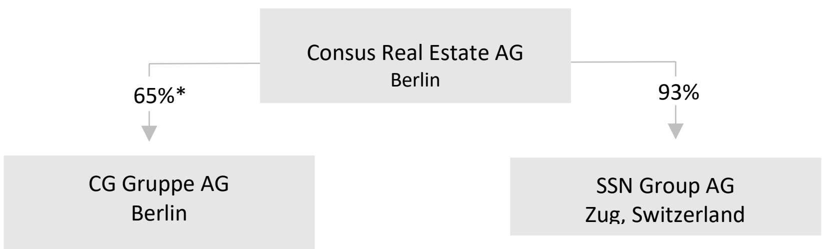
2.2 BUSINESS ACTIVITIES

The Company specializes in the acquisition, development, management, use and sale of real estate and land rights in Germany through a number of shareholdings.

The Group focuses its business activities primarily on the functions of real estate development and also as a real estate portfolio holder, in which it covers the entire value chain together with experienced partners.

The Company has been operating within the real estate sector since November 2016.

The Group's principal subsidiaries at 31 March, 2019 are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.



* 75% on a fully diluted basis

General information on The Condensed Interim Consolidated Financial Statements

The Condensed Interim Consolidated Financial Statements of Consus Real Estate AG have been prepared in accordance with the International Financial Reporting Standards (IFRS) adopted and issued by the International Accounting Standards Board (IASB), as adopted by the European Union. In addition, § 315e (3) in conjunction with (1) HGB was taken into account.

They do not include all of the information required for full annual financial statements, and should be read in conjunction with the Consolidated Financial Statements of the Group for the year ended December 31, 2018. Selected explanatory notes are included to explain events and transactions that are significant for understanding the changes in the Group's financial position and performance since the last annual consolidated financial statements as at and for the year ended December 31, 2018.

2.3 ACCOUNTING POLICIES

2.3.1 BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENT

The Condensed Interim Consolidated Financial Statements have been prepared in thousands of Euro (€). Rounding differences may occur in respect of individual amounts or percentages. The Condensed Interim Consolidated Financial Statements are comprised of the Condensed Interim Consolidated Statements of Comprehensive Income, the Condensed Interim Consolidated Statements of Financial Position, the Condensed Interim Consolidated Statements of Changes in Equity and the Condensed Interim Consolidated Statements of Cash Flows as at and for the three months period ended March 31, 2019.

The statement of Condensed Interim Consolidated Statement of Comprehensive Income is prepared according to the nature of expense method. The presentation of the Condensed Interim Consolidated Statement of Financial Position distinguishes between current and non-current assets and current and non-current liabilities. Assets and liabilities falling due within one year are classified as current.

The Company's condensed interim consolidated financial statements and those of its subsidiaries are prepared according to uniform accounting policies. In the process, the principles are consistent with those followed in the preparation of the Group's consolidated financial statements for the year ended December 31, 2018, except for the adoption of new standards, interpretations and amendments adopted with effect from January 1, 2019. Further details regarding the implementation of IFRS 16 and IFRIC Update IAS 23 can be found in chapter 2.5.1 and 2.5.2 respectively.

2.4 FAIR VALUE MEASUREMENTS

The application of some of the Group's accounting policies and accompanying notes requires determination of the fair value of financial assets and financial liabilities as well as non-financial assets and liabilities.

The fair value is defined as the price that could be received when selling an asset or has to be paid to transfer a liability in an orderly transaction between market participants at the measurement date.

When determining the fair value of assets and liabilities, the Group uses directly observable market data. If no observable market data is available, fair values are determined using valuation techniques.

The fair value hierarchy categorizes the inputs used in valuation techniques into three levels, based on their proximity to the market:

Level 1: The (unadjusted) quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly (i.e. the price) or indirectly (i.e. derived from the price)

Level 3: Measurement parameters based on unobservable inputs for the asset or liability

In case the inputs used to measure fair value are categorized into different levels of the fair value hierarchy, the fair value measurement is categorized in its entirety in the level of the lowest level input that is significant to the entire measurement.

For information on the measurement of investment property, financing liabilities and derivatives please refer to the Group's consolidated financial statements for the year ended December 31, 2018, chapter 3.3 as well as 9.1 and 9.12.

The fair value hierarchy can be summarized as follows:

Fair value hierarchy	**Level I**	**Level II**	**Level III**
Purchase price allocation in the context of business combinations			X
Investment properties			X
Financing liabilities		X	
Derivatives			X

2.5 CHANGES IN ACCOUNTING POLICIES

The following new and amended standards have been used for the first time in the reporting period:

2.5.1 IFRS 16 'LEASES' (EFFECTIVE AS OF JANUARY 1, 2019)

IFRS 16 'Leases' was published in January 2016 and it replaces IAS 17 'Leases', IFRIC 4 determining whether an Arrangement contains a Lease, SIC-15 Operating Leases-Incentives and SIC-27 evaluating the substance of transactions involving the legal form of a lease. IFRS 16 sets out the principles of the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under IAS 17. The standard includes two recognition exemptions for lessees – lease of ‘low value’ assets (e.g. personal computers) and short-term leases (i.e., leases with a lease term on 12 months or less), these are applied by the group. At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. The group applies the method described in IFRS 16.C5 (b) for first-time adoption, whereby the lease liability is recognised at the present value of the remaining lease payment and a right-of-use asset in the same amount, less any deferred lease payments, is capitalised.

Lessees will be obliged to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset

Lessor accounting under IFRS 16 is substantially unchanged from today’s accounting under IAS 17. Lessors will continue to classify all leases using the same classification principles as in IAS 17 and distinguish between two types of leases: operating and finance leases.

In addition, IFRS 16 obliges lessees and lessors to make more extensive disclosures than under IAS 17.

Leases in which Consus is a lessee

Consus will recognise new assets and liabilities for its operating leases of office space, vehicles, office and other equipment. The nature of expenses related to those leases will now change because Consus will recognise a depreciation charge for right-of-use assets and interest expense on lease liabilities (January 1, 2019: k€ 12,133).

Previously, Consus recognised operating lease expenses on a straight-line basis over the lease term, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

No significant impact is expected to the Group’s finance leases.

Leases in which Consus is a lessor

Consus expects no material changes for lease agreements in which the Group acts as the lessor.

Consus has applied IFRS 16 as of January 1, 2019, using the modified retrospective approach. Therefore, the cumulative effect of adopting IFRS 16 will be recognised as an adjustment to the opening balance of other reserves at January 1, 2019, with no restatement of comparative information.

Consus applies the practical expedient to grandfather the definition of a lease on transition. This means that it applies IFRS 16 to all contracts entered into before January 1, 2019 and identified as leases in accordance with IAS 17 and IFRIC 4.

Please refer to chapter 2.7.11 for the impact on the 2019 opening balance and the reconciliations.

2.5.2 IFRIC Update: OVER TIME TRANSFER OF CONSTRUCTED GOODS - IAS 23 'BORROWING COSTS'

The Committee clarifies whether the entity has a qualifying asset as defined in IAS 23 and therefore, capitalises any directly attributable borrowing costs. Applying IAS 23.8, an entity capitalises borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. IAS 23.5 defines a qualifying asset as 'an asset that necessarily takes a substantial period of time to get ready for its intended use or sale'.

Inventory (work-in-progress) for unsold units under construction that the entity recognises is not a qualifying asset. This asset is ready for its intended sale in its current condition - e.g. the entity intends to sell the part-constructed units as soon as it finds suitable customers and, on signing a contract with a customer, will transfer control of any work-in-progress relating to that unit to the customer.

The previous accounting policy of Consus was to capitalise interest for each unit in a residential multi-unit real estate development until the unit was sold or development was completed.

With the IFRIC Update, Consus will only recognise borrowing costs for inventory (work-in-progress) related to residential multi-unit real estate development until the first unit of the total project is sold (relevant date).

The impact of the IFRIC Update for IAS 23 on the opening balances in 2019 relate to

(1) Reversal of interest against contractual assets for FY2018;

(2) Increase in revenues as planned project costs are reduced due to not capitalized interest with a change in calculated project progress;

(3) Deferred tax effect

(4) Calculated delta booked against equity

The table below shows the impact of the IFRIC Update for IAS 23 for the following balance sheet items as at December 31, 2018:

in k€	**Impact of IAS 23 Update**
Contract assets (non-current)	2,871
Work-in-progress including acquired land and buildings	-4,465
Other reserves	-2,074
Deferred tax liabilities	480

2.5.3 OTHER STANDARDS

The IASB has also revised, amended or issued the following standards and interpretations that must be applied as of January 1, 2019:

- IFRIC 23 Uncertainty over Income Tax Treatments
- Amendments to IFRS 9: Prepayment Features with Negative Compensation
- Amendments to IAS 19: Plan Amendment, Curtailment or Settlement
- Amendments to IAS 28: Long-term interests in Associates and Joint-Ventures

However, these will either have no material effect on the Group's consolidated financial statements or the assessment of potential impacts is still on-going.

2.6 SCOPE OF CONSOLIDATION

There were no changes in the scope of consolidation in the reporting for the three months period ended as of March 31, 2019.

2.7 SELECTED EXPLANATORY NOTES

2.7.1 RESULT FROM LETTING ACTIVITIES

The following breakdown shows the result from letting activities for the three months ended March 31, 2019.

in k€	01.01. - 31.03.2019	01.01. - 31.03.2018
Rental income	3,342	10,333
Income from recharged operating costs	0	1,040
Income from other goods and services	0	25
Income from letting activities	**3,342**	**11,398**
Expenses from operating costs	-1,855	-3,523
Maintenance expenses	0	9
Other services	-534	-356
Expenses related to letting activities	**-2,389**	**-3,869**
Net operating income from letting activities	**953**	**7,528**

The reduced rental income in Q1/2019 in comparison to the prior year is due to the change of the business model with the main focus on property development.

2.7.2 OTHER OPERATING EXPENSES

Other operating expenses break down as follows:

in k€	01.01. - 31.03.2019	01.01. - 31.03.2018
Write-offs and allowances on receivables	-155	0
Consulting and audit fees	-3,284	-5,180
Admin expenses	-7,295	-3,490
Utility expenses for office space	-1,163	-398
Marketing expenses	-3,303	-814
Car and travel expenses	-1,771	-1,197
Other taxes	-1,752	-357
Other expenses	-5,907	-1,123
Total	**-24,630**	**-12,558**

Other operating expenses during the reporting period for the three months ended March 31, 2019 mainly include an increase in marketing activities and continuing consulting and audit fees which are mainly due to project related work and the placement of a senior secured corporate bond.

During the comparison period Q1/2018, other operating expenses include significant consulting and audit fees which are mainly due to portfolio transactions, transition to IFRS, first time consolidation, and other project related work of which some is unique in its nature.

2.7.3 FINANCIAL INCOME AND FINANCIAL EXPENSES

Financial result can be broken down as follows:

in k€	**01.01. - 31.03.2019**	**01.01. - 31.03.2018**
Interest income from bank deposits	287	0
Income from fair value changes of derivatives	10,496	5,394
Interest income from loans	477	126
Other financial income (incl. derecognition of derivatives)	553	527
Total financial income	**11,813**	**6,047**
Expense from fair value measurement of interest derivatives	-439	0
Interest expense from loans	-45,394	-26,128
Interest expense from finance leases	-99	0
Other interest expenses	-5,469	0
Total financial expenses	**-51,401**	**-26,128**
Financial result	**-39,588**	**-20,081**

In the reporting period for the three months ended March 31, 2019 the financial income is driven by the income from fair value changes of derivatives resulting from the development of the share price. The financial expense include a significant increase in the interest expense from loans compared to Q1/2018 due to the acquisition and consolidation with the SSN Group.

2.7.4 INCOME TAXES

Income tax expense and income is broken down by origin as follows:

in k€	01.01. - 31.03.2019	01.01. - 31.03.2018
Current income taxes for the period	-165	-426
Deferred taxes	4,420	-2,642
Tax result	**4,256**	**-3,068**

The current tax expenses in the first three-months 2019 mainly result from the tax assessment for the period and are mainly due to the positive contribution of the CG division.

2.7.5 EARNINGS PER SHARE

Basic earnings per share from continuing operations is calculated by dividing the income/loss from continuing operations attributable to the shareholders of the parent company by the weighted average number of undiluted shares in the respective financial year. Basic earnings per share from continuing and discontinued operations is calculated by dividing the consolidated income/loss for the period attributable to shareholders of the parent company by the undiluted weighted average number of shares in the respective financial year. The weighted average number of ordinary shares is calculated from the number of shares in circulation at the beginning of the period adjusted by the number of shares issued during the period and multiplied by a time-weighting factor. The time-weighting factor reflects the ratio of the number of days on which shares were issued and the total number of days in the period.

in k€	01.01. - 31.03.2019	01.01. - 31.03.2018
Consolidated net income/loss for the period from continuing operations	-9,932	-4,444
Income/loss from continuing operations attributable to non-controlling interests	-3,579	-
Income/loss from continuing operations attributable to shareholders	**-6,353**	**-4,444**
Weighted average number of shares issued, in thousands	134,281	22,048
Basic earnings per share from continuing operations in EUR	**0.05**	**-0.20**
Number of dilutive potential shares, in thousands	**-**	**-**
Diluted earnings per share from continuing operations in EUR	**0.05**	**-0.20**

Consolidated net income/loss for the period from continuing and discontinued operations attributable to shareholders	-6,353	-4,444
Weighted average number of shares issued, in thousands	134,281	22,048
Basic earnings per share from continuing and discontinued operations in EUR	**-0.05**	**-0.20**
Number of dilutive potential shares, in thousands	-	-
Diluted earnings per share from continuing and discontinued operations in EUR	**-0.05**	**-0.20**

2.7.6 INVESTMENT PROPERTY

The Group's investment property predominantly consists of commercial property (offices, retail and parking) and a smaller proportion of residential property. During the three-months of 2019 no investment property was purchased from third parties.

Major market developments and valuation parameters that have an impact on the fair values of the investment property held by the Group are assessed every quarter. The results of this assessment indicate that no value adjustments are required as of March 31, 2019. The increase in investment properties is the result of capitalising construction measures.

2.7.7 CONTRACT BALANCES

The timing of revenue recognition, invoicing and cash collections results in billed accounts receivable, unbilled receivables (contract assets), and customer advances and deposits (contract liabilities) on the Statement of Financial Position. In the Group's development activities, amounts are billed as work progresses in accordance with agreed-upon contractual terms, either at periodic intervals or upon achievement of contractual milestones. Generally, billing occurs subsequent to revenue recognition, resulting in contract assets. However, the Group sometimes receives advances or deposits from its customers before revenue is recognized, resulting in contract liabilities. These assets and liabilities are reported in the Consolidated Statement of Financial Position on a contract-by-contract basis at the end of each reporting period. Changes in the contract asset and liability balances during the three-month period ended March 31, 2019, were not materially impacted by any other factors.

Impairment losses recognized on receivables and contract assets were de minimums in the first three months of 2019 and 2018.

The following table provides information about contract assets and contract liabilities from contracts with customers:

	Book value as of:	
in k€	**31.03.2019**	**01.01.2019**
Gross contract assets - non-current	726,234	680,666
Gross contract assets - current	66,239	10,080
Prepayments received on non-current contract balances	-533,783	-488,657
Prepayments received on current contract balances	-11,003	-9,890
Net contract assets (liabilities)	**247,686**	**192,200**

2.7.8 WORK-IN-PROGRESS

Work-in-progress including acquired land and buildings

Work-in-progress can be broken down as follows:

in k€	**31.03.2019**	**31.12.2018**
Carrying amount of inventories	**1,880,231**	**1,826,022**
-thereof Real Estate ‘Institutional’	916,848	910,197
-thereof Real Estate ‘Parking’	14,958	14,610
-thereof Real Estate ‘Apartments for sale’	898,489	869,169
-thereof Real Estate ‘Other construction work’	114,181	90,675
-net off: received prepayments for Real Estate construction	-64,604	-58,629

A significant part of the inventory is pledged as underlying security provided for loan agreements.

in k€	**31.03.2019**	**31.12.2018**
Other disclosures for IAS 2		
Carrying amount of inventories pledged as security for liabilities	1,016,990	960,070

2.7.9 OTHER ASSETS

in k€	31.03.2019	31.12.2018
Accruals	3,183	2,339
Receivables from other taxes	2,600	1,784
Prepayments made	305	326
Assets recognized from costs to obtain or fulfil a contract	9,655	10,143
Other assets	1,152	908
Total	**16,895**	**15,499**

2.7.10 FINANCIAL INSTRUMENTS

The company had previously issued a € 200m convertible bond for which it had received conversion notices and subsequently converted a nominal amount of € 9.9m in to equity, with a nominal amount of € 190.1m of the € 200m convertible bond remaining outstanding as of the balance sheet date. An impact on capital reserve of k€ 3,413 was accounted for in Q1.2019. Further conversion notices amounting to € 13.5m were received after the balance sheet date and do not impact the Financial Statements as of March 31, 2019.

The following abbreviations are used for the measurement categories:

- FVTPL: Financial assets at FVTPL
- AC: Financial assets at amortised cost
- Debt FVOCI: Debt investments at FVOCI
- Equity FVOCI: Equity investments at FVOCI
- AC: Financial liabilities at amortised cost

Financial assets and liabilities by measurement category and class are shown in the following table:

in k€	Category acc. to IFRS 9	Carrying value as of 31.03.2019	Nominal value	Amortised costs	Fair value through P/L	Fair value through equity	Fair value as of 31.03.2019	Fair value hierarchy level
Non-current financial assets: Investments	FVOCI – equity	779	-	-	-	779	779	3
Non-current financial assets: Other	Amortised cost	9,858	-	9,858	-	-	9,858	2
Trade and other receivables	Amortised cost	46,617	-	46,617	-	-	46,617	2
Current financial assets: Other	Amortised cost	36,523	-	36,523	-	-	36,523	2
Current financial assets: Derivatives	FVTPL	2,884	-	-	2,884	-	2,884	3
Receivables from related entities	Amortised cost	61,275	-	61,275	-	-	61,275	2
Cash and cash equivalents	Amortised cost	68,968	68,968	-	-	-	68,968	1
Total financial assets		**226,905**	**68,968**	**154,273**	**2,884**	**779**	**226,905**	
Financing liabilities	Amortised cost	2,226,198	439,869	1,786,329	-	-	2,226,885	2
Trade payables	Amortised cost	65,943	5,373	60,570	-	-	65,943	2
Liabilities to related entities	Amortised cost	56,891	36,596	20,295	-	-	57,213	2
Financing liabilities: Derivatives	FVTPL	14,062	-	-	14,062	-	14,062	3
Other liabilities	Amortised Cost	70,040	1,159	68,881	-	-	70,040	2
Total financial liabilities		**2,433,134**	**482,996**	**1,936,075**	**14,062**	**0**	**2,434,143**	
Financial Assets measured at fair value through OCI - debt instrument	FVOCI-debt instrument	-	-	-	-	-	-	
Financial Assets measured at fair value through OCI - equity instrument	FVOCI-equity instrument	779	-	-	-	779	779	
Financial Asset measured at fair value through profit and loss	FVTPL	2,884	-	-	2,884	-	2,884	
Financial asset measured at amortised cost	Amortised cost	223,242	68,968	154,273	-	-	223,242	
Financial Liabilities at cost	Amortised cost	2,419,394	482,996	1,936,397	-	-	14,062	
Financial Liabilities held for trading	FVTPL	14,062	-	-	14,062	-	-	

in k€	Measurement category (IAS 39)	Carrying value as of 31.12.2018	Nominal value	Amortised costs	Fair value through P/L	Fair value through equity	Fair value as of 31.12.2018	Fair value hierarchy level
Non-current financial assets: Investments	FVOCI – equity	324	-	-	-	324	324	3
Non-current financial assets: Other	Amortised cost	9,713	-	9,713	-	-	9,713	2
Trade and other receivables	Amortised cost	53,933	-	53,933	-	-	53,933	2
Current financial assets: Other	Amortised cost	35,762	-	35,762	-	-	35,762	2
Current financial assets: Derivatives	FVTPL	2,677	-	-	2,667	-	2,667	3
Receivables from related entities	Amortised cost	62,853	-	62,853	-	-	62,853	2
Cash and cash equivalents	Amortised cost	91,603	91,603	-	-	-	91,603	1
Total financial assets		**256,865**	**91,603**	**162,260**	**2,667**	**324**	**256,865**	
Financing liabilities	Amortised cost	2,181,462	-	2,181,462	-	-	2,183,989	2
Trade payables	Amortised cost	41,913	-	41,913	-	-	41,913	2
Liabilities to related entities	Amortised cost	43,196	-	43,196	-	-	43,196	2
Financing liabilities: Derivatives	FVTPL	14,062	-	-	14,062	-	14,062	3
Other liabilities	Amortised Cost	66,866	-	66,866	-	-	66,866	2
Total financial liabilities		**2,347,500**	**-**	**2,333,438**	**14,062**	**0**	**2,350,027**	
Financial Assets measured at fair value through OCI - debt instrument	FVOCI-debt instrument	-	-	-	-	-	-	
Financial Assets measured at fair value through OCI - equity instrument	FVOCI-equity instrument	324	-	-	-	324	324	
Financial Asset measured at fair value through profit and loss	FVTPL	5,354	-	-	5,354	-	5,354	
Financial asset measured at amortised cost	Amortised cost	253,863	91,603	162,260	-	-	253,863	
Financial Liabilities at cost	Amortised cost	2,333,227	-	2,333,227	-	-	14,062	
Financial Liabilities held for trading	FVTPL	14,062	-	-	14,062	-	-	

Liquidity risk exposure for the Group was as follows:

in k€	Carrying value as of 31.03.2019	Maturities		
		< 1 year	1 - 5 years	> 5 years
Liabilities to financial institutions	2,240,260	1,252,350	871,801	48,714
Derivatives	3,566	-	-	-
Trade payables	65,943	65,943	-	-
Liabilities to related parties	56,891	56,891	-	-
Other financial liabilities	70,040	48,189	21,851	-
Total	**2,436,700**	**1,423,373**	**893,651**	**48,714**

in k€	Carrying value as of 31.12.2018	Maturities		
		< 1 year	1 - 5 years	> 5 years
Financing liabilities	2,181,462	1,168,777	1,173,781	28,343
Derivatives	14,062	-	-	-
Trade payables	41,913	41,912	1	-
Liabilities to related parties	43,196	43,196	-	-
Other financial liabilities	66,866	51,650	15,216	-
Total	**2,347,500**	**1,305,536**	**1,188,998**	**28,343**

2.7.11 LEASE INFORMATION (IFRS 16)

On adoption of IFRS 16, Consus recognised lease liabilities in relation to leases which had previously been classified as ‘operating leases’ under the principles of IAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee’s incremental borrowing rate as of 1 January 2019. The weighted average lessee’s incremental borrowing rate applied to the lease liabilities on 1 January 2019 was in the range between 2.3 - 2.7%. The table below shows the reconciliation from operating lease commitments with IAS 17 as of December 31, 2018 to total lease liabilities as at January 1, 2019 with IFRS 16:

in k€	01.01.2019
Reconciliation lease liabilities IFRS 16	
(+) Operating Lease commitments as at December 31.2018 (IAS 17)	17,694
(-) Discounted using the lessee's incremental borrowing rate	-1,687
(-) Exemptions	-3,874
(+/-) Other	
Total lease liabilities (IFRS 16)	**12,133**

The recognised right-of-use asset relate to the following types of assets:

in k€	31.03.2019	01.01.2019
Right-of-use assets		
Properties	10,086	10,535
Equipment	0	0
Cars	1,510	1,598
Others	0	0
Total right-of-use assets	**11,597**	**12,133**

IFRS 16 does not require a lessee to recognise assets and liabilities for (a) short-term leases and (b) leases of low value assets.

	Book value as of:	
in k€ - Lease liabilities	**31.03.2019**	**01.01.2019**
current lease liabilities	2,798	2,915
non-current lease liabilities	9,218	9,281
Total lease liabilities	**12,080**	**12,133**

2.8 SEGMENT INFORMATION

2.8.1 OPERATING SEGMENTS

For management purposes, the Group is organized into business units based on its organizational structure and has three reportable segments, as follows:

- Consus: Principal business activities included previously the letting of real estate, mainly for commercial use, and is now focussed on supporting the subsidiaries through head office functions
- CG: Principal business activities include the development of real estate for residential use as well as commercial use. Furthermore, CG is engaged in the letting of commercial and residential real estate as well as complementary services
- SSN: Principal business activities include the development of real estate for residential as well as commercial use complemented by some letting activities

The chief operating decision makers monitor the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on overall performance, Adjusted EBITDA, Net Loan to Value (Net-LTV) as well as Net Asset Values (NAV) and is measured consistent with values reported in the IFRS consolidated financial statements of the Group.

For the three months ended 31.03.2019

in k€	**Consus**	**CG Group**	**SSN**	**GxP**	**Other/ Eliminations**	**Total**
Overall performance	177	100,080	31,982	0	-177	132,062

For the three months ended

31.03.2018

in k€	**Consus**	**CG Group**	**SSN**	**GxP**	**Other/ Eliminations**	**Total**
Overall performance	3,259	81,737	-	3,343	-	88,339

Net Loan to Value (Net LTV)
31.03.2019

in k€	Consus	CG Group	SSN Group	Other/ Eliminations	Total
Investment property (IAS 40)	0	305,804	28,689	0	334,493
Prepayments on investment property (IAS 40)	0	0	0	0	0
Owner occupied real estate (IAS 16)	0	0	0	0	0
Non-current assets held-for-sale (IFRS 5)	0	0	1,329	0	1,329
Inventory (IAS 2) - Property under construction	0	1,026,638	853,594	0	1,880,232
Contract assets	0	213,264	66,518	0	279,782
Real Estate assets	**0**	**1,545,706**	**950,129**	**0**	**2,495,835**
Liabilities to financial institutions	453,931	1,004,469	747,948	33,912	2,240,260
Cash and cash equivalents	894	25,297	42,757	21	68,968
Net debt	**453,037**	**979,172**	**705,191**	**33,892**	**2,171,292**
Net loan to Value (Net LTV) in %	**0%**	**63%**	**74%**	**0%**	**87%**

Net Loan to Value (Net LTV)

31.12.2018

in k€	Consus	CG Group	SSN Group	Other/ Eliminations	Total
Investment property (IAS 40)	-	299,337	28,689	-	328,027
Prepayments on investment property (IAS 40)	-	-	-	-	0
Owner occupied real estate (IAS 16)	-	-	-	-	0
Non-current assets held-for-sale (IFRS 5)	-	-	1,329	-	1,329
Inventory (IAS 2) - Property under construction	-	955,604	870,417	-	1,826,021
Contract assets		179,850	58,222		238,072
Real Estate assets	**0**	**1,434,792**	**958,657**	**0**	**2,393,448**
Liabilities to financial institutions	459,429	947,990	754,713	33,393	2,195,525
Cash and cash equivalents	2,672	51,514	37,399	17	91,603
Net debt	**456,757**	**896,476**	**717,314**	**33,375**	**2,103,922**
Net loan to Value (Net LTV) in %	**0%**	**62%**	**75%**	**0%**	**88%**

Net Asset Value (NAV)
31.03.2019

in k€	Consus	CG Group	SSN Group	Other/ Eliminations	Total
Equity	985,592	306,701	429,905	-567,731	1,154,466
Value adjustments on other fixed assets (IAS 16)	-	-	-	-	-
Fair value of derivative financial instruments	-	-	-	-	-
Deferred tax liabilities	-	49,166	61,582	-	110,747
Goodwill	3,582	-	304,767	724,203	1,032,552
Net Asset Value (NAV)	**989,174**	**355,867**	**796,254**	**156,471**	**2,297,766**

31.12.2018

in k€	Consus	CG Group	SSN Group	Other/ Eliminations	Total
Equity	979,584	327,685	434,095	-578,825	1,162,539
Value adjustments on other fixed assets (IAS 16)	-	-	-	-	-
Fair value of derivative financial instruments	-	-	-	-	-
Deferred tax liabilities	-	51,246	63,134	-	114,380
Goodwill	3,582	724,634	304,264	-	1,032,480
Net Asset Value (NAV)	**983,166**	**1,103,565**	**801,493**	**-578,825**	**2,309,399**

2.8.2 DISAGGREGATION OF REVENUE

In the following table, revenue is disaggregated by primary geographical market and timing of revenue recognition including a reconciliation of the disaggregated revenue with the Group’s reportable segments.

Materially all revenue for financial year 2019 and previous year were generated in Germany.

Due to the Group’s business model, which is mainly based on the sale of larger development projects, the number of customers is limited. There is therefore a certain dependence on individual larger customers.

31.03.2019

in k€	Consus	CG Group	SSN Group	GxP	Other/ Eliminations	Total
Products transferred at a point in time	-	-	1,282	-	-	1,282
Products and services transferred over time	-	100,080	30,699	-	-	130,780

31.03.2018

in k€	Consus	CG Group	SSN Group	GxP	Other/ Eliminations	Total
Products transferred at a point in time	405	1,280	-	660	-	2,345
Products and services transferred over time	2,854	80,457	-	2,683	-	85,994

2.8.3 SEASONALITY OF OPERATIONS

The Group's segments are not exposed to material seasonality or cyclicality in its operations.

2.8.4 ADJUSTED EBITDA CALCULATION

The following Adjusted EBITDA table reflects EBITDA calculated on a cost basis, and removing the impact of the inventory revaluations (PPA) which occurred on the acquisition of CG Group AG by Consus. The adjusted EBIT reverses the asset value step-up and thereby reduces the book value while retaining the costs actually incurred.

Adjusted EBITDA Calculation Q1 2019 YTD

in k€	Consus	CG Group	SSN Group	Other/ Eliminations	Total
unadjusted EBITDA Q1 2019 YTD	**-1,582**	**14,912**	**13,540**	**0**	**26,869**
Reduction of changes in inventory (PPA)	0	8,379	9,735	0	**18,114**
One-offs	0	1,088	0	0	**1,088**
adjusted EBITDA Q1 2019 YTD	**-1,582**	**24,378**	**23,276**	**0**	**46,071**

Adjusted EBIT Calculation Q1 2019 YTD

in k€	Consus	CG Group	SSN Group	Other/ Eliminations	Total
unadjusted EBIT Q1 2019 YTD	**-1,587**	**13,731**	**13,256**	**0**	**25,400**
Reduction of changes in inventory (PPA)	0	8,379	9,735	0	**18,114**
Elimination of Step Up amortisation	0	75	0	0	**75**
One-offs	0	1,088	0	0	**1,088**
adjusted EBIT Q1 2019 YTD	**-1,587**	**23,273**	**22,991**	**-**	**44,676**

2.9 CAPITAL MANAGEMENT

2.9.1 CAPITAL MANAGEMENT

The aim of the Group's capital management is to secure the continued existence of the company as a going concern while generating income for its shareholders and providing all other stakeholders with benefits to which they are entitled. In addition, the overall aim is to ensure the Group's creditworthiness in order to foster the further growth of the Group.

The Group monitors capital on the basis of loan-to-value (LTV). LTV describes the ratio of net debt to the fair value of investment property. Net debt is calculated by deducting cash and cash equivalents from financial liabilities.

The Group's goal is to maintain an appropriate level of leverage in order to ensure continued access to debt financing in the long term at economically appropriate costs. LTV as at March 31, 2019, and December 31, 2018, is calculated as follows:

in k€	31.03.2019	31.12.2018
Real Estate held as Investment property (IAS 40)	334,493	328,027
Advance payments for investment property (IAS 40)	-	-
Owner-occupied real estate (IAS 16)	-	-
Non-current assets classified as held-for-sale (IFRS 5)	1,329	1,329
Inventories (IAS 2)	1,880,232	1,826,022
Contract assets	279,782	238,072
Total Real Estate Assets	**2,495,836**	**2,393,449**
Financing liabilities	2,240,260	2,195,525
Cash and cash equivalents	68,968	91,603
Net debt	**2,171,292**	**2,103,922**
Net Loan to Value (Net - LTV)	**87%**	**88%**

2.9.2 PREPAYMENTS

Prepayments received by the Group on either contract assets/liabilities (under the scope of IFRS 15) or on inventory (under the scope of IAS 2) are included in the balances of the respective asset or liability balance. Since these prepayments constitute an important source of liquidity for the Group the following table provides a comprehensive overview.

in k€	**31.03.2019**	**31.12.2018**
Prepayments included in contract assets/liabilities	544,787	498,546
Prepayments included in inventory	64,604	58,629
Total	**578,652**	**557,175**

2.10 RELATED PARTIES

2.10.1 KEY MANAGEMENT PERSONNEL REMUNERATION

The members of Group's Supervisory Board and Management Board are the management of the Group in key positions within the meaning of IAS 24.9. The following tables provide an overview of the remuneration of the Management and the Supervisory Board.

Board remuneration – three-months 2019

in k€	Accounted	Paid out
Management Board	**311**	**179**
Short-term benefits	311	179
Supervisory Board	**45**	**133**
Short-term benefits	45	133

Board remuneration – three-months 2018

in k€	Accounted	Paid out
Management Board	**253**	**253**
Short-term benefits	253	253
Supervisory Board	**-**	**-**
Short-term benefits	-	-

2.10.2 OTHER RELATED PARTY TRANSACTIONS

Transactions with other related parties for the three months ended March 31, 2019 (three months ended March 31, 2018) were as follows:

Other related party transactions

in k€	**31.03.2019**	**31.03.2018**
Interest income	793	505
Income	742	16
Expenses	-	-
Interest expenses	-938	-2,583
Financing receivables	38,734	39,901
Trade receivables	-	1,093
Other receivables	-	-
Trade payables	-	-
Other liabilities	-	-4.964
Financing liabilities, including derivatives	-13,696	-208,757

2.11 CONTINGENT LIABILITIES AND OTHER FINANCIAL OBLIGATIONS

2.11.1 OBLIGATIONS TO ACQUIRE LONG-TERM ASSETS

As of March 31, 2019 there are no significant obligations to acquire investment property (December 31, 2018: k€ 0).

2.11.2 OTHER FINANCIAL OBLIGATIONS

Other financial obligations include future obligations from pending share purchase agreements in an amount of k€ 70,300 as of March 31, 2019 (December 31, 2018: k€ 84,070). The other agreements primarily relate to the provision of insurance services and other obligations. The following table provides an overview of the aggregated amount of other financial obligations:

Other financial obligations - 2019

in k€	**<1 year**	**1-5 years**	**>5 years**	**Total**
Financial obligations as of 31.03.2019	74,779	4,850	771	80,400

Other financial obligations - 2018

in k€	<1 year	1-5 years	>5 years	Total
Financial obligations as of 31.12.2018	90,497	10,193	3,032	103,722

2.12 EVENTS AFTER REPORTING PERIOD

On 1 April 2019 Consus announced the start of the construction of the Franklin House in Berlin Charlottenburg. After completion, the future office building will contain six floors and a penthouse-type floor, with approximately 11,500 square meters of office space.

On 23 April 2019 Theodorus Gorens was appointed to the CONSUS Management Board as Deputy-CFO and Chief Risk Officer (CRO) with effect from 1 May 2019.

On 3 May 2019 Consus announced the successful placement of a senior secured corporate bond (Senior Secured Notes) with a total nominal amount of € 400,000,000. The notes have been issued at 98.5% with a duration of five years (until 2024), and a non-call period of two years and a coupon rate of 9.625% p.a. over the term.

The notes are governed by New York law (144A/Reg S) and are listed on the Official List of The International Stock Exchange. The net proceeds from the issue will be primarily used for the refinancing of outstanding liabilities of the Consus Group and cash payments in connection with the acquisition of shares in CG Group AG.

The rating agencies Fitch and Standard & Poor's rated the notes B and B-, respectively. The two rating agencies' issuer ratings for the Consus AG are B and B, respectively, with a stable outlook in each case.

Consus received the building permit for the development project 'Living at Villa Berg' in Stuttgart on May 27, 2019. The three buildings each consist of five floors, with the floor plans of the 2- to 4-room apartments ranging from 61 to 136 square meters in size. The high demand for the apartments is reflected in the fact that almost 60% have already been sold.

There were no further significant events after the reporting period.

Berlin, 19 June 2019

Andreas Steyer	Benjamin Lee	Theodorus Gorens
CEO	*CFO*	*Deputy-CFO, CRO*

Responsibility statement

To the best of our knowledge and in accordance with the applicable accounting principles for interim financial reporting, the Condensed Interim Consolidated Financial Statements for the period from 1 January to 31 March 2019 present a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and the interim management report presents a fair review of the development and performance of the business and the position of the Group, together with a description of the material risks and opportunities of the expected development of the Group.

Berlin, 19 June 2018

Andreas Steyer	Benjamin Lee	Theodorus Gorens
CEO	*CFO*	*Deputy-CFO, CRO*