

Instone Real Estate Group SE

# Quarterly statement

## Q1 2024

31 March 2024

► Key indicators

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Key indicators

In millions of euros

	3M 2024	3M 2023
<b>Key performance indicators</b>		
Volume of sales contracts	88.0	52.7
Volume of new approvals <sup>1</sup>	0.0	0.0
Revenues adjusted	119.5	123.5
<b>Key earnings figures</b>		
Gross profit adjusted	32.7	33.8
Gross profit margin adjusted	In % 27.4	27.4
EBIT adjusted	15.8	15.8
EBIT margin adjusted	In % 13.2	12.8
EBT adjusted	12.6	12.4
EBT margin adjusted	In % 10.5	10.0
EAT adjusted	9.6	8.5
EAT margin adjusted	In % 8.0	6.9
<b>Key liquidity figures</b>		
Cash flow from operations	-27.7	-74.7
Cash flow from operations without new investments	-27.0	-69.1
Free cash flow	-22.9	-73.8

<sup>1</sup> Excluding volume of approvals from joint ventures consolidated at equity.

Key indicators

TABLE 001

In millions of euros

	31/03/2024	31/12/2023
<b>Key performance</b>		
Project portfolio	6,885.8	6,972.0
<b>Key balance sheet</b>		
Total assets	1,829.4	1,839.6
Equity	581.8	576.0
Carrying amount per share <sup>1</sup>	13.3	13.2
Cash and cash equivalents <sup>2</sup>	244.7	267.7
Net financial debt <sup>3</sup>	219.2	186.8
Leverage <sup>4</sup>	2.4	2.1
Loan-to-cost <sup>5</sup>	In % 17.3	15.1
ROCE adjusted <sup>6</sup>	In % 10.8	10.3
<b>Employees</b>		
Number <sup>7</sup>	421	468
FTE <sup>8</sup>	344.1	382.5

<sup>1</sup> Based on 43,322,575 shares as at 31/03/2024 and 31/12/2023 respectively.

<sup>2</sup> Excluding €115.9 million in restricted cash and cash equivalents from the "Westville" project subsidised loan.

<sup>3</sup> Net financial debt = financial liabilities less cash and cash equivalents and term deposits. Excluding the €78.6 million subsidised loan.

<sup>4</sup> Leverage = net financial debt/12-month EBITDA adjusted.

<sup>5</sup> Loan-to-cost = net financial debt/(inventories + contract assets).

<sup>6</sup> Return on capital employed = LTM EBIT adjusted/(four-quarter average equity + net financial debt).

<sup>7</sup> Average number of employees including trainees, interns and student trainees.

<sup>8</sup> Full-time equivalent.



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## Results of operations, net assets and financial position

Cumulative financial key performance indicators TABLE 002

In millions of euros

	3M 2024	3M 2023	Change In %
Revenues adjusted <sup>1</sup>	119.5	123.5	-3.2
Gross profit adjusted	32.7	33.8	-3.3
Gross profit margin adjusted <sup>1</sup> In %	27.4	27.4	
EBIT adjusted	15.8	15.8	0.0
EBT adjusted	12.6	12.4	1.6
EAT adjusted <sup>1</sup>	9.6	8.5	12.9

<sup>1</sup> Financial performance indicators.

### Results of operations

To present the results of operations, some items in the income statement are combined into the following items:

- Cost of materials, changes in inventories and non recurring expenses related to the valuation of inventories are covered by the Project costs item.
- The Gross profit item is the balance of revenue and project costs.
- Other operating income, staff costs as well as other operating expenses and depreciation and amortisation are summarised under the heading Platform costs.
- The consolidated earnings from operating activities and share of results of joint ventures form earnings before interest and tax (EBIT).

The results of operations show all income as positive and all expenses as negative.

From the results of operations, the following adjustments are made to the adjusted results of operations, which are relevant from the point of view of the Management of the Instone Group:

As part of the adjusted results of operations of the Instone Group, revenue recognition will continue to reflect share deals and asset deals in the same way and similarly in accordance with IFRS 15, irrespective of a decision by the IFRS IC to exempt share deals from revenue recognition over time under IFRS 15.

Adjusted earnings after tax are intended to reflect the sustained profitability and are therefore adjusted for non recurring effects relating to other periods. In particular, the following significant expenses are adjusted for disposal losses from sales of tangible or financial assets or securities, unscheduled depreciation and amortisation of tangible and financial assets, non recurring expenses relating to the valuation of inventories, costs for company acquisitions, merger losses, contractual penalties, demands for additional taxes from previous years (e.g. based on audits), severance payments to the Management Board, and personnel reductions and restructuring to a greater extent, if these do not meet the strict criteria set out in IAS 37. The adjustment of material income includes, in particular, income from capital gains arising from sales of non-current assets, compensation for damages, writeups on non-current assets, refunds of taxes from previous years based on audits, reversals of provisions for extraordinary events and merger gains.

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The ongoing effects from purchase price allocations following the expansion of the scope of consolidation in previous years have also been eliminated in the adjusted results of operations.

The calculation of the individual adjusted items results from the following items in the income statement and the above-mentioned consolidated items:

- Adjusted revenue is revenue adjusted for the effects from purchase price allocations, also taking into account effects from share deals.
- The adjusted project costs include the project costs adjusted for the effects from purchase price allocations, the effects from share deals, material cost-induced other operating income (income opposed by a directly attributable item in cost of materials), indirect selling expenses and capitalised interest. They thus reflect the external costs allocated to the project developments.
- Adjusted gross profit is the result of adjusted revenue less adjusted project costs.
- Adjusted platform costs are the platform costs less other operating income after subtracting the cost of materials and indirect sales expenses allocated to project costs and adjusted for non recurring effects.
- The adjusted share of results of joint ventures are the pro rata earnings contributions from associated company and joint venture companies which are included in the consolidated financial statements using the equity method.
- Adjusted earnings before interest and tax are the adjusted gross profit reduced by the adjusted platform costs, plus the earnings of companies consolidated at equity.
- The adjusted financial result and result from investments comprise the total of other results from investments, finance income, finance costs, and depreciation and amortisation on securities classified as financial assets less capitalised interest.

**Adjusted results of operations**

TABLE 003

In millions of euros

		3M 2024	3M 2023	Change in %
Revenues adjusted		119.5	123.5	-3.2
Project costs adjusted		-86.9	-89.7	-3.1
<b>Gross profit adjusted</b>		<b>32.7</b>	<b>33.8</b>	<b>-3.3</b>
<b>Gross profit margin adjusted</b>	In %	<b>27.4</b>	<b>27.4</b>	
Platform costs adjusted		-17.7	-19.3	-8.3
Share of results of joint ventures adjusted		0.9	1.3	-30.8
<b>Earnings before interest and tax (EBIT) adjusted</b>		<b>15.8</b>	<b>15.8</b>	<b>0.0</b>
<b>EBIT margin adjusted</b>	In %	<b>13.2</b>	<b>12.8</b>	
Financial result adjusted		-3.2	-3.4	-5.9
<b>Earnings before tax (EBT) adjusted</b>		<b>12.6</b>	<b>12.4</b>	<b>1.6</b>
<b>EBT margin adjusted</b>	In %	<b>10.5</b>	<b>10.0</b>	
Income taxes adjusted		-3.1	-3.9	-20.5
<b>Earnings after tax (EAT) adjusted</b>		<b>9.6</b>	<b>8.5</b>	<b>12.9</b>
<b>EAT margin adjusted</b>	In %	<b>8.0</b>	<b>6.9</b>	

- Adjusted earnings before tax results from adjusted earnings before interest and tax less the adjusted investment and financial result.
- Adjusted income taxes correspond to income taxes adjusted for the tax effects of purchase price allocations, share deals and non recurring effects.
- Adjusted earnings after tax are the adjusted earnings before tax less the adjusted income taxes.

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Revenue

Adjusted revenue in the first quarter of 2024 amounted to €119.5 million, (previous-year period: €123.5 million), around -3.2 % below the previous year's figure. The decline in sales is mainly due to a reduction in construction services compared to the previous-year period.

The adjustment of effects from purchase price allocations slightly increased the adjusted revenue by €1.0 million (previous-year period: €0.7 million). The separate valuation of share deals ("Westville" project) increased the adjusted revenue by €15.9 million (previous-year period: €16.1 million).

Revenue TABLE 004

In millions of euros

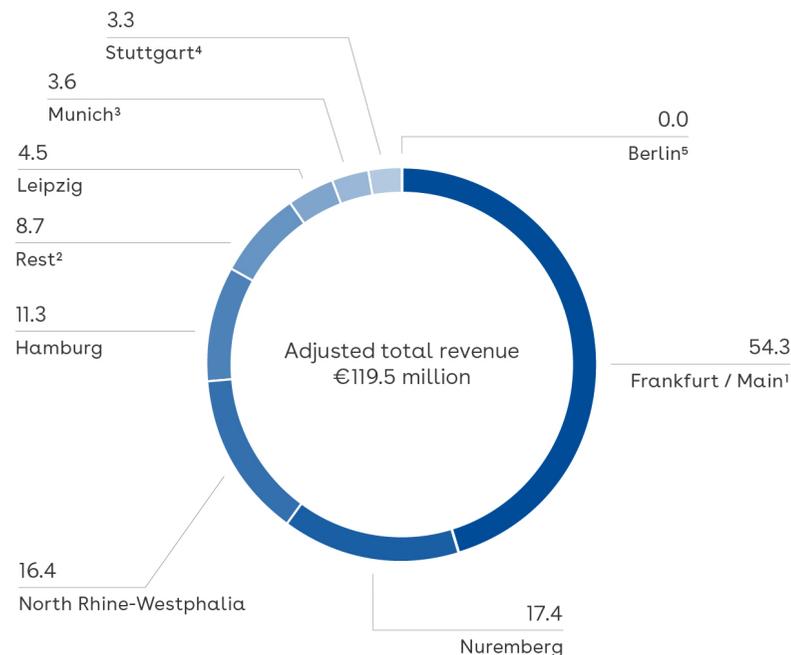
	3M 2024	3M 2023	Change in %
<b>Revenue</b>	<b>102.7</b>	<b>106.7</b>	<b>-3.7</b>
+ effects from purchase price allocations	1.0	0.7	42.9
+ effects from share deal agreements	15.9	16.1	-1.2
<b>Revenues adjusted</b>	<b>119.5</b>	<b>123.5</b>	<b>-3.2</b>

The adjusted revenue of the Instone Group was almost exclusively generated in Germany and broken down across the regions as follows:

Sales (adjusted) by region 3M 2024

FIGURE 001

In millions of euros



<sup>1</sup> Includes, among others, Maintal, Hofheim and Heusenstamm.

<sup>2</sup> Includes Wiesbaden (€6.1 million) and Bamberg (€2.6 million).

<sup>3</sup> Includes Augsburg and Rosenheim.

<sup>4</sup> Includes, among others, Rottenburg and Schorndorf.

<sup>5</sup> Includes Nauen.

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Project costs

The adjusted project costs, essentially consisting of the cost of materials and the changes in inventories, also fell in the reporting period to €-86.9 million (previous-year period: €-89.7 million). The lack of land purchases and the reduced construction activity compared to the same period of the previous-year period led to a reduction in the cost of materials to €-85.1 million (previous-year period: €-138.2 million). The decrease in inventories to €9.8 million (previous-year period: €62.7 million) reflects, on the one hand, the lower volume of land purchases compared to the same period of the previous year and, on the other hand, the increased volume of sales contracts in the reporting period.

Indirect sales expenses in the amount of €-0.2 million (previous-year period: 0.5 million) and material cost-related other operating income of €3.2 million (previous-year period: €2.8 million), of which €2.8 million from grants, were allocated to adjusted project costs in the first quarter of 2024. The adjustment of the capitalised interest in the changes in inventories of €-2.6 million (previous-year period: €-2.6 million) was added to the adjusted project costs. Effects from the amortisation of purchase price allocations reduced adjusted project costs by €2.3 million (previous-year period: €0.3 million). Due to the separate valuation of share deals, adjusted project costs again increased by €-14.4 million (previous-year period: €-15.2 million).

Project costs

TABLE 005

In millions of euros

	3M 2024	3M 2023	Change in %
<b>Project costs</b>	<b>-75.2</b>	<b>-75.5</b>	<b>-0.4</b>
+ effects from purchase price allocations	2.3	0.3	666.7
+ effects from reclassifications	0.4	0.7	-42.9
+ effects from share deal agreements	-14.4	-15.2	-5.3
<b>Project costs adjusted</b>	<b>-86.9</b>	<b>-89.7</b>	<b>-3.1</b>

Gross profit

Adjusted gross profit, with gross profit margins remaining unchanged, amounted to €32.7 million (previous-year period: €33.8 million), behind the previous year.

Gross profit

TABLE 006

In millions of euros

	3M 2024	3M 2023	Change in %
<b>Gross profit</b>	<b>27.4</b>	<b>31.2</b>	<b>-12.2</b>
+ effects from purchase price allocations	3.3	1.0	230.0
+ effects from reclassifications	0.4	0.7	-42.9
+ effects from share deal agreements	1.5	0.9	66.7
<b>Gross profit adjusted</b>	<b>32.7</b>	<b>33.8</b>	<b>-3.3</b>

The adjusted gross profit margin - calculated from the adjusted gross profit relating to the adjusted revenue - amounted to 27.4 % in the reporting period (previous-year period: 27.4 %). In the following quarters, we expect a decrease in the gross profit margin overall based on the mix of projects.

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## Platform costs

Adjusted platform costs improved to €-17.7 million compared to the previous-year period (previous-year period: €-19.3 million). In terms of costs, the measures introduced to increase efficiency contributed to a reduction in platform costs. We continue to focus on reducing the ongoing annualised platform costs to around €70 million. In the reporting period, indirect sales costs of €0.2 million and material cost-related other operating income in the amount of €3.2 million were reclassified as project costs and other non recurring effects were adjusted in the amount of €0.2 million.

### Platform costs

TABLE 007

In millions of euros

	3M 2024	3M 2023	Change in %
<b>Platform costs</b>	<b>-14.9</b>	<b>-16.7</b>	<b>-10.8</b>
+ effects from reclassifications	-3.0	-3.2	-6.3
+ non recurring effects	0.2	0.6	-66.7
<b>Platform costs adjusted</b>	<b>-17.7</b>	<b>-19.3</b>	<b>-8.3</b>

Reported staff costs in the first quarter of 2024 of €-12.3 million (previous-year period: €-13.6 million) was a year-on-year decrease of around 10 %. The structural reorganisation measures from the previous year have a positive impact on this.

The reported other operating income, at €4.9 million (previous-year period: €3.7 million) was slightly above that of the previous-year period. This included material cost-related other operating income after subtracting the cost of materials of €3.2 million (previous-year period: €2.8 million), which were reclassified as project costs. Included in this in particular is income from the realisation of grants of €2.8 million (previous-year period: €13.4 million). In addition, income was realised from the reversal of provisions and project-related liabilities released and other liabilities in the amount of €1.7 million (previous-year period: €0.6 million).

The reported other operating expenses increased to €-6.3 million in the reporting period (previous-year period: €-5.6 million). Other operating expenses mainly include costs for warranties, consulting expenses, sales costs, IT costs and court costs, solicitors' and notaries' fees.

The reported depreciation and amortisation was €-1.2 million (previous-year period: €-1.3 million), a slight decrease compared with the previous year.

## Share of results of joint ventures

The adjusted results from joint ventures of €0.9 million (previous-year period: €1.3 million) during the financial year was mainly attributable to construction activities and the sale of the Berlin joint venture Friedenauer Höhe, and reflects the expected development of this project.

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Earnings before interest and tax (EBIT)

Adjusted earnings before interest and tax remain unchanged compared to the previous-year period at €15.8 million (previous-year period: €15.8 million).

**EBIT** TABLE 008

In millions of euros

	3M 2024	3M 2023	Change in %
<b>EBIT</b>	<b>13.4</b>	<b>15.9</b>	<b>-15.7</b>
+ effects from purchase price allocations	3.3	1.0	230.0
+ effects from reclassifications	-2.5	-2.5	>100,0
+ non recurring effects	0.2	0.6	-66.7
+ effects from share deal agreements	1.5	0.9	66.7
<b>EBIT adjusted</b>	<b>15.8</b>	<b>15.8</b>	<b>0.0</b>
<b>EBIT margin adjusted</b>	In % <b>13.2</b>	<b>12.8</b>	

Investment and financial result

As in the previous year, there was no materially adjusted income from investments in the first quarter of 2024.

The reported financial result of €-5.7 million (previous-year period: €-5.9 million) was virtually unchanged.

The adjusted financial result of €-3.2 million (previous-year period: €-3.4 million), is on par with last year's level. Capitalised interest from project financing before the start of sales in the amount of €2.5 million (previous-year period: €2.5 million) were reclassified as project costs.

Earnings before tax (EBT)

Adjusted earnings before tax slightly increased to €12.6 million compared to the previous-year's quarter (previous-year period: €12.4 million).

**EBT** TABLE 009

In millions of euros

	3M 2024	3M 2023	Change in %
<b>EBT</b>	<b>7.7</b>	<b>10.0</b>	<b>-23.0</b>
+ effects from purchase price allocations	3.3	1.0	230.0
+ non recurring effects	0.2	0.6	-66.7
+ effects from share deal agreements	1.5	0.9	66.7
<b>EBT adjusted</b>	<b>12.6</b>	<b>12.4</b>	<b>1.6</b>
<b>EBT margin adjusted</b>	In % <b>10.5</b>	<b>10.0</b>	

Income taxes

The tax rate in the adjusted results of operations in the first quarter of 2024 was 24.4 % (previous-year period: 31.3 %). The significant decline in the tax rate is the result of our assessment of the planned tax rate for the 2024 financial year as of the reporting date. Due to an expected high earnings contribution from projects that will be realised in joint ventures as well as projects sold in the form of a share deal, we expect a significantly lower Group tax rate in the 2024 financial year, as these results are only subject to corporation tax.

Due to the effects mentioned above, income taxes in the reported earnings amounted to an expense of €2.1 million (previous-year period: €3.5 million).

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Earnings after tax (EAT)

As a result of the effects mentioned above, the adjusted earnings after tax of the Instone Group totalled €9.6 million in the reporting period (previous-year period: €8.5 million). Before adjustment for effects from purchase price allocations, effects from share deals and non-recurring effects, reported earnings after tax were €5.6 million (previous year: €6.5 million).

**EAT** TABLE 010

In millions of euros

	3M 2024	3M 2023	Change in %
<b>EAT</b>	<b>5.6</b>	<b>6.5</b>	<b>-13.8</b>
+ effects from purchase price allocations	2.0	0.7	185.7
+ non recurring effects	0.7	0.6	16.7
+ effects from share deal agreements	1.2	0.7	71.4
<b>EAT adjusted</b>	<b>9.6</b>	<b>8.5</b>	<b>12.9</b>
<b>EAT margin adjusted</b>	In % <b>8.0</b>	<b>6.9</b>	

Earnings after tax and after minority interests

The non-controlling interests in reported and adjusted earnings after tax amounted to €0.2 million (previous-year period: €-0.1 million).

**Earnings after tax and after minority interests** TABLE 011

In millions of euros

	3M 2024	3M 2023	Change in %
<b>EAT after minority interests</b>	<b>5.4</b>	<b>6.6</b>	<b>-18.2</b>
+ effects from purchase price allocations	2.0	0.7	185.7
+ non recurring effects	0.7	0.6	16.7
+ effects from share deal agreements	1.2	0.7	71.4
<b>EAT adjusted after minority interests</b>	<b>9.3</b>	<b>8.7</b>	<b>6.9</b>

Earnings per share

Adjusted earnings per share in the first quarter of 2024 were €0.21 (previous year: €0.20), a slight increase compared to the previous year.

**Earnings per share** TABLE 012

In millions of euros

		3M 2024	3M 2023	Change in %
Shares <sup>1</sup>	In thousands units	43,322.6	43,432.2	-0.3
Owners of the Company		5.4	6.6	-18.2
Earnings per share	In euros	0.12	0.15	-20.0
Owners of the Company adjusted		9.3	8.7	6.9
Earnings per share adjusted	In euros	0.21	0.20	5.0

<sup>1</sup> Average weighted number of shares as at 31/03/2024 and 31/03/2023.

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## Assets

### Condensed statement of financial position<sup>1</sup>

TABLE 013

In millions of euros

	31/03/2024	31/12/2023	Change in %
Non-current assets	76.3	81.4	-6.3
Inventories	1,095.7	1,085.8	0.9
Contract assets	190.4	177.1	7.5
Other current assets	106.4	111.7	-4.7
Cash and cash equivalents and term deposits	360.6	383.6	-6.0
<b>Assets</b>	<b>1,829.4</b>	<b>1,839.6</b>	<b>-0.6</b>
Equity	581.8	576.0	1.0
Liabilities from corporate finance	179.9	176.8	1.7
Liabilities from project-related financing	362.6	355.8	1.9
Provisions and other liabilities	705.1	731.0	-3.5
<b>Equity and liabilities</b>	<b>1,829.4</b>	<b>1,839.6</b>	<b>-0.6</b>

<sup>1</sup> Items have been adjusted: Term deposits have been allocated to cash and cash equivalents due to short- to medium-term availability, and financial liabilities allocated on the basis of their use in corporate finance or project financing.

As at 31 March 2024, the Instone Group's total assets fell to €1,829.4 million (31 December 2023: €1,839.6 million). Despite the increase in contract assets and inventories, this is due in particular to the decrease in other current assets and cash and cash equivalents.

As at 31 March 2024, inventories rose to €1,095.7 million (31 December 2023: €1,085.8 million). This increase in inventories is mainly due to the construction progress of the unsold projects that are currently being realised.

As at 31 March 2024, acquisition costs and incidental acquisition costs for land amounting to €680.9 million (31 December 2023: €694.3 million) were included in inventories.

Receivables from customers for work-in-progress (gross contract assets) already sold and valued at the current completion level of development rose to €700.0 million as at 31 March 2024 (31 December 2023: €603.2 million), partly due to the progress made in realising the project shares sold and partly due to the increased volume of sales contracts. Payments received from customers amounted to €-514.2 million as at 31 March 2024 (31 December 2023: €-430.1 million).

### Contract assets

TABLE 014

In millions of euros

	31/03/2024	31/12/2023	Change in %
<b>Contract assets (gross)</b>	<b>700.0</b>	<b>603.2</b>	<b>16.0</b>
Payments received	-514.2	-430.1	19.6
	<b>185.8</b>	<b>173.1</b>	<b>7.3</b>
Capitalised costs to obtain a contract	4.6	4.0	15.0
<b>Contract assets (net)</b>	<b>190.4</b>	<b>177.1</b>	<b>7.5</b>

Trade receivables in the reporting period decreased to €4.3 million (31 December 2023: €6.5 million). The receivables essentially include withholdings in connection with the transfer of projects.

The shares accounted for using the equity method, which mainly include investments in project companies, rose in the first quarter of 2024 from €51.7 million to €52.9 million due to the sale and construction progress of project developments in joint ventures.

The non-current financial receivables amounting to €5.0 million (31 December 2023: €10.3 million) include borrowings from joint ventures and have decreased due to repayments.

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The current financial receivables amounting to €23.6 million (31 December 2023: €23.3 million) mainly relate to a loan to a joint venture.

Other current receivables and other assets decreased from €74.6 million to €69.0 million in the first quarter of 2024. A considerable share of these items consists largely of approved public grants of €51.6 million (31 December 2023: €51.6 million) for the construction of buildings, including subsidy of the KfW efficiency programme. Prepayments on land for which the transfer of benefits and encumbrances takes place after the balance sheet date remained unchanged at €14.1 million in the reporting period due to a lack of new investment (31 December 2023: €14.1 million).

Cash and cash equivalents and term deposits of €360.6 million (31 December 2023: €383.6 million) were reduced mainly due to the continuous payments to suppliers and contractors for the construction activities of ongoing project developments. This includes cash and cash equivalents from development loans taken out for customers in the amount of €115.9 million (31 December 2023: €115.9 million). For more information, please refer to the Group's consolidated statement of cash flows, [☰ page 31](#).

Non-current financial liabilities were reduced to €381.8 million as at 31 March 2024 (31 December 2023: €396.6 million). In the same period, current financial liabilities rose to €160.7 million (31 December 2023: €136.1 million). The total increase in financial liabilities is due to an increased net borrowing of financial loans in the reporting period.

The other non-current liabilities amounting to €37.3 million (31 December 2023: €37.8 million) are completely related to interest and repayment subsidy in connection with subsidised loans.

Trade payables fell during the first quarter of 2024 to €123.7 million (31 December 2023: €142.2 million) and mainly included the services provided by contractors. The fall corresponds to the decrease in output in the reporting period and is also related to the reporting date.

Other current liabilities of €431.2 million (31 December 2023: €431.9 million) including mainly advance payments received for the "Westville" project in the amount of €384.6 million (31 December 2023: €383.5 million). The fall in liabilities from government grants in the amount of €29.6 million (31 December 2023: €32.4 million) corresponds to the construction of the corresponding projects.

The equity ratio as at 31 March 2024 was 31.8 % (31 December 2023: 31.3 %).

As at 31 March 2024, the Company held 3,665,761 treasury shares. This corresponds to a share of 7.8 % of the shares. As at 31 March 2024, the number of shares adjusted for the Company's treasury shares was 43,322,575 shares.

The leverage (excluding the promotional loans for the "Westville" project) increased slightly compared to the previous year's figure. It is at a historically low level. The increased net debt together with the decline in cash and cash equivalents increased the leverage slightly to 2.4 times the adjusted EBITDA. The ratio of net debt to balance sheet inventories, contract assets and contract liabilities improved to 17.3 % (31 December 2023: 15.1 %).

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Net financial debt and debt-to-equity ratio

TABLE 015

In millions of euros

	31/03/2024	31/12/2023	Change in %
Non-current financial liabilities <sup>1</sup>	303.2	318.4	-4.8
Current financial liabilities	160.7	136.1	18.1
<b>Financial liabilities</b>	<b>463.9</b>	<b>454.5</b>	<b>2.1</b>
Cash and cash equivalents and term deposits <sup>2</sup>	-244.7	-267.7	-8.6
<b>Net financial debt (NFD)</b>	<b>219.2</b>	<b>186.8</b>	<b>17.3</b>
Inventories and contract assets/liabilities	1,267.4	1,240.8	2.1
<b>Loan-to-Cost<sup>3</sup></b>	<b>In %</b>	<b>17.3</b>	<b>15.1</b>
EBIT adjusted (LTM) <sup>4</sup>	86.2	86.1	0.1
Depreciation and amortisation (LTM) <sup>4</sup>	4.9	5.0	-2.0
<b>EBITDA adjusted (LTM)<sup>4</sup></b>	<b>91.1</b>	<b>91.1</b>	<b>0.0</b>
Leverage (NFD/EBITDA adjusted (LTM)) <sup>4</sup>	2.4	2.1	0.0

<sup>1</sup> Excluding financial liabilities of €78.1 million from the subsidised loan for the "Westville" project.

<sup>2</sup> Excluding €115.9 million in restricted cash and cash equivalents from the "Westville" subsidised loan.

<sup>3</sup> Loan-to-cost = net financial debt/(inventories + contract assets/liabilities).

<sup>4</sup> LTM = last twelve months.

Financial position

In the first quarter of 2024, the nominal value of financial liabilities from corporate finance remained unchanged at €175.0 million (31 December 2023: €175.0 million); as at 31 December 2023, no syndicated loans were drawn as at the balance sheet date. Utilisation of lines of project financing (excluding the subsidised loan for the "Westville" project) increased to €285.2 million (31 December 2023: €278.8 million). The total funding available (excluding the subsidised loan for the "Westville" project), amounting to €752.8 million (31 December 2023: €758.3 million) decreased in the first quarter of 2024 due to the scheduled repayment of project financing. As at 31 March 2024, cash and cash equivalents totalling €417.8 million (31 December 2023: €423.3 million) were available from project financing (excluding the subsidised loan for the "Westville" project) and in the amount of €335.0 million (31 December 2023: €335.0 million) from corporate finance. These corporate finance agreements contain

financial ratios that are described in the "Other disclosures" section of the notes to the consolidated financial statements [page 241](#).

In the balance sheet as at 31 March 2024, the liabilities from corporate finance amounted to €179.9 million (31 December 2023: €176.8 million) and liabilities from project-related financing (including the subsidised loan for the "Westville" project) amounted to €362.6 million (31 December 2023: €355.8 million). Recognised total liabilities from financing operations rose to €542.5 million on the reporting date (31 December 2023: €532.6 million). The current project financing included in this is composed of option agreements for extension.

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The maturities of the non-discounted repayment amounts are as follows:

Financial liabilities

TABLE 016

In millions of euros

Corporate finance (promissory notes)

	Due in	Credit line
Term < 1 year	2024	5.0
Term > 1 and < 2 years	2025	100.0
Term > 2 and < 3 years	2026	20.0
Term > 3 years	2027	50.0
		<b>175.0</b>

Corporate finance (syndicated loans)

	Due in	Credit line	Utilisation
			03/31/2024
Term < 1 year	2024	118.3	0.0
Term > 1 and < 2 years	2025	41.7	0.0
		<b>160.0</b>	<b>0.0</b>

Project financing

	Due in	Credit line	Utilisation
			03/31/2024
Term < 1 year	2024	153.7	150.7
Term > 1 and < 2 years	2025	206.5	76.9
Term > 2 and < 3 years	2026	57.6	57.6
Term > 3 years	2027	0.0	0.0
		<b>417.8</b>	<b>285.2</b>

Project financing (promotional loans for customers)

	Due in	Credit line	Utilisation <sup>1</sup>
			03/31/2024
Term > 3 years	>2026	199.0	115.9
		<b>199.0</b>	<b>115.9</b>

<sup>1</sup> This includes interest and repayment subsidy of €37.3 million that is recognised under other non-current liabilities.

Condensed statement of cash flows

TABLE 017

In millions of euros

	3M 2024	3M 2023	Change in %
Cash flow from operations	-27.7	-74.7	-62.9
Cash flow from investing activities	4.8	0.9	433.3
<b>Free cash flow</b>	<b>-22.9</b>	<b>-73.8</b>	<b>-69.0</b>
Cash flow from financing activities	-0.1	-21.6	-99.5
<b>Cash change in cash and cash equivalents</b>	<b>-23.0</b>	<b>-95.4</b>	<b>-75.9</b>
Cash and cash equivalents at the beginning of the period	383.6	255.6	50.1
<b>Cash and cash equivalents at the end of the period</b>	<b>360.6</b>	<b>160.2</b>	<b>125.1</b>

The cash flow from ongoing Instone Group operations of €-27.7 million in the first quarter of 2024 (previous-year period: €74.7 million) was essentially due to the payment flows combined with the reduction of liabilities to contractors for ongoing projects with simultaneous purchase price payments and transfer taxes for land totalling €0.7 million (previous-year period: €5.6 million). In addition, income tax payments amounting to €3.4 million were made in the reporting period (previous-year period: €1.3 million).

The operating cash flow, adjusted for payments for land, in the period under review has improved with €-27.0 million (previous-year period: €-69.1 million) compared with the previous-year period.

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Cash flow from operations

TABLE 018

In millions of euros

	3M 2024	3M 2023	Change in %
EBITDA adjusted	17.1	17.0	0.5
Other non-cash items	-5.9	-1.3	352.2
Taxes paid	-3.4	-1.3	161.5
Change in net working capital	-35.5	-89.1	-60.2
<b>Cash flow from operations</b>	<b>-27.7</b>	<b>-74.7</b>	<b>62.9</b>
Payments for land	0.7	5.6	-87.7
<b>Cash flow from operations without new investments</b>	<b>-27.0</b>	<b>-69.1</b>	<b>-60.9</b>

<sup>1</sup> Net-Working-Capital is made up of inventories, contract assets and trade receivables, other receivables less contract liabilities and trade payables and other liabilities.

Cash flow from investing activities amounted to €4.8 million in the reporting period (previous-year period: €0.9 million). This mainly resulted from scheduled repayments of loans recognised in financial assets.

The cash flow from financing activities as at 31 March 2024 stood at €-0.1 million (previous-year period: €-21.6 million). This mainly consisted of net opening of new lines of credit in the amount of €8.7 million, consisting of payments received from new finance facilities in the amount of €12.8 million and repayments for terminated finance facilities in the amount of €4.0 million. In the reporting period, payments for interest amounting to €7.7 million (previous-year period: €3.1 million) were included in the cash flow from financing activities.

As at 31 March 2024, financial resources rose to €360.6 million (31 March 2023: €160.2 million).

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## Project business at a glance

**Real estate business key performance indicators**

TABLE 019

In millions of euros

		3M 2024	3M 2023
Volume of sales contracts <sup>1</sup>		88.0	52.7
Volume of sales contracts	In units	213	110
		31/03/2024	31/12/2023
Project portfolio (existing projects) <sup>2</sup>		6,885.8	6,972.0
of which already sold		2,781.1	2,693.4
Project portfolio (existing projects)	In units	14,252	14,252
of which already sold	In units	6,430	6,217

<sup>1</sup> Volume of sales contracts reflects the revenue-relevant (adjusted) volume of contracts of our projects. It mainly comprises all sales-related transactions, such as notarised real estate purchase agreements, individual orders from clients and rental income.

Volume of sales contracts is also referred to as sales volume.

<sup>2</sup> The portfolio value as at the reporting date is the anticipated overall volume of revenue from all projects listed in the project portfolio. The Instone Group divides its project portfolio into three different groups depending on the stage of development: For projects with the status "pre-sale", the land has been already purchased, secured or claimed by us in a binding offer, but marketing has not yet begun. Following sales release and the initiation of marketing, projects are transferred to a "pre-construction" status. Projects with a completed start of construction have an "under construction" status until complete handover. Projects are removed from the portfolio the reporting month after all construction obligations have been fulfilled, the project has been sold (except when selling units individually, then once the percentage of units left to be sold is less than 2 %) and handover is complete.

The sales level of unit sales in the last quarter of 2023 (Q4 2023: €43 million/90 units), which was positively influenced by two sales launches at the time, could not be fully confirmed in the first quarter of 2024. However, the sales volume in the first three months of 2024, at €26 million and 47 units, was significantly higher than in the same period of the previous year (Q1 2023: €6 million/11 units).

In addition, the "4Living" project in Erlangen was successfully sold in the first quarter of 2024. Four apartment blocks with over 160 residential units in accordance with KfW 55 RE house efficiency standard are being built on a plot of around 9,300 m<sup>2</sup>, 95 of which are subsidised on an income basis (EOF). The energy supply is 100 % fossil-free thanks to a biomass heating system.

In addition to further increases in revenues from projects already sold, the volume of sales contracts of our institutional projects in the first quarter of the current financial year amounts to around €62 million and 166 units.

In the first three months of 2024, this means that a total sales volume of €88.0 million with 213 sales units was achieved. Based on the sales value of the first quarter of 2023 (Q1 2023: €52.7 million/110 units), this represents an increase of around 67 %. In a first step, this confirms the assumption made in the 2023 Annual Report to revive sales activities in 2024.

The realised volume of sales contracts of around 98 % as at 31 March 2024 was focused on the most important metropolitan regions of Germany. 2 % is attributable to other attractive, medium-sized cities.

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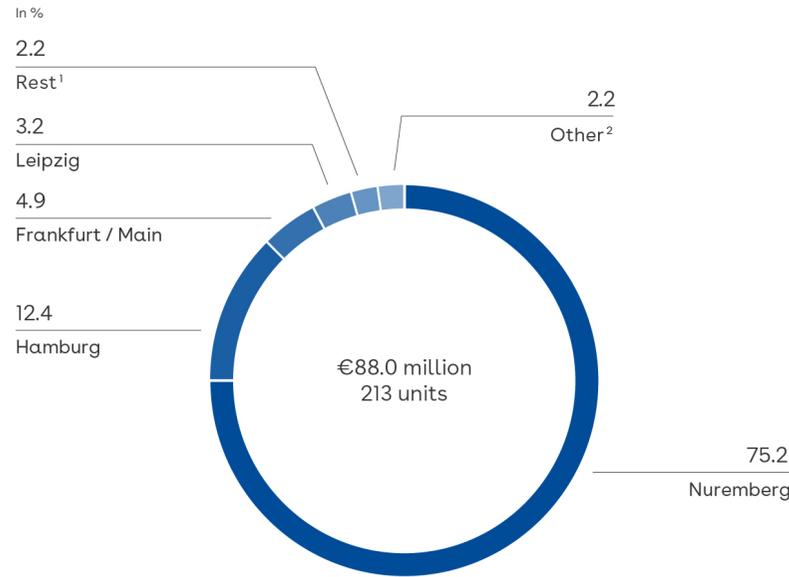
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Marketing by region, 3M 2024

FIGURE 002



<sup>1</sup> Mainly includes Potsdam.

<sup>2</sup> Includes Berlin, Munich, North-Rhine Westphalia and Stuttgart.

The following projects mainly contributed to successful marketing in the 3M 2024 reporting period:

Real estate business key performance indicators – Volume of sales contracts 3M 2024

TABLE 020

In millions of euros

Individual sale		Volume	Units
"Urban.Isle Campus"	Hamburg	11.1	23
"Fuchsgärten"	Nuremberg	4.4	8
"Parkresidenz"	Leipzig	3.6	8
"Schönhof-Viertel"	Frankfurt a. M.	3.6	3
"Fontane Gärten"	Potsdam	1.7	3
Other	Other	1.1	2
<b>Investor goods</b>			
"4Living"	Nuremberg	62.4	166
Other	Other		

The offer for sale of our individual sales projects on the market as at 31 March 2024 includes 537 units with an expected revenue volume of €320 million. The reduction in the sales offer compared to the 2023 end-year value (584 units and €345 million) is due to the sale of a total of 47 unit sales units in the reporting period.



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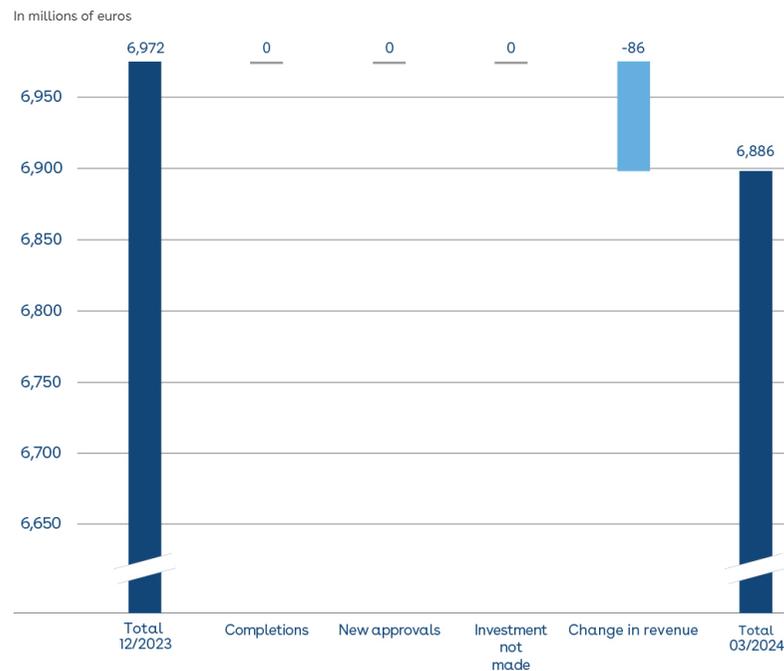
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**Development of the project portfolio, 31/03/2024**

FIGURE 003



As at 31 March 2024, the Instone Group's project portfolio comprised 45 projects, from which we currently anticipate a total volume of sales contracts of €6,885.8 million, representing a decrease from that of 31 December 2023 (€6,972.0 million). This reduction is mainly due to a general management reserve for any negative market developments in sales and construction prices.

The Instone Group continued to deliberately pursue its strategic approach from the 2022 and 2023 financial years of extremely selective investment activity in the first quarter of 2024. For example, no new investment approvals were granted in the reporting period and therefore no new property purchase agreements were concluded. We also expect attractive acquisition opportunities for projects of competitors with weaker financial resources in the changed interest rate and financing environment. The exploitation of these opportunities is expected to lead to significant investment activity on our part in the near to medium-term. The Instone Group is already in the process of reviewing concrete offers, with initial decisions on these expected soon. There were no project completions in the reporting period.

We have already realised adjusted revenues of €2,140.7 million from the current project portfolio, of which around €819.8 million has already been handed over.

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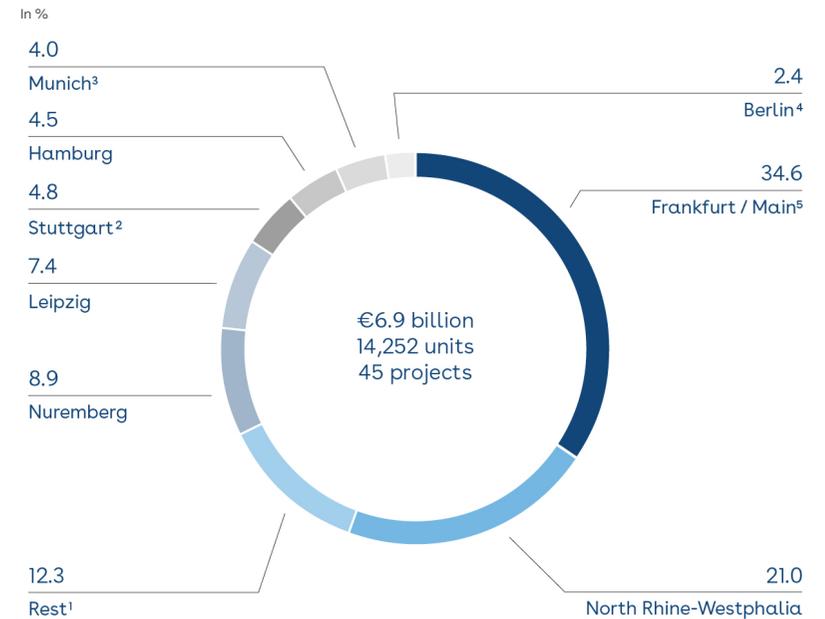
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As at 31 March 2024, the forecast gross profit margin on the project portfolio, excluding the "Westville" project in Frankfurt am Main, is around 23.6 %.<sup>1</sup> The aforementioned management reserve has also had an impact on the earnings calculation, meaning that the project gross profit margin on the project portfolio has decreased compared to the previous year's final figure (31 December 2023: 24.6 % excluding the "Westville" project).

**Project portfolio by region, 31/03/2024**

FIGURE 004



<sup>1</sup> Includes Wiesbaden, Bamberg, Hanover Potsdam.

<sup>2</sup> Includes Rottenburg and Herrenberg.

<sup>3</sup> Includes Munich, Augsburg and Rosenheim.

<sup>4</sup> Includes Nauen.

<sup>5</sup> Includes, among others, Maintal, Hofheim and Heusenstamm.

The majority - approximately 88 % - of anticipated overall volume of revenue from the project portfolio as at 31 March 2024 is located in the most important metropolitan regions of Germany: Berlin, Dusseldorf, Frankfurt/Main, Hamburg, Cologne/Bonn, Leipzig, Munich, Nuremberg and Stuttgart. Around 12 % is attributable to other attractive, medium-sized cities.

<sup>1</sup> If the large "Westville" project is taken into consideration, the expected project gross profit margin for the project portfolio is about 22.6 %.

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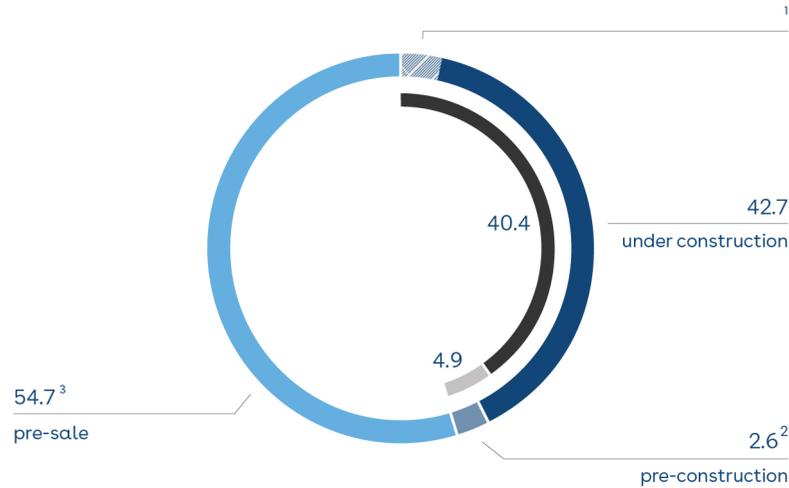
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**Project portfolio by group, 31/03/2024**  
 Basis: Sale proceeds

FIGURE 005

In %



Internal sector:

- Sold
- Unsold

<sup>1</sup> 11.2 % of the project portfolio has already been transferred. These projects are included in "under construction".

<sup>2</sup> 0.7 % of the project portfolio has already been transferred. These projects are included in "pre-construction".

<sup>3</sup> 6.1 % of the project portfolio are in the status of "land acquisition". These projects are included in "pre-sale".

Given our project portfolio's continued growth up to 2022, the conscious decision to take an extremely selective approach to starting sales in the current macroeconomic environment and the on-going completion of sold projects, most of our current projects are in the "pre-sale" development stage.

All of these categories are at a comparable level to the previous year's level (31 December 2023: 56.3 % pre-sale/42 % under construction/1.8 % pre-construction).

In addition, the preceding diagram shows that, as at 31 March 2024 we had already sold approximately 40 % of the anticipated overall revenue volume of the project portfolio. In terms of the anticipated revenue volume from "under construction" and "pre-construction" projects, approximately 89 % of projects had been sold as at 31 March 2024.

The 45 projects from the Instone Group's project portfolio (as shown in figure 004 ) will be supplemented by four further projects which will be realised in joint ventures. Overall, a total volume of sales of around €1.3 billion (Instone Group share approx. €630 million) and the development of approximately 2,100 residential units was expected for these projects consolidated using the equity method.

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**Adjusted revenue**

In the reporting period, we achieved adjusted revenue of €119.5 million (previous year: €123.5 million). The following projects contributed significantly to the adjusted revenue:

**Key project revenue recognition (adjusted) 3M 2024**

TABLE 021

In millions of euros

		Revenue volume (adjusted)
"Schönhof-Viertel"	Frankfurt a. M.	31.6
"Westville"	Frankfurt a. M.	16.0
"4Living"	Nuremberg	13.9
"Urban.Isle Campus"	Hamburg	11.3
"Literaturquartier"	Essen	8.2
"Steinbacher Hohl"	Frankfurt a. M.	6.0
"Wiesbaden-Delkenheim"	Wiesbaden	6.0
"west.side"	Bonn	4.5
"Parkresidenz"	Leipzig	4.5
"Augusta und Luca"	Augsburg	3.5

The building blocks of success for realising the adjusted revenues were steady marketing progress and a further development process in the structural implementation of our projects. For this reason, in addition to the marketing progress achieved, progress in the projects under construction, in particular, have contributed to the generation of revenue.

In the reporting period, a sub-project of the "Parkresidenz" with a total of 16 units was able to start construction work. A total of 4,847 units are currently in the construction phase at the same time.

The transfers in the first quarter of 2024 include a volume of around €32 million for 88 successfully transferred units. A further sub-project of the "Parkresidenz", with 62 successfully transferred residential units, played a key role in this.

All developments in what is a challenging market environment were monitored closely in terms of our projects and compensated for as far as possible by making the appropriate adjustments to the relevant processes.

The completed projects of the Instone Group's project portfolio continue to have a high sales ratio of about 95 %.



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## Risk and opportunities report

At the Instone Group, risk and opportunities management is an integral part of the Group-wide system of corporate governance. For a detailed overview of our risk and opportunities management processes as well as the risk and opportunities situation, please refer to the "Risk and opportunities report" shown in the combined management report on [pages 156 - 173](#) of the 2023 Annual Report.

There was no material change in the risk and opportunities situation in comparison to our presentation in the 2023 Annual Report.

The risk and opportunities situation is continuously monitored, assessed and, if necessary, incorporated into the ongoing forecast. From the current perspective, there were no identifiable risks that could jeopardise the continued existence of the Instone Group.



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Our forecast for business development for 2024, which we announced with the publication of the 2023 annual report in March 2024, continues to be confirmed.

The Management Board now expects the financial and operating performance indicators to develop as follows:

Forecast		TABLE 022
In millions of euros		2024
Adjusted revenue	500-600	
Adjusted gross profit margin	~ 22 %	
Adjusted earnings after tax	30-40	
Volume of sales contracts	> 300	

The forecast is based, among other things, on a historically lower speed of sales of our unit sales projects and a sustained reluctance on the part of institutional investors as a result of the significant rise in interest rates.



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## Consolidated income statement

### Consolidated income statement

TABLE 023

In thousands of euros

	01/01-31/03/2024	01/01-31/03/2023
Revenue	102,661	106,711
Changes in inventories	9,847	62,746
	<b>112,508</b>	<b>169,457</b>
Other operating income	4,941	3,732
Cost of materials	-85,059	-138,209
Staff costs	-12,277	-13,567
Other operating expenses	-6,317	-5,561
Depreciation and amortisation	-1,243	-1,265
<b>Consolidated earnings from operating activities</b>	<b>12,553</b>	<b>14,588</b>
Share of results of joint ventures	854	1,279
Finance income	3,116	951
Finance costs	-8,843	-6,858
Other financial result	-16	0
<b>Consolidated earnings before tax (EBT)</b>	<b>7,664</b>	<b>9,959</b>
Income taxes	-2,050	-3,463
<b>Consolidated earnings after tax (EAT)</b>	<b>5,614</b>	<b>6,496</b>
<b>Attributable to:</b>		
Owners of the Company	5,405	6,639
Non-controlling interests	209	-143
Weighted average number of shares (in units)	43,322,575	43,432,153
<b>Basic and diluted earnings per share (in €)</b>	<b>0.12</b>	<b>0.15</b>



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## Consolidated statement of financial position

### Consolidated statement of financial position

TABLE 024

In thousands of euros

	31/03/2024	31/12/2023
<b>ASSETS</b>		
<b>Non-current assets</b>		
Goodwill	6,056	6,056
Intangible assets	65	232
Right of use assets	10,630	11,320
Property, plant and equipment	941	1,044
Interests in joint ventures	52,894	51,715
Other investments	405	390
Financial receivables	4,989	10,296
Deferred tax	301	301
	<b>76,282</b>	<b>81,354</b>
<b>Current assets</b>		
Inventories	1,095,687	1,085,840
Right of use assets	3,027	3,027
Financial receivables	23,638	23,309
Contract assets	190,376	177,069
Trade receivables	4,335	6,467
Other receivables and other assets	68,954	74,599
Income tax assets	6,430	4,302
Cash and cash equivalents	360,593	383,605
	<b>1,753,039</b>	<b>1,758,219</b>
<b>TOTAL ASSETS</b>	<b>1,829,320</b>	<b>1,839,573</b>

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### Consolidated statement of financial position

TABLE 024

In thousands of euros

	31/03/2024	31/12/2023
<b>EQUITY AND LIABILITIES</b>		
Equity		
Share capital	46,988	46,988
Capital reserves	358,983	358,983
Consolidated retained equity	205,252	199,847
Accumulated reserves recognised in other comprehensive income	1,395	1,234
Treasury shares at acquisition costs	-36,697	-36,697
Equity attributable to shareholders	575,922	570,355
Non-controlling interests	5,830	5,621
	<b>581,751</b>	<b>575,976</b>
<b>Non-current liabilities</b>		
Provisions for pensions and similar obligations	781	997
Other provisions	4,137	3,409
Financial liabilities	381,827	396,550
Liabilities from net assets attributable to non-controlling interests	12	13
Leasing liabilities	10,200	10,595
Other liabilities	37,270	37,843
Deferred tax	42,481	44,067
	<b>476,708</b>	<b>493,474</b>
<b>Current liabilities</b>		
Other provisions	20,942	24,267
Financial liabilities	160,650	136,050
Leasing liabilities	3,828	4,153
Contract liabilities	18,672	22,134
Trade payables	123,700	142,183
Other liabilities	431,175	431,893
Income tax liabilities	11,895	9,443
	<b>770,861</b>	<b>770,122</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,829,320</b>	<b>1,839,573</b>

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## Consolidated statement of cash flows

### Consolidated statement of cash flows

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In thousands of euros

	01/01-31/03/2024	01/01-31/03/2023
<b>Consolidated earnings after tax</b>	<b>5,614</b>	<b>6,496</b>
(+) Depreciation and amortisation/(-) reversal of impairments of property, plant and equipment	1,243	1,265
(+) Profit/(-) Loss on disposals of property, plant and equipment	0	1
(+) Increase/(-) Decrease in provisions	-2,553	-77
(+) Current income tax income/(-) current income tax expense	3,711	4,227
(+) Deferred income tax income/(-) deferred income tax expense	-1,670	-764
(+) Expense/(-) income from interests in joint ventures	-854	-1,279
(+) Interest expenses/(-) interest income	5,743	0
(+) Proceeds from public grants	0	5,907
(+/-) Change in net working capital <sup>1</sup>	-35,531	-89,121
(+) Income tax reimbursements/(-) income tax payments	-3,386	-1,327
<b>= Cash flow from operations</b>	<b>-27,683</b>	<b>-74,671</b>
(-) Outflows for investments in property, plant and equipment	-48	-20
(+) Proceeds from disposals of investments	5,208	233
(-) Outflows for investments in unconsolidated companies and other companies	-326	0
(+) Interest received	0	663
<b>= Cash flow from investing activities</b>	<b>4,834</b>	<b>876</b>



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## Consolidated statement of cash flows (continued)

### Consolidated statement of cash flows

TABLE 025

In thousands of euros

	01/01-31/03/2024	01/01-31/03/2023
(-) Acquisition of treasury shares	0	-4,558
(+) Proceeds from loans and borrowings	12,779	5,407
(-) Repayments of loans and borrowings	-4,039	-18,342
(-) Payments from lessees to repay liabilities from lease agreements	-1,157	-981
(-) Interest paid	-7,704	-3,092
<b>= Cash flow from financing activities</b>	<b>-121</b>	<b>-21,568</b>
Cash and cash equivalents at the beginning of the period	383,605	255,592
(+/-) Cash change in cash and cash equivalents	-22,970	-95,363
<b>= Cash and cash equivalents at the end of the period</b>	<b>360,635</b>	<b>160,230</b>

<sup>1</sup> Net working capital is made up of inventories, contract assets and trade receivables, other receivables less contract liabilities and trade payables and other liabilities.

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## Segment reporting

### Reconciliation of adjusted results of operations 01/01-31/03/2024

TABLE 026

In thousands of euros

	Adjusted results of operations	Share deal effects	Non recurring effects	Reclassifications	Effects from PPA	Reported results of operations
<b>Revenue</b>	<b>119,533</b>	<b>-15,890</b>	<b>0</b>	<b>0</b>	<b>-981</b>	<b>102,661</b>
<b>Project costs</b>	<b>-86,871</b>	<b>14,399</b>	<b>0</b>	<b>-436</b>	<b>-2,303</b>	<b>-75,212</b>
Cost of materials	-82,078	0	0	-2,981	0	-85,059
Changes in inventories	-4,793	14,399	0	2,544	-2,303	9,847
<b>Gross profit</b>	<b>32,662</b>	<b>-1,492</b>	<b>0</b>	<b>-436</b>	<b>-3,285</b>	<b>27,449</b>
<b>Platform costs</b>	<b>-17,680</b>	<b>0</b>	<b>-196</b>	<b>2,981</b>	<b>0</b>	<b>-14,896</b>
Staff costs	-12,277	0	0	0	0	-12,277
Other operating income	1,715	0	0	3,225	0	4,941
Other operating expenses	-5,876	0	-196	-245	0	-6,317
Depreciation and amortisation	-1,243	0	0	0	0	-1,243
Share of results of joint ventures	854	0	0	0	0	854
<b>EBIT</b>	<b>15,835</b>	<b>-1,492</b>	<b>-196</b>	<b>2,544</b>	<b>-3,285</b>	<b>13,407</b>
Financial result	-3,199	0	0	-2,544	0	-5,743
<b>EBT</b>	<b>12,637</b>	<b>-1,492</b>	<b>-196</b>	<b>0</b>	<b>-3,285</b>	<b>7,664</b>
Tax	-3,079					-2,050
<b>EAT</b>	<b>9,558</b>					<b>5,614</b>

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Reconciliation of adjusted results of operations 01/01–31/03/2023

TABLE 027

In thousands of euros

	Adjusted results of operations	Share deal effects	Non recurring effects	Reclassifications	Effects from PPA	Reported results of operations
<b>Revenue</b>	123,500	-16,073	0	0	-716	106,711
<b>Project costs</b>	-89,669	15,213	0	-710	-299	-75,463
Cost of materials	-134,960	0	0	-3,249	0	-138,209
Changes in inventories	45,291	15,213	0	2,540	-299	62,746
<b>Gross profit</b>	33,832	-860	0	-710	-1,015	31,248
<b>Platform costs</b>	-19,341	0	-568	3,249	0	-16,660
Staff costs	-13,567	0	0	0	0	-13,567
Other operating income	961	0	0	2,772	0	3,732
Other operating expenses	-5,470	0	-568	478	0	-5,561
Depreciation and amortisation	-1,265	0	0	0	0	-1,265
Share of results of joint ventures	1,279	0	0	0	0	1,279
<b>EBIT</b>	15,769	-860	-568	2,540	-1,015	15,866
Financial result	-3,367	0	0	-2,540	0	-5,907
<b>EBT</b>	12,402	-860	-568	0	-1,015	9,959
Tax	-3,885					-3,463
<b>EAT</b>	8,517					6,496

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## Appendix (methods, addendum)

### Basis of the quarterly statement

For the quarterly statement as at 31 March 2024, the accounting policies applied when preparing the consolidated financial statements as at 31 December 2023 were generally adopted without change.

The consolidated financial statements for the Instone Group as at 31 December 2023 were prepared on the reporting date on the basis of section 315e(1) HGB in accordance with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB) and the related Interpretations (IFRIC) of the IFRS Interpretations Committee (IFRS IC) as they apply in accordance with Regulation No 1606/2002 of the European Parliament and of the Council on the application of international accounting standards in the European Union.

The quarterly statement is prepared in euros, which is the functional currency and the reporting currency of the Group. All amounts are expressed in thousands of euros (€ thousand) unless stated otherwise. Commercial rounding may lead to immaterial rounding differences in the totals.

### Events after the balance sheet date

There were no events of particular significance to report after the reporting date of 31 March 2024.



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## Disclaimer

### Forward-looking statements

This quarterly statement contains forward-looking statements that are based on current management plans, goals and forecasts. However, these statements relate only to findings that are available as at the date this quarterly statement was prepared. Management does not guarantee that these forward-looking statements will necessarily materialise. Actual future development and the results actually achieved are subject to various risks and can therefore deviate significantly from the forward-looking statements. Several risk factors cannot be influenced by the Instone Group and therefore cannot be conclusively assessed in advance. These include changes in the economic and competitive environment, legislation, fluctuations in interest or exchange rates, legal disputes and investigative proceedings and the availability of financial resources. These and other risks are listed in the 2023 consolidated report, which includes a summary of the management report, as well as in this quarterly statement. Furthermore, business development and economic results may also be encumbered by other factors. Following publication of this quarterly statement, there is no intention to in any way update the forward-looking statements made herein or to adjust them to events and developments.

### Rounding of figures

Some figures disclosed in this quarterly statement have been commercially rounded. As a result, there may be minor deviations between figures in tables and their respective analyses in the body of the text of the quarterly statement, as well as between totals of individual amounts in tables and the total values similarly provided in the text. All key performance indicators and percentage changes are calculated on the basis of the underlying data and shown in the unit "thousands of euros".

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TABLE 028

In millions of euros		Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
<b>Real estate business key performance indicators</b>						
Volume of sales contracts		88.0	120.1	20.2	18.4	52.7
Volume of sales contracts	In units	213	195	37	28	110
Project portfolio (existing projects)		6,885.8	6,972.0	7,015.5	7,182.6	7,600.4
of which already sold		2,781.1	2,693.4	2,822.7	2,868.8	2,958.7
Project portfolio (existing projects)	In units	14,252	14,252	14,269	15,148	16,107
of which already sold	In units	6,430	6,217	6,588	7,017	7,198
Volume of new approvals <sup>1</sup>		0.0	0.0	0.0	0.0	0.0
Volume of new approvals	In units	0	0	0	0	0
Cash flow from operations		-27.7	89.0	59.1	34.3	-74.7
<b>Adjusted results of operations</b>						
Revenues adjusted		119.5	182.7	153.8	156.0	123.5
Project costs adjusted		-86.9	-138.9	-115.3	-117.6	-89.7
<b>Gross profit adjusted</b>		<b>32.7</b>	<b>43.8</b>	<b>38.5</b>	<b>38.4</b>	<b>33.8</b>
<b>Gross profit margin adjusted</b>	In %	<b>27.4</b>	<b>24.0</b>	<b>25.0</b>	<b>24.6</b>	<b>27.4</b>
Platform costs adjusted		-17.7	-25.6	-17.9	-13.7	-19.3
Share of results of joint ventures adjusted		0.9	2.1	1.9	2.8	1.3
<b>Earnings before interest and tax (EBIT) adjusted</b>		<b>15.8</b>	<b>20.3</b>	<b>22.5</b>	<b>27.5</b>	<b>15.8</b>
<b>EBIT margin adjusted</b>	In %	<b>13.2</b>	<b>11.1</b>	<b>14.6</b>	<b>17.6</b>	<b>12.8</b>
Results from investments adjusted		0.0	0.0	0.0	0.0	0.0
Financial result adjusted		-3.2	-2.3	-2.6	-6.6	-3.4
<b>Earnings before tax (EBT) adjusted</b>		<b>12.6</b>	<b>18.0</b>	<b>19.9</b>	<b>20.9</b>	<b>12.4</b>
<b>EBT margin adjusted</b>	In %	<b>10.5</b>	<b>9.9</b>	<b>12.9</b>	<b>13.4</b>	<b>10.0</b>
Income taxes adjusted		0.0	0.0	0.0	0.0	0.0
<b>Earnings after tax (EAT) adjusted</b>		<b>9.6</b>	<b>11.1</b>	<b>13.2</b>	<b>15.4</b>	<b>8.5</b>
<b>EAT margin adjusted</b>	In %	<b>8.0</b>	<b>6.1</b>	<b>8.6</b>	<b>9.9</b>	<b>6.9</b>
Earnings per share (adjusted)	In euros	0.22	0.28	0.30	0.36	0.20

<sup>1</sup> Excluding volume of approvals from joint ventures consolidated at equity.

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In millions of euros

	3M 2024	2023	2022	2021	2020	
<b>Key liquidity figures</b>						
Cash flow from operations	-27.7	107.7	70.2	43.9	119.9	
Cash flow from operations without new investments	-27.0	118.1	187.2	256.3	225.0	
Free cash flow	-22.9	119.2	79.6	167.4	-64.2	
Cash and cash equivalents and term deposits <sup>1</sup>	244.7	267.7	255.6	151.0	232.0	
<b>Key balance sheet figures</b>						
Total assets	1,829.4	1,839.6	1,780.3	1,520.8	1,283.1	
Inventories	1,095.7	1,085.8	967.3	843.7	777.8	
Contract assets	190.4	177.1	333.6	358.0	194.2	
Equity	581.8	576.0	573.0	590.9	521.0	
Financial liabilities	542.5	532.6	520.6	390.5	481.7	
of wick corporate finance	179.9	176.8	179.7	199.1	207.2	
of wick project financing	362.6	355.8	341.0	191.4	274.5	
Net financial debt <sup>2</sup>	219.2	186.8	265.1	239.5	249.7	
Leverage	2.4	2.1	2.8	1.5	2.8	
Loan-to-cost <sup>3</sup>	In %	17.3	15.1	20.8	20.1	25.7
ROCE adjusted <sup>4</sup>	In %	10.8	10.3	10.2	22.0	10.3
<b>Employees</b>						
Number	421	468	486	457	413	
FTE <sup>5</sup>	344.1	382.5	409.4	0.0	342.5	

TABLE 029

In millions of euros

	3M 2024	2023	2022	2021	2020	
<b>Real estate business key performance indicators</b>						
Volume of sales contracts	88.0	211.4	292.1	1,140.1	464.4	
Volume of sales contracts	In units	213	370	530	2,915	1,292
Project portfolio (existing projects)	6,885.8	6,972.0	7,668.8	7,500.0	6,053.6	
of which already sold	2,781.1	2,693.4	2,980.5	3,038.9	2,328.8	
Project portfolio (existing projects)	In units	14,252	14,252	16,209	16,418	13,561
of which already sold	In units	6,430	6,217	7,309	7,215	5,381
Volume of new approvals <sup>6</sup>	0.0	0.0	336.7	1,587.4	489.9	
Volume of new approvals	In units	0	0	749	3,245	1,171
<b>Adjusted results of operations</b>						
Revenues adjusted	119.5	616.0	621.0	783.6	480.1	
Project costs adjusted	-86.9	-461.5	-463.8	-562.1	-333.5	
<b>Gross profit adjusted</b>	<b>32.7</b>	<b>154.5</b>	<b>157.2</b>	<b>221.5</b>	<b>146.6</b>	
<b>Gross profit margin adjusted</b>	<b>In %</b>	<b>2,736.4</b>	<b>2,508.1</b>	<b>25.3</b>	<b>28.3</b>	<b>30.5</b>
Platform costs adjusted	-17.7	-76.5	-72.5	-80.5	-65.5	
Share of results of joint ventures adjusted	0.9	8.1	3.9	14.6	2.7	
<b>Earnings before interest and tax (EBIT) adjusted</b>	<b>15.8</b>	<b>86.1</b>	<b>88.6</b>	<b>155.7</b>	<b>83.8</b>	
<b>EBIT margin adjusted</b>	<b>In %</b>	<b>1,322.2</b>	<b>1,397.7</b>	<b>14.3</b>	<b>19.9</b>	<b>17.5</b>
Results from investments adjusted	0.0	0.0	0.0	0.1	-1.2	
Financial result adjusted	-3.2	-14.9	-15.9	-19.3	-23.2	
<b>Earnings before tax (EBT) adjusted</b>	<b>12.6</b>	<b>71.2</b>	<b>72.7</b>	<b>136.5</b>	<b>59.4</b>	
<b>EBT margin adjusted</b>	<b>In %</b>	<b>1,054.4</b>	<b>1,155.8</b>	<b>11.7</b>	<b>17.4</b>	<b>12.4</b>
Income taxes adjusted	-3.1	-23.1	-22.6	-39.6	-18.3	



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<sup>1</sup> Term deposits comprise cash investments of more than three months. Excluding restricted cash and cash equivalents of €115.9 million from the "Westville" subsidised loan.

<sup>2</sup> Net financial debt = financial liabilities less cash and cash equivalents and term deposits. Excluding the subsidised loans for the "Westville" project amounting to €78.6 million.

<sup>3</sup> Loan-to-cost = net financial debt/(inventories + contract assets).

<sup>4</sup> Return on capital employed = LTM EBIT adjusted/(four-quarter average equity + net financial debt).

<sup>5</sup> Full-time equivalent.

<sup>6</sup> Excluding volume of approvals from joint ventures consolidated at equity.

TABLE 029

In millions of euros

		3M 2024	2023	2022	2021	2020
<b>Earnings after tax (EAT) adjusted</b>		<b>9.6</b>	<b>48.2</b>	<b>50.0</b>	<b>96.9</b>	<b>41.1</b>
<b>EAT margin adjusted</b>	In %	<b>803.3</b>	<b>782.5</b>	<b>8.1</b>	<b>12.4</b>	<b>8.6</b>
Earnings per share (adjusted)	In euros	0.21	1.14	1.11	2.10	0.99
Dividend per share	In euros	0.33	0.33	0.35	0.62	0.26
Distribution amount		14.3	14.3	15.2	28.7	12.2



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## Contact

### Head of IR and Capital Market Communication & Strategy

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## Legal notice

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### Management Board

Kruno Crepulja (Chairman/CEO)  
David Dreyfus  
Andreas Gräf

### Chairman of the Supervisory Board

Stefan Brendgen

### Commercial Register

Registered in the Commercial Register  
of the Essen Local Court under HRB 32658

VAT ID number  
DE 300512686

### Concept, design and implementation

RYZE Digital  
www.ryze-digital.de

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08/05/2024	Publication of quarterly statement as at 31 March 2024
08/08/2024	Publication of half-year report as at 30 June 2024
07/11/2024	Publication of quarterly statement as at 30 September 2024

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